



Street Trading in Small Town: A Socio-Economic Study of Ara, Bihar

Purnima Singh, Research Scholar, Sunil Kumar, Ph.D., Supervisor,
P. G Department of Commerce and Business Management
Veer Kunwar Singh University, Ara, Bihar, INDIA

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Authors

Purnima Singh, Research Scholar
Sunil Kumar, Ph.D.

E-mail : djpoornimasinh@gmail.com

shodhsamagam1@gmail.com

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ABSTRACT

Street trading plays a vital role in sustaining the economies of small towns in India, where formal employment opportunities remain limited. This study explores the socio-economic significance of street trading in Ara, Bihar, a historic semi-urban center with a population of nearly four lakhs. Based on secondary data, local reports, and field observations, the article highlights how street vendors meet the daily consumption needs of diverse income groups while generating essential livelihoods. Over the last decade, the number of vendors in Ara has nearly doubled, reflecting the sector's resilience in times of economic disruption, particularly during the COVID-19 pandemic. Public perception varies across income classes ranging from high reliance and positive acceptance among lower-income households to selective engagement and concerns over congestion and urban aesthetics among higher-income groups. Despite their contribution, vendors face challenges such as lack of legal recognition, eviction drives, and inadequate sanitation facilities. The findings underscore that street trading in Ara is not merely an informal activity but the backbone of the town's socio-economic fabric. To ensure inclusive urban development, policy frameworks must integrate vendors into planning through regulated vending zones, improved infrastructure, and participatory governance.

KEY WORDS

Informal economy and Ara, Livelihood, Urban Informality, Public perception, Inclusive Urban development, Street Vendors Act 2014.

INTRODUCTION

Street trading forms the backbone of small-town economies across India, where limited industrialization and scarce formal employment push people towards informal livelihoods. Ara, the district headquarters of Bhojpur in Bihar, provides an important case study. With a population of nearly four lakh, Ara exemplifies how informal commerce sustains both livelihoods and consumer needs in semi-urban India.

An Overview of Ara

Ara, also known as Arrah, is the administrative headquarters of Bhojpur district in Bihar. Located about 60 kilometers west of Patna, Ara has developed as a cultural, historical, and economic hub of western Bihar. The city's identity is deeply shaped by its association with Veer Kunwar Singh, a prominent leader of India's first war of independence in 1857, and by its place in Bhojpuri culture. Over time, the region has retained its folk traditions, Bhojpuri music, theatre, and festivals such as Chhath Puja, which are celebrated with strong cultural fervor. The Bhojpuri language continues to dominate daily life, while Hindi is widely used in education and administration. Its economy is largely based on agriculture, informal trade, and remittances from migration, while education has emerged as a key driver of urban growth with institutions like Veer Kunwar Singh University. Despite challenges in infrastructure and industrial development, Ara continues to play a vital role as a socio-economic hub, balancing its agrarian roots with urban aspirations.

The Street Trading Landscape in Ara

Street trading is more than just a means of survival in Ara, Bihar but it is a central part of the town's identity and economy. Located approximately 60 kilometers from Patna, Ara is the district headquarters of Bhojpur and a town that balances historical significance with slow-paced urban transformation. While it lacks large industries or corporate zones, Ara thrives through small-scale entrepreneurship, most visibly on its streets.

Ara's streets are a hub of everyday commerce. Vendors sell vegetables, fruits, household essentials, *litti-chokha* and *kachori*, as well as garments and mobile accessories. Prominent vending clusters include Shivganj Market, Nawada Bazar, Ara Railway Station, and the vicinity of Veer Kunwar Singh University.

Most vendors operate through makeshift setups such as carts, bicycles, and temporary stalls, reflecting the flexibility and resilience of this sector. For many families, vending is not merely an occupation but a survival strategy.

Urban Profile and Economic Context

Ara's economy is shaped by agriculture, small businesses, and trade. The absence of large-scale industries means that the informal sector is central, not supplementary, to the local economy. Street vendors bridge the gap between demand and supply by offering affordable, accessible, and culturally relevant goods.

The COVID-19 pandemic accelerated the growth of street trading, as migrant workers returned home and sought livelihood opportunities in vending. Thus, the informal economy became both a safety net and a driver of urban resilience.

Reasons of Growth in Street Vending

Street vending in Ara has almost doubled in the past ten years, rising from around 1,500 vendors in 2015 to nearly 3,000 in 2024. This trend reflects both necessity-driven entrepreneurship and the enduring demand for low-cost goods.

During covid-19 and economic slowdowns, many migrant workers returned to Ara from metros like Delhi and Mumbai. With limited job alternatives, street vending became the most accessible livelihood option for them. Street vending needs minimal investment a cart, small stock, or even a basket is enough. This low entry barrier allows even economically weaker households to participate and sustain themselves through vending.

No formal training or qualifications are required, making it inclusive for all.

Ara's population has been steadily increasing due to urban expansion, educational institutions, and rising commercial activity. This growth has created a greater demand for affordable food, groceries, and daily-use items needs that street vendors effectively fulfill.

People in Ara prefer local snacks, fresh vegetables, and haat-bazaar shopping. Street vendors align well with traditional consumer habits, making them more acceptable than malls or supermarkets.

Street vending provides low-cost goods, catering to the majority low- and middle-income population. During inflation and rising retail costs, people rely more on vendors.

Such growth underscores the dependence of small-town economies on informal work, especially during economic disruptions.

Public Perception Across Income Groups

Public attitudes toward street trading in Ara reveal clear class-based distinctions:

- **Lower-income Households:** The population under low income levels are highly dependent on street vendors for their daily needs and requirements as they are essential and affordable.
- **Lower-middle Class:** These profile public who are frequent consumers of street products who appreciate their convenience but occasionally raise concerns about hygiene also.
- **Middle Class:** Middle class population engage selectively in street shopping often for snacks or emergencies, but express dissatisfaction with congestion and sanitation.
- **High-income Groups:** High class profile has minimal or zero dependence on street vendors and engage mainly during festivals or cultural events like Chhat puja, Holi, Diwali etc. while criticizing encroachment and aesthetics.

This pattern shows that acceptance is strongest among economically weaker groups and declines as income rises.

Mission to Promote Street Vending

The Government of India has introduced various schemes and missions to promote and support street vending in the country.

NULM '1 National Urban Livelihoods Mission which is launched by the Ministry of Housing and Urban Affairs (MoHUA), Government of India. The main aim of NULM is to reduce poverty and vulnerability of the urban poor households by enabling them to access gainful self-employment and skilled wage employment opportunities. It also supports street vendors through the Support to Urban Street Vendors (SUSV) component, which includes vendor surveys, ID cards, vending certificates, and vending zones.

SULM '1 State Urban Livelihoods Mission

Each state has its own SULM that functions as the state-level implementing arm of NULM. For Bihar, this is called the Bihar State Urban Livelihoods Mission (Bihar SULM).

From the Bihar Urban Livelihoods Mission (SULM / ULB) sources:

In Ara Municipal Corporation, 4,408 street vendors have been surveyed. Of these, 4,331 have been approved / recognized. IDs issued to 2,681 vendors and Certificates of vending (CoVs) issued to 2,778 vendors.

This indicates that the survey and recognition process is well underway in Ara, and many vendors are getting their legal documentation under SVA 2014.

Challenges Confronting Street Vendors

Despite their contributions, vendors face multiple challenges:

- Lack of designated vending zones and frequent eviction drives.
- Poor sanitation and waste management in vending areas.
- Limited enforcement of the Street Vendors Act, 2014, leaving many without legal recognition.
- Harassment and insecurity, especially affecting women vendors.

CONCLUSION

Street trading in Ara is more than a livelihood it is the lifeline of the local economy. It ensures affordable goods, sustains cultural practices, and provides employment to thousands. However, without policy support, this vital sector remains vulnerable.

For Ara and similar small towns to achieve inclusive urban growth, municipal bodies must integrate street vendors into planning through regulated vending zones, improved sanitation, and participatory governance. Recognizing vendors not as encroachers but as stakeholders is essential to building resilient small-town economies.

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