

Street Vendors in Noida

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INTRODUCTION

Street vending as an issue has largely been ignored in public policy circles both within and outside the government. The issues at stake are the fact that there is a complete disregard of street vending as a source of livelihood and the convenience provided to the consumers by them and now the law has essentially targeted eviction of street vendors under the pretext of them being unauthorised occupants of public land. On the other hand, a few NGOs have actively worked in this area and tried to give an empathic insight into the day-to-day lives of vendors. The National Policy designed by SEWA (Self Employed Women's Association) in association with the Ministry of Urban Development has been doing pioneering work in this area. This policy has been accepted by most states especially Gujarat, which has been active in implementing it. The policy though still awaits Cabinet approval for national level implementation.

This paper tries to balance out both these issues with respect to NOIDA and aims to provide a public policy, which can be implemented with ease for NOIDA with regards to public encroachment by vendors as well as their legalisation. Vending in general implies selling and street vending literally means selling on the street but today this term has come to be associated with the legal or illegal semi-permanent or temporary shops selling goods of daily use and low value. Also other providers of services to the public like cobblers and barbers also come in the purview of street vendors. This paper limits itself to an analysis of street vendors mostly selling various goods. Prominent markets in NOIDA have been covered so as to highlight the situation as it stands in these clustered groups of vendors. Also a few isolated hawkers supplemented with case studies are also included in the paper. A critical classification of markets whose detail we shall go into later is that of privately owned or on NOIDA land. The hawkers in these respective areas also face a different set of rules as such and the paper covers the differences and similarities for the same. We have solemnly endeavoured in this paper to throw light on both sides of the coin.

We have given an overview of the operative forces behind the actions of the authorities and the ways in which these are conducted. We have also tried to give an idea of the peculiarities of vending in NOIDA and the problems arising hence.

NOIDA- AN OVERVIEW

NOIDA was set up as New Okhla Industrial Development Area in 1976 under the UP Industrial Area Development Act, 1976. It was initially a collection of 37 villages and came under the district of Ghaziabad. From then on the Authority was ordered to acquire land under the Land Acquisition Act, 1896. The Authority proceeded to do so and since then NOIDA has expanded and currently comprises about 81 villages. Some of these villages have developed as a part of the town and become prominent commercial areas. It is currently under the administration of the Gautam Budh Nagar district and is one of the largest industrial townships of Asia. Usually considered a suburb of Delhi, it has for the past few years established its own identity. Malls and cinema halls have come up giving the entire landscape a refreshing look.

Atta village, for example, which was not in the list of the 37 villages under the Act was acquired much later and that too in parts, by the Authority. Due to this, Atta Market, which is the biggest vendor market in NOIDA is on private land per se and there is a high level of encroachment by the vendors on the adjoining land (pavement and road) which is under the Authority's control. The implications of this situation have been delved into in detail in the later sections of this paper.

HISTORY OF LAWS REGARDING PUBLIC LAND IN NOIDA, UP AND NATIONALLY

The following section deals with the evolution of public land laws in UP and the country as a whole. It will be interesting later to see the laws in application in extremely blurred and concocted forms.

The first post-independence Act by the UP legislature dealing with public space encroachment was called the UP Public Land (Eviction and Recovery of Rent and Damages) Act, 1959. In accordance with this Act, unauthorised occupation of public land was considered illegal. If found violating this law, the violator was sent a notice specifying the following:

- a) specify grounds on which the order of eviction is proposed to be made;
- b) require all persons concerned to show cause against the proposed order;
- c) be sent by post or delivered to all who in knowledge of the Authority is in unauthorised occupation of land.

The person served the notice could take an objection regarding the same to the Civil Court Judge. The Civil Judge would then give his decision with regards to the objection. In case of any grievance against this decision, an appeal could be filed with the District Judge. His decision on this appeal was considered final and could not be questioned in any court of law. In case of no objection to the aforementioned notice and failure to comply with the order, the Authority was authorised to evict the unauthorised occupant.

Following this Act and the increased failure of the Public Premises Act, 1958, a new national level act was formulated. This Act was called the Public Premises (Eviction of Unauthorised Occupants) Act, 1971. This Act essentially ordered the setting up of a post of Estate Officer on a district level who would ensure the enforcement of the said Act. The Act provides for a procedure in case an unauthorised public premises occupation comes to the notice of the Estate Officer. Public premises have been defined in Section 2 point (d). Following this the Estate Officer is required to send the occupant a notice. This notice warns the occupant of his crime and orders him to present a show cause at the Estate Officer's office and put forward objections if any. In case of objections the Officer has been vested with Civil Judge level powers by the Act. The officer's decision in this case is considered final and cannot be appealed against. After this procedure is over, the occupant if still found violating the law is sent an order of eviction which has to be complied with within a period of 7-15 days after its issue. After 15 days the occupant is removed by force and can be imprisoned up to six months or fined up to Rs 5000 as the case may be. The goods confiscated on public land need to be auctioned off if no claimant comes to claim them 14 days after the eviction. As can be seen this Act is quite similar to the state level UP Act. Subsequent amendments to this Act have primarily pertained to the selection procedure of Estate Officers and the imposition of a stricter penalty.

When the villages were in the process of being acquired by the Authority, major chunks of villages decided to retain their land. Villages like Atta and Naya Bans in spite of being right in the commercial heart of the town are completely on private land.

Markets have developed on this private land and have grown with the development of the town itself. These markets are unique in the sense that their shops and some big time vendors are on private land. What is not on private land are the small time vendors who have encroached upon the Authority land, which adjoins this private land like roads and pavements. Some of them as we shall see later make payments to the private market *maliks* (landlord) who offer them protection in case of raid. The vendors on public land cannot be harmed by the Authority till the time they are not seen literally on public land.

IMPLEMENTATION BY AUTHORITIES AND PROCEDURE

When the villages were not under NOIDA, the *Zila Parishad* used to issue tokens for vending way back in the 70s but this policy has now been discontinued. Vending on public space in NOIDA is totally illegal. No form of licensing whatsoever exists and street vendors have to live their way around their illegality. In the present scenario due to their unavoidable illegality vendors undergo a lot of harassment and oppression from the authorities.

The Town Planning department officials openly admit that street vendors have not been accommodated in the Master Plan of NOIDA till now but in the upcoming authority commercial areas there will be provisions to provide them with hygienic conditions for sale, broader pavements and a strategic location to sit. These officials consider these illegal street vendors (all of them that is) a law and order problem and not a town planning one. Inglay, Chief Architectural Planner, Town Planning Department says,

“Vendors were accommodated in a limited way by the Authority in early 80s but since then no provision whatsoever has been given.” This provision on investigation turned out to be a pre set up small shop in the Gulmohar Shopping Complex in sector 15.

By vending on private land in markets like Atta and Naya Bans vendors are safe from the authorities but at the cost of paying a huge rent to the landlords. Due to these aforementioned conditions vendors generally have to part with a large chunk of their income and incur huge losses when they lose goods to often conducted raids.

Currently NOIDA is divided into ten Work Circles. Previously there had been Divisions with little autonomy. As of now raids related to public space infringement issues are conducted both by the authority and the circle officers as well.

Raids by authority

These raids are essentially conducted when complaints from various quarters with regard to public space encroachment come to the authority's notice. This usually happens in both verbal and written forms and the Authority in most cases takes serious note of them. At the Authority there used to be initially an enforcement cell which due to some recent restructuring was merged with TSC (Technical Support Cell). The TSC is the department of the Authority that handles public space encroachment in any form. It is a medium sized department of about 60-70 people. Raids by the authority are usually conducted by bulldozers, JCBs and tippers which are owned by the authority itself. Raid members usually included some labour from the TSC and police force. In case of large-scale encroachments an application is filed to the CEO, which after approval is forwarded to the DSP of NOIDA Police for the provision of more police force. Bulldozers and vans are taken and vendors caught in the area concerned are forced to give up their wares and selling carts. In most cases the process is conducted with little resistance from the victims but sometimes they do get together and beat up the raiders. In about 40 percent of the cases instead of the goods being confiscated they are destroyed or spoilt on the spot itself.

Raids by circles

Raids by circle officers are usually of small time nature and conducted on a daily basis. They are mostly conducted offhand with an informal permission from the TSC and a written formal one in case of requirement of machinery. All circles approximately conduct one major raid every month and the limited machinery that is available is used on a rotational basis after a gap of about 3 to 4 weeks. The small time raids are conducted by 5-6 members of the labour staff of the circle concerned and in most cases the wares instead of being confiscated are spoilt and broken on the spot itself.

Procedure for claiming goods

Once the wares and the selling carts have been confiscated, they are sent to the godown, which is currently in Sector 34. Irrespective of who conducts the raids the entire process from here on is handled by the TSC. According to an order, vendors are not allowed to claim their confiscated goods before ten days. In accordance with this order, the victims of the raid proceed to the Authority office after ten days and write an application addressed to the TSC. This application primarily contains a list of the goods confiscated, date and place of confiscation. The application is henceforth approved after verification. The verification is done by crosschecking from a checklist which contains all goods confiscated on a particular date and from the area it was confiscated. Following the approval of the application by the Junior Engineer, TSC (now Bhasne), the assistant project engineer, R Nigam and the project engineer, V Narayan, a penalty is calculated and written over the application. The penalty calculation is done on the basis of a comprehensive list given in column 2 of appendix 1. This list is the new list which was released on the 22 April 2004. The old list is given in column 1. Various new items were included in the new list. Another fact to be noted is that the penalty charged for most goods is prohibitively higher than their actual market price. This is done so by the authority so as to discourage the vendor from claiming his good back and starting again. The vendors in case of inexpensive items, for which penalties are prohibitively high compared to the price, end up buying them from the market. This policy seems to have mixed effects.

After a calculation of the penalty the vendor has to sign an affidavit. This affidavit is on a ten rupee stamp paper and is essentially an undertaking by the vendor that he will not be found vending in the area concerned again. If found doing so, penalties are doubled as stated in appendix 1. After this formality is completed, the vendor takes his application to the cash counter of the authority. This counter is only open only on Wednesdays from ten to six. The cash counter after accepting the payment of the penalty by the vendor gives him a cash receipt. On showing this receipt at the TSC office the vendor is given a gate pass. This process should ordinarily take 1 hour but it takes almost 6-7 hours, as the vendor who comes at 11 am has to wait till 4 pm for other vendors to get their cash receipts so that all the passes can be made together. The authority finds it more efficient to give all gate passes at a certain time after a group of vendors has collected and then it sends one of its staff members to the godown to supervise the return of the goods. The gate pass is a pass for entry to the godown to claim the goods. It basically specifies the goods confiscated, date of confiscation and the place of confiscation. This is to ease the process of search at the godown.

The goods at the godown are sorted out by date and place at the godown. Goods when not claimed for a long time are then auctioned. Formerly the godown was in sector 25 from where it was moved to its current location 5 years ago. Since this transfer no auction has been conducted. On the Wednesday of 2 June 2004, 50 gate passes were issued. The claimants were mainly victims of raids conducted in the previous month. Usually this figure is about 20-25. On average about 70 percent of the total goods are claimed back. 90 percent of the expensive items confiscated like generator, engine are claimed back. These expensive items are primarily goods, which are worth more than Rs. 5000 market price since the penalty cannot be more than 5000 so these are claimed in most cases. Their owners retrieve only 10 percent of the inexpensive items like buckets and stools.

It has also been often seen that vendors make payments on the spot at the time of raid to get take their goods back but it doesn't always work out as quite often there are senior officials of the TSC or the police present. These payments amount to bribery but the authorities claim to be doing it as a favour to the vendors.

On the 9 June 2004 Pawan, a fruit seller in the Sector 37 market had come to claim his selling carts for the raid on the 22 May. He said, "I have to pay a huge fine of Rs. 350 for each *rehri* confiscated. The authority people make us wait for hours before issuing the gate pass and every minute means lost business. If sometimes it is urgent I end up bribing these officials and end up paying Rs. 550-600 per *rehri* but if the *rehri* is in a bad condition then I don't bother claiming it back. On being asked how often the raids were conducted he replied with a glum face that there have been times when the raids have been conducted even twice a day and sometimes even at night and not every time was he lucky enough to escape.

S K Sharma, project engineer for work circle 6, the circle under which Atta market comes is a god fearing man and admits to an inner sense of guilt on seeing the vendors' source of livelihood being snatched away before their own eyes. He admits that Atta market is definitely a major case of public space encroachment but also accepts that raids here in most cases are ineffective since the vendors either run away and hide or just put their wares all over their bodies about which nothing can be done. He openly admits that two hours after the raid the vendors get back to business as usual. To curb the problem of encroachment in Atta market, a one month long raid was carried out but it seems to have been completely ineffective. According to Sharma the solution lies in legalising the vendors to a limited degree and the required allocation of legalisation (permits) should be done on the basis of market forces by charging a monthly fee in proportion to good sold and the market in which it is sold.

To execute this to a certain degree it has been proposed by all Work Circle heads to set up authorized vending in specific identified bus stops on an experimental basis. On the basis of a survey it was decided that these bus stops should have the one each of the following:

- 1) *Paan wala*
- 2) Juice seller
- 3) Water seller
- 4) Fruit/vegetable vendor

Such kiosks have been set up on an experimental basis near one of the bus stops on the NOIDA- Kalindi Kunj road called master plan road 3. This set of kiosks come under circle seven, four kiosks have been set up though only one is currently occupied by a *paan* seller. These kiosks are of standard size 4 feet by 4 feet and have NOIDA written on them. The monthly rent for these kiosks is Rs 3000 a month and requires Rs 10000 as security in the beginning. The *paan wala* claims to earn Rs 200 per day and is quite happy that he need no longer fear the Authorities and police. He has been in this kiosk for the past seven months and was vending illegally at the same spot for the past 15 years. The Authority officials say that from here on these kiosks will be spread to a larger area and impart a consistent beauty to the landscape of NOIDA. The allocation for these will be on the basis of an application with a preference given to those whose place of residence is near the location of the kiosk itself.

From all this plethora of information gathered from the authorities what comes as a surprise is that unlike Delhi, NOIDA completely ignores street vendors as of now and recognizes them only as trespassers on public property. The bureaucracy and red tapism seems quite natural but at the end of day it is all a vicious circle. The authorities do what they have to do as a call of duty and the street vendors do what they do to get their two square meals.

SOCIO-ECONOMIC CONDITIONS OF VENDORS

All the major markets in NOIDA for the middle and lower income groups of the population are essentially on private land. This private land in almost all cases as we shall see further is a certain section of the villages which comprise NOIDA and were set up to meet the demands of the residents of the villagers. In most cases these are small and cater to the day-to-day requirements of their consumers. These markets basically sell items of grocery, fruits, vegetables, cigarettes and other food items. In some cases like Atta, Harola and Naya Bans these markets have developed with the town itself. It is in these clustered areas that the problem of public space encroachment has become an issue.

Atta, the biggest of them all has vendors selling clothes, cheap jewellery and even mattresses in one case. Apart from these primary markets on private land there are shopping complexes like Ganga, Brahmputra and Kanchenjunga which are on NOIDA land.

The following markets were surveyed and the information collected is as follows:

1. Harola

Harola market is located on both sides of the road dividing sector 4 and sector 5. This market is a major case of public space encroachment as both sides of the road have been packed with temporary cane structures which serve as shops. These shops are dismantled every night when the market closes. The market time is from 9 am to 11 pm. This market has sells cheap clothes, watches and locks. Clothes supplies come from Gandhi Nagar in Delhi. The sector 5 side of the market has houses of the residents of Harola behind them. The shop owners are in some cases residents themselves or their relatives of the residents. When this is not the case then the vendors end up paying rent to the owner of the house directly behind their set up. The average rent paid by these vendors is about Rs 1000 per month.

The sector 4 side of the market is a case where the vendors have amongst themselves claimed ownership of the public land. These owners in some cases have been sitting since the inception of the market which is about 20 years back. They claim rent from the tenants who occupy their property which is actually public land itself. Rent rates on this side are not as such fixed and are decided based on the mutual understanding of the tenant and the so-called landlord.

This market initially used to have leaders who were basically goons. Now this system is no longer in force but it has resulted in increased unification between market members and the residents.

Raids in this market are very few since there have been quite a few incidents where the Authorities and police were beaten away by the residents of Harola. The last raid was about 6 months ago when the road dividing the market was being repaired. The gap between raids is on an average about 8 months to about a year.

2. Atta Market

This market is on the periphery of Atta village, a survey of the market reveals some very interesting features. On the most basic level the vendors are generally happy with the system as they accept the authority of the landlords, called *dada* who charge them a rent in a reasonable manner. The *dadas* themselves claim that they are doing it as a favour to their fellow village men.

The prevailing condition is that there is a grill, which partitions the private from the public land. Since vendors on private land face no harassment from the authorities whatsoever they are ready to cough up the amount asked by the landlords. A standard 4 feet by 4 feet *paan wala* inside the grill ends up paying about Rs 4500 per month as rent. The vendors outside the grill on public land also pay a nominal rent to the landlord for protection as and when a raid occurs. This protection is provided in such a manner that when the raiders come, the vendors take their wares and stools inside the shops owned by the *Dadas* themselves and hence escape confiscation of goods. This process of paying rent but avoiding confiscation works out cheaper, as already mentioned, the penalties are prohibitively higher. Also the time lost in getting the goods back or for that matter buying new goods means wastage of time and energy.

For example a small time earring seller pays about Rs 1000-1500 to the *dada* and also about Rs 200 a month to the police to avoid harassment. He is quite content with the way his business is running. Rent paid by other vendors is case specific for example a *mehndi wala* inside the grill pays no rent at all because he is from *dada's* village. Another system of paying rent is the *pagadi* system in which the tenant pays a high security on a returnable basis and also ends up paying a nominal rent only. This security is generally so high that vendors are unable to pay and hence this system works primarily for shops.

In spite of these varied and sometimes complex ways of paying rent, all vendors and shop owners in the area are quite happy as the rents are not exploitative according to them and they feel the landowner deserves it. It is quite surprising that although the vendors inside the grill are quite protected but they were not forthcoming about information a day after the raid had occurred.

Another interesting feature is that the rent rates are high in the centre of the market and keeps decreasing towards the sides. Since there are about ten *Dadas* with about seven shops per *Dada* and they use their astute business sense to charge rent as a proportion of their sale, which for obvious reasons is lower towards the sides of the market. A survey of the market survey found that similar types of clothes sellers pay about Rs 2000 per month if their set up is in the centre. This value decreases to Rs 1500 a month mid way towards the sides. The ones at the corners end up paying just about Rs 1200 a month.

Raids do happen often in this market for example, a water seller standing right on the road pays no rent to the *dada* and hence when the raid happens people like him are the first ones to get into trouble since he doesn't come under the protective umbrella of the landlord. He claims his glasses are broken and he is also beaten up at times.

The market itself according to most is extremely competitive but provides good business. For most of these vendors this is the only permanent investment they have and they value the kind of business this market gives them. In fact some vendors have shifted their businesses from Delhi and claim this as a more lucrative market since it's the only one of its kind in entire NOIDA. Most of these vendors get their supplies from Delhi especially those dealing in fruits and vegetables. For example, a litchi seller buys his litchis from Azadpur *mandi* in Delhi every morning. In order to do this he has to reach the *mandi* by four in the morning not only to get a good price for fresh stuff but also to start his business in Atta on time. Vendors selling perishable goods sell them off either at the end of the day on a discount or mostly at weekly markets in the evening. Vendors selling goods like clothes and earrings generally get their supplies from markets like Lajpat Nagar in Delhi or even Karol Bagh. Thus we see that the supply side of the market is primarily Delhi based but due to the lower level of competition in Atta vendors prefer traversing the 30 odd km daily for better business.

3. Bhangel

This market is located about 5 km from the Atta market towards the rural side of NOIDA. It is on the outskirts of Bhangel village again primarily to meet the needs of the residents of the same. Its system is quite similar to Atta market. A 4 feet by 4 feet *paan* shop inside the grill pays about Rs 1400 a month.

Vendors outside the grill are primarily fruit and vegetable vendors and are on the side of road. These vendors pay Rs 10 everyday to the policeman of the area. The policeman takes a walk of the area and collects money on a daily basis. The vendors get their food supplies from the fruit and vegetable vendor markets in NOIDA.

The Authorities do not come here to raid often as it is far away from the commercial city centre. The number of complaints with regards to encroachment in this area is comparatively fewer. The raids in general by Authority or Work circle happen about once in two months.

4. Naya Bans

Naya Bans has privately owned commercial plots, there is no strict demarcation and vendors sit around without paying any rent only fearing the authorities and circle officers on the prowl. A juice seller sitting on the pavement next to the shops mentions running and hiding during times of raid. He says that in most cases his *rehri* is broken but not confiscated. When it is confiscated he prefers going for a new *rehri* since even when confiscated and dumped, the *rehri* undergoes a lot of wear and tear. A new *rehri* costs about Rs 1200, which is equivalent to the monthly earning of the juice seller. He gets his supply of fruits from Azadpur *mandi* everyday in the morning but he stays quite close to the Naya Bans itself. A cigarette seller just next to the juice seller claims to earn about Rs 500 a month, which allows him bare minimum level of subsistence. He gets his supply from the cigarette agency representative.

5. Weekly markets

NOIDA has a very prominent and efficient system of weekly markets. Each day of the week, a market is set up at a designated venue. These markets are completely fruit and vegetable markets. The venue in all cases is land cordoned off by the Authority for this specific purpose. The market time is from 5 pm to midnight. The vendors in this case are always the same people and the whole of the area has been allocated on a first come first serve basis. Thus, vendors have a specific area in each venue of the weekly markets where they vend every time. This has resulted in complete saturation of the market space and no possibility of the entry of new comers exists.

6. Isolated Vendors

Another prominent type, often ignored is the isolated vendors who are not part of any major cluster of vendors but sell their wares depending heavily on where they are located. Their case is not one of consumer coming to the vendor but the vendor going to or near the consumer himself henceforth providing for a reasonably higher chance of sale.

These vendors are usually mobile and sell items, which are of essential nature like food, water, juice and cigarettes. They are often found in areas close to offices, at bus stops and near cinema halls and other areas where people tend to get together in large numbers. These vendors escape from paying high rents to the landlord unlike the afore mentioned cases of market ones but then they lose out since they generally end up selling low profit items and face higher exploitation from authorities as they do not have a collective voice.

Case study of an isolated street vendor

Rajender standing on the road beside the posh sector 18 market is from Bihar. He is a big vendor in the sense that he owns three *tehlis* and sells juice. He has contacts with the policemen of the area who inform him of upcoming raids well in advance. For this critical information he ends up shelving out Rs 300 per *tehli* per month. By standing alone though he escapes paying rent to the market landlord, he admits he would rather sit alone and cater to an undivided customer base.

CONSUMER'S PERSPECTIVE

A general survey of the consumers in Atta market give a few interesting insights. Consumers tend to spend only a small fraction of their monthly income on vendors in markets like Atta. They feel that the vendors primarily give them a cost advantage by offering a price lower than the shops. They provide convenience and also at times stock goods that cannot be easily obtained in shops. As a whole they feel that vendors in spite of their illegality are not much of a nuisance.

They consider vendors an integral part of their lives, but feel they require a certain amount of restriction and policing. Consumers mostly feel that they would be happier if vendors were accommodated as an integral part of markets and given hygienic and clean conditions for sale of their wares. Consumers also agree that vendors do not offer them the kind of variety that they would like and tend to stick to the more standard goods like clothes, cheap jewellery.

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The Other Path by De Soto has been most helpful in its comprehensiveness but being based on Peru could again provide us only with building blocks for our paper.

The National Policy for Urban Street Vending document prepared by SEWA about a year ago also misses the point as it tries to homogenise an essentially regional issue for the entire nation. The document hence fails with regards to its implementability.

The documentary by Madhu Kishwar has given us food for thought by helping us visualise the problem at hand and the players involved.