

## ECONOMIC EXPLORATION OF CITIES IN DEVELOPING WORLD

### BACKGROUND

In the recent times, the liberalized economic policies have led to a great changes in the economies of the world. India is considered as an emerging Economic Tiger Delhi. Delhi is the nucleus for the economic opportunities in the Northern India. Being the Capital and a city full of opportunities and convenient linkages is attracting every trade and activity for function and economic growth towards the city. Any establishment desiring a role to play in a larger part of India finds it convenient and meaningful to get located in the city of Delhi, not only for their business at national level but also at global level.

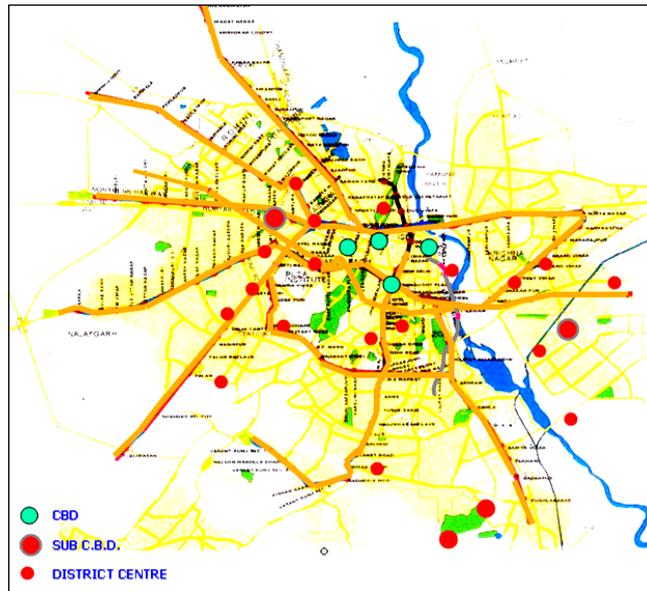
### ECONOMIC ZONES OF DELHI

The trade and commerce activities can be understood under the following hierarchy:

- A. Central Business Districts (areas of importance at global, national & city level)
  - a. Connaught Place,
  - b. Chandni Chowk,
  - c. Sadar Bazar and Paharganj
  - d. Karol Bagh
- B. Sub Central Business District and District Centres (areas of importance at city level)
- C. Community Centres (areas of importance at neighbourhood level)
- D. Local Shopping Centres (areas of importance at local level)
- E. Convenient Shopping Centres (areas of importance at local level)

| FIVE TIER SYSTEM OF COMMERCIAL AREAS                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                       |                                                                                                                                        |                                                                                        |
|-------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| I                                                           | II                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | III                                                                                                                                                                                                                                                                   | IV                                                                                                                                     | V                                                                                      |
| Central Business District and Sub Central Business District | District Centre                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Community Centre                                                                                                                                                                                                                                                      | Local Shopping Centre                                                                                                                  | Convenience Shopping Centre                                                            |
| <b>POPULATION SERVED</b>                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                       |                                                                                                                                        |                                                                                        |
| City and Sub City Level                                     | 0.5 million                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 0.1 million                                                                                                                                                                                                                                                           | about 15 thousand                                                                                                                      | About 5 thousand                                                                       |
| <b>AREA</b>                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                       |                                                                                                                                        |                                                                                        |
|                                                             | 44 ha.                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 5.40 ha.                                                                                                                                                                                                                                                              | 0.46 ha.                                                                                                                               | 0.11 ha.                                                                               |
| <b>LAND REQUIREMENT PER THOUSAND PERSONS</b>                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                       |                                                                                                                                        |                                                                                        |
|                                                             | 880 sqm.                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 540 sqm.                                                                                                                                                                                                                                                              | 306 sqm.                                                                                                                               | 220 sqm.                                                                               |
| <b>ACTIVITIES</b>                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                       |                                                                                                                                        |                                                                                        |
| All activities of tier II                                   | Shopping (Retail, Service, Repair & limited Wholesale) Informal Shopping, Commercial Offices, Cinema, Hotel, Guest House Nursing Home. Service Industries, Auditorium, Museum, Library, Science centre, Art/Craft/ Music/ Dance School, Craft/Mela/Book Bazar, Weekly Markets (on lose days), GNCT Delhi, DDAMunicipal Offices. Bus terminal Fire post, Police post, Telephone Exchange, Electric Sub Station, Post & telegraph offices, petrol pump, conveniences | Shopping (Retail service, Repair) Informal Shopping, Commercial Offices, Cinema, Hotel, Guest House, Nursing Home. Service Industries Post Office, Dispensary, Petrol Pump (filling station only), Weekly Markets (on close days), Electric Sub-Station Conveniences. | Shopping (Retail, Service, Repair), Informal shops, Commercial Offices, Community Hall and Library, Electric sub station, conveniences | Shopping (Retail Service, Repair) Informal Shopping, Electric substation, Conveniences |

Source: Delhi Development Authority



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### **A. CENTRAL BUSINESS DISTRICT**

Central Business District (CBD) is at the apex in the hierarchy of the commercial centres working at city and regional level. Due to the changing economies the importance of these centres is no longer restricted and most of these have gained importance at national and global level. The existing areas functioning as CBD are Connaught Place and its extension and commercial areas in the walled city (Chandni Chowk, Sadar, Paharganj) and its extension and Karol Bagh.

#### **a. Connaught Place**



Connaught Place is a landmark of Delhi and has its identity all over the world. The complex was designed by Edwin Lutyen and built as a boutique area for the high society in 1931. The complex is made up of three concentric circles of colonnaded arcades, divided into blocks by seven radial roads. The complex has a monumental character and is a good blend of British and Indian architecture. Due to the strategic central location and high connectivity, the area gained importance not only at city or regional level, but also at global level. Today it houses retail trade, commercial offices of Indian Companies as well as multi nationals. It also has service establishments in its courtyards and back lanes.

The continuous gaining importance of the area has given rise to some problems to be mentioned as

- Unauthorized illegal extensions, enclosure of colonnaded balcony spaces, and other facade changes leading to distortion of the monumental architectural character of the complex.
- Traffic congestion and Parking problems
- The developments in the surroundings are high rise buildings, which are not in harmony with the architectural character of the existing complex and have resulted in distortion of

the skyline of the area.

### **b. Chandni Chowk**



Chandni Chowk, a gem of Indian history is a commercial centre throbbing with wholesale and retail activities, of almost every type. The area is characterized by unique built volume with typical street pattern adopted in walled cities world over with architectural elements having combination of Mughal, Imperial and Indian Architecture. This magnificent royal city was once the pride of the Emperor Shahjahan's Kingdom. The area has gained importance as one of the major wholesale areas of the city and today presents a chaotic situation with extreme congestion and unsafe living and business environment but is still preferred by large number of customers not only from Delhi but from larger region of northern India for purchase of specific commodities.

The area was once lined with beautiful fountains. It was the eyes and the ears of the Mughal's commercial instincts. The entire arc was designed by Jahanara Begum, Shah Jahan's favourite daughter and was the inhabited by the well to do families of the time. The area was also designed to have some market spaces for various commodities and mouthwatering cuisine. The area was traditionally designed at a pedestrian scale, with narrow lanes lined with one to two storey buildings. Some of the buildings were designed to have commercial activity on the ground floor. Over the time due to the increasing popularity, the area has gained importance as one of the major wholesale areas of the city. The existing old houses have been constructed into small shops.

Some of the issues that need attention in respect of Chandni Chowk are:

- Loss of monumental architectural character of the area due to illegal extensions, conversion of residential areas to shops for carrying out commercial activity
- Increase in commercial activity in the area which was not originally designed to cater to such a large scale of commercial activity has led to congestion and chaotic situation
- The excessive concentration of commercial activities combined with dilapidated building condition, disorganized physical infrastructure network especially the electrical network has created unsafe situations
- Addition of temporary and permanent structures above the roof of existing buildings has resulted in distortion of the skyline
- Loss of visual link between major landmarks namely the Red Fort, Jama Masjid and Fatehpuri Mosque, which was the original concept of City of Shahjahanabad.

### **c. Sadar Bazar and Paharganj**

Sadar Bazar and Paharganj are predominantly the wholesale market of the city and do not have any identifiable/distinct character. They perhaps have the highest density in terms of concentration of number of establishments of different commodities. The areas are extremely congested with people and slow moving vehicles in day hours. The working conditions are extremely unsafe and sub standard. However, it fetches a business with very high turnover and so is preferred by entrepreneurs.

Some of the issues regarding this area are:

- No distinctive character or planning of the area
- Excessive concentration of population
- Increasing illegal conversions of residential to commercial
- Dilapidated buildings, disorganized physical infrastructure network.
- Frequent fires leading to heavy loss of human lives and monetary wealth are strong evidences of situation prevailing in these areas.

#### ***d. Karol Bagh***

Karol Bagh is a comparatively new area and has been developed by Delhi Improvement Trust before the independence of the country. It has been planned on grid iron pattern and has tremendous potential for commercial activities due to its strategic location and proximity to Connaught Place and the Walled city. Today it houses most of the automobile parts trade along with other trades, acting as a Regional market, almost replica of Chandni Chowk in its function. Businesses related to jewellery, readymade garments, imported goods, building hardware and commercial offices are some of the other activities having large concentration here.

Karol Bagh, is also facing some problems of growth like other areas. The situation is becoming critical and needs urgent attention. Although this area is much better planned as compared to Chandni Chowk, Sadar and Paharganj, the areas require serious intervention for the upgrading otherwise in the near future it may also take the shape of Sadar Bazar. Some of the issues that need to be addressed with respect to this area are mentioned below:

- The grid iron pattern of lanes and bye lanes has facilitated early penetration of commercial activities, giving rise to enormous congestion of activities.
- The large scale penetration of commercial activities has resulted in acute shortage of Parking.
- Despite the lease of Delhi Improvement Trust as residential properties, the unabated intrusions of commercial activities along the major roads and industrial activities in internal areas have entered in a big way
- The illegal sub-division and conversion of residential premises into commercial and mushrooming of activities/trades has resulted in substandard working environment in several parts.

#### ***B. SUB CENTRAL BUSINESS DISTRICT AND DISTRICT CENTRES***

The Sub- Central Business Districts more or less serve the same purpose as the Central Business districts, but predominantly with importance at city level. There are two Sub CBD's one is located in Trans Yamuna area and other in Rohini Sub City.

The district centres are meant to serve as the apex of the multi-nodal activities of the community which should be conceived as major shopping centres, while serving the community with a reasonable variety of other services and facilities and also serve centres of socio-cultural activity, where the community can get together.

The District Centres did come up in large number, but could not take the shape of pride centres in the district/city due their poor management and enforcement of Plan Provisions, resulting into the following

- Sub standard and shabby conditions,
- Congestion,
- Parking inadequacy,

- Mushrooming of the informal sector,
- Violation of use permissibility and encroachment on public spaces.

### **C. COMMUNITY CENTRES**

The Community Centres are conceived as shopping and business centres catering to the needs of the population at community or neighbourhood level. These centres generally constitute activities like retail shopping, commercial and government offices, cinema/cineplex, hotels, restaurants, banquet halls, guest houses, nursing homes, dispensary, clinical laboratories, clinics and poly clinic facilities together with other community facilities.

### **D. LOCAL SHOPPING CENTRES**

The Local Shopping Centres are areas of importance at local level catering to a population of approximately 15,000. These generally have activities like retail shops, commercial offices, clinical laboratories, clinics and poly clinics, restaurants, soft drink and snacks stalls, nursing home, post offices and Bank etc

### **F. CONVENIENCE SHOPPING CENTRES**

The Convenience Shopping Centres are areas to cater to the day to day needs of people and generally cater to a very small population of approximately 5000 people. These areas generally have some daily need stores, repair shops for carrying out repairs of household goods, electronic gadgets, automobiles, cycles and personnel shops like tailor , barber etc

Local shopping centres and convenient shopping centres did come up in large numbers to meet the day to day needs of the society. However, some of the important issues to be noted in regards to these are:

- Due to the time lag in development, inadequacy of no. of shops, living style and economic behavior of people a parallel growth of commercial activities in form of Mixed Use, Unauthorized Markets and Informal Sector did crop up in several parts of the city. Such growth centres came near strategic locations taking benefit of weak enforcement and high land values in various parts of the city.
- A large number of the shopping centres have been located amidst the residential areas, away from the main road. As a result the properties along the main roads get converted into commercial and the commercial centres inside the residential areas, did not develop due to weak potential for the purpose.

## **ISSUES**

In Summary, the major issues that need attention from planning point of view are as follows:

- Loss of Architectural character of the areas of historic importance
- Distortion of the city skyline
- Congestion and Chaotic situations in various commercial areas
- Traffic congestions and Parking problems
- Emergence of unauthorized and informal Sector markets
- Emergence of non-hierarchical commercial centres.
- Large scale illegal conversion of residential premises to commercial establishments
- Concentration of commercial activities in dilapidated buildings lacking adequate infrastructure facilities.

## **DEVELOPMENT OPTIONS**

With the increased interest of multinational organizations in our country, as potential big market, it seems essential to tune the city of Delhi appropriately so that the development impulses/ finances can be attracted to improve the overall economy of not only the city but of the country as a whole. To play this role the city has to improve itself in terms of infrastructure and planning so that in true sense it can act as a Global City and can play the role of money spinner. Some of the development options for the trade and commerce sector of the city of Delhi that can be considered are as follows:

### ***CENTRAL BUSINESS DISTRICT***

#### ***Connaught Place***

- The development/ urban renewal of markets at CBD level needs to be done with proper formulation of urban renewal plans prepared with due consideration to the urban design studies.
- The colonnaded buildings of the Connaught Place complex, built in circular shape as per the Lutyen's Plan need to be retained in their present shape and volume to preserve the character of the area.
- Enhancement of FAR to interest individuals, society and developers for economic viability
- The reconstruction projects with enhanced FAR need to conform to the architectural styles resembling designed character of the existing Connaught Place complex
- The buildings which are recommended to be retained in the designed shape and volume may be given some component of transfer of development right (TDR) at other places. The TDR gives option to the owners for use of the enhanced FSR elsewhere. This will serve as an incentive for business owners to revive the character of the area.

#### ***Chandni Chowk***

- Conservation approach needs to be adopted for Chandni Chowk area.
- The buildings which are violating the skyline need to be trimmed to match the surroundings. To facilitate this, a component of TDR needs to be given to the owners/ stakeholders in identified way to serve as an incentive for revival of their buildings/ courtyards and other semi-public spaces.
- Massive rebuilding and repair activities in harmony with built volume and architectural character of the area need to be initiated.
- On account of the increased population and narrow street pattern of the area, the area needs to be revived and developed at the traditional pedestrian scale.
- Incentives need to be provided for voluntary shifting of wholesale establishments to appropriate locations.

#### ***Sadar and Paharganj***

- To provide safe working environment and to facilitate movement of people massive rebuilding of the area needs to be done.
- Enhancement of FAR to interest individuals, society and developers for economic viability.
- Approvals from the fire department to ensure safe conditions need to be done at the time of the development approval as well as at designated intervals needs to be done to ensure safe conditions.

#### ***Karol Bagh***

- Rebuilding of establishments needs to be done.
- Enhanced FAR may be granted for rebuilding proposals if the business establishments

come forward with proposals based on amalgamation of plots either through their cooperative society or private developer/builder.

- The amalgamation of plots and rebuilding need to be accepted by the authorities only with consideration of minimum plot sizes in order to ascertain that the premises take the shape as an integral part of the planned market space.
- The main shopping area needs to be designed at pedestrian level with levels of basement parking to ease the traffic congestion and parking problems.

### ***SUB CENTRAL BUSINESS DISTRICT AND DISTRICT CENTRES***

- The district centres should be designed to comprise a mixture of commercial/ institutional and residential activities, with an enhanced FAR for residential component to give life to the area in late evening hours. This will also assist in better maintenance of the area
- The associations and cooperatives should be given incentives to ensure proper maintenance and appropriate built environment.
- Basement parking should be provided in adequate numbers to take care of the parking problems.

### ***COMMUNITY CENTRES, LOCAL SHOPPING CENTRES AND CONVENIENCE CENTRES***

- Readjustment of some of the commercial centres along major roads needs to be done considering the preferences of entrepreneurs and accessibility of residential population.
- Considering the requirement of residential areas and preference of shopkeepers, every type of shop (except hazardous goods) should be permissible in shopping centres.
- The concept of Indian Bazaar needs to be adopted and provision of designated spaces need to be made for informal sector activities. These activities are more acceptable by public and give life to the centre and neighborhood.
- Provisions of weekly bazaars needs to be done near shopping centres so that the open spaces and parking lots of such centres can be used by public in late evening hours
- The pre planned provisions of informal sector activities will avoid congestions and chaotic situations and will also result in less traffic problems.
- Incentives like enhanced FSR or such need to be given to attract the existing unauthorized and sub standard developments to planned areas.

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