

BANKING NEEDS OF WOMEN STREET VENDORS - A STUDY WITH SPECIAL REFERENCE TO POLLACHI TALUK

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I. Introduction

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.

Based on this notion, a diligent attempt has been made in this study to analyse the banking needs and problems of women street vendors residing in Pollachi Taluk.

II. Review of Literature

Nicole Lederle (2009) states that Financial exclusion is a phenomenon which disproportionately affects various types of disadvantaged social groups, such as single parents, people living in the social rented sector and those generally living on a low income. The

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experience of none or low engagement with the mainstream financial system is also more prevalent in areas of deprivation.

Arun and Ashok (2010) in the study on, "Financial Inclusion-Indian Experience", explains that banks need to redesign their business strategies to incorporate specific plans to promote financial inclusion of low income group treating it both a business opportunity as well as corporate social responsibility.

RajanishDass and Sujoy Pal (2011) indicate that the demand for banking and financial services and the amount of hardships faced in availing these services through the existing channels of delivery can act as strong drivers for MFS adoption among the rural under-banked. On the other hand, factors like lack of trust on technology and lack of technology readiness were found to act as barriers to the adoption of MFS.

Vinod Simon (2012) reveals that the accessibility of the formal credit is very minimal in the city. Most of the vendors are depending on the money lenders for accessing credit.

An study entitled 'Street Vending in Ten Cities in India' carried out by Sharit K. Bhowmikand DebdulalSaha (2012). Their study reveals that majority of the respondents were females (88.5%) in all the cities taken together. As far as finance for their business was concerned, in most of the cities, a majority of the street vendors dipped into their own savings.

Kumud Chandra Goswami(2012) concludes that the banks/MFI/NGO etc should come forward with various financial services to the women street vendors. The inclusive growth in all regions and in all sectors cannot be achieved without financing to women.

Pappeswari andRajalakshmi(2014)found that, the level of perception is independent of gender, age, marital status, type of family, family size and the level of perception is dependent of gender.

Bhavaniand Bhanumurthy (2015) suggest that unorganized manufacturing enterprises have limited financial access and large financial resource gap. Scale of operation, proportion of owned assets, enterprise type and ownership type, maintenance of accounts and registration with the government agencies found to have significant impact on the financial access of enterprises.

Mehta et al (2015) opines that Reserve bank and Government should give suggestion to the Government to how to promote financial product and services of banking through every means like educational institutions. Need of financial institutions to be revised and strengthened: The financial systems based on community like chit funds need to be motivated because they provide useful savings and credit functions and result in local

growth and their development.

Mohan Iyer (2018) reveals that the level of perception of different marital status and family size of the respondents does not differ significantly.

Brij Rajand VarunUpadhyay (2020) conclude that the need to have an appropriate regulatory and supervisory framework to facilitate the growth of this sector to ensure that FinTech continues to help accelerate Financial Inclusion in India.

Ravikumar et al (2020)found out that the amount of financial literacy among rural people is not satisfactory. Low knowledge of financial affairs is a constraint for the professional promotion of financial inclusion in rural areas.

Malsawmtluanga and Lalnunthara (2020) found that only 28.33% of the respondents are having an ATM Card, only around one-fifth of the respondents saved money into bank once a month and none of the respondents are not engaged with any insurance policies.

OBJECTIVES OF THE STUDY

The objectives of the study are as follows:

- F To know the Socio-Economic characteristics of Women Street Vendors.
- F To assess the expenditure incurred and to find out the source of finance of women street vendors.
- F To know the awareness on banking services among the sample women street vendors.
- F To identify the problems encountered by women street vendors in banking services.

III. Methodology

Methodology of the study includes i) Data, ii) Sampling and iii) Framework of analysis

(i) Data

The study was based on both primary and secondary data. Primary data has been collected from women street vendors of PollachiTaluk through Interview Schedule. Secondary data has been collected from books, articles, journals and published records of NASVI.

(ii) Sampling

A sample is a small proportion selected for observation and analysis. The sampling procedure can be compared to a mirror which gives a reflection true to the original (Gupta, 2005). Pollachi is a town and a taluk headquarters in Coimbatore district, Tamil Nadu state, India. Located about 40 km to the south of Coimbatore, it is the second largest town in the district after Coimbatore. A sample of 150 women street vendors has been interviewed. Snow - Ball Sampling method has been be followed.

(iii) Framework of Analysis

The collected data have been analyzed by employing Simple Percentage Analysis, Analysis of Variance, Chi-square test, Weighted Average rank test and Fried-man Rank test.

IV. Analysis and Interpretation

The findings of the study are summarized in the following paragraphs:

Business Profile of the women street vendors

The following paragraph depicts the business profile of the women street vendors,

Most of the 73 (48.7%) women street vendors sell flowers. 52 (34.7%) of the women street vendors have of one to 3 years of experience in street vending. Hence, it can be inferred that women street vendors in Pollachi Taluk have been carrying out their vending business for many years. Most of the women street vendors 60 (40%) have selected street vending due to low investment. Majority of the street vendor in Pollachi Taluk had carried out their trade in a permanent place. Most 73 (48.7%) of the women street vendors took their own decision to start vending business. 86 (57.3%) of the women street vendors family members are not doing the same business, the majority of the street vendors had initially borrowed a small amount between Rs.10,000 to Rs.20,000 investment in their street vending business. 54 (36.0%) of the street vendors availed loan from their relatives or friends as capital for initiating their vending business.

Table 2: Business Profile of women street vendors

Factors	No of women street vendors (N = 150)	Percentage
i) Product sold		
Flowers	73	48.7
Fruits and Vegetables	24	16.0
Toys and Crafts	44	29.3
Fast food/ Cooked food	9	6.0
ii) Period of vending		
One to 3 years	52	34.7
3 to 5 years	47	31.3
5 to 7 years	42	28.0
More than 7 years	9	6.0
iii) Reason for choosing this business		
Family business	38	25.7
More Profitable	35	23.0
Low investment	60	40.0
Flexible	17	11.3
iv) Nature of vending		
Mobile	67	44.6
Static	83	55.3

v) Initiation of the business		
Family member	59	39.3
Self	73	48.7
Relatives/Friends	18	12.0
vi) Number of family members involved in the same business		
No one	86	57.3
1 to 3	58	38.7
More than 3	6	4.0
vii) Principal amount of borrowing		
Up to Rs.1000	27	18.0
Rs.1000 to Rs.10,000	43	28.7
Rs.10,000 to Rs.20,000	58	38.7
Above Rs.20,000	22	14.6

Source of Finance, Expenditure and Income

An attempt has been made to identify the source of finance, expenditure incurred and income of the women street vendors. Following paragraphs consolidates the findings of the analysis carried out.

The women vendors are generally need capital to start the business. Nearly one - third 54 (36.0%) of the vendors of the street vendors availed loan from their relatives or friends as capital for initiating their vending business. most 109 (72.7%) street vendors average daily income between Rs.300 - Rs.500. More than half of the sample set's (63.3%) average daily expenses is up to Rs. 100.

Table 3: Source of Finance, Expenditure and Income

Factors	No of women street vendors (N = 150)	Percentage
viii) Informal-sources of credit		
Friends	54	36.0
Relatives	32	21.3
From Husband	17	11.3
Wholesalers	11	7.3
Money Lenders	36	24.0
ix) Average daily income		
Up to Rs.300	32	21.3
Rs.300 to Rs.500	109	72.7
Above Rs.500	9	6.0
x) Average daily expenses		
Up to Rs.100	95	63.3
Rs.100 to Rs.200	18	12.0
Above Rs.200	37	24.7

Banking Needs of Women Street Vendors

Majority 27 (18.0%) of the women street vendors have preferred HDFC bank, followed by

Indian Overseas bank. HDFC bank has been preferred by women street vendors, since they operate account for self helpgroups. More than half of the sample women street vendors opened bank account for self help group. More than one-third of the 56 (37.3%) women street vendors preferred banks which is nearer to their workplace. 62 (41.3%) women street vendors operate bank accounts for three to five years. 71 (47.3%) women street vendors bank is within one kilometer from their residence, 82 (54.7) of the women street vendor visit the bank weekly once. Most of the women street vendors do not avail bank loans. Majority 62 (41%) have no idea and remaining.

Table 4 :Banking Needs of Women Street Vendors

Factors	No of women street vendors (N = 150)	Percentage
i) Name of the bank		
Axis bank	14	9.4
Bank of Baroda	3	2.0
Canara Bank	14	9.3
Federal Bank	12	8.0
HDFC Bank	27	18.0
ICICI Bank	4	2.7
Indian Overseas Bank	21	14.0
KVB	10	6.6
State Bank of India	40	26.7
Tamilnadu mercantile bank	5	3.3
ii) Purpose of opening bank account		
Self help group	95	63.3
Mahatma Gandhi's national rural employment guarantee	18	12.0
Pension	37	24.7
iii) Reason for selecting this bank		
Near to market	56	37.3
Nearby home	26	17.3
Trust	23	15.3
Friends / Relatives	6	4.0
Service Quality	21	14.0
Loan	18	12.0
iv) Period of operating the bank		
Within a year	41	27.3
1 to 3 years	26	17.3
3 to 5 years	62	41.3
More than 5 years	21	14.0
v) Distance between residence and the bank		
Within a km	71	47.3
1 to 3 km	35	23.3
3 km to 5 km	24	16.0
More than 5 km	20	13.3

vi) Frequency of visiting the branch		
Daily	3	2.0
Weekly	82	54.7
Monthly	32	21.3
Occasionally	33	22.0
vii) Bank loan availed		
No	117	77.7
Yes	33	22.3
viii) Reason for not availing loan		
Lengthy process	53	35.0
No idea	62	41.0
Small amount not provided	2	1.7

Immediate sources of credit - Weighted average rank analysis

The weighted average score ranking analysis forecasts that the "Friends & Relatives" is the main factor regard by the sample street vendor's availed loan for initiating their vending business.

Table 5: Sources of Credit

Rank	Weight	Private Money lenders in the Locality		Friends & Relatives		Neighbors		SHG		Bank		Others (Specify)	
		No of women street vendors	score	No of women street vendors	Score	No of women street vendors	Score	No of women street vendors	score	No of women street vendors	score	No of women street vendors	score
I	6	17	102	21	126	5	30	30	180	5	30	30	180
II	5	15	75	43	215	30	150	42	210	15	75	5	25
III	4	27	108	55	220	42	168	31	124	7	28	17	68
IV	3	52	156	11	33	10	30	17	51	95	285	10	30
V	2	27	54	17	34	25	50	11	22	15	30	58	116
VI	1	12	12	3	3	38	38	19	19	13	13	30	30
Total		507		631		466		606		461		449	
Average		84.5		105.2		77.7		101.0		76.8		74.8	
RANK		III		I		IV		II		V		VI	

Awareness on Banking Service - Percentage analysis

Majority of the women street vendors are not aware of the primary services provided by banks namely Internet banking, Mobile banking, Locker facility, Debit & credit cards, Overdraft, Electronic Fund Transfer and cheques.

Table - 6
Awareness on Banking Services

Particulars	No of Hawkers (N = 150)	Percentage
Internet banking:		
Unaware	81.0	53.7
Heard of	68.0	45.7
Aware & using	1.0	.7
Mobile banking:		
Unaware	91.0	61.0
Heard of	57.0	38.0
Aware & using	2.0	1.0
Locker facility:		
Unaware	69.0	46.3
Heard of	68.0	45.3
Aware & using	13.0	8.3
Gold Loan:		
Unaware	33.0	22.0
Heard of	81.0	54.0
Aware & using	36.0	24.0
Debit & credit cards:		
Unaware	55.0	36.7
Heard of	83.0	55.0
Aware & using	12.0	8.3
Overdraft:		
Unaware	106	71.0
Heard of	44	29.0
Electronic Fund Transfer:		
Unaware	103.0	68.3
Heard of	44.0	29.3
Aware & using	3.0	2.3
Cheques:		
Unaware	48.0	32.0
Heard of	69.0	45.7
Aware & using	33.0	22.3

Awareness of Financial Inclusion Measures Taken By Banks - Friedman Rank Test

Findings of the present study indicates that, more than half of the sample women street vendors are aware of the financial inclusion measures taken by the banks.

Table - 7

Awareness on the Financial Inclusion

S.No	Steps taken	Knew	Don't Knew	Total	Mean Value	Rank
i	Minimum balance reduced	89 (59.3%)	61 (40.7%)	150	1.5937	2
ii	Minimization of formalities	97 (64.7%)	53 (35.3%)	150	1.6467	1
iii	108 like mobile banking, van banking...etc.,	59 (39.3%)	91 (60.7%)	150	1.3933	5
iv	No-frills accounts	71 (47.3%)	79 (52.7%)	150	1.4733	4
v	Providing financial literacy	53 (35.3%)	97 (64.7%)	150	1.3533	6
vi	Bio-metric used instead of passwords in cards	50 (33.3%)	100 (66.7%)	150	1.3333	7
vii	Forms ,challans in regional languages	88 (58.6%)	62 (41.4%)	150	1.5933	3

Perceptions on Banking Services - Friedman Rank Test

Liquidity has been ranked first by most of the women street vendors; Safety has been ranked second; Timely credit has been assigned third rank; Availability of loans as per needs has been assigned fourth rank and settlement of difficulties on time has been ranked last. There is significant difference in the perception of vendors about banking services.

Table 8

Perceptions on banking services - Friedman Test

Perceptions	Weights	Rank
Liquidity	4.09	I
Safety	3.83	II
Timely credit	3.18	III
Availability of loans	2.14	IV
Difficulties are settled in time	1.75	V

Expectations from Bank - Weighted Average Ranking Method

Most of the women street vendors expect banks to increase the interest rates for deposits; secondly, they expect banks to minimize norms and procedures. Thirdly, women street vendors expect flexibility in repayment of loans availed from banks. For convenient time for awareness programmes have been ranked at last only.

Table - 9

Expectations on banking services- Weighted Average Ranking Method

Expectations	1	2	3	4	5	6	7	8	9	10	Total	Weight	Rank
Interest on deposits	261	3	12	6	3	5	7	0	2	1	150	449	I
Norms	8	232	17	3	4	20	4	8	2	2	150	805	II
Bank facilitator	1	10	12	21	1	89	27	53	74	12	150	2079	VIII
Response	22	2	121	9	58	16	1	0	66	5	150	1462	IV
Repayment flexibility	3	9	4	128	78	52	5	16	2	3	150	1458	III
Short term loan	5	1	58	61	71	23	71	8	1	1	150	1498	V
Banking time	0	8	12	2	61	85	59	62	1	10	150	1893	VII
Interest on loan	0	30	2	55	13	8	114	63	12	3	150	1839	VI
Training for operations	2	2	54	9	1	1	4	82	130	15	150	2219	IX
Convenient time for awareness programmes	0	2	7	7	10	1	9	7	10	248	150	2798	X

Banking Problems Faced By Vendors - Friedman Rank Test

Most of the women street vendors assigned first rank for poor response in banks; No attractive rate of interest has been ranked second; Inadequate financial literacy has been assigned third rank; inconvenient time has assigned fourth rank and last rank is assigned for difficulties not settled in time. There is significant difference in the problems faced by women street vendors.

Table 10

Banking Problems

Problems	Weights	Rank
Poor response in bank	4.06	I
Inadequate financial literacy	3.48	III
Rate of interest not attractive	3.68	II
Inconvenient time	3.20	V
High formalities	3.44	IV
Difficulties are not settled in time	3.14	VI

V. Results and Discussion

The study identifies that many women enter into street vending as entry into street vending is easy with less capital and it 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 husbands; 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 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.

VI. Conclusion

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. 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. The policies implemented by the government according to street vendors act, promises good provisions for women street vendors.

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