

BANKING NEEDS OF WOMEN STREET VENDORS

**A STUDY WITH SPECIAL
REFERENCE TO POLLACHI TALUK**

Dr. B. Indira Priyadharshini



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PREFACE

Status of women in India has been subject to many great changes over the decades. Illiterate and poor women have to undertake street vending to mitigate the problem of unemployment and underemployment. They have to enter into street vending to generate a source of income for their day to day needs. Many women enter into street vending due to lack of credit and lack of confidence to start small businesses. Street vending provides scope to the poor women to sustain their life through small earning and also street vending provides livelihood and source of income to high percentage of women.

The study was carried out to determine the banking needs of women street vendors. The study extends to women street vendors in the Pollachi Taluk, their socio economic profiles, business profile, income and expenditure, their sources of credit, awareness on banking services and the problems encountered in banking services. Traditions and customs of the different religions and nativity and the population has created an uncontrollable demand for the traditional products of vegetables, fruits, flowers and food. These items are demanded by the population over 365 days. There are traditional, political, institutional and family functions going on over the whole year regularly which has increased a stable demand for all the products. Women Street vendors are accepted by the population as they are the immediate source to satisfy the demands of all kinds of people for all kinds of functions and festivals. Women street vendors sell the products nearby the people according to their needs of the day.

Street vending has become a necessary survival weapon and is fundamentally changing the micro business levels

worldwide. As the population of the country is rising to its peak, it also brings poverty and increases the survival fitness among the people. Female gender is struggling to lift up themselves and their family from the poverty.

The study identifies that many women enter into street vending as entry into street vending is easy with less capital and is depends upon the individual human capacity, to come out of poverty. Nearly 15% of the women street vendors taken for the present study are widows and separated from their husband; their situation is more vulnerable than other women vendors. They are the only bread winners of their family with one or two dependents. Street vendors outlined that they borrow from money lenders for emergency purposes, since the procedure to avail loan is easier when compared with banks.

Financial exclusion still exists on wide majority parts of rural India the importance of credit facility to small vendors remains unutilized for the actual purpose for which it is being granted. The policy moves and measures from banking institution should be more effective and liberal in grant of credit and loans with a careful management of their non-performing assets with the upcoming years there is a strong hope that the vision and mission of financial inclusion will be successful and a large group of customers would enjoy the benefits of banking services. Even though, the sample women street vendors have bank accounts, they operate their bank accounts exclusively for their self help group and MGNREG. Even after biometric has been introduced, women street vendors stated that, they operate ATM with the help of others. The sample set of women vendors opined that, they do not approach banks for availing loan due to lengthy procedure and loan of smaller denomination is not disbursed. Hence,

they borrow from private money lenders and pawn brokers with high rate of interest. Adding to this, findings of the study indicates that, banking problems faced by the women street vendors vary according to their demographic characteristics.

The municipal corporation and local bodies in India are involved in the activities of identifying the street vendors and providing them with identity cards and vending zones. The process is going on in all the places of the district, to create all types of facilities needed by the women street vendors. Even though, Women street vendors of Pollachi Taluk are not aware of the new scheme called the Pradhan Mantri Street Vendors AtmanirbharNidhi (PM SVANidhi). The central government is extending **Rs 10,000 loan as working capital** to street vendors to restart their businesses which have been hit by the Covid-19 pandemic. **The scheme is already a hit**; so far 25 lakh street vendors have come forward seeking the loan. The next stage being contemplated is to make a first-of-its-kind database of the beneficiaries of this scheme to see who they are, and where they belong vis-à-vis the government's social security net woven through various welfare schemes on education, housing, food, livelihood et al. It is sad that, the women street vendors of Pollachitaluk are not aware of the central government scheme, which is exclusively introduced for their welfare and livelihood.

It can be summarized that the *"The future lies with those who see the poor as their customers"* as commerce for the poor is more viable than the rich. The financial illiteracy of rural masses will no more be a hindrance in the development of strong healthy sustainable economy. The research also recommends that a deep study should be carried out to establish the challenges encountered by the women street vendors in the street vending process.

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