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Examining the Implementation of Street Vendors Act, 2014

*Recommendations to the Parliamentary
Standing Committee of Urban Development*

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**Centre for
CIVIL
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SOCIAL CHANGE THROUGH PUBLIC POLICY



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TESTIMONY

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Examining the Implementation of Street Vendors Act, 2014

Recommendations to the Parliamentary Standing Committee of Urban Development

The Street Vendors (Protection of Livelihood and Regulation of Street Vending) Bill was enacted with an objective of regulating vendors in public spaces and protecting their right to vend. However, vendors continue to face several challenges as the implementation of the Act remains sluggish, despite the enactment. The Centre for Civil Society has tracked the progress made by states in implementing the Act since 2014. The Act delegates the power to make subordinate legislation to the state governments. The local authorities in the state play the role of implementing its key features. Therefore, the challenges vary from state to state. Nevertheless, there are certain key problems that are witnessed across the majority of states and union territories. We have substantiated our analysis with data from our latest [report](#) on the implementation of the Act.¹

1. The data used in this report is sourced from DAY-NULM's Management Information System, as it was reflected on the system on 3 March 2020. As a result, this doesn't cover states which did not report their data on the system. We also acknowledge the limitation of data wherein states did not update their data on the system and where discrepancies may have occurred on data entry.

Problem 1: Non-functioning of Town Vending Committees

Town Vending Committees (henceforth, TVC) play a very important role under the Street Vendors Act. The Act provides for the establishment of a TVC at each local authority. Local authorities have to take the recommendation of the TVC while taking decisions on fundamental areas delegated to it under the Act. 40% of the members of TVC should be elected vendor representatives. This ensures participation of vendors in the decisions which affects them. However, over 25% of ULBs are yet to constitute TVCs. In six states—namely, Assam, Himachal Pradesh, Manipur, Meghalaya, Mizoram and Uttar Pradesh—fewer than 50% of ULBs have a TVC. Across the country, only 47% ULBs have ensured elected vendor representation.

Further, our survey of 76 TVC representatives in Delhi revealed that the decision making process is not participatory for vendor representatives. 69 out of 76 TVC members in Delhi stated that TVCs do not meet regularly, and 48 stated that the minutes of meeting are often not circulated amongst members. All representatives agreed to the fact that no information about agenda, time and venue of the meeting is circulated before the meeting, and that their opinions are also not considered while setting the agenda. Lastly, the vendor representatives face a major communication barrier because of the use of English language in the meetings.

RECOMMENDATION

- » TVCs must be mandated to upload the dates, agenda and minutes of meeting on a public domain where it can be easily accessed by interested stakeholders.
- » Local language must be preferred over english for communication purposes to ensure that the process of decision making is truly participatory.
- » To achieve transparency and accountability in the functioning of TVCs, data disclosure norms must be introduced. One way to ensure this is by mandating the local authority and TVC to prepare annual reports and lay them before the elected body of the local authority. The annual reports should reveal the composition of TVC, number of members in each meeting and the decision taken in such meetings. Such disclosures will push the local authority to think of efficient ways of regulating street vendors and review the performance/ functioning of TVCs.

Problem 2: Delay in identification of vendors

The Act makes the TVCs responsible for identifying vendors by conducting surveys (Section 3) and issuing certificates of vending to identified vendors (Section 4). The implementation of this process remains sluggish and most vendors remain to be identified under the law. Of the 3,248 ULBs in our dataset, 38% are yet to conduct surveys. Where vendors are identified their population is much less than the threshold set by the Act i.e. 2.5% of the urban population of the concerned area.

In the metropolitan cities of Delhi and Mumbai, where density of vendors is comparatively much higher, most vendors are yet to be identified. The capital city of Delhi has not conducted any survey. The last survey in Mumbai was conducted in 2014. It was not conducted as per the 2014 Act and excluded more than 70% of vendors from the process. (Narang [2020](#))

State schemes are required to provide details on how the survey should be conducted and the duration within which it must be completed. Seven states, Assam, Haryana, Karnataka, Maharashtra, Madhya Pradesh, Puducherry and Uttarakhand, have conducted surveys without formulating a scheme.

Post surveys, vendors should be issued certificates of vending which act as a legal proof of their identification. Out of the ULBs that have completed surveys 84% of identified vendors are yet to receive CoVs. The states of Bihar, Haryana, Maharashtra, Meghalaya, Nagaland and Tripura have not issued a single COV.

RECOMMENDATIONS:

- » The significant administrative and financial costs that the state government has to bear for identification of vendors could be one factor that contributes to the inaction. Devolution of this function to vendors or vendors' associations will address this implementation gap by eliminating the administrative and financial hurdle. Either vendors should be allowed to self-identify themselves or vendor associations should be encouraged to conduct surveys. The report of these surveys by vendors or vendor associations, as the case may be, can be submitted to local authorities for verification and approval. Upon such verification, the local authorities can issue certificates of vending in a time bound manner or provide reasoned refusals.
- » To counter administrative inaction for renewals of COVs, a mechanism for deemed approval should be introduced.

Problem 3: Continued harassment of vendors

Section 3(3) of the Act has clearly laid down that no vendor can be evicted until the process of conducting a survey and issuance of vending certificate is complete. However, in clear violation of the law, local authorities continue to evict vendors at their discretion. A study of judicial orders by Centre for Civil Society found that eviction was the single most contested issue before the courts. Between January 2017 and September 2018, the Supreme Court of India and various high courts passed 47 judgements and orders on disputes relating to eviction under the Street Vendors Act 2014.

Judicial decisions in India have also shown a disregard of Section 3(3). For instance, the High Court of Delhi refused to grant protection to vendors who are not enumerated in surveys conducted before the enactment of the Street Vendors Act, 2014.

In Delhi, repeated instances show that police officers remove vendors from their vending spots without any statutory authority. The Act only empowers the local authority to evict vendors (Section 18). However, our interactions with vendors have revealed the undue power held by police officers in allowing a vendor to exercise his rights. Even though the restrictions on the weekly market were lifted in Delhi, the SHO of Ranjeet Nagar police station has not allowed the weekly market in Ranjeet Nagar to function. In a similar instance, the SHO of Kalkaji Police Station has removed 50 vendors from Nehru Place. In both these instances, the SHO is acting without any concurrent orders from the empowered statutory authority.

RECOMMENDATION:

- » Section 27 of the Act provides that vendors who are legally vending should not be prevented from vending by any public official. However, it does not provide for any penalty in this regard. Such omission has no deterrent effect on the conduct of official authorities. Therefore, appropriate penalties must be introduced to prevent harassment of street vendors in the form of illegal evictions and removals by public officials.

Problem 4: Poor planning and arbitrary demarcation of vending zones

Under the Act, the local authority has to prepare a vending plan to promote the vocation of street vending (Section 21). Per the first schedule of the Act, the plan determines the spatial planning norms and earmarks vending zones as restriction-free-vending zones, restricted vending zones and no-vending zones. Therefore, it has an important bearing on the rights of street vendors.

However, of the 3,248 ULBs in our dataset, only 19% i.e. 624 ULBs have submitted their vending plans. Further, the vending plans should be formulated with the recommendations of TVCs. Out of the total ULBs that formulated their vending plans, 17 ULBs formulated it without the constituting TVCs. In Haryana, Meghalaya, Puducherry and Tripura, no TVC has submitted their vending plans.

The vending plan has to ensure that all vendors identified under the survey are accommodated. As a result, the vending plan should only be formulated after vendor surveys are complete and vending certificates have been issued.. However, in Manipur and Goa vending plans were formulated without the completion of survey.

Further, the first schedule requires the plan for vending to be consistent with existing natural markets. The principles in the schedule guide the local authorities that such natural markets should not be declared a no-vending zone. Street vendors in natural markets are protected from eviction or relocation of any kind. Thus far, there is no evidence of any market being designated as a 'natural market' in India.. The local authorities have no incentive to suo moto classify markets as 'natural markets' and conduct an enquiry to justify the same.

RECOMMENDATIONS:

- » The procedure which lays down the responsibility of declaring vending zones on the local authorities is unwarranted. It creates unnecessary delay and results in a wrongful assumption that zones not declared as vending zones are by default no-vending zones. Instead, all zones must be presumed to be vending zones unless declared otherwise by the authorities. For the regulation, the local authorities should only prepare a negative list of 'no-vending' zones after inviting comments on their reasoned proposal of no-vending zones.
- » For natural markets and heritage markets, a simpler and more cost-efficient approach would entail vendors getting their markets approved as 'natural markets' from the local authority after submitting relevant evidence. Vendors do not have to remain dependent on the local authorities for identifying natural markets.
- » To check against abuse of power, the Act should clearly lay down the principles for demarcating a zone as a 'no-vending' rather than delegating this function. Further, the local authorities must be mandated to justify such a declaration, with evidence and reasons recorded in writing.



Prashant Narang has been in the sphere of policy ideas for nearly 15 years. A regulatory researcher in the area of education and livelihood, he speaks often on the Rule of Law, K-12 education, street vending, and public policy issues at top law schools and Centre for Civil Society (CCS). He currently serves as a Senior Fellow, Research and Policy Training Programs at CCS.

He co-conceptualized the Street Vendor Compliance Index to track the implementation of the Street Vendors Act 2014, contributed to all three editions of the index ([2017](#), [2019](#) and [2020](#)) and co-created the [Matrix of State Rules](#) and [Matrix of State Schemes](#). He has represented vendors at various courts (including the Supreme Court) for the implementation of the Act and against harassment.

He co-authored “NEP 2020: One Time Comprehensive Evaluation” and contributed to quality assessment of all state-level Education Laws. He co-drafted the Model State School Code - a Model Law to implement the NEP 2020 and an amendment to the Right to Education Act 2009.

Prashant has a Doctorate degree from Center for the Study of Law and Governance at Jawaharlal Nehru University, where he submitted his thesis on the Constitutional Right to Trade and Business. He led a team of 15 people to conduct a [process audit](#) of 24 public services across five departments in Punjab. This work has been instrumental in reforming the public services in the state.

Prashant has taught Constitutional Law at the Faculty of Law, University of Delhi. While he enjoys legislative drafting, he finds law and economics, and empirical legal research fascinating.



Meghna Sharma is a graduate from Rajiv Gandhi National University of Law. Prior to joining CCS, she was associated with NCPEDP, a cross disability rights organisation and Centre for Human Rights Studies (CHRS) at Jindal Global Law School. Meghna is interested in working for social reformation through better regulations and governance. She has written on various social issues in journals and newspapers. Apart from being an avid reader, she loves cinema and takes interest in Kathak, a form of Indian classical dance.



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Centre for Civil Society (CCS) is a Delhi-based public policy think tank that advances social change through public policy. Our work in education, livelihoods, governance and policy training furthers choice and accountability across public and private sectors. To translate policy into practice, we engage with policy and opinion leaders through research, pilot projects and advocacy. As a leading public policy think tank today, we are ranked 5th in India and 83rd in the world by the TTCSP 2021 report, with some of the brightest minds working with us.

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