Enterprise Development & Microfinance, 36:3s, 622-632

Financial and Working Conditions of Women Street Vendors in Chengalpattu District: A Descriptive Micro Level Study

A. ASWINI, DR. R. RAJESH KANNA

Abstract: *Driven by economic necessity, women have become a major part of the workforce across sectors like factories and construction, frequently employed as cheap manual labor under conditions heavily favoring employers. They endure unbearable working conditions to support their families. This extreme vulnerability is intensified by high illiteracy and unawareness of rights, leaving them reluctant to protest workplace injustices. As a sizable segment of the vulnerable, ignored unorganized sector, these women are highly exposed to exploitation.This study investigates the economic conditions, financial problems, and workplace issues faced by women street vendors in the Chengalpattu District of Tamil Nadu, reveals their deep and systemic financial vulnerability stemming from the informal sector. Findings show the livelihood is precarious due to low-to-moderate incomes (nearly 70% earn Rs. 6000 or less) sharply contrasted by high household expenditure (nearly 47% spend Rs. 7000 or more), largely driven by rent. This imbalance results in minimal savings (90% save Rs.1000 or less) and a pervasive level of chronic indebtedness (92.67% are in debt), driven primarily by the need to service interest on previous loans (58.33%), confirming a debt trap. Additionally, vendors report systemic dissatisfaction with working conditions (e.g., 95% dissatisfied with seasonal conditions and 65-70% with wages and facilities). The paper concludes that urgent legislative intervention is needed, recommending comprehensive legislation to regulate minimum wages and working conditions, establish a special wing in the Labour Department to prevent abuse, and provide medical facilities and adult education for empowerment.*

Keywords: Women Street Vendors, Financial and Working Condition, Savings, Debt Position, Socio Economic Needs

A. Aswini (d.rajeshking87@gmail.com) Ph.D. Research Scholar, Department of Economics, Vels Institute of Science, Technology, and Advanced Studies (VISTAS)
Dr. R. Rajesh Kanna (dr.rajeshkanna73@gmail.com) Assistant Professor, Economics – School of Law, Vels Institute of Science, Technology, and Advanced Studies (VISTAS)

Introduction

The unorganized sector is essential to India's economy, contributing over 60% to net domestic product, yet it is where most women workers face profound exploitation. Women are driven into this market primarily by economic necessity to supplement family income, often accepting low wages due to low skills and a lack of bargaining power. They are relegated to a secondary, marginalized position in the workforce, subject to severe discrimination and exploitation because their work is widely perceived as merely supplementary. Unlike workers in the organized sector, women in informal jobs such as domestic work, construction, or home-based industries lack formal employer employee relationships and vital social security benefits. Furthermore, the migration of women to cities for non-farm work has saturated these sectors, leading to lower real wages, greater uncertainty, and intensified exploitation despite the existence of protective legal provisions.

The Female Labour Force Participation Rate (FLFPR) in India has experienced a steep and consistent decline since the 1980s, especially in rural areas, contrary to the global stability seen during the same period. This trend is mainly attributed to demand-side factors, primarily the shrinking agricultural sector combined with a lack of new non-agricultural jobs in rural India. Consequently, women migrate to urban areas but, lacking skills and facing social barriers, are largely confined to the informal sector, which they come to dominate. This sector offers only low-paid, low-status, and insecure jobs with no opportunity for advancement. Furthermore, most of this remunerative work is "invisible" up to 90% is undocumented and excluded from official statistics, increasing the occupational vulnerability of these women, nearly 50% of who are the sole financial supporters of their families.

1. Women Street vendors and Development

Street vending is a fundamental, historical element of India's urban culture and an essential component of the informal economy, particularly for the poor and rural migrants who seek livelihood with minimal capital and skills. However, despite their integral role, vendors are widely marginalized and harassed by municipal authorities and police who treat them as a nuisance rather than regulating them. Women are crucial to this sector, often starting by assisting family members before becoming independent contributors. This work, while empowering them with income and some household decision-making power, comes at the cost of sacrificing leisure time and facing systemic issues, including harassment, constant eviction threats, insecure earnings, and a severe lack of basic amenities like sanitation at the workplace. The study focuses on the Economic conditions and problems of women Street vendors in Tamilnadu, seeking to understand their increasing, yet often "invisible," role in the informal sector and their journey toward empowerment. The research compares women in established mixed-gender markets with those in a specialized weekly market set up exclusively for women by an NGO, which serves as a control group. By analysing factors like income, savings, literacy, and decision-making ability, the study aims to highlight the adversities faced by these women, many of whom are migrants, and to evaluate the efficacy of the NGO's institutional intervention in improving their functioning, security, and overall social empowerment.

2. Statement of the Problem

Street vendors represent a significant part of the urban workforce. Many people become vendors because they are unable to secure well-paying, formal jobs due to low levels of education and skills. It provides a crucial source of self-employment, helping to alleviate urban poverty without requiring direct government aid. It offers an essential service by providing affordable and convenient goods and services to a large portion of the urban population. Given the growing importance of street vendors and their substantial contribution to urban life, it is essential that they are allowed to earn a living in a safe, supportive, and harassment-free environment. Therefore, a legislative framework is necessary to organize the street vending business addressing issues like sidewalk congestion and traffic flow while simultaneously enabling vendors to pursue a legitimate livelihood without fear of harassment. Therefore, this study explores the Economic conditions and problems of women Street vendors in Tamilnadu with particular reference to Chengalpattu District.

3. Reviews of Literature

Review Empirical literature confirms that street vending in Tamil Nadu is a vital, yet precarious, avenue for economic survival, driven largely by poverty and a lack of formal employment opportunities for women, many of whom are rural migrants. Studies highlight that while vending provides women with an independent income, empowerment, and a voice in household decision-making, this contribution comes at a high personal cost. These women are typically confined to the informal sector, where their status is often "invisible" to official statistics. They face pervasive workplace adversities, including harassment and constant eviction threats from municipal and police authorities who view them as a nuisance, along with a severe lack of basic amenities (like clean water and sanitation).

The research often contrasts conditions in conventional mixed-gender markets with those in NGO-supported, women-exclusive markets, finding that institutional interventions can offer a more stable and supportive environment, thereby improving the vendors' security, income stability, and overall social empowerment metrics like literacy and savings patterns. Essentially, the literature portrays Tamil Nadu's women street vendors as economically productive actors whose developmental gains are constantly undermined by a lack of legal recognition and infrastructural support.

Keith Hart (1970) suggested that the main economic challenge in developing countries was not primarily unemployment or underemployment, but rather the low productivity of the work being performed by a large portion of the population. Understanding the full scope of employment has since been improved by numerous studies focused on specific sectors of economic activity.

Illy (1988) argued that attempts to enforce regulations on street vending are likely to be ineffective if they disregard the harsh socio-economic realities of the local cultural environment. In such cases, regulations become merely symbolic and useless, often leading to an atmosphere of harassment and extortion instead of order.

Breman (1995) argued that the decreasing rate of self-employment and the stagnation or decline in formal employment indicate the increasing reliance on wages within the informal sector. This highlights the growing importance of wage dependency, rather than independent enterprise, in informal sector work arrangements.

Santapparaj (1996) noted that research has explored the socio-economic characteristics of street vendors, including their entrepreneurial background, the status and competitiveness of their trade, and the problems they face. Furthermore, studies have investigated the job search patterns of migrants in urban labor markets and the impact of demographic, social, and economic factors on their job attainment and earnings.

Nair (1998) asserted that factors beyond just credit such as marketing, technology, training, physical health, and overall well-being significantly impact the viability of micro-level enterprises for the poor.

Kundu and Lalitha (1998) indicated that other studies have called for the development of a support system for the informal sector. This proposed support includes providing access to land and credit, as well as assistance from public agencies to boost performance. They stressed that the availability of credit is a critical element, enabling workers to purchase or hire necessary capital equipment.

Abdalla, et.al (2009) showed that the relationship between knowledge, attitudes, and behaviour is frequently analysed using the KAP model. Though often complex, knowledge is not insignificant; it is considered essential in the cognitive processing of information that links a person's attitude to their behaviour.

Ajzen, I. (2002) explained that knowledge is acquired through learning processes such as formal or informal instruction, personal experience, and sharing experiences. While it was traditionally assumed that knowledge automatically leads to a corresponding behaviour, evidence from behavioural change theories, including those applied in the HIV field, suggests that knowledge alone is insufficient to bring about appropriate behaviour modification.

4. Primary Objectives

4.1. Primary Objective

- To examine the financial status and working conditions of women street vendors in Chengalpattu district.

4.2. Secondary Objectives

- To analyze the socio-economic profile of women street vendors (age, education, family size, marital status, etc.).
- To assess the income levels, savings patterns, and access to credit among women vendors.
- To study the nature of employment, including working hours, type of goods sold, and workplace conditions.

- To offer appropriate policy **recommendations** for improving their financial stability and working environment.

1.5. Research Methods

The study was conducted in Chengalpattu District of Tamilnadu. The primary data relating to economic condition and problem faced by women street vendors were collected from sample women street vendors in the unorganized sector through a well-structured questionnaire. The study was randomly selected three blocks of Chengalpattu District viz., Kattankulathur, Madurantakam and Thiruporur of Tamilnadu. A sample of 300women street vendors was selected randomly according to the availability of vendors in unorganized sector. The collected data were analysed by using frequency and percentages.

1.6. Data Analysis and Results

Monthly Income: Table 1 presents the study of 300 women street vendor's reveals that the profession is predominantly a low-income occupation. The largest segment of vendors, comprising 135 respondents (45.00%), earns a monthly income between Rs. 4000 and Rs. 6000, establishing this as the typical or median range. When combined with the next lowest bracket (Rs. 2000-4000), which includes 73 respondents (24.33%), it shows that over two-thirds of the women surveyed (69.33%) earn Rs. 6000 or less per month. Only a small minority of vendors manage to earn higher incomes; specifically, 18.67% earn between Rs. 6000 and Rs. 10000, and just 12.00% fall into the highest-earning category of Above Rs. 10000. Given that many of these women are responsible for supporting families of three to seven members, this low income level (with the majority earning Rs. 6000 or less) translates into significant financial constraints for the majority of the workers.

Table – 1: Monthly Income of the women street vendors

Monthly Income (Rs.)	No. of Female Workers	Percentage
2000-4000	73	24.33
4000-6000	135	45.00
6000-8000	33	11.00
8000-10000	23	7.67
Above 10000	36	12.00
Total	**300**	**100.00**

Source: Computed

Monthly Expenditure: Table 2 presents the analysis of the monthly household expenditure for the 300 sample women street vendors reveals a pattern of high financial obligations that often exceed their earned income from vending. The most significant finding is that the largest proportion of vendors, 46.67% (n=140), fall into the highest expenditure bracket of Rs. 7000 and above. This substantial expense level is likely driven by factors such as supporting larger families (given that 34.3% support 5-7 members) and the high cost of housing, since 72.3% are renters. Furthermore, a combined 69.67% of the vendors spend Rs. 5000 or more monthly. Conversely, only 30.33% of the vendors spend below Rs. 5000, with a mere 10.00% (n=30) reporting expenses below Rs. 3000.

When comparing these high expenditure figures with the income data (where 69.33% earned Rs. 6000 or less and only 12.00% earned Above Rs. 10000), a clear gap emerges: nearly half (46.67%) of the women spend Rs. 7000 or more. This disparity strongly suggests that for a significant number of women street vendors, their income is insufficient to cover their necessary monthly expenses. This situation likely forces them to rely on debt or supplementary non-vending income sources from other household members to manage their daily financial requirements.

Table -2: Distributions of Women Street Vendors by Monthly Expenditure

Monthly Expenditure (Rs.)	No. of Female Workers	Percentage
Below 3000	30	10.00
3000 - 5000	61	20.33
5000-7000	69	23.00
7000 and above	140	46.67
Total	**300**	**100.00**

Source: Computed

Monthly Rent: Table 3 presents analysis of the monthly rent paid by the 300 sample women street vendor's highlights that housing costs constitute a significant, recurring expense for the majority of these low-income workers. The data confirms that the overwhelming majority of vendors are renters, with 71.33% of the total sample ($n=214$) paying rent within the Rs. 1000 to Rs. 2000 range. The largest concentration is found in the Rs. 1500 - 2000 bracket, accounting for 115 respondents (38.33%) which is the modal rent paid. Only a small minority, 8.33% (n=25), benefit from rent-free accommodation, likely aligning with the small segment of vendors who own their own houses. While most pay moderate rent, a noticeable 20.33% of the vendors (15.33% + 5.00%) pay a higher rent of Rs. 2000 or more. Given the low-income profile of the workers (where 69.33% earn Rs. 6000 or less per month), paying a rent of Rs. 2000 or higher represents a substantial and burdensome portion of their overall earnings, directly contributing to the financial strain noted in the expenditure data.

Table – 3: Monthly Rent Classifications of Women Street Vendors

Monthly Rent (Rs.)	No. of Female Workers	Percentage
Rent free	25	8.33
1000 - 1500	99	33.00
1500 - 2000	115	38.33
2000 - 2500	46	15.33
> 2500	15	5.00
Total	**300**	**100.00**

Source: Computed

Monthly Savings: Table 4 presents the analysis of the monthly savings reported by the 300 sample women street vendors underscores their limited financial margin despite a general effort to set aside funds. The data reveals that over half of the vendors (51.67%, n=155) save in the

Rs. 500 - 1000 bracket, suggesting a general capacity for moderate, albeit low, savings despite their economic constraints. However, a significant number, 38.33% (n=115), manage to save only Rs. 0-500, while a small group of 1.67% save nothing at all. This highlights the tight financial struggle for nearly 40% of the workforce who can only manage minimal or no savings. The overall savings capacity is demonstrably low, as an overwhelming 90.00% of the vendors save Rs. 1000 or less per month. Only a small minority, 8.33% (n=25), manage to save above Rs. 1000 monthly. This low savings figure is consistent with previous findings regarding their low-to-moderate monthly incomes and high household expenditures, indicating that most vendors have very little financial buffer against unexpected emergencies or future investment needs.

Table – 4: Monthly Savings Classification of Women Street Vendors

Monthly Savings (Rs.)	No. of Female Workers	Percentage
Nothing	5	1.67
0-500	115	38.33
500-1000	155	51.67
1000-1500	15	5.00
Above 1500	10	3.33
Total	**300**	**100.00**

Source: Computed

Debt Position: Table 5 presents the data on the 300 sample women street vendors reveals an alarming and pervasive level of indebtedness, with an overwhelming majority of 278 respondents, or 92.67%, confirming that they currently have outstanding debt. Only a tiny minority, just 22 respondents (7.33%), reported being debt-free. This extremely high rate of borrowing is a direct and logical consequence of the significant financial disparity observed in earlier findings: over two-thirds of the vendors earn Rs. 6000 or less monthly (low income); nearly half spend Rs. 7000 or more monthly (high expenditure); and 90% save Rs. 1000 or less per month (minimal savings). The substantial deficit between their earned income and their necessary household and business expenses forces the vast majority of these vendors to rely heavily on borrowing, indicating that debt is a near-universal necessity for financial survival and maintaining working capital within this profession.

Table – 5: Debt Positions of Women Street Vendors

Debt Position	No. of Female Workers	Percentage
Yes	278	92.67
No	22	7.33
Total	**300**	**100.00**

Source: Computed

Purpose of Debt: Table 6 analysis of why the 300 sample women street vendors take on debt reveals a severe vicious cycle of borrowing. The most significant reason for new debt, cited by a staggering 58.33% ($n=175$) of the total sample (nearly three-fifths), is explicitly to pay interest on previous loans. This finding is highly critical, as it indicates that the majority of borrowing is not used for productive investment or even core consumption, but rather to merely service existing financial liabilities. The second largest category is "Others" at 15.00%, which likely covers critical needs like working capital, daily consumption, and housing expenses. Smaller, yet still significant, portions of debt were taken for essential life events, with 10.00% for marriage expenses and similar amounts for Health Care (8.33%) and Education (8.34%). The fact that the largest single debt category is interest repayment underscores the chronic and non-productive nature of their financial struggles, where debt serves only to keep the vendors financially afloat rather than to meaningfully improve their economic condition.

Table – 6: Purpose of Debt among Women Street Vendors

Purpose of Debt	No. of Female Workers	Percentage
Health care	25	8.33
Interest	175	58.33
Education	25	8.34
Marriage	30	10.00
Others	45	15.00
Total	**300**	**100.00**

Source: Computed

Problem faced by Women Street Vendors: The data reveals a workforce that is highly dissatisfied across the vast majority of surveyed areas, particularly regarding working conditions and welfare. The most critical problems faced by the sales women, where dissatisfaction (Dissatisfied + Highly Dissatisfied) exceeds two-thirds of the sample, are:

- This is the single most acute problem. A colossal 75% of the women are Highly Dissatisfied with working conditions during seasonal periods, indicating an overwhelming and severe operational crisis.
- A large majority of the women are unhappy with the breaks provided, with a combined 70% reporting dissatisfaction.
- Over two-thirds of the respondents are dissatisfied with the general facilities. Notably, 61% are specifically dissatisfied, and no one reported having "No Opinion," suggesting a clear consensus on the lack of adequate facilities.
- Financial and scheduling aspects also generate high levels of dissatisfaction, affecting nearly two-thirds of the women:
- Two-thirds of the sales women are dissatisfied with their wages (51% Dissatisfied, 14% Highly Dissatisfied), indicating a strong perception that their compensation is inadequate for their work.
- Similarly, two-thirds of the women are dissatisfied with the length or structure of their working hours, signalling a poor work-life balance. The only category where the majority of women express satisfaction is
- A majority of 56% (15% Highly Satisfied + 41% Satisfied) are content regarding their basic needs, suggesting that this particular aspect of their employment is managed better than others.

Table – 7: Problems of Sales Women & their responses

Opinion	HS		S		NO		D		HD	
	No:	%	No:	%	No:	%	No:	%	No:	%
About Wages	0	0	25	29	5	6	43	51	12	14
Facilities at workplace	8	10	19	22	0	0	52	61	6	7
Working Hours	4	5	24	28	2	2	39	46	16	19
Basic needs	13	15	35	41	4	5	25	29	8	10
Working conditions at season	0	0	4	5	0	0	17	20	64	75
Break time including lunch & prayer	7	8	19	22	0	0	41	49	18	21

Source: Computed Note: HS–Highly Satisfied, S–Satisfied, NO–No Opinion, D–Dissatisfied, HD–Highly Dissatisfied

1.7 Findings and Conclusion

The findings of the cumulative data establishes that the vast majority of women street vendors in Chengalpattu occupy a low-to-moderate income bracket, with the highest frequency between Rs. 4000 and Rs. 6000, and nearly 70% earning Rs. 6000 or less, highlighting the economic precariousness of this livelihood. This low earning potential is severely compounded by high monthly expenditure burdens, as nearly half of the vendors spend Rs. 7000 and above, largely driven by fixed costs like rent, with 71.33% paying between Rs. 1000 and Rs. 2000. This disparity between moderate income and high expense results in a major financial strain, leaving little to no surplus and eroding their economic stability.

Consequently, their monthly savings are extremely low, with 90% saving Rs. 1000 or less, indicating a critical lack of a financial buffer against shocks. This financial fragility culminates in a severe level of chronic indebtedness, confirmed by the findings that over 9 out of 10 workers are currently burdened by debt. Crucially, the primary driver of this borrowing is the servicing of interest on previous loans (affecting over half of the respondents), demonstrating that vendors are trapped in a debt cycle where they must borrow merely to stay afloat, rather than to improve their economic condition. Collectively, the evidence points to a deep and systemic financial vulnerability within the vending community.

Further, the research conclusively establishes a systemic problem of poor working conditions and inadequate employee welfare among the sales women surveyed. The workforce exhibits profound dissatisfaction, registering high levels (65% or greater) in five out of six measured areas. The most critical issue is the near-universal dissatisfaction (95%) with seasonal working conditions, which demands immediate management intervention. Furthermore, the high rates of discontent concerning break time, workplace facilities, and wages (all approximately 65-70%) strongly suggest that employers are consistently failing to meet fundamental standards for fair compensation, scheduling flexibility, and basic employee well-being. Although satisfaction with "Basic needs" stands out as a positive exception, it does little to offset the overwhelming negative perception of the job's core operational and welfare elements.

Therefore, it could be deducted that the street food vending in the Chengelpattu District is a prominent and unique component of the large informal sector, serving diverse socio-economic groups, including children and women. Its wide consumption base driven by its palatability, affordability, and easy accessibility grants it a significant economic position. The study strongly recommends a series of interventions focused on legislative reform, welfare, and enforcement to address the vulnerabilities faced by women workers, particularly those in the informal sector. A central priority is the urgent creation of comprehensive legislation to effectively regulate their working conditions, wage structure, and welfare measures. Specifically, the government must fix a minimum wage system tailored to meet the essential needs of these workers and undertake necessary amendments to the Maternity Benefit Act to ensure they receive maternity benefits. Furthermore, the Labour Department must establish a dedicated special wing to actively supervise and prevent instances of physical/mental torture, sexual harassment, and molestation, ensuring prompt action against offenders. Finally, to improve long-term empowerment and awareness, the government should implement adult education programs to promote literacy and provide workers with essential information pertinent to their rights and well-being.

References

Abdalla, G., et al. (2009). *Knowledge, attitudes and practices (KAP) model in behavioural studies*. Journal details should be added according to the original source.

Ajzen, I. (2002). *Constructing a TPB questionnaire: Conceptual and methodological considerations*. University of Massachusetts. https://people.umass.edu/aizen/

Breman, J. (1995). *Labour, get lost: A late-capitalist manifesto*. Economic and Political Weekly, 30(36), 2294–2300.

Hart, K. (1973). Informal income opportunities and urban employment in Ghana. *The Journal of Modern African Studies, 11*(1), 61–89. https://doi.org/10.1017/S0022278X00008089 *(Originally presented in 1970; published in 1973.)*

Illy, H. M. (1988). *Street vending and urban informal sector development*. Publication details should be verified from the original source.

Kundu, A., & Lalitha, N. (1998). *Informal sector and urban poverty in India*. Publication details should be verified from the original source.

Nair, T. S. (1998). *Micro-enterprises and rural development in India*. Publication details should be verified from the original source.

Santapparaj, A. S. (1996). *Street vendors in urban informal sector: A socio-economic study*. Publication details should be verified from the original source.

National Commission for Enterprises in the Unorganised Sector. (2007). *Report on conditions of work and promotion of livelihoods in the unorganised sector*. Government of India.

International Labour Organization. (2018). *Women and men in the informal economy: A statistical picture* (3rd ed.). International Labour Office.

Government of India. (2014). *The Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014*. Ministry of Law and Justice.

National Sample Survey Office. (2021). *Periodic Labour Force Survey (PLFS) Annual Report 2020–21*. Ministry of Statistics and Programme Implementation.

Ministry of Statistics and Programme Implementation. (2023). *Periodic Labour Force Survey (PLFS) Annual Report 2022–23*. Government of India.

Bhowmik, S. K. (2005). Street vendors in Asia: A review. *Economic and Political Weekly, 40*(22–23), 2256–2264.

Bhowmik, S. K. (2010). *Street vendors in the global urban economy*. Routledge.

Chen, M. A. (2012). *The informal economy: Definitions, theories and policies*. Women in Informal Employment: Globalizing and Organizing (WIEGO) Working Paper No. 1.

Women in Informal Employment: Globalizing and Organizing. (2014). *Street vendors and market traders*. WIEGO.

United Nations Development Programme. (2021). *Human Development Report 2021/2022*. United Nations Development Programme.

World Bank. (2023). *Women, business and the law 2023*. World Bank.