

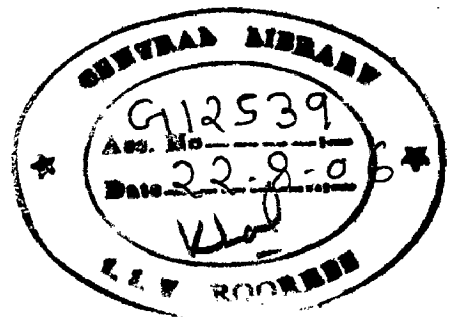
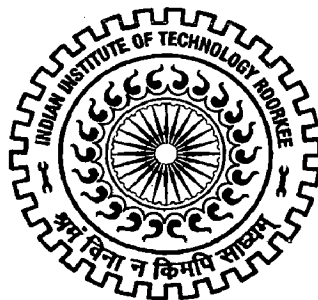
FEASIBILITY REPORT FOR SHOPPING MALL SPECIAL REFERENCE TO HYDERABAD

A DISSERTATION

*Submitted in partial fulfillment of the
requirements for the award of the degree
of*
MASTER OF ARCHITECTURE

By

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JUNE, 2006**

CANDIDATE'S DECLARATION

I hereby certify that the work, which is being presented in the dissertation entitled "FEASIBILITY REPORT FOR SHOPPING MALL- SPECIAL REFERENCE TO HYDERABAD" in partial fulfillment of the requirement for the award of the degree of **MASTERS OF ARCHITECTURE** submitted in the Department Of Architecture And Planning of Indian Institute Of Technology, Roorkee is an authentic record of my own work carried out during the period from August 2005 to June 2006 under the supervision of **Prof P.K Patel**.

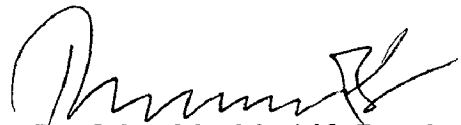
The matter embodied in this dissertation has not been submitted by me for the award of any other degree.


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CERTIFICATE

This is to certify that the above statement made by the candidate is correct to the best of my knowledge.

Dated : 30/06/2006


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My parents.....for their understanding and faith on me.

.....Soumendra Patnaik

ABSTRACT

The thesis aims to highlight “The Role of Feasibility Studies in India's Emerging Shopping Center Industry”.

There has been a plenty of concern over the apparent over-supply and impending failure of several shopping centre projects coming up across India. The current mindset of mall developers in India is “Aim and Fire”, meaning just jump into shopping centre creation without really understanding the viability of the project.”

The thesis is an attempt to underscore the critical importance of Feasibility Analysis before launching any such large-scale retail project which ideally demands very huge investment.

The thesis emphasizes on improved decision-making through perfect understanding of the very sensitive retail market sentiments. The approach has been purely logical supported by supporting statistics at every juncture of decision making.

The thesis attempts to address to the basic questions as to

- Why is the feasibility study essential ?
- When should it be done ?
- How it should be done ?

Context of development of shopping centers in India which has already resulted in business losses and closing down of many of these centers, perhaps such kind of study definitely could and should have come to picture much earlier in the Indian scenario.

The long-term viability of any retail development requires a comprehensive and painstaking study of various influencers, including factoring in the effects of future competition. With a well-researched, statistical analysis of project feasibility, developers can avoid expensive errors and develop a project that is closer to being a viable venture.

However to conclude, *A Feasibility Study should not be taken as the Law, it's only a tool.*

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LIST OF ABBREVIATIONS

BUA	Built up area
FAR	Floor Area Ratio
FSI	Floor Space Index
IRR	Internal Rate of Return
NPV	Net Present Value
Sq ft	Square feet
Sq yds	Square yards
Sq m	Square meters
SWOT	Strengths, Weaknesses, Opportunities, Threats

INTRODUCTION

Topics covered in this chapter are :

- Introduction
- Shopping Malls – An Investment Option
- Identification of the Problem
- Aim & Objectives
- Methodology
- Scope & Limitations

CHAPTER 1

1.1 INTRODUCTION :

As India continues to get strongly integrated with the world economy riding the waves of globalization, the retail sector is bound to take big leaps in the years to come. The young population will display the highest propensity to spend and immensely contribute to the growth of the retail sector in the country.

The country is witnessing a period of boom in retail trade, mainly on account of a gradual increase in the disposable incomes of the middle and upper-middle class households. A report by **Merrill Lynch**, an internationally reputed research firm has projected that India will witness the fastest growth in retailing and real estate. **Euro monitor International**, a leading provider of global consumer-market intelligence places India 6th on a global retail development index.

While the economy is growing at 8.5 percent, the retail sector is growing by nearly 30 percent. According to a market estimate, after agriculture, retail is the largest single sector in India, both in terms of Turnover & Employment Generation.

For the retail sector to achieve further growth, the spread of organized retailing has to become a national phenomenon. A McKinsey report on India says organized retailing would increase the efficiency and productivity of entire gamut of economic activities, and would help in achieving higher GDP growth.

The Indian retail sector is estimated to have a market size of about \$ 180 billion; but the organized sector represents only 2% share of this market. Most of the organized retailing in the country has just started recently, and has been concentrated mainly in the metro cities. India is the last large Asian economy to liberalize its retail sector.

Organized retailing in India has a huge scope because of the vast market and the Industry pioneers claim organized retailing has the potential to grow into an Rs 110,000 crore industry in the next five years and offer jobs to an estimated two million people — roughly two per cent of the entire country's population.

A study conducted by Fitch, expects the organized retail industry to continue to grow rapidly, especially through increased levels of penetration in larger towns and metros and also as it begins to spread to smaller cities and B class towns. Fitch expects organized retail to capture 15%-20% market share by 2010. According to KSA Technopak, a leading consulting firm, the organized sector will grow to almost Rs.30,000 crores by 2005, representing 6% of the total retail market.

1.2 SHOPPING MALLS – AN INVESTMENT OPTION :

Fuelling this growth is the growth in development of the retail-specific properties and malls. While previously it was the large, organized retailers –with their modern, up-

Market outlets, and direct consumer interface- who had been a key factor driving the growth of organized retail in the country, now it is the malls which are playing the role.

As India rushes into middle class consumerism, shopping malls have grown at an exponential pace unmatched anywhere at any time in history. Shopping Malls has been the most latest architectural revolution of the nation. Indian metros are witnessing huge growth in the number of malls, particularly in the suburbs where land is available in plenty and at reasonable rates. The boom has successfully filtered down to smaller towns.

Projections :

- The expected demand for quality retail space in 2006 is estimated to be around 40 million square feet, a number that will quadruple to 55.7 million sq-ft. by 2007.
- Compared to other big cities, Kolkata and Hyderabad are relatively new entrants in the mall segment, but are witnessing quick growth.
- Smaller cities like Pune, Ahmedabad, Lucknow, Ludhiana, Jaipur, Chandigarh & Indore are also expected to see a formidable growth in the growth of malls.

- For example, while a mall in USA is 400,000 to 1 million sq.ft. in size, an Indian version can be anywhere between 80,000 sq.ft. And 500,000 sq.ft.
- From 158 malls/shopping centres by end-2005, India to have 358 malls/shopping centres in 2007.
- Based on ongoing projects, built-up shopping centre area to increase from 32.6 million sq.ft in 2005 to 87.8 million sq.ft in 2007
- By 2007, north zone to account for 39% of total mall space followed by West zone (33%), south zone (18%) and east zone (10%).
- Smaller B-Grade cities to have about 12.8 million sqft of mall space by 2007 - Ludhiana accounting for 2.5 million sqft & Ahmedabad about 3.4 million sqft.

The strong potential of this industry has attracted corporate houses and real estate developers to make huge investments in malls across the country. The concept has been the topmost in the priority of investors because of the spectacular Return on Investment (ROI) in the shortest time span. Further, to boost the already booming retail industry is Government of India initiatives in allowing Foreign Direct Investment (FDI) to the industry, thereby promising huge investments by global players in the near future.

As a direct implication, India is certainly forging ahead in being recognized as the “Retail Destination” in the global map. The indicator being the presence of United Kingdom big time retail player, TESCO already having its presence at Bangalore. Stalwarts of the

Industry – WAL-MART and like already are warming up to the favorable FDI rules, and are looking for partnerships with local retailers.

1.3 IDENTIFICATION OF THE PROBLEM :

But looking at the other side of the coin, the scenario demands serious thoughts to be poured at the earliest. Studies reveal that though the inception of the concept is very recent, already lots of malls are not yielding the profits proportional to the volume of investment invested.

In this era of information technology, wherein information transfer is so rapid and the news in one part of the globe reaches the other part in no time, we are definitely not providing the best of the picture to the potential foreign investors in spite of the initiatives by Govt.

Supporting Statistics:

- The capital is the epicenter of the boom, with as many as 100 malls—some estimates put the number at 150—planned for New Delhi and its vicinity in the

next three years. The only one hitch is many of these malls will struggle to make money.

- Market Sources suggest many existing ones are already bleeding and many retailers are moving away.

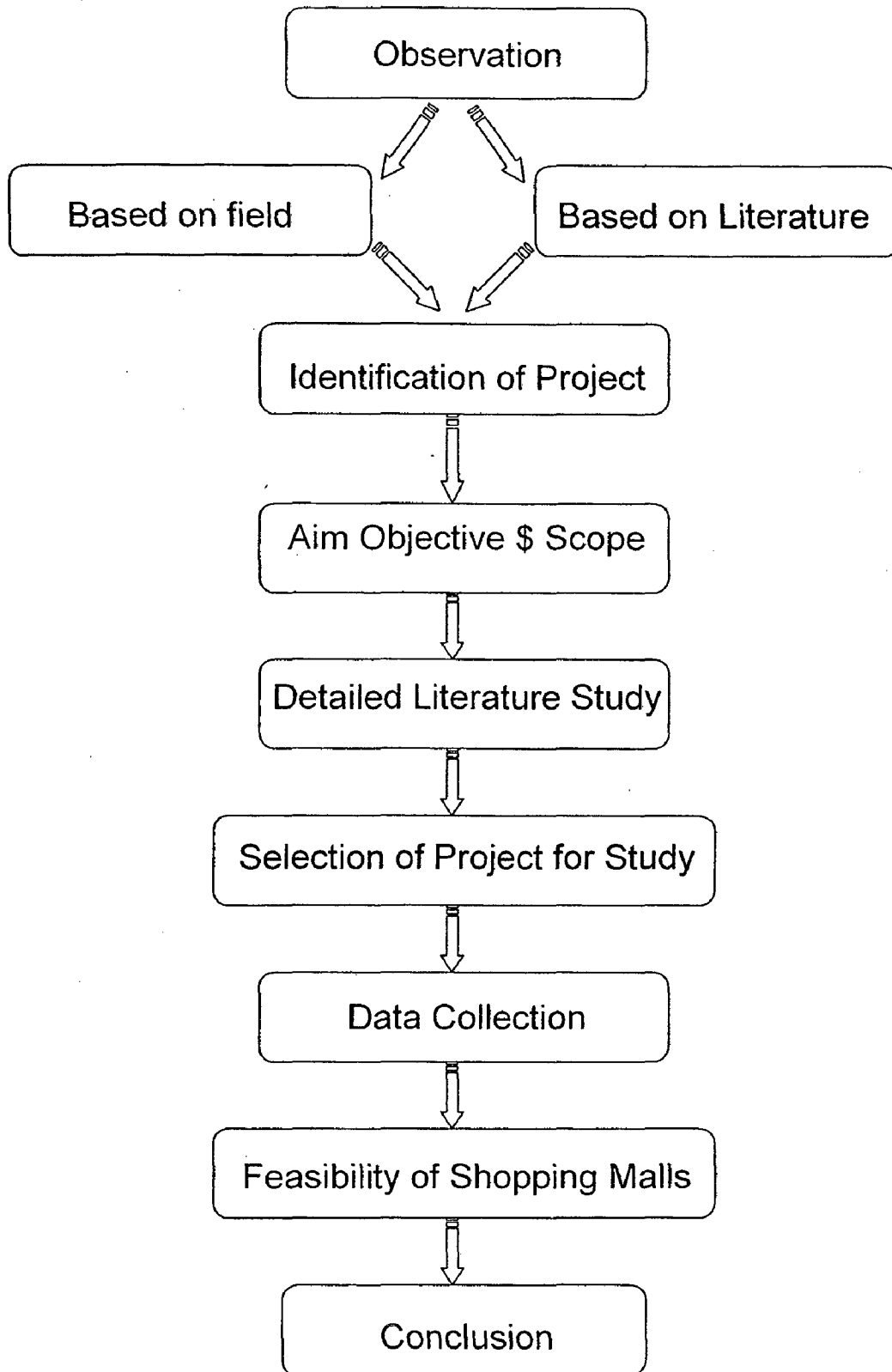
1.4 AIM & OBJECTIVES :

To suggest measures to make the concept of Shopping Malls not only a viable but sustainable venture of the Venture Capitalists.

The objectives through which my aim shall be fulfilled are :

- To Analyze the location of the Shopping Mall in terms of catchments ,surroundings & macro/micro accessibility.
- To Identify upon the best suited Tenants for the Shopping Mall.
- To Identify the perfect Tenant Mix for the Mall.
- To Provide the Best Configuration – Horizontal / Vertical.
- To Analyze the case studies with respect to financial performance.
- To Lend an USP to the Mall so as not only to cope with Existing Competition & fetch higher returns.

1.5 METHODOLOGY :



1.6 SCOPE & LIMITATIONS :

- The thesis will be covering the market analysis so as to understand the preference of tenants in the shopping centers.
- The financial aspect involved in the feasibility study is only for general understanding.
- Detailed cash flow analysis is not included in the scope.
- The thesis is not intended for any particular location.
- The feasibility study need to be customized as per the location.

HISTORY OF SHOPPING MALLS

This chapter gives a clear idea of the entire evolution of the concept of Shopping Malls, as and when it moved across the fourth dimension – Time. The context here is global.

Topics covered in this chapter are:

- History of Shopping Malls
- Regional Malls
- Strip Malls

2.1 HISTORY OF SHOPPING MALLS :

A shopping mall (or simply mall), shopping center, or shopping arcade is a building or set of buildings that contain stores and have interconnecting walkways that make it easy for people to walk from store to store. The walkways might be enclosed. In the United Kingdom and Australia these are also called shopping centres, shopping arcades as well as shopping malls. In North America the term "mall" is preferred.

Mall can refer to a shopping mall, which is a place where a collection of shops all adjoin a pedestrian area, or an exclusively pedestrian street, that allows shoppers to walk without interference from vehicle traffic. *Mall* is generally used in North America and Australasia to refer to large shopping areas, while the term *arcade* is more often used, especially in Britain, to refer to a narrow pedestrian-only street, often covered or between closely spaced buildings. A larger, often only partly covered but exclusively pedestrian shopping area is in Britain also termed a *shopping precinct* or *pedestrian precinct*. The majority of British shopping centers are in town centers, usually inserted into old shopping districts, and surrounding by subsidiary open air shopping streets.

2.2 REGIONAL MALL :

A regional mall is a shopping mall which is designed to service a larger area than a conventional shopping mall. As such, it is typically larger, and offers a wider selection of stores. Given its wider service area, these malls tend to have higher-end stores that need a larger area in order for their services to be profitable. Regional malls are also

found as tourist attractions in vacation areas. Super-regional malls are usually shopping centers with over 1 million square feet of retail space and serves as the dominant shopping venue for the region that it serves. A number of large out-of-town "regional malls" such as Meadowhall were built in the 1980s and 1990s, but there are only ten of them or so and current planning regulations prohibit the construction of any more. Out-of-town shopping developments in the UK are now focused on retail parks, which consist of groups of warehouse style shops with individual entrances from outdoors. Planning policy prioritizes the development of existing town centres, although with patchy success.

2.3 STRIP MALL :

Strip malls are a recent development, corresponding to the rise of suburban living after World War II in the United States. As such, the strip mall development has been the subject of the same criticisms leveled against suburbanization and suburban sprawl in general. In the United Kingdom these are called *retail parks* or *out-of-town shopping centres*.

A strip mall is a shopping center where the stores are arranged in a row, with a sidewalk in front. Strip malls are typically developed as a unit and have large parking lots in front. They face major traffic arterials and tend to be self-contained with few pedestrian connections to surrounding neighborhoods.

In the U.S., strip malls usually come in two sizes. The smaller variety is more common, and often located at the intersection of major streets in residential areas; they cater to a small residential area. This type of strip mall is found in nearly every city or town in the U.S. They are service-oriented and will often contain a grocery store, video rental store, dry cleaner, small restaurant, and other similar stores. In the past, pharmacies were often located next to the grocery stores, but, now, the drug store is often free-standing in the parking lot. Sometimes, gas stations, banks, and other businesses will also have their own free-standing buildings in the parking lot of the strip center.

The other variety of strip mall in the U.S. has large, big box retailers as the anchors, such as Wal-Mart or Target. They are sometimes referred to as *power centers* in the real estate development industry because they attract and cater to residents of an entire population area. The type of retailers may vary widely--from electronics to bookstores to home improvement stores.

There are typically only a few of these type of strip malls in a city, compared to the grocery store-anchored strip mall. Some of these strip centers may only have three or four of these large retailers in them, while others may have a dozen or more major retailers.

Some strip malls are a hybrid of both of these types. Strip malls vary widely in architecture. Older strip malls tend to have plain architecture with the stores arranged in a straight row; in some cases there are vacant stores. Newer strip malls are often built

with elaborate architecture to blend in with the neighborhood or be more attractive. In some cases, strips malls are broken up into smaller buildings to encourage walking. Sometimes the buildings will wrap around the parking lot to hide the parking from the road or residential areas.

Due to land use issues, strip malls in the United Kingdom are typically found on the edges of cities on green field sites, and are known as out of town shopping centres. Ones in more urban areas (often brown field redeveloped sites) are more typically known as retail parks.

SHOPPING MALLS – INDIAN SCENARIO

This chapter gives a brief of the evolution of the concept of Shopping Malls, as and when it moved across the fourth dimension – Time. Now we are concentrating on the Indian Scenario and will try to understand the metamorphosis from the typical kiranaawala format to the modern mall format.

Topics covered in this chapter are:

- Evolution of the Mall Concept
- Main Drivers Of The Mall Culture
- Vital Projections

CHAPTER 3

3.1 EVOLUTION OF THE MALLS – THE INDIAN WAY

Evolution of the Mall Concept:

The mall is a mix of retail, multiplex and entertainment zone with some large format anchors. It's an organized retail format and there is only 1 – 2% of the organized retail in India. There is historic change in consumer market and an revolution has come at present age in retail market. The market is maturing with time scale and the concept of western malls are coming in India. The transitional change in the format is as follows:

Pre 1990's

- Traditional Old City & New City High Street
- Cinemas
- The Air Conditioned Markets
- Large Home Grown Stores

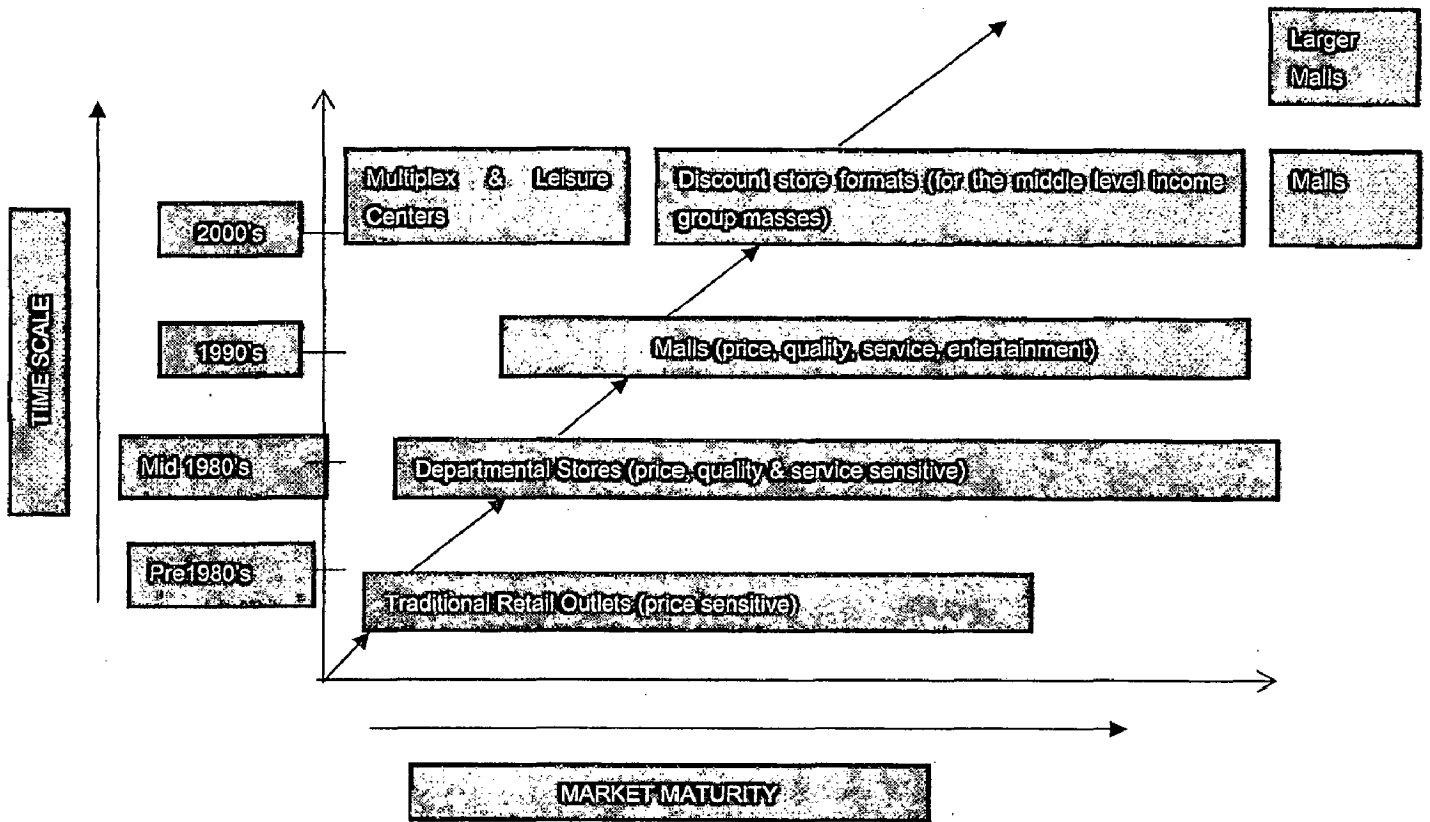
1990's

- Evolution of the Integrated Shopping Centre & The Mall
- Resurgence of High Street with Branded Formats
- Multiplexes & Entertainment Centers With Video Arcades

2000 & Beyond

- Malls - Small, Med., Large & Theme Malls
- Large Shopping Centers
- Family Entertainment Centers
- Amusement Parks

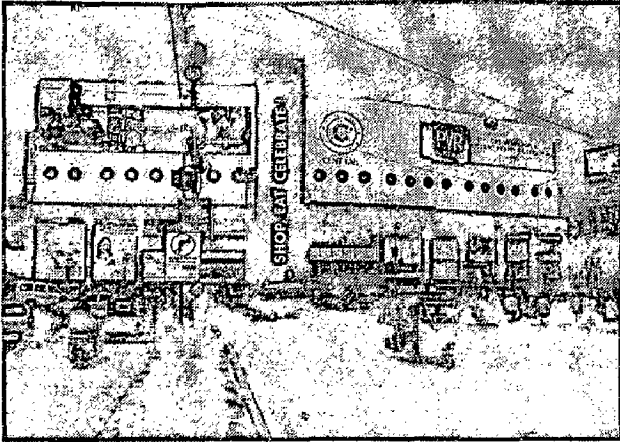
- Discount Stores
- Hyper Markets
- Multiplexes & IMAX
- Departmental Stores & Super Markets



DIAGRAMATIC REPRESENTATION OF MARKET MATURITY WITH TIME SCALE

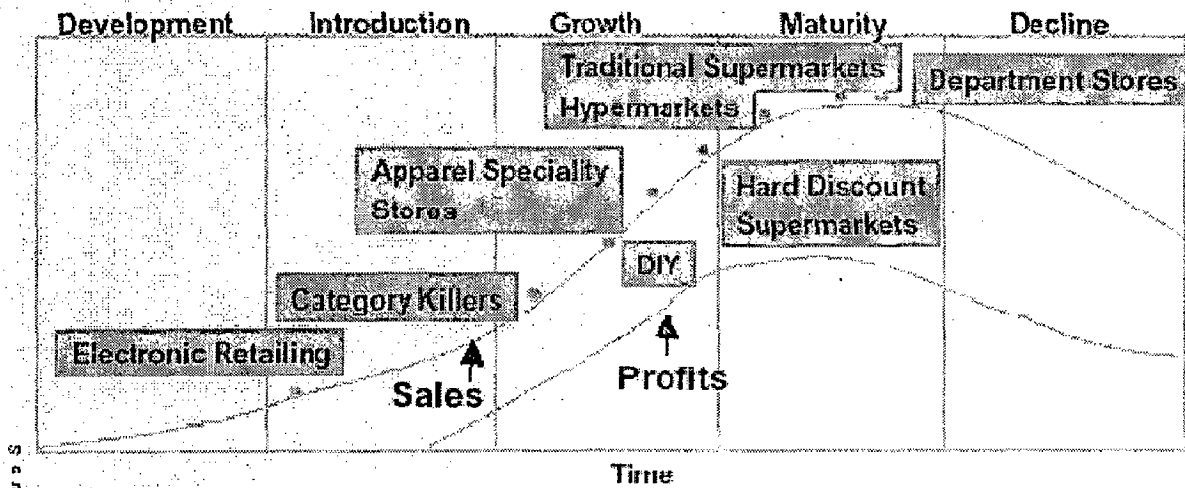


Old trend - Tried, Tested & Extremely Resilient



New trend - The experiment in organized retailing

Different formats are at different stages of evolution
Brands have grown by "format" migration and "cross-border consolidation"



3.2 MAIN DRIVERS OF THE MALL CULTURE :

- One Stop Shop Concept
- Changing Demographics – (increasing proportion of the young middle class)
- Rising incomes and improvements in infrastructure
- Growing consciousness of the consumer about product quality and services
- Easy finance options at low interest rates changing the consumption pattern
- Shopping Experience

3.3 VITAL PROJECTIONS:

- Indian middle class with income between Rs 2lakh & Rs 10lakh to grow from 57 million in 2001-02 to 92 million by 2005-06 & further to 153 million by 2009-10.
- Almost 7 million individuals will enter 20-34 age group every year.(the target group)
- National Council of Applied Economic Research (NCAER) classified approximately 50% of the Indian population as low income in 1994-95; this is expected to decline to 17.8% by 2006-07.

POPULATION DEMO CHART

Population Demographic Shift				
Age/ % of population	1997	2002	2007	2012
Under 15 years	37.2%	33.5%	30.0%	28.2%
15-59	56.1%	59.3%	62.3%	63.2%
60+	6.6%	6.9%	7.5%	8.2%

planning commission projection

Higher than all developing nations

COMPOSITION OF A TYPICAL SHOPPING MALL

This chapter briefs you about the typical composition & combination of a typical shopping mall.

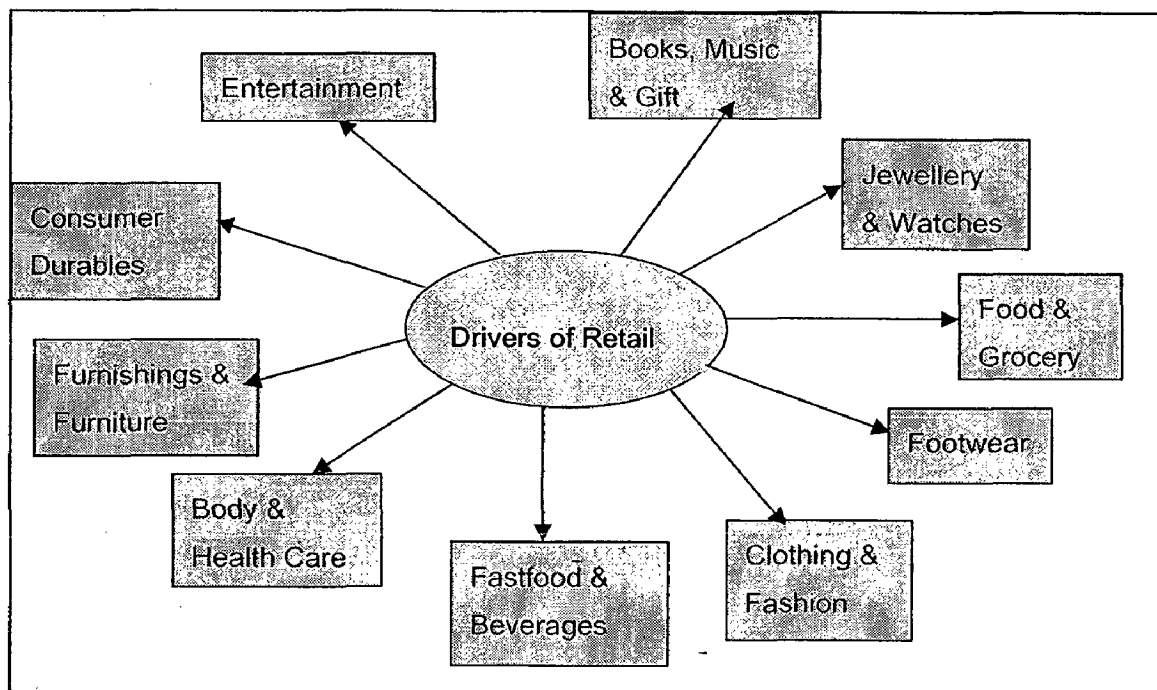
Topics covered in this chapter are :

- Anchors
- Mini Retail Format
- Entertainment
- Food Court

4.1 ANCHORS:

Anchors are referred to those large retail formats which are detrimental to get the footfalls to the shopping malls. They are generally located at the most conveniently accessible spaces of the entire mall. They enjoy the maximum coverage in terms of the area occupancy.

The factor for deciding the tenants depends on consumers. Studies on spending patterns of consumers have identified some of the chief drivers of retail.



Source : ICICI Property Services Research on Retail

4.1.1 FOOD RETAILERS :

There are large number and variety of retailers in the food-retailing sector. Traditional types of retailers, who operate small single-outlet businesses mainly using family labour, dominate this sector .In comparison, super markets account for a small proportion of food sales in India. However the growth rate of super market sales has being significant in recent years because greater numbers of higher income Indians prefer to shop at super markets due to higher standards of hygiene and attractive ambience.

4.1.2 HEALTH & BEAUTY PRODUCTS :

With growth in income levels, Indians have started spending more on health and beauty products Here also small, single-outlet retailers dominate the market. However in recent years, a few retail chains specializing in these products have come into the market. Although these retail chains account for only a small share of the total market, their business is expected to grow significantly in the future due to the growing quality consciousness of buyers for these products .

4.1.3 CLOTHING & FOOTWEAR :

Numerous clothing and footwear shops in shopping centers and markets operate all over India. Traditional outlets stock a limited range of cheap and popular items; in

contrast, modern clothing and footwear stores have modern products and attractive displays to lure customers. However, with rapid urbanization, and changing patterns of

Consumer tastes and preferences, it is unlikely that the traditional outlets will survive the test of time.

4.1.4 HOME FURNITURE & HOUSEHOLD GOODS :

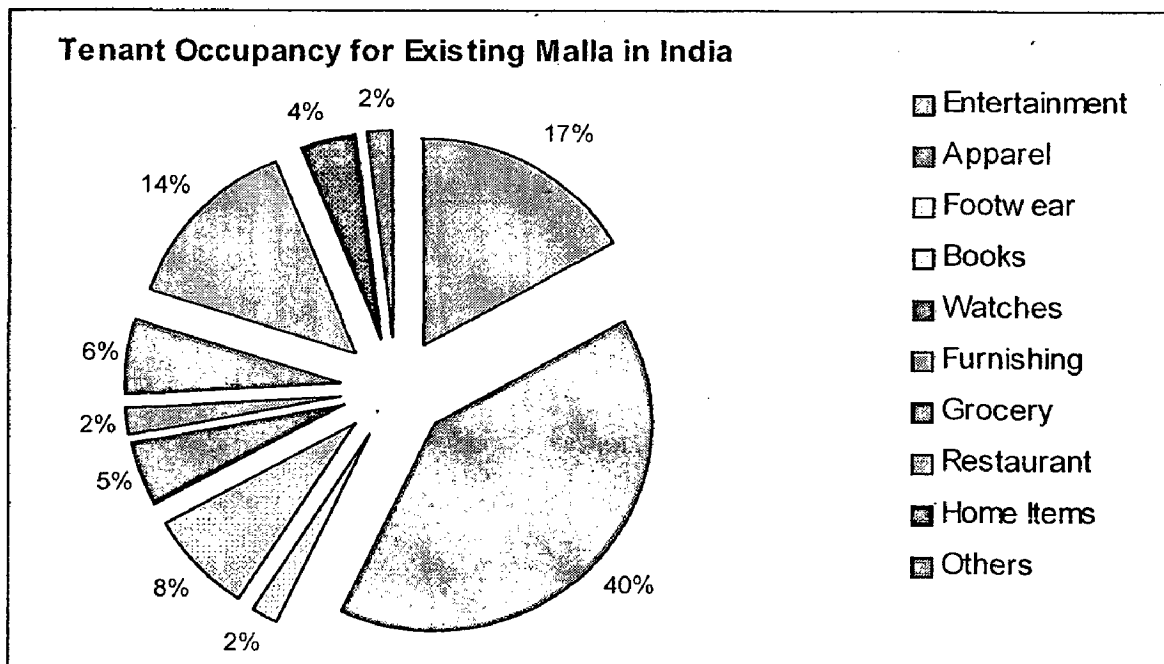
Small retailers again dominate this sector. Despite the large size of this market, very few large and modern retailers have established specialized stores for these products. However there is considerable potential for the entry or expansion of specialized retail chains in the country.

4.1.5 DURABLE GOODS :

The Indian durable goods sector has seen the entry of a large number of foreign companies during the post liberalization period. A greater variety of consumer electronic items and household appliances became available to the Indian customer. Intense competition among companies to sell their brands provided a strong impetus to the growth for retailers doing business in this sector.

4.1.6 LEISURE & PERSONAL GOODS :

Increasing household incomes due to better economic opportunities have encouraged consumer expenditure on leisure and personal goods in the country. There are specialized retailers for each category of products (books, music products, etc.) in this sector. Another prominent feature of this sector is popularity of franchising agreements between established manufacturers and retailers.



In today's time, highest tenancy in a mall is of Apparel i.e. 40% of the total space, which shows the consumer pattern that consumer goes to mall where they get all brand options under one roof. The share of furnishing and footwear is only 2%, which is the least as shown in table above.

LOCATION ANALYSIS

This chapter is a brief regarding the importance of site location for this very sensitive retail industry.

Topics covered in this chapter are :

- Introduction
- Location Requirements
- Special Neighborhood Hazards And Nuisances

CHAPTER 5

5.1 INTRODUCTION :

Before the feasibility process can begin, subject properties must meet specific location requirements. The appraisal process is the investor's tool for determining if a property meets the minimum requirements and eligibility standards for an insured return. In addition, these standards provide a context for the investor in performing the physical inspection of the property.

5.2 LOCATION REQUIREMENTS :

- A. Neighborhood definition
- B. Competitive locations
- C. Economic trends
- D. Land use restrictions
- E. Community services
- F. Transportation
- G. Utilities and services
- H. Neighborhood change considerations
- I. Marketability
- J. Small community market preferences
- K. Study of future utility

The purpose of location analysis is to identify the various location characteristics that affect the Marketability and the value of the subject property.

Location analysis requires the following :

- Determining the desirability and utility of the site.
- Determining the degree and extent to which the site, because of external influences, shares in the market for comparable and competitive sites in the community.
- Forecasting the likely changes at the site because of justifiable future trends.
- Appraising the current situation and knowledge of the various trends that could affect the valuation of the real property.

The principal of change is fundamental to appraising real estate and to properly analyzing a location. Evaluate the direction of these trends and determine their effect, if any, on the current value of the subject property.

A. NEIGHBORHOOD DEFINITION

The investor must clearly define the boundaries – north, south, east and west – of the subject neighborhood. By defining the neighborhood, the investor can extract pertinent information on which to base valuation conclusions.

B. COMPETITIVE LOCATIONS

Locations are competitive when they are improved with, or appropriate for, residential properties that are similar in accommodations and sales price or rental range for similar residents or prospective occupants. Compare features of the subject location with the same features of competitive locations within the community. An acceptable location must be related to the needs of the prospective occupants and to the alternatives available to them in other competitive locations.

C. ECONOMIC TRENDS

The investor must give consideration to, and include in the value analysis, the economic trends of a neighborhood and the general area, including :

- price and wage levels (the purchasing power of community occupants)
- employment characteristics
- current supply and demand for residential dwellings, including projects under construction
- taxation levels
- building costs
- population changes
- activity of real estate sales market and mortgage interest rates

D. LAND USE RESTRICTIONS

Location analysis determines effects of actual and potential neighborhood land use on the subject location. The following factors form patterns for present and future land uses:

Zoning

The investor should consider the effect on the value of appropriate and well drawn zoning ordinances. Land-use controls that receive public approval and are strictly enforced protect residential locations from adverse influences that diminish the desirability of sites.

Protective Easement/Covenants

Properly drawn protective covenants have proven more effective than zoning regulations in providing protection from adverse environmental influences. When combined with proper zoning ordinances, these covenants provide the maximum legal protection to ensure that a developed residential area will maintain desirable characteristics or that a proposed or partially built-up neighborhood will develop in a desirable manner.

Inharmonious Land Uses

The investor must identify all inharmonious land uses in a neighborhood that affect value. Clearly define the current and long-term effect that inharmonious uses will have on the market value and the economic life of the subject property.

Natural Physical Features

The investor must consider favorable and underlying topography and site features, including pleasing views, wood lots, broad vistas and climatic advantages. Streets that

are laid out with proper regard to drainage, land contours and traffic flow show good design and increase the desirability of the neighborhood.

Attractiveness of Neighborhood Buildings

The overall appeal of a neighborhood is strengthened if the buildings in a neighborhood harmonize with each other and their physical surroundings. A pleasing variety that results in harmoniously blended properties is desirable but not mandatory. The age of the structure is not in itself an important consideration; however, the maintenance of the structure over time has an important impact.

Neighborhood Character

Mobility and economic growth can alter neighborhood patterns. Shopping, recreation, places of worship, schools and places of employment should be easily accessible.

Character of Neighborhood Structures

The investor must carefully analyze the age, quality, obsolescence and appropriateness of typical properties in a neighborhood. Take into account the attitude of the user group as well as the alternative choices available to the specific market under consideration.

COMMUNITY SERVICES

Community services include commercial, civic and social centers. For a neighborhood to remain stable and retain a high degree of desirability, it should be adequately served by elementary and secondary schools, neighborhood shopping centers, churches, playgrounds, parks, community halls, libraries, hospitals and theaters. A lack of services in the community should be noted and quantified in the valuation analysis. The investor must note a change in these services and quantify the effect on value.

E. TRANSPORTATION

Ready access to places of employment, shopping, civic centers, social centers and adjacent neighborhoods is a requisite of neighborhood stability.

F. UTILITIES AND SERVICES

The investor must consider these utilities and neighborhood services: police and fire protection, telephone services, electricity, natural gas, garbage disposal, street lighting, water supply, sewage disposal, drainage, street improvements and maintenance. Public services and utilities can affect value and must be quantified. A lack of these services should be noted and quantified in the valuation analysis.

G. NEIGHBORHOOD CHANGE CONSIDERATIONS

As time passes, desirability changes residential areas in any location. Therefore, give special consideration to the following :

- infiltration of commercial, industrial or nonconforming use
- positive and negative effect on value of gentrification
- changes in the mobility of people (employment shifts)
- weakly enforced zoning regulation or covenants

H. MARKETABILITY

The demand for home ownership in a neighborhood is directly related to the marketability of the homes in the neighborhood or in competitive neighborhoods. Home ownership rates, vacancies and the marketing time of dwellings in a neighborhood help the investor determine the strength of market demand and the extent of supply.

I. SMALL COMMUNITY MARKET PREFERENCES

A small town may have its own set of standards in architectural design, livability, style of mechanical equipment, lot size, placement of structures, nature of street improvements and in all features of the physical property and environment. Judge each in light of local standards and preferences.

J. STUDY OF FUTURE UTILITY

The study of future utility is typically covered in the investor's Highest and Best Use Analysis and includes :

- selecting possible uses
- rejecting uses that are obviously lower or higher than the most probable use
- analyzing differing motives of those buyers

The study of the future uses and utility of a particular property will lead the investor to the property's Highest and Best Use.

K. Assessment

The real estate tax liability is computed by multiplying the assessed value by the tax/mileage rate.

SPECIAL NEIGHBORHOOD HAZARDS AND NUISANCES

- Unacceptable locations
- Topography
- Heavy traffic
- Overhead high-voltage transmission lines

Physical conditions in some neighborhoods are hazardous to the personal health and safety of residents and may endanger physical improvements. These conditions include unusual topography, subsidence, flood zones, unstable soils, traffic hazards and various types of grossly offensive nuisances. When reporting the appraisal, consider location hazards and nuisances.

UNACCEPTABLE LOCATIONS

A location is rejected if the property being appraised is subject to hazards, environmental contaminants, noxious odors, offensive sights or excessive noises to the point of endangering the physical improvements or affecting the livability of the property, its marketability or the health and safety of its occupants. Rejection may also be appropriate if the future economic life of the property is shortened by obvious and compelling pressure to a higher use, making a long-term mortgage impractical.

These considerations for rejection apply on a case-by-case basis, taking into account the needs and desires of the purchaser. For example, a location should not be considered unacceptable simply because it abuts a commercial use; some commercial uses may not appeal to a specific market segment.

TOPOGRAPHY

There are special hazards caused by unique topography. For example, denuded slopes, soil erosion and landslides often adversely affect the marketability of hillside areas.

When evaluating the location, consider earth and mud slides from adjoining properties, falling rocks and avalanches. These occurrences are associated with steep grades and must be considered in the location analysis.

HEAVY TRAFFIC

Close proximity to heavily traveled roadways can have a negative effect on the marketability and value of locations because of excess noise and danger. Properties backing to freeways or other thoroughfares that are heavily screened or where traffic is well below grade and at a sufficient distance from the property may not affect value. The investor must quantify the effect on value if the property is marketable. This adjustment should be supported by comparable transactions. This condition could be the reason that a lender ultimately rejects the property. Do not reject existing properties only because of heavy traffic if there is evidence of acceptance within the market and if use of the dwelling is expected to continue.

OVERHEAD HIGH-VOLTAGE TRANSMISSION LINES

No dwelling or related property improvement may be located within the engineering (designed) fall distance of any pole, tower or support structure of a high-voltage transmission line, radio/TV transmission tower, microwave relay dish or tower or satellite dish (radio, TV cable, etc).

COMPONENTS OF MARKET FEASIBILITY

This market feasibility is pivotal since it determines the volume of footfalls that is anticipated in the shopping center.

Topics covered in this chapter are :

- Catchments
- Market Studies
- Footfall Analysis

6.1 CATCHMENTS :

The marketability of the shopping mall can be discussed under two broad heads:

Macro Level (Catchments)

Micro Level (Project Site)

Macro Level (Catchments) :

- Primary Catchments
- Secondary Catchments
- Tertiary Catchments

Primary Catchments covers up to 6 km radius of the site or about 15-20 min driving time.

Secondary Catchments covers up to 6 – 10 km radius of the site or about 20- 30 min driving time.

Tertiary Catchments covers up to more than 10 km radius of the site or more 30 min driving time.

Micro Level (Project Site) :

Site SWOT (strength, weakness, opportunity & threat) analysis has been done for the subject site based on

- Location
- Infrastructure
- Linkages

- Frontage

A SWOT (**Strengths, Weakness, Opportunities, Threats**) analysis of the project site is a must for going ahead with the actual construction. The proposal if found mismatched after the said analysis should be dropped down. The project site has to have a wide frontage and the surrounding roads and accessibility points should be quite elaborate to support the heavy traffic that is expected to rush in during the weekends specially which is expected to be the prime time for boosting the sales in the malls.

6.2 MARKET STUDIES :

The Positioning Study Outline for a shopping centre includes studies like

- Customer survey
- Competitive Assessment
- Demographic Research
- Income & Expenditure Analysis
- In-Home and Consumer Expenditure Survey
- Market Potential Analysis
- Tenant Specific Historic Sales analysis
- Tenant Mix Review
- Strategic Consideration.

Customer Survey

A Customer Survey would find out what customers have purchased from the shopping centre, their likes and dislikes, etc.

Demographic Research

A Demographic Research would find out on a daily basis, the number of people in the families of customers, and demographic attributes.” Demographic analysis for a shopping centre includes analysis of population in terms of historic, current and future changes.

Competitive Assessment

While conducting the feasibility study, information about competition should be collected by visiting trade areas, offices and gathering information like prevailing lease rates, vacancy, documentation required, location of retailers etc. This would help in developing an understanding about the same along with providing information on both traditional and modern formats,”

Income & Expenditure Analysis

Expenditure levels are directly related to income levels. Therefore Income Analysis is equally significant. For this, one needs to find out Personal Per capita Income, Gross Income, Disposable Income, Discretionary Income, Household Income etc. Gross Income less taxes is Disposable Income and Income left after expenses like school fees etc, is Discretionary Income,”

Tenant Mix Review

Tenant mix for a shopping centre would depend upon factors like Market Positioning of a Centre, its retail mix, Merchandising Depth, Anchors, and International/ National/ Local Mix. Only those anchors should be brought in who fit the profile of the shopping centre. A 50:50 mix of Chain Stores and Local operators is recommended,”

The survey based on the below mentioned parameters was essential to understand the sentiments of the consumers as well as that of the retailers of this very sensitive retail industry. *Refer Appendix – 1 and Appendix -2.*

Some of the findings of the survey:

Household Representing Surveyed	Nos	%
Male	210	84%
Female	40	16%

Monthly income in INR	Nos	%
< 10,000	84	34%

Components of Market Feasibility

10,000 - 20,000	110	44%
20,000 - 40,000	38	15%
> 40,000	18	6%

Profession	Nos	%
Business	62	29%
Service	126	51%
Self-employed	16	6%
Student	32	13%
Housewife	2	1%
Education	Nos	%
10+2	34	14%
Graduate	134	54%
Postgraduate	46	18%
Professional	31	12%
Others	5	2%

Frequency of going out for	Shopping	Eating	Movie	Leisure	Shopping	Eating	Movie	Leisure
2 in a week	26	35	6	21	11%	14%	3%	8%
1 in a week	58	65	41	82	23%	30%	16%	33%
1 in month	126	82	130	95	50%	33%	52%	38%
Twice a month	36	39	54	45	14%	16%	22%	18%
Daily	2	16	6	5	1%	6%	2%	2%
Rarely	1	3	12	2	0%	1%	5%	1%

Money spent in lifestyle in a month	Shopping	Eating	Movie	Leisure	Shopping	Eating	Movie	Leisure
< 250	10	45	159	86	4%	18%	64%	34%
250 - 500	45	106	65	95	18%	43%	26%	38%
500 - 1000	60	59	15	48	28%	24%	6%	19%
1000 - 1500	30	25	6	12	12%	10%	2%	5%
> 1500	95	14	5	9	38%	6%	2%	4%

Time spent on Traveling	Shopping	Eating	Movie	Leisure	Shopping	Eating	Movie	Leisure
15 min	138	132	141	52	55%	53%	56%	21%
30 min	102	110	99	115	41%	44%	40%	46%
1 hr	6	6	6	38	2%	2%	2%	15%
> 1 hr	4	2	4	45	2%	1%	2%	18%

Time spent on outing	Shopping	Eating	Shopping	Eating
< 30 min	11	49	4%	20%
< 1 hrs	60	65	28%	26%
1-3 hrs	121	91	48%	36%
> 3 hrs	48	45	19%	18%

Time spent on outing	Leisure	Leisure
< 2 hrs	21	8%
2 - 4 hrs	128	51%

Components of Market Feasibility

4 – 6 hrs	53	21%
> 6 hrs	48	19%

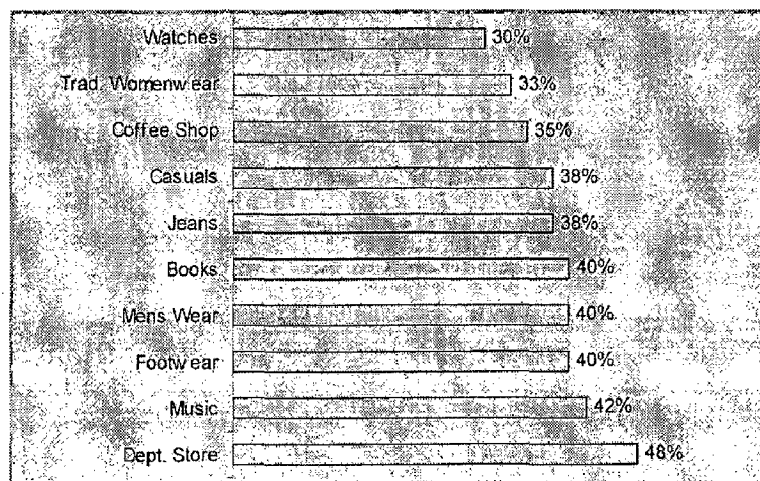
Preference of going out with	Shopping	Eating	Movie	Leisure	Shopping	Eating	Movie	Leisure
Family	146	135	110	126	59%	54%	44%	50%
Friends	68	103	126	115	31%	41%	50%	46%
Self or group	25	12	14	9	10%	5%	6%	4%

Mode of transportation	Nos	%
2 wheeler	92	36%
4 wheeler	110	44%
3 wheeler/taxi	15	6%
Public transportation	33	13%

Shopping preference	Nos	%
Retail market	31	12%
Shopping mall	201	80%
Whole sale market	11	4%
Informal bazaar	6	3%

Preference of travel time	Nos	%
15 min	51	20%
30 min	151	60%
1 hr	25	10%
> 1 hr	23	9%

Criteria for Shopping/ Eating out/ Movie and Leisure								
Ranking	Pricing		Convenience		Ambience		Location	
	Nos	%	Nos	%	Nos	%	Nos	%
1	86	35%	96	38%	11	4%	31	12%
2	95	38%	64	30%	21	8%	68	26%
3	44	18%	62	25%	45	18%	103	41%
4	24	10%	18	6%	163	69%	48	19%



A. Profile of respondents

1. Approximately 68% have monthly income of less than 20k and only 22% of the surveyed population has monthly income more than 20k.
2. 84% of the respondents are graduates and out of this 30% are postgraduates and professionals.

B. Trends in Shopping, Eating, Leisure / Entertainment

1. Out of total 250 respondents, more than 80% like to go for lifestyle shopping while only 4% respondents like to go to wholesale shops, which is a positive sign for organized retailing.
2. Approximately 34% of the respondents go for shopping at least once a week and for eating more than 44% of the respondent go out at least once in a week. Approximately 61% go for movie at least once a month. Nearly 41% go for leisure at least once in a week. Thus higher percentage of people prefer to go for shopping, leisure and eating out, which needs to be incorporated in the project. Preference for movie is also comparatively very high as nearly everybody go for movie once a month.
3. Approximately 50% of the respondent spends more than Rs 1000 p month in shopping; upto 40% spend more than Rs 500 p month on eating out. Upto 64% spend less than Rs 250 per month on movie and approximately 62% are spending less than Rs 500 for leisure. Thus this shows that people don't want to spend money for leisure.

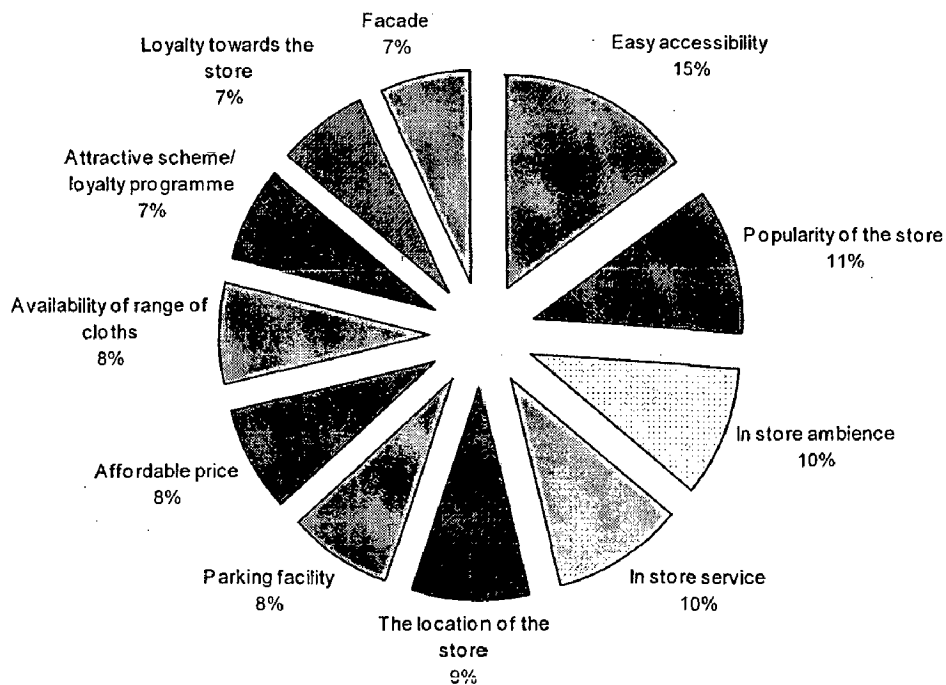
4. Over 66% of the respondents spend more than 1 hour for shopping and approximately 46% spends upto 1 hour for eating out.
5. For entertainment & leisure, upto 91% spends more than 2 hours.
6. A majority to respondents i.e. more than 50% prefers to go out with family for shopping, eating and leisure closely followed those who go with friends whereas in case of Movie 50% respondents prefer to go with friends closely followed by those who go with family.
7. Upto 44% of the people use car as mode of transport for shopping, eating out, movie and leisure. Thus car parking is the key factor for success of this retail destination.

C. Preference for the Mall

1. 80% of the total surveyed would prefer to shop in shopping malls and more than 80% people preferred travel time to be not more than 30 minutes.
2. For shopping, eating out and movie more than 80% of the respondent don't mind traveling for 30 minutes or more.
3. The Thiruvananthapuram market prefers convenience in shopping, eating, and leisure, while it is also price conscience and puts price on second rank. While location and ambience as subsequent third and fourth rank. Thus location and pricing both are the key factor for a development of mall and leisure activity.

The parameters discussed are :

- Easy accessibility
- Popularity of the store
- In store ambience
- In store service
- The location of the store
- Parking facility
- Affordable price
- Availability of range of cloths
- Attractive scheme/ loyalty program
- Loyalty towards the store
- Façade



Participation of Various Parameters towards Market Feasibility

6.3 FOOTFALL ANALYSIS :

Footfalls for the malls depends on the two basic components :

- Location
- Tenants

Whereas the location plays a key role in ensuring the volume of footfalls, the tenants and the mix play a key role in improving upon the conversion rate – footfalls to sales.

FOOTFALL ANALYSIS – METHOD - I

Footfall Analysis					
Catchment Area		Primary	Secondary	Tertiary	Total
Type					
Location					
Total Urban Resident Population					
Target market size (based on willingness and propensity to spend)					
%					
Absolute					
Target market shopping frequency & volume (based on market research estimates)					
Once a month			50%		

Components of Market Feasibility

Footfall Analysis					
Catchment Area		Primary	Secondary	Tertiary	Total
Type					
Once a fortnight	20%				
Once a week	30%				
Others/ visiting guests % of target market size)	5%				
Total shopping visits in a month	105%				
Fair market share of shopping mall and entertainment (amongst competition)					
%					
Absolute					
Average No of Visits to Mall per Day					
Daily Footfall					
per weekday					
per weekend days					
Weekly Footfall					
Weekdays (Mon-Fri)					

Components of Market Feasibility

Footfall Analysis					
Catchment Area		Primary	Secondary	Tertiary	Total
Type					
Weekends (Sat-Sun)					
Total Weekly Footfall					
Total Monthly Footfall					
Special events/ Festivals/ Promotions (per month)					
Multiplex Add On (based on 1200 seats)					
Gross Monthly Footfall					
Average Daily Footfall					

FOOTFALL ANALYSIS – METHOD II

	Total Population	Population willing to visit a mall	Total No. of visits by willing population	Population that does not mind the distance	Likely probability of visit to a mall	Preference rate of this mall over other competing malls	Weighted Average Market Share of	Footfall per month	Footfall per day
Primary									
Secondary									
Tertiary									
Total									

COMPONENTS FOR ARCHITECTURAL FEASIBILITY

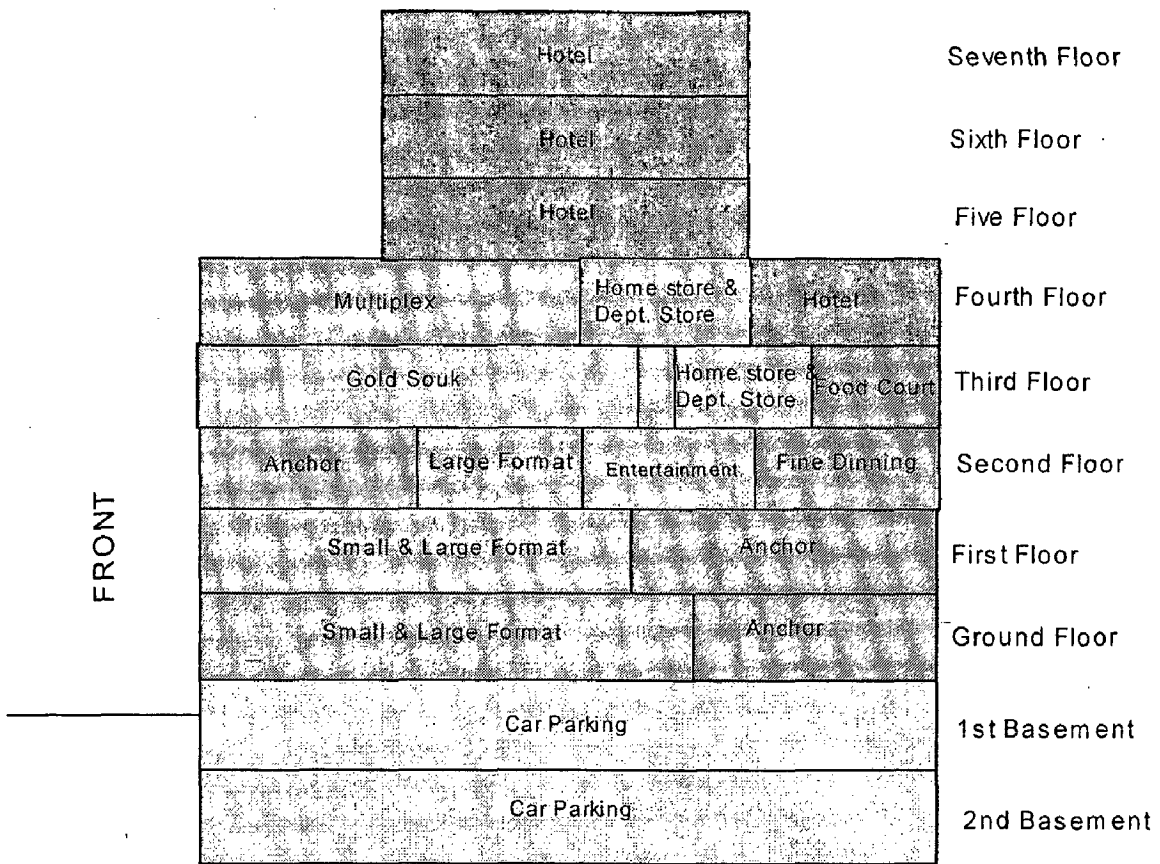
This chapter is a brief regarding making the already feasible shopping center a more sustainable venture not only to cater to the returns of the present investment but to make it a successful venture beyond the present.

Topics covered in this chapter are:

- Format of Mall
- Design Management
- Parking
- Illumination
- Air-Conditioning
- Aluminium Composite Panels
- Conclusion

7.1 FORMAT OF MALL :

“Dumbbell” is a highly effective model of mall design. It is an enclosed shopping centre wherein two major tenants are located at the two ends of the property, so that the customer travels from one end to another in order to buy things, thereby covering all stores located in the connecting corridor.



Sample of a Typical Mall Format

A feasibility study helps in deciding the Tenant-to-Tenant Layout Plan, where the supporting elements would be, Horizontal Configuration, Vertical Configuration, Placemaking, and creating a Pleasant Public Space Environment.

Conclusion :

"As a retailer moves upwards physically, it loses sales. In India, it is at the rate of about 30 per cent.

7.2 DESIGN MANAGEMENT :

One of the most conventional models of design management is "design it first —then, engineer it" .The engineer simply determines...capacity (load), delivery system (piping & duct distribution), and controls (location of thermostat). Engineering disciplines should be placed up front, in the early (schematic) stages of design and integrated early into the architectural thought process. The engineering disciplines should be included up front and using of design guidelines can provoke early decisions on materials, systems and cost parameters. This is a sure way to maintain control over project costs and save schematic design time as design alternatives can be framed or even eliminated which may not make sense in engineering terms.

Reduce isolated islands of information. Standardize and customize project, financial, and budgeting activities to deliver consistent reporting and analysis across your organization, 24 hours a day, seven days a week. Save time and reduce errors caused by duplicate data entry. Customer records, contracts, projects, tasks, resources, budgets, time, expenses, and financial transactions can be entered once, and then used throughout the system. Analyze project performance for better budgeting. Get up-to-date project and task profitability data from the financial system. Track and control your

budgets from project initiation to completion, allowing to spot potential cost overruns before it's too late. Align people, projects, and equipment for optimal results.

7.3 PARKING :

DEVELOPMENT CONTROL RULE ANALYSIS

According to the Building Rules 1999, the permissible F.A.R for various product mix on the site are presented below in the table :

S.N o.	Building use/ Occupancy	Maximum Permissible Coverage (Percentage of plot area)	Maximum Permissible F.A.R without additional Fee	Maximum Permissible F.A.R with additional Fee
1	Residential A1	65	3.00	4
2	Mercantile/Commercial F	65	2.50	4

Note: Area used for parking or plant room inside a building is not reckoned as floor area in FAR calculations. The additional fee for additional FSI to achieve maximum is Rs1000 per sq m as per the Development Control Rules.

PARKING, LOADING AND UNLOADING SPACES

According to the Municipality Building Rules 1999, the building rules applicable for providing parking area are:

- Each off-street parking space provided for parking cars shall be not less than 15 sq. mts.

- Area (5.5 mts. x 2.7 mts) for two-wheelers and cycles the area of each parking space provided shall be not less than 3 sq mts. and 1.5 sq. mts. respectively.
- For buildings of different occupancies, off-street parking spaces for cars shall be provided within the plot as specified in the table below :

S.No	Occupancy	One parking space for every or fraction of
1	Residential Appartment Houses/Flats	7 units (with each unit upto 100 sq mts of carpet area) 4 units (with each unit above 101 sq mts and upto 150 sq mts of carpet area) 2 units (with each unit above 151 sq mts and upto 200 sq mts of carpet area)
2	Mercantile/ Commercial building exceeding 75 sq meters carpet area	100 sq mts of carpet area

Wherever any parking space is required under these rules, 25% of that area shall be provided additionally for parking scooters or cycles.

7.4 ILLUMINATION :

Lighting for Shopping Malls has to cater to some of the very basic requirements:

- Add On to enhance interiors & exteriors
- Creating Ambience
- Attract more people
- Help them in shopping through their eyes
- Help shoppers to sell well

Quality Standards for Lighting Solutions in Shopping Mall

- Attraction - Excellent Contrast Rendition
- A suitable Lighting Level
- Balance Distribution of Brightness
- Avoiding Glare
- Light direction and creating shadows
- Pleasant Light Colors

Reevaluate of lighting needs is a must. There may be areas in which you have too much light for the tasks being illuminated. Use as much natural lighting as possible. Dealing with the most basic module of lighting, incandescent bulbs should be replaced to compact, high efficiency fluorescent bulbs. They are more expensive initially but offer great energy savings and have greater longevity. Financial burden is double.

- Pay for the electricity consumed for lighting.
- Pay for the electricity to run the air conditioning required to remove the heat.

Thus systematically reducing lighting electrical loads makes terrific sense. It's great both financially and in terms of environment.

7.5 AIRCONDITIONING :

Air conditioning is highly beneficial in a commercial sense for good reasons:

- Enables people to shop & work in spaces, hence more revenue
- Reduces damage to structures & their contents from excessive humidity and other contaminants

Air conditioning does represent a significant expense. The expense is not only in first cost, i.e. the cost of acquisition and installation; it is also in operating costs. Air conditioning load in your mall is substantially greater because of the heat load added by lighting.

7.6 ALUMINIUM COMPOSITE PANELS :

Advantages of Aluminium Composite Panels (ACP)

- Attractive and Excellent Look
- Easy, Quick and Economic Transportation, Fabrication & Installation
- Minimum Dead Weight
- Excellent surface flatness and smoothness
- Easily Bendable
- Resists buckling
- Low chipping, rippling & staining
- Super peeling strength

- Strong and Durable (20 year warranty on coatings)
- Excellent torsion strength
- Even coating with various colors and various texture
- Color Uniformity & Resists color fading
- Sound & Thermal Resistant
- Water, Chemical and Corrosion Resistance
- Easy Maintenance
- Perfect Fireproof Performance & Non Toxic
- High Impact Resistance
- Greater Longevity
- Recyclable and Re melted at any time

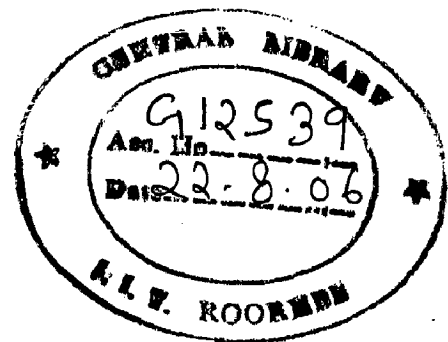
7.7 CONCLUSION :

Clearly Supply Leads

- By Location
- By Format
- By Volume

But Demand Leads By.....

- Pricing
- Inner Space Allocation Within Malls



Hardware

Ensure A Design & Layout, Which

- Attracts consumers.
- Provides an unparalleled built environment & retains them.
- Ingress and egress by both public + private transport.
- Horizontal movement along the malls to maximise pedestrian flow.
- Vertical movement between levels to encourage customers to use all levels.

Provide Infrastructure & Facilities which support this

- 100 % Air-conditioning & power back up
- More than adequate parking
- Retail unit size and disposition
- Choice of materials - particularly floor finishes
- Lighting - natural and artificial
- Signage and graphics
- Information

Software

Tenant Mix Cajoling the consumer to spend more time and money ensuring a consistency in pricing and overall retail offer.

Ensuring Attractiveness :

- Events & Entertainment
- Incentives & Cross Promotions
- Loyalty Program
- Brand re-engineering

COMPONENTS OF FINANCIAL FEASIBILITY

This chapter briefs about the ultimate reality – Finances. This is where the boardroom discussions finally trickles down to reality and lands to its tangible form.

Topics covered in this chapter are :

- Introduction
- Cost of the Mall
- Rentals for the Mall
- Pricing of the Mall
- Various Financial Ratios
- Project Phasing
- Disposal Mechanism
- Project Zoning

8.1 INTRODUCTION :

Feasibility studies help in contrasting enthusiasm with reality; they quantify ideas and delineate risks by minimizing uncertainty. They help to secure planning permission, major tenants and financing of a project. Further, they enable prioritization of investments, and comparative study between alternative development options,”

A feasibility study should be started immediately after a project has been identified – much before the investment has taken place. The primary objective of any feasibility study is to create an understanding of the market and its trends; determine market opportunity, assessment of risk and creating a document for multiple interests like investors, developers, etc.

8.2 COST OF THE MALL :

Cost of Site

Predevelopment Expenses

Basic Construction Cost

Finishing: Shell & Allowance vs. Turn Key

Leasing Costs

Common Area Expenses (CAM/HVAC)

Analysis for costing of mall cum multiplex has been done based on the earlier in-house experience of the company and based on the architects costing for various malls in other places India. Multiplex costing has been done by renowned architects for two projects.

Multiplex Costing	
Activity	Cost in Rs p sq ft
Structure	285
Finish (Base)	115
Finish (Super)	450
Electrical	65
Plumbing	45
Firefighting	45
A/C	320
Ventilation	35
Telecon/ BgM	15
IBMS	17
Signage	8
Total	1,400

Basement Costing

A	Basement	
1	Sub Structure	200
2	Plaster & Screed	40
3	Electrical	30
4	Sanitation & Plumbing	15
	Sub Total	285

Superstructure costing is shown in table below with basic infrastructure facilities

B	Super Structure	Rate in Rs p sq ft
1	Structure	
	Cinema Complex	600
	Shopping Etc	420
2	Plaster & Screed	
	Cinema Complex	278
	Shopping Etc	232

		Rate in Rs p sq ft
6	HVAC	
	Cinema Complex	225
	Shopping Etc	167
7	Fire detecting & Fighting	
	Cinema Complex	65
	Shopping Etc	65

Components of Financial Feasibility

3	External Finish	
	Cinema Complex	93
	Shopping Etc	80
4	Electricals	
	Cinema Complex	74
	Shopping Etc	185
5	Sanitary & Plumbing	
	Cinema Complex	74
	Shopping Etc	111

8	Communication & Security	
	Cinema Complex	9
	Shopping Etc	14
9	BMS	18
10	Signage	9
11	Misc.	10
	Sub-Total	
	Cinema Complex	1,455
	Shopping & Others	1,311

8.3 RENTALS FOR THE MALL :

Real estate is the most important parameter deciding the profitability of any store. Real Estate in terms of location as well as the cost associated with it will affect the footfalls and the finances of the company. The affect could be very well seen in terms of number of stores in Chennai and in Mumbai. Property rents being lower has facilitated the growth of grocery chains like food-world and Subhiksha in South India. Mumbai as one of the costliest city in World made the business proposition un-lucrative at least for the grocery retailers. High rentals of Rs150-200 in Mumbai as compared to Rs 50-80 in Banglore or Rs30-60 in Pune are the deterrent for any retailer. For a grocery retailer to succeed where gross margins are 12% at max rentals above Rs xx are simply unaffordable. The concept of WalMart like mega stores in the far flung areas of the city is still to catch on and could not substitute the problem.

Components of Financial Feasibility

Mumbai Rentals		Delhi Rentals		Bangalore Rentals		Pune Rentals	
Locality	Rates	Locality	Rates	Locality	Rates	Locality	Rates
Colaba	150	CP (Inner Circle)	220	M.G. Road	100	M.G. Road	125
Fort	175	Basant Lok	150	Commercial Road	125	Jangli Maharaj Road	110
Church Gate	175	Saket	80	Brigade Road	100	East Street	70
Kemps Corner	180	South Ex	175	Koramangala	40	Dhole Patil Road	75
Napean Sea Road	175	Lajpat Nagar	100	Jayanagar	45	Boat Club Road	75
Linking Road	200	Rajouri Garden	100	Indiranagar	40		
Hill Road	160	Greater Kailash I	150	Rates: (Rs per sq ft per month)			
Juhu	110	Noida	75	Source: Knight Frank			
Lokhandwala	125	Gurgaon	60				

Rentals In Large Cities :

In cities like Mumbai though the solution could be smaller store size with higher no of stores. By generating higher footfalls per square-foot and having higher no of stores thereby educing catchment area but catering to same population as in other cities (because of higher population density) Retailers can circumnavigate the problem. Another problem akin to retail stores is the premium in markets like Mumbai for the properties for stores over the same commercial properties in the same locality. Having smaller store can again help solving the issue. Some of the factors helping the industry are increased supply in cities like Mumbai. Old textile mills in prime localities in Mumbai are now rechristining themselves as entertainment complexes. This sudden jump in supply made possible due to change in government policies has affected the retail scenario to a great extent in Mumbai. Cross-Roads near Haji Ali is was earlier a manufacturing unit but now has become a major destination in the town. India is witnessing an exponential growth in the space occupied by organized retailers. A year back it was barely equal to one WalMart store but is expected to be in excess of 8mn sq ft by 2003.

Retail Space				
(000 sq ft)	Mumbai	Delhi	Banglore	Pune
2001	200	100		100
2002	1400	1000	300	300
2003	1800	1400	850	425

Source: Knight Frank

After analyzing the type of format of malls and the tenants in different malls, a correlation has been made between area and pricing for different formats as shown below. Anchor tenants will be the least priced as compared to the small format shops and jewelry shops.

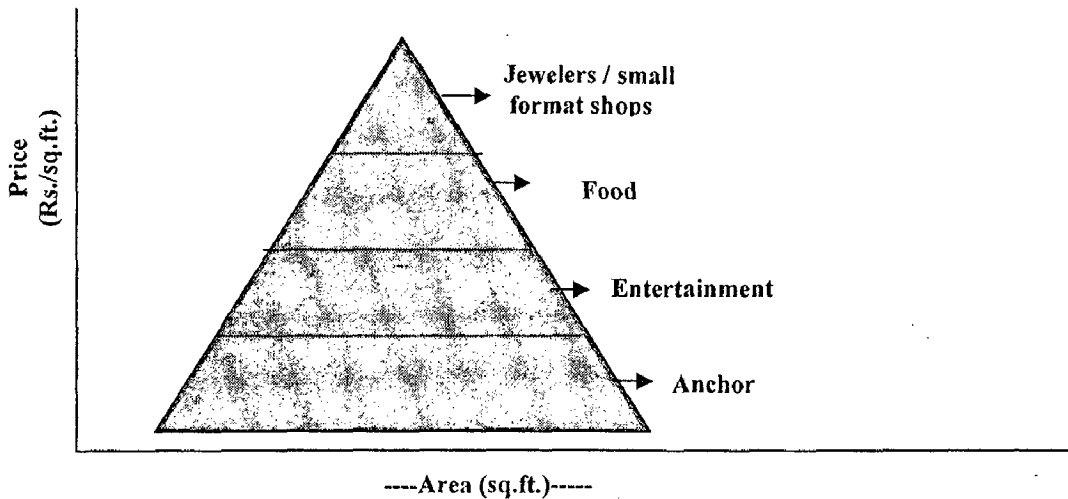
A Typical Rent Calculator below gives a clear idea of the Working out of the Rentals for the Shopping Mall.

PROJECT:		
SITE DETAILS		
Land Area	2.07	Acres
Land Area	10,000	sq yd
Land Area	90,000	sq ft
BUILT UP DETAILS		
FSI	1.75	
Allowable Common Areas as % of BUA	35%	
Gross FSI Achievable	2.36	
Built Up Area	157,500	Sft
Common Areas	55,125	Sft
Total Achievable BUA	212,625	Sft
Ground Coverage	40%	Sft
Floor Plate	36,000	Sft
No of Floors	6	Nos
PARKING DETAILS		
Parking Area		
Basement -1	45,000	Sft
Basement -2	45,000	Sft
Basement -3	-	Sft
Total Basement Area	90,000	Sft
No of cars	245	Nos
No of two wheelers	800	Nos

Components of Financial Feasibility

UNIT RATES		
Land Rate	35,000	Rs per sq yd
Land Rate	169,400,000	Rs per Acre
Site Development Rate	50	Rs per sq ft
Construction Rate*	1,000	Rs p s ft
FSI Rate	1,646	Rs p s ft
Infrastructure/facilities/fitouts	100	Rs p s ft
Basement Const. Rate	200	Rs p sq ft
PROJECT COSTS		
Land Cost	350,000,000	Rs
Construction Cost	212,625,000	Rs
Site Development Cost	4,500,000	Rs
Infrastructure Cost	21,262,500	
Basement Cost	18,000,000	Rs
	<i>Subtotal</i>	<i>606,387,500 Rs</i>
Permissions & Other Charges	60,638,750	Rs
Total Project Cost	667,026,250	Rs
Excluding Land Cost	317,026,250	Rs
FINANCIALS		
Total Rate	3,137	Rs p sq ft
Profit Margin	30%	
	=	941 INR p sq ft
Final Sale Rate*	4,078	Rs p sq ft
Expected ROI	12.0%	
Average Annual Rentals	489	Rs p sq ft p year
Average Monthly Rentals	40.78	Rs p sq ft p Month
OTHER ASSUMPTIONS		
Space per Car	220	sq ft
Space per two wheeler	45	sq ft
Area for Car Parking	60%	of total parking area
Area for Two wheeler parking	40%	of total parking area
Other costs:		
Permissions, approvals, fees, Brokerage	10%	of project cost
*Construction rate includes basic building construction, flooring, etc		

AREA DISTRIBUTION		
Floor	Rent	Area
GF	85	36,000
1F	65	43,200
2F	40	43,200
3F	30	43,200
4F	30	43,200
5F		
Average: (G+4)	50	208,800



8.4 PRICING OF THE MALL :

The shopping malls is a matter of huge investment and hence the expected Return on Investment (ROI) has to be early to as to minimize the “ interest” factor. This implies high volume of sales. The sales is but proportional to the volume of footfalls.

After deriving the product mix, area analysis is done at different floors with the products at different levels of mall and distributing all the product mix in proportion as per the demand and feasibility.

The area analysis is done in three ways –

- Carpet area
- Built-up area and
- Super Built-up area

Costing is done on the basis of built-up area.

Revenue Generation is done on the basis of super built-up area.

8.5 FINANCIAL RATIOS :

After deriving the product mix and area analysis; project costing, financial feasibility and returns are discussed out in this chapter.

Total project costing, annual recurring costs and total receivable are taken into account to calculate Internal Rate of Returns (IRR), Return on Investment (ROI) and Net Present Value (NPV), Interest Service Coverage Ratio, Asset service Ratio of the project have been calculated.

NET PRESENT VALUE (NPV) :

Net present value (or NPV) is a standard method in finance of capital budgeting – the planning of long-term investments. Using the NPV method a potential investment project

should be undertaken if the present value of all cash inflows minus the present value of all cash outflows (which equals the net present value) is greater than zero.

A key input into this process is the interest rate or "discount rate" which is used to discount future cash flows to their present values. If the discount rate is equal to the shareholder's required rate of return, any $NPV > 0$ means that the required return has been exceeded, and the shareholders will expect an additional profit that has a present value equal to the NPV. Thus if the goal of the corporation is to maximize shareholders' wealth, managers should undertake all projects that have an $NPV > 0$, or if two projects are mutually exclusive, they should choose the one with the highest positive NPV.

INTERNAL RATE OF RETURN (IRR) :

The **internal rate of return (IRR)** is defined as the discount rate that gives a net present value (NPV) of zero. The IRR method will result in the same decision as the NPV method for independent (non-mutually exclusive) projects, in the usual cases where a negative cash flow occurs at the start of the project, followed by all positive cash flows. In most realistic cases, all independent projects that have an IRR higher than the hurdle rate should be accepted. Nevertheless, for mutually exclusive projects, the decision rule of taking the project with the highest IRR - which is often used - may select a project with a lower NPV.

In fairly unusual cases, several zero NPV discount rates may exist, so there is no unique IRR. The IRR exists and is unique if one or more years of net investment (negative cash flow) are followed by years of net revenues. But if the signs of the cash flows change more than once, there may be several IRRs. The IRR equation generally cannot be solved analytically but only via iterations.

One shortcoming of the IRR method is that it is commonly misunderstood to convey the actual annual profitability of an investment. However, this is not the case because intermediate cash flows are almost never reinvested at the project's IRR; and, therefore, the actual rate of return is almost certainly going to be lower. Accordingly, a measure called Modified Internal Rate of Return (MIRR) is often used.




Despite a strong academic preference for NPV, surveys indicate that executives prefer IRR over NPV. Apparently, managers find it intuitively more appealing to evaluate investments in terms of percentage rates of return than dollars of NPV.

8.6 PROJECT PHASING :

Marketing for the malls is done parallel to the construction so as to give the best rentals with the best of the retailers brand in the mall.

Anchor and food court in the first phase will start functioning from second half of the year 2006-07 and rest of the activity will partly start functioning from financial year 2007 onwards as shown below. A dummy diagrammatic representation actually presents the exact roadmap for the entire project.

Typical Phasing of Construction and Marketing is as below

	FY 2005-2006	FY 2006-2007	FY 2007-2008	FY 2008-2009
Construction				
Marketing and booking				
Revenue Generation				



Construction



Marketing



Revenue from Anchor and food court.

8.7 DISPOSAL MECHANISM :

The disposal mechanism should be followed separately for the different activities proposed. The details of which are given below.

S.N o	Activity	Disposal mechanism
1	Anchor	The disposition will be on lease and this will be the first product mix to dispose off as an anchor to the mall.
2	Mall - Retail	Mall (retail) should be disposed off first and pre-selling mechanism should be adopted which can run parallel to the construction. The space would be all leased as per prevailing market rate as shown in the last chapter for different product mix.
3	Club	The preferred disposal option would be leasing it out at Rs 30 p sq ft p month.
4	Commercial	Commercial will be disposed off with the mall, may be it will take more time to sell whole commercial space, as there is less demand of commercial space in the neighborhood. The marketing will start with the construction. The selling would be all leased as per prevailing market rate as shown in the last chapter.

8.8 PROJECT ZONING :

Project zoning has been done for the mall considering the suitable zones on different floors that an anchor and small and large retail tenant could probably occupy. The proper zoning will also provide a concept to a mall at different floors with specific

usages. The Anchor tenant is positioned to leverage its novelty value for subleasing of the entire property and for overall functioning of the Mall. Presented below are the concepts that can be applied to the mall with minimum breakage.

CASE STUDIES

This chapter is a brief regarding the importance of site location for this very sensitive retail industry.

Topics covered in this chapter are :

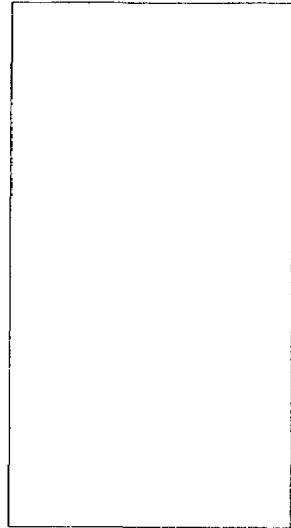
- OVERVIEW OF MALLS AT HYDERABAD
- CASE STUDIES

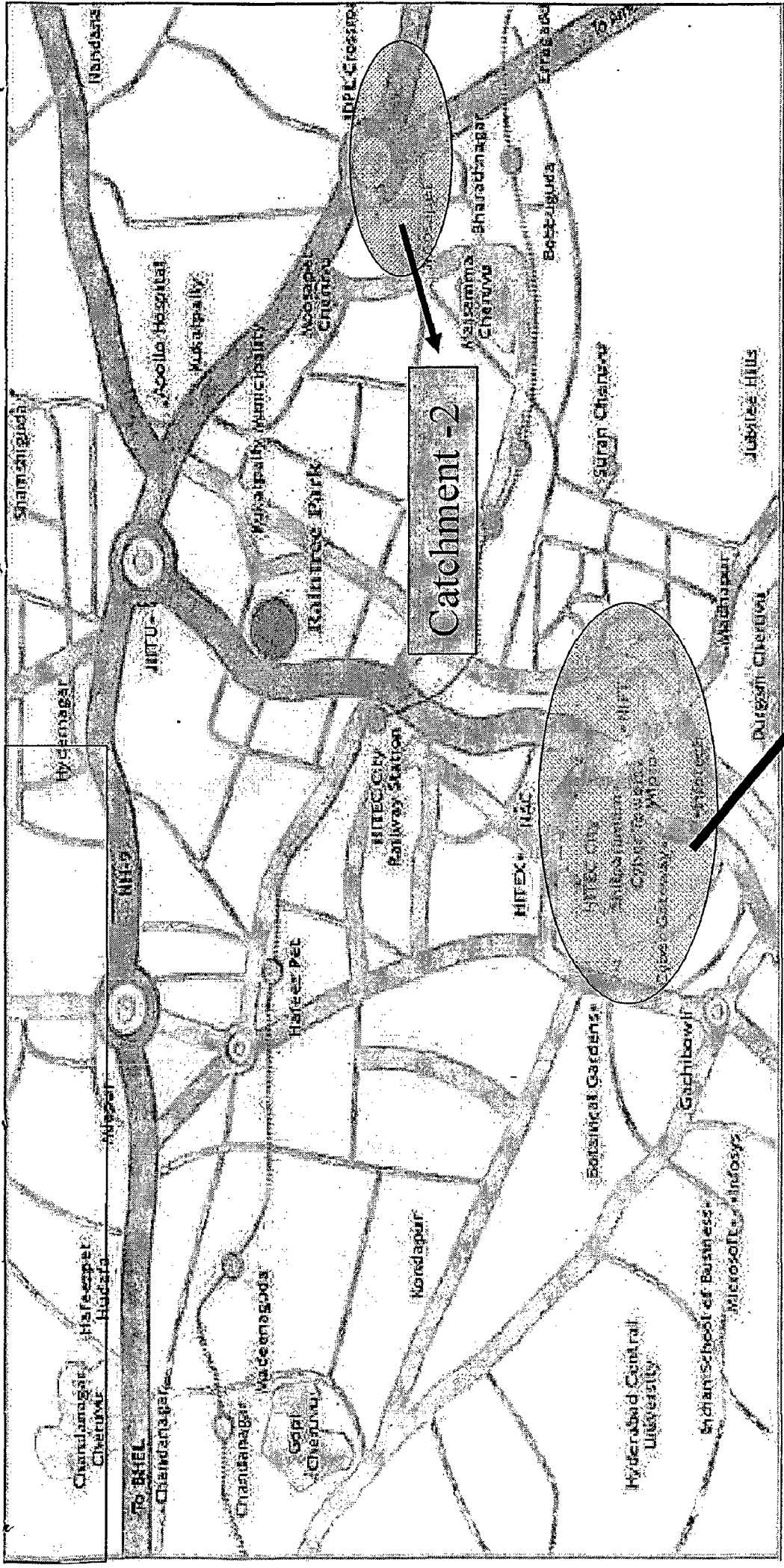
9.1 OVERVIEW OF MALLS AROUND HYDERABAD :

Upcoming Malls in Hyderabad						
Mall Name	Club 4 Mall	Lumbini Mall	Ashoka Metropolitan	RK Cineplex	IJM Mall	INORBIT Mall
Location	Secundrabad	Banjara Hills Road no.2	Banjara Hills, Rd.no 1	Banjara Hills Rd.no 2	Kukatpally	Hitech City
Developer	Asco Square Estates	Lumbini Constructions	Ashoka Builders	RK Developers	IJM	Rahejas
Total Built up area	150,000 sq.ft (approx)	100,000 Sq.ft	135,000 sq.ft	100,000 sq.ft	3,50,000 Sq.ft	650,000 Sq.ft
Frontage	200 sq.ft	150ft	135 ft	180ft	750 ft	250 ft
Area per floor	50,000 sq.ft	20,000	24,000 sq.ft	20,000 sq.ft	75 000 Sq.ft	150,000
Total Floors	4 incl LGF	G+4	LG+G+4	5 Floors	G+4	G+4
Ceiling height	12ft	12 ft	13ft	11ft -9ft	12-15 Ft	12-14Ft
Parking	150-180	180- 2levels	300 cars	160 2 levels	800	1500
Retail Area	100000 sq.ft	60000 sq.ft	80,000 sq.ft	40,000 sq.ft	2,25,000Sqft	300,000
Multiplex	NO	NO	NO	YES	YES	YES
Food court	YES	YES	YES	YES	YES	YES
Airconditioning	Not yet decided	NO	YES	YES	YES	YES
Powerbackup	Yes	YES	YES	YES	YES	YES
Lifts	4 Incl. Service lift	YES	5	NA	9	20
Escalators	NO	YES	YES	NA	YES	YES
Travellators	NO	NO	NO	NO	NO	NO
Anchors	Big Bazaar	Not yet decided	Not yet decided	Not yet decided	Not yet decided	Not yet decided
Mini Anchors	NO	Not yet decided	Not yet decided	Not yet decided	Not yet decided	Not yet decided

CASE STUDY - 1

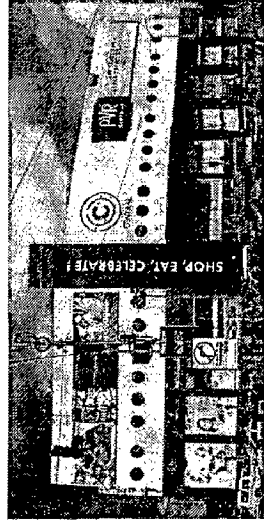
Shopping Malls - Charminar City



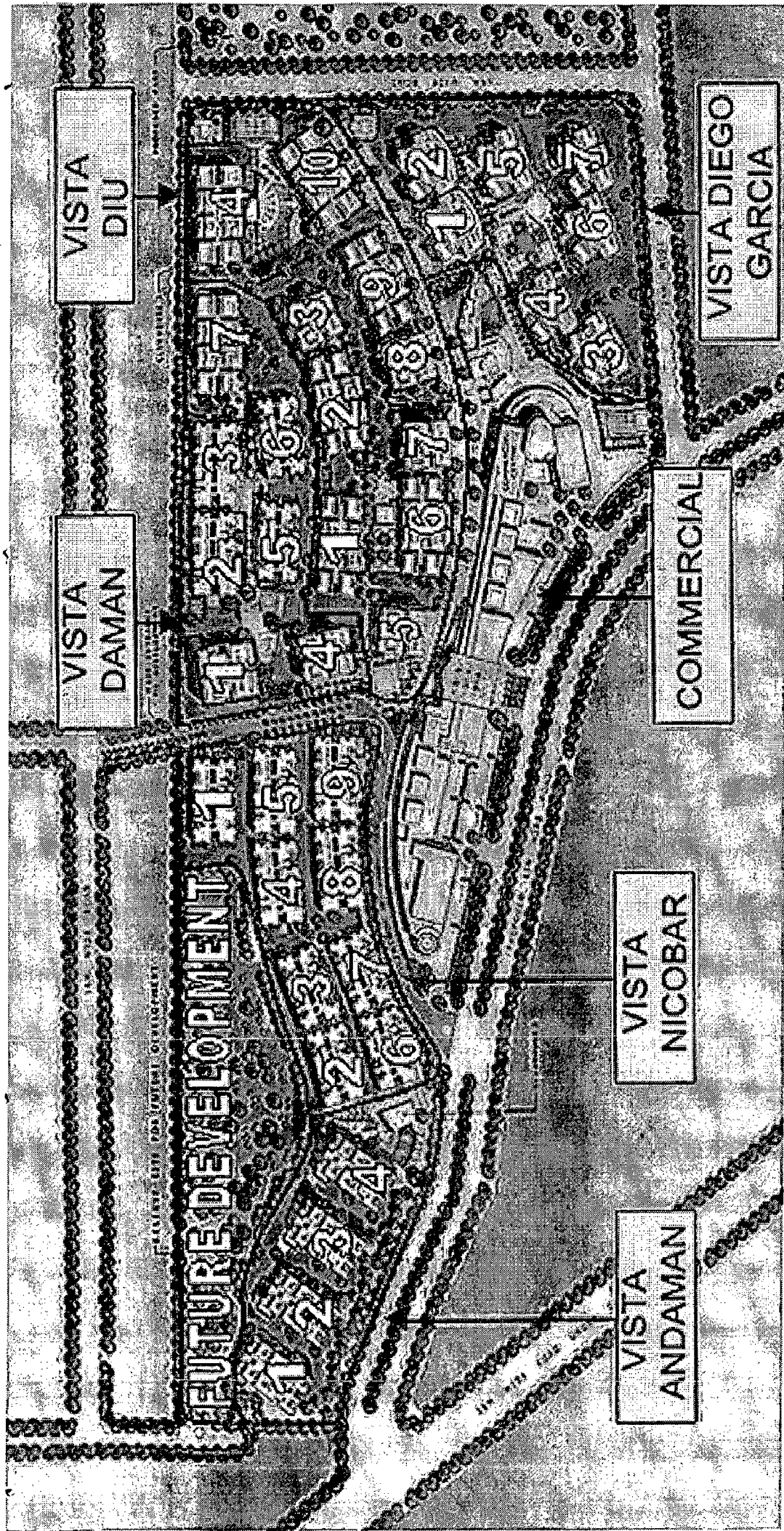


Catchment - 1

Catchment - 2

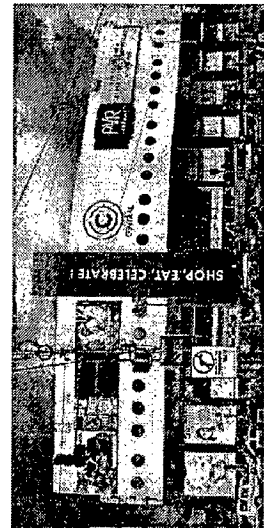


Shaded Catchment Areas - Charminar City



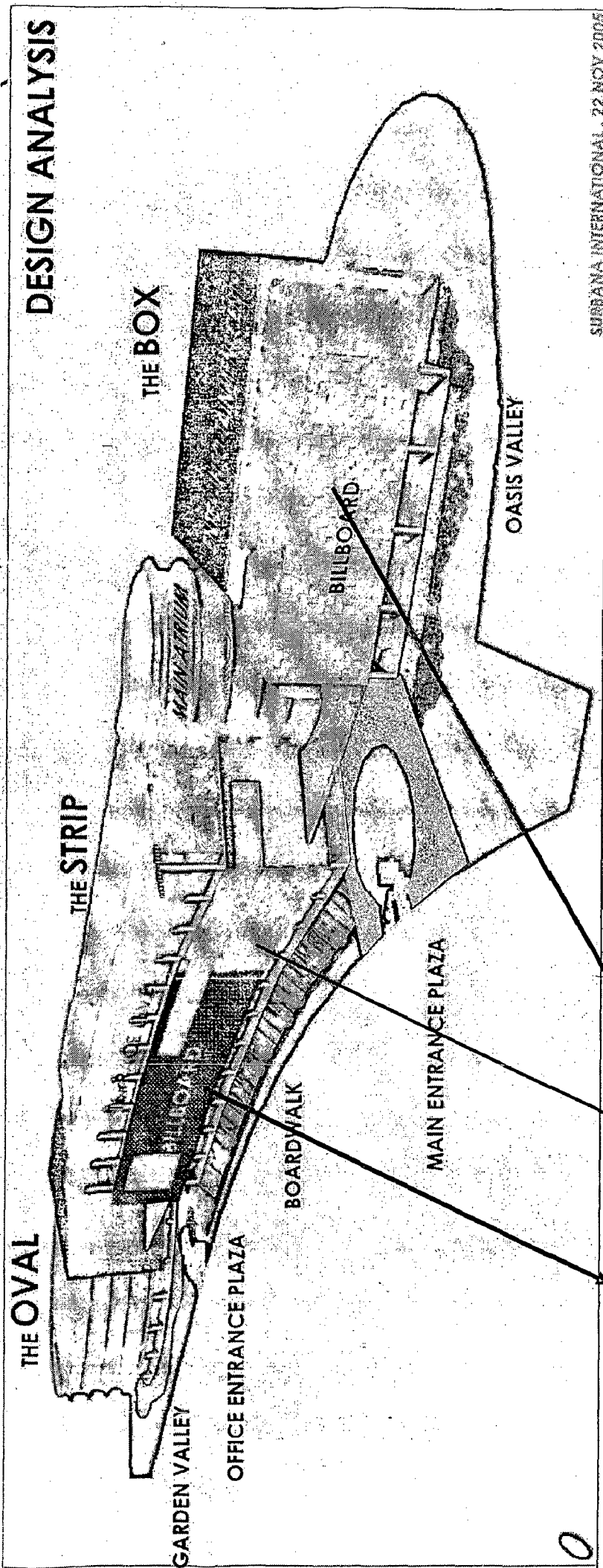
mall is integrated with the residential parcel.....

.....catchment need be thought about



Shopping catchment is..... Charminar City

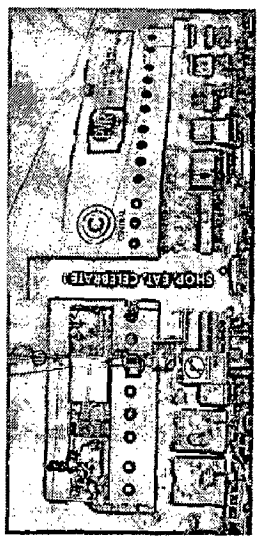
DESIGN ANALYSIS



SURBANA INTERNATIONAL . 22 NOV 2005

That's the character of a successful mall format.....

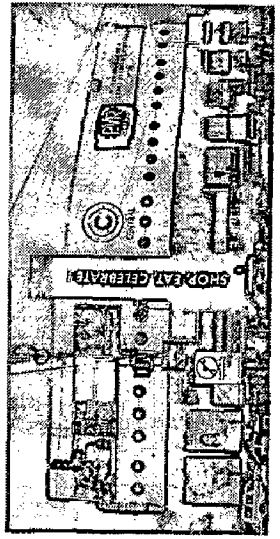
.....getting into the pulse of the retailers



Shopping Malls - Charminar City

Key Features of I J M :

- Total Built up Area - 3,50,000 sft
- Frontage - 750 rft
- Area per floor - 75,000 sft
- Total Floors - G + 4
- Parking - 800 cars
- Retail Area - 2,00,000 sft
- Multiplex - Available
- Food court - Available
- Anchors - Available
- Mini Anchors - Available



Shopping Malls - Charminar City

THE OVAL

DESIGN ANALYSIS

THE STRIP

THE BOX

Vertical Connectivity of I J M:

GARDEN VALLEY

MAIN ATRIUM

▪ Lifts

- 4 nos.

OFFICE ENTRANCE PLAZA

▪ Escalators

- 2 nos (Up), 2 nos (Dn)

BOARDWALK

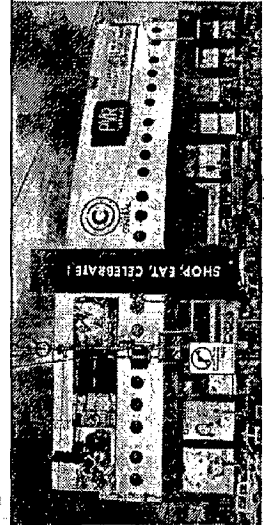
▪ Travellators

- 1 nos

BILLBOARD

MAIN ENTRANCE PLAZA

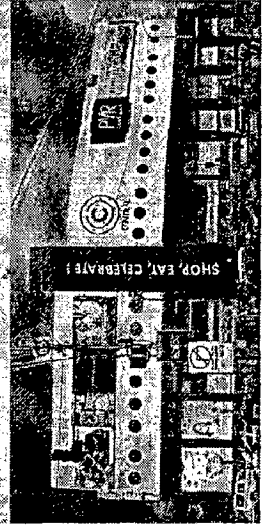
OASIS VALLEY



Shopping Malls - Charminar City

Advantage IJM:

- biggest advantage is the frontage.....
- Awesome 750 ft
- ample display area for retailers..... essential ingredient of the industry
- length is proportional with the height (G+4)
- elaborate vertical connection – **travellers, escalators, lifts** to enhance sales at upper lvls
- adequate parking space keeping in view the future demand of the mall
- parking in single level..... encouraging for customers interface



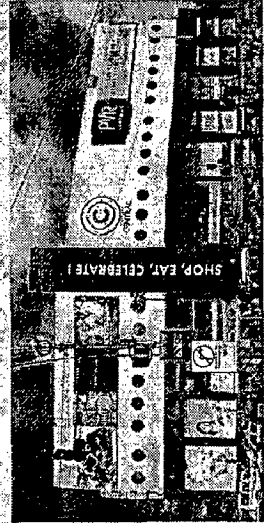
Shopping Malls – Charminar City

Advantage IJM:

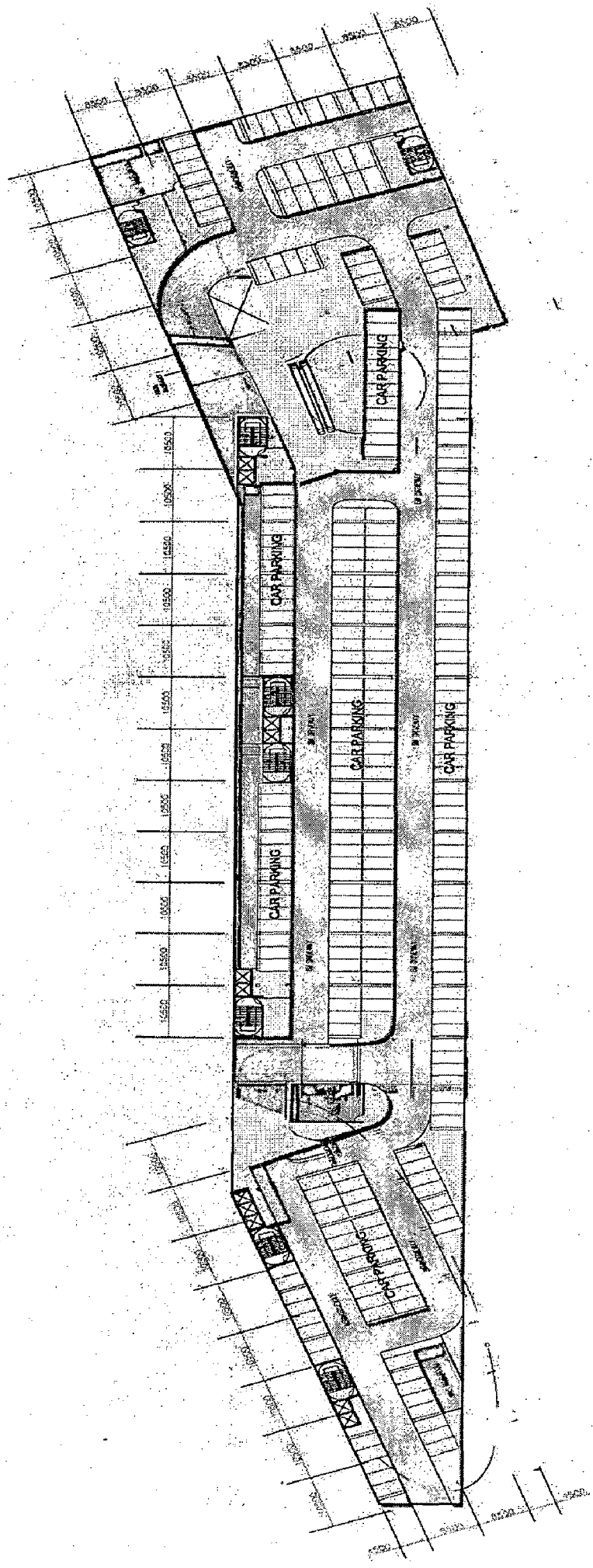
■ balanced tenant mix in form of

- Anchors
- Mini Anchors
- Large Retail Format
- Small Retail Format
- Multiplex
- Food Courts
- Entertainment

bottomline.....all tenant formats proportionately touched



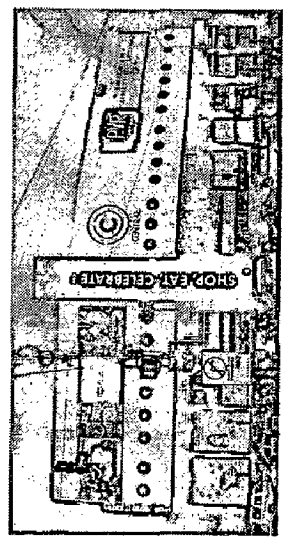
Shopping Malls - Charminar City



BASEMENT 2

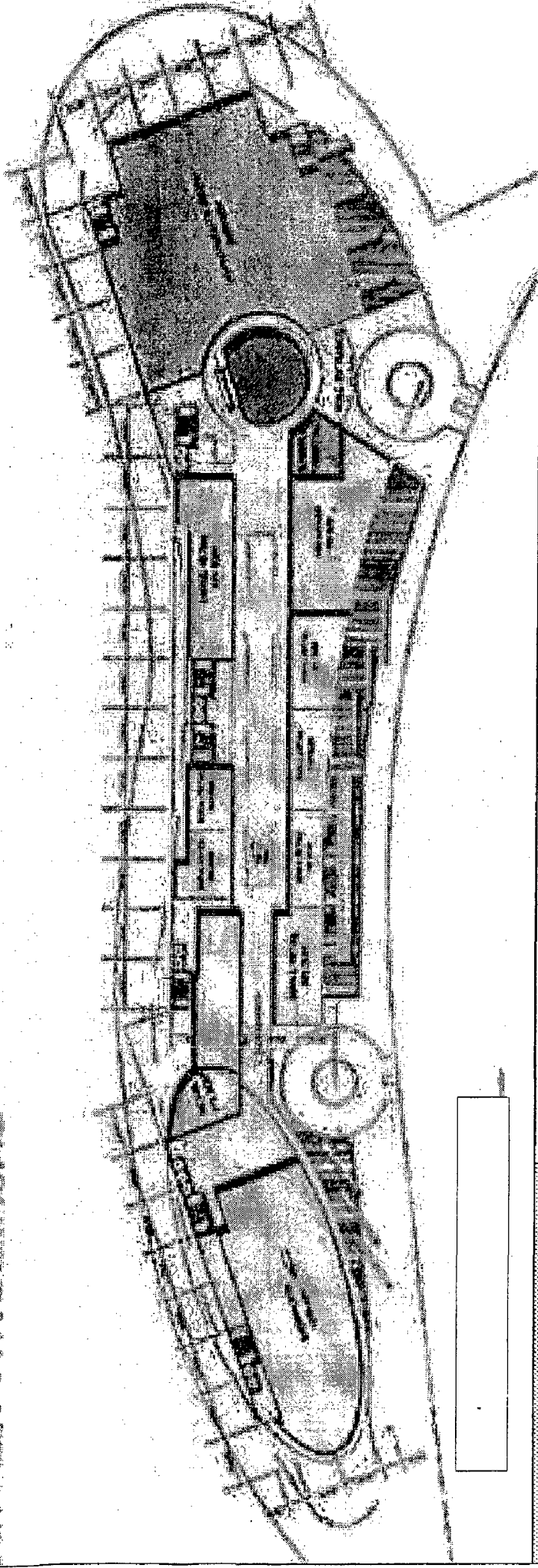
parking space continues

.....catching the pulse of the customers



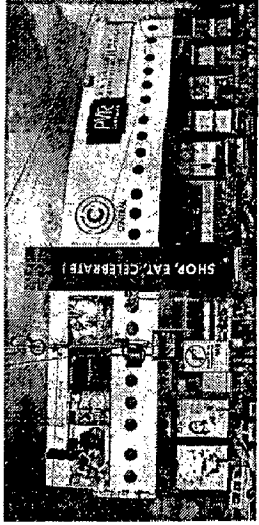
Shopping Malls - Charminar City

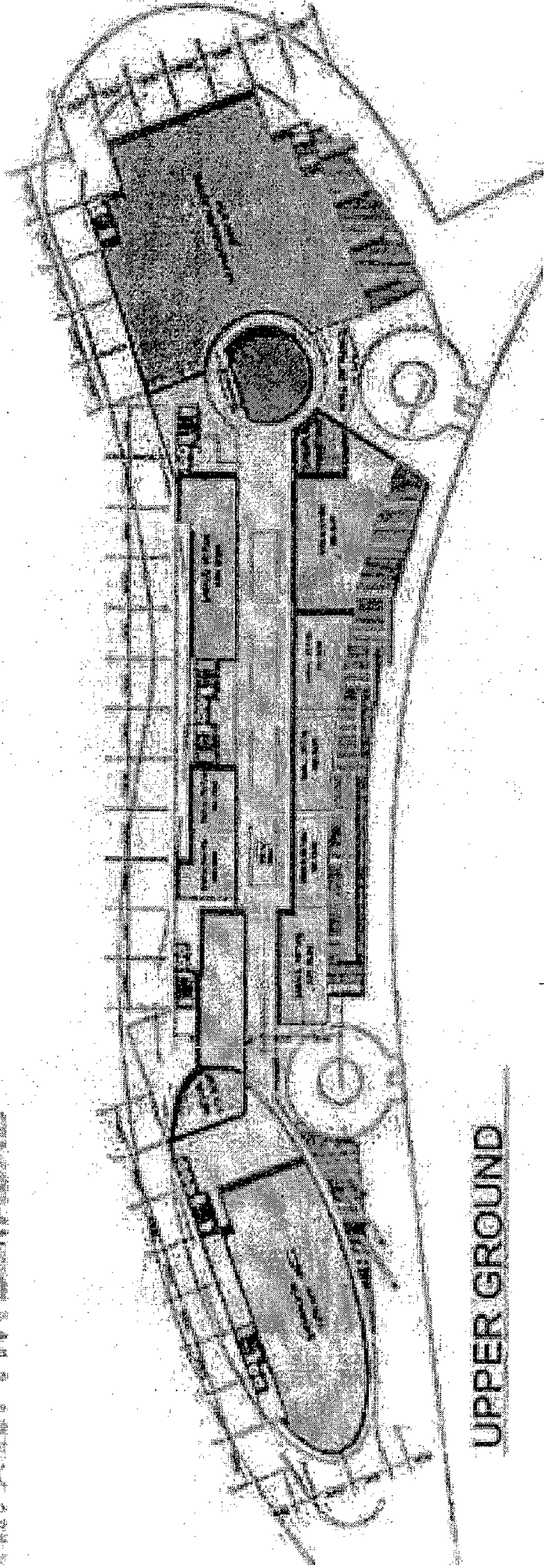
APPALLY - HYDERABAD



LOWER GROUND

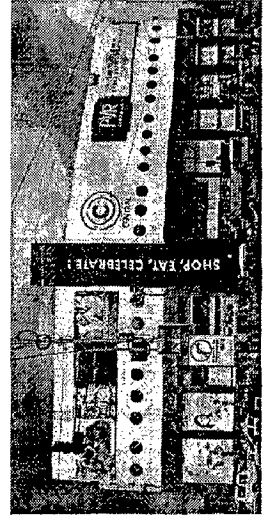
Shopping Malls - Charminar City

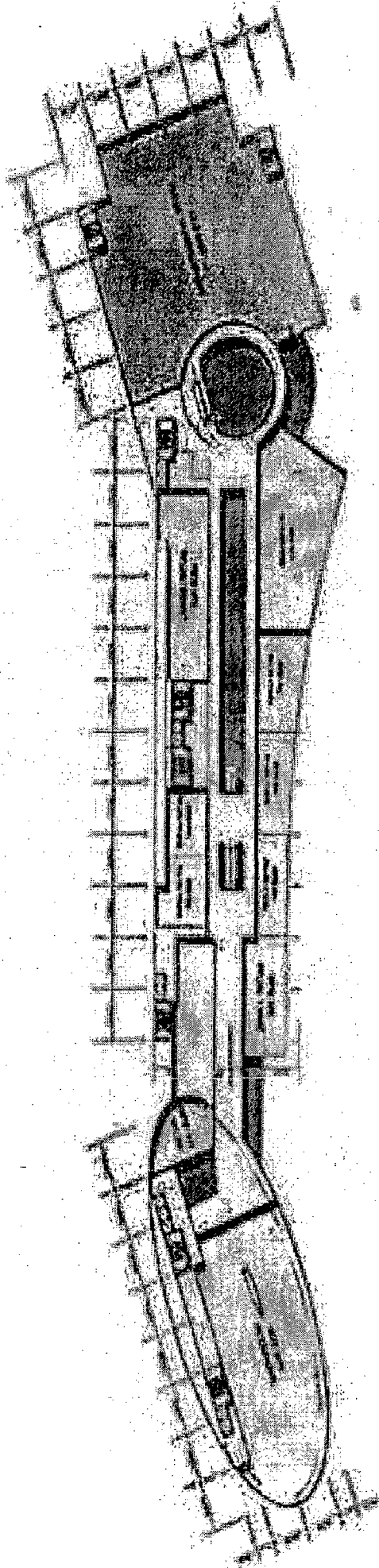




UPPER GROUND

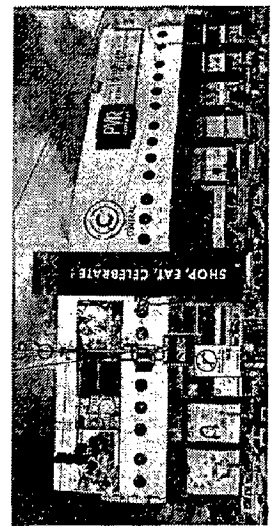
tenant mix comprises of Anchor.....
.....upper ground , the most convenient and easily assessible space of the mall



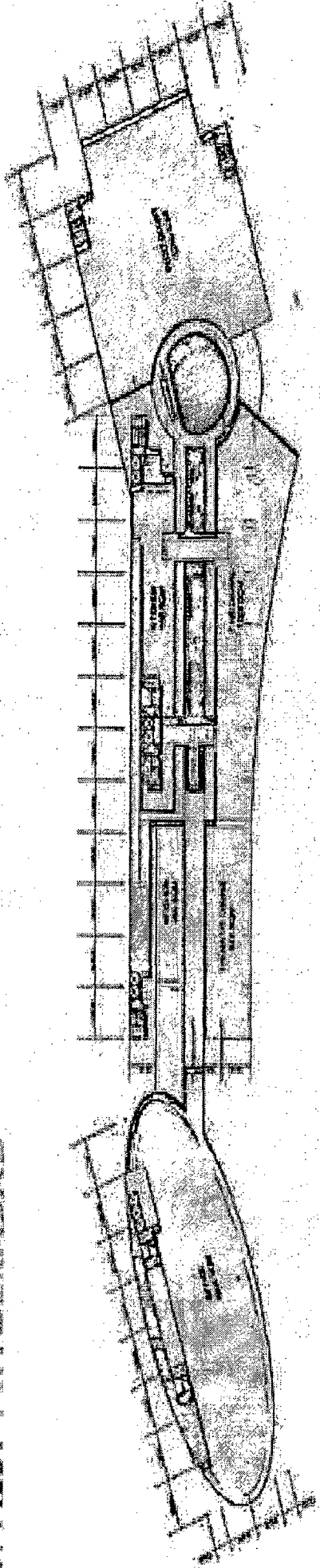


TYPICAL 1ST - 2ND
 (OFFICE SPACE FROM 2ND FLOOR)

retail sales reduces as we move upwards.....
 office space above is the apt answer



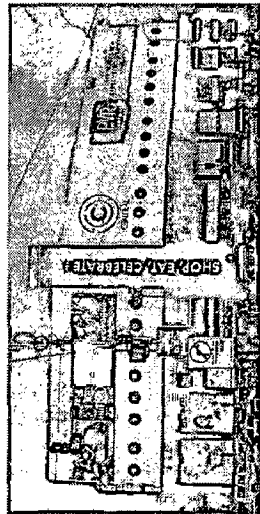
Shopping Malls - Charminar City



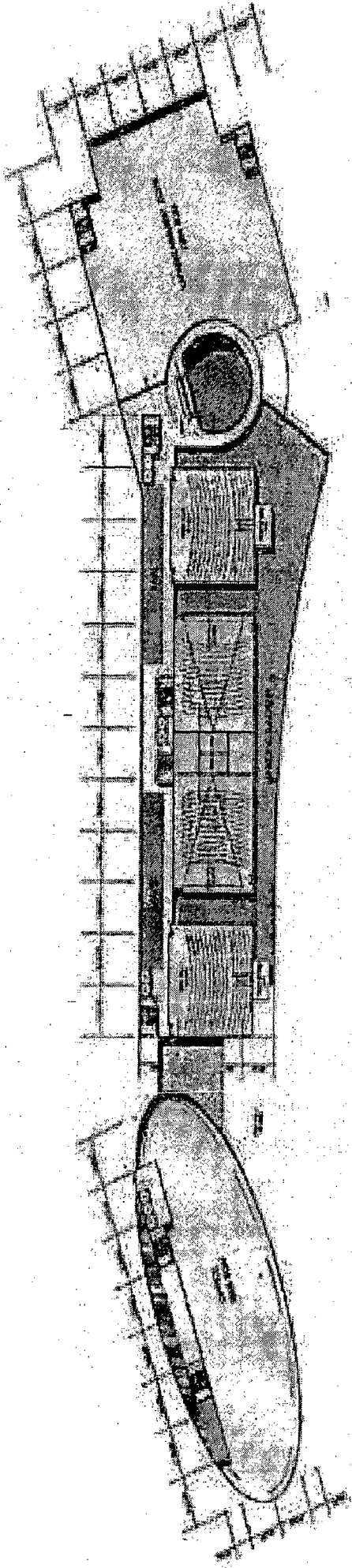
3RD LEVEL

commercial space continues on upper floor.....

.....strategically utilizing the liberty of F.S.I

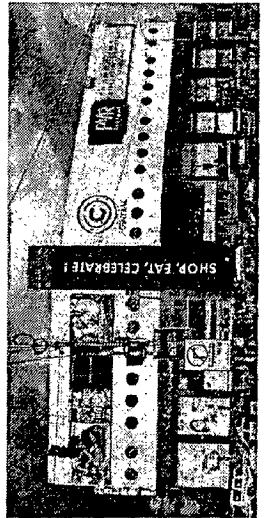


Shopping Malls - Charminar City

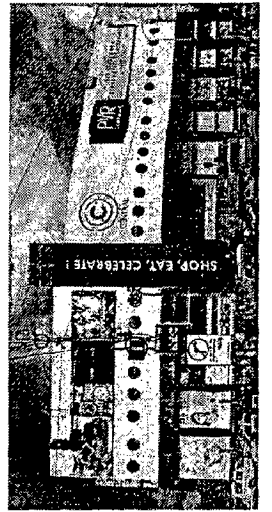
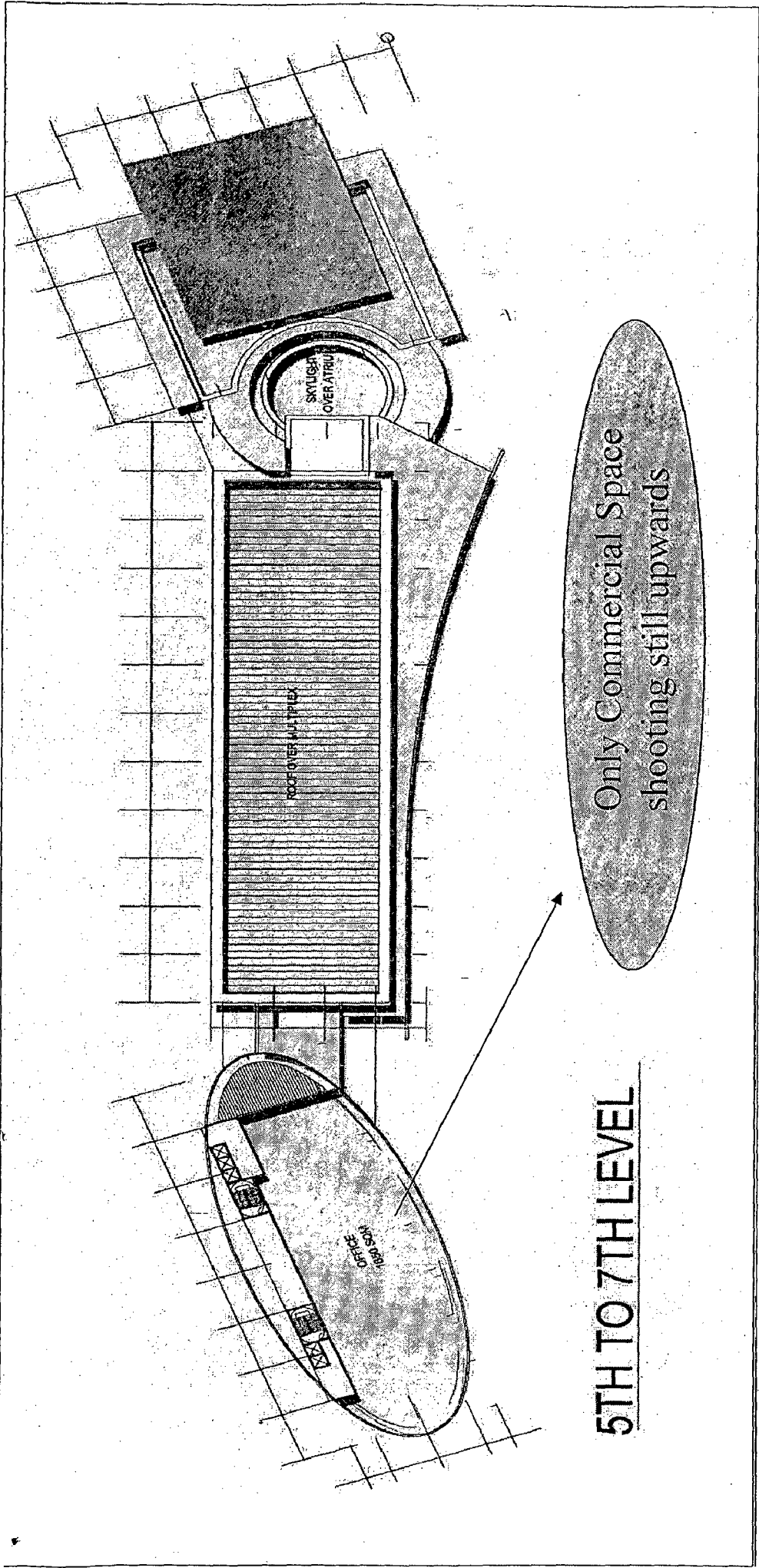


4TH LEVEL

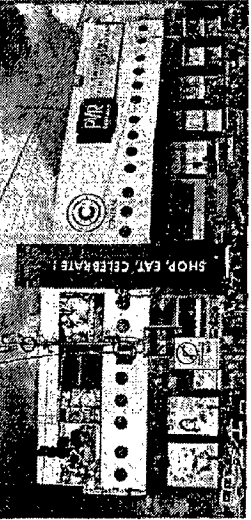
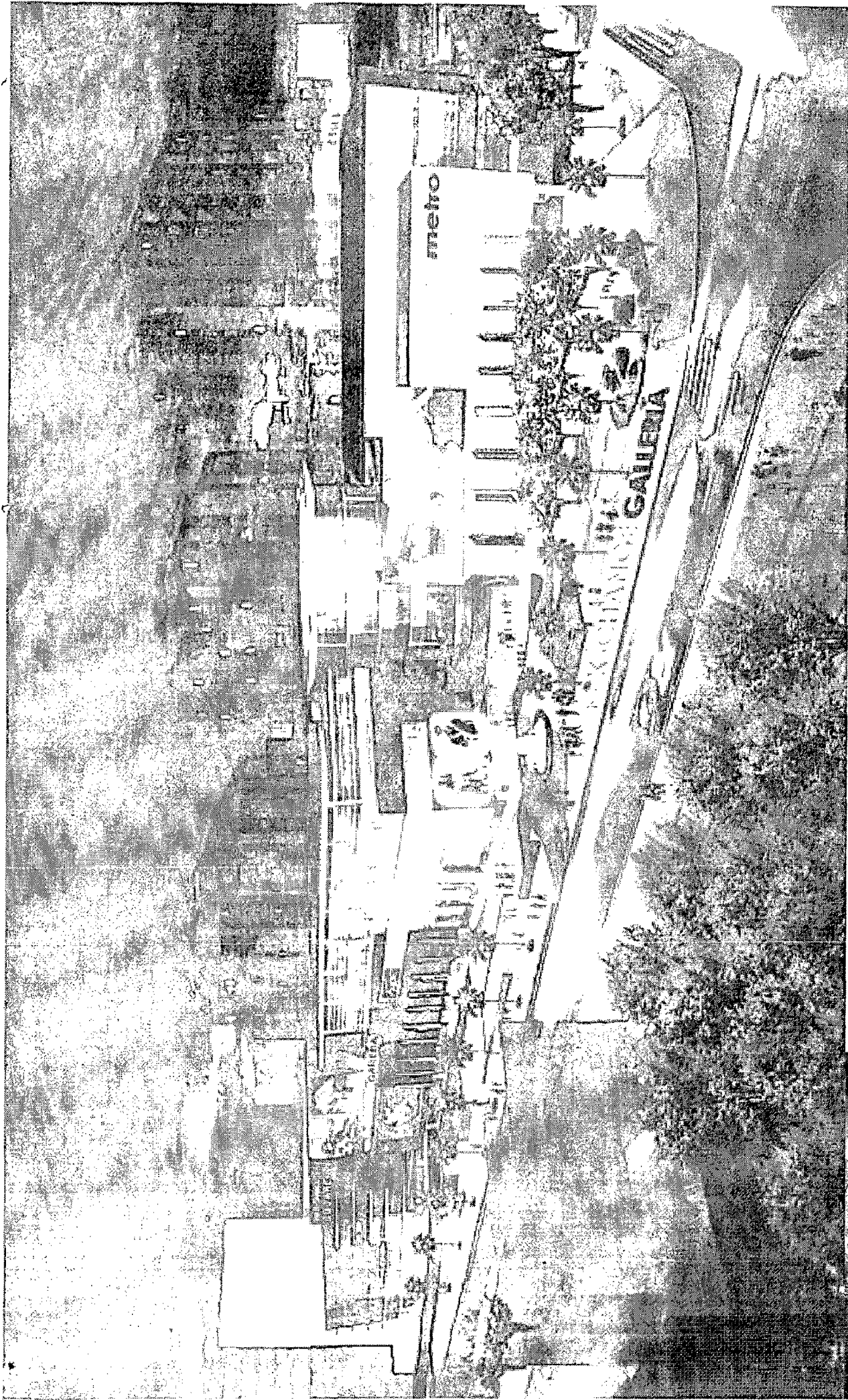
multiplex rightly placed at upper level.....



Shopping Malls - Charminar City



Shopping Malls - Charminar City



Shopping Malls - Charminar City

CASE STUDY - 2

Metropolitan Mall - Gurgaon

LOCATION :

The shopping plaza is located near sector 28 of Gurgaon, and can be accessed from the national highway No. 8.

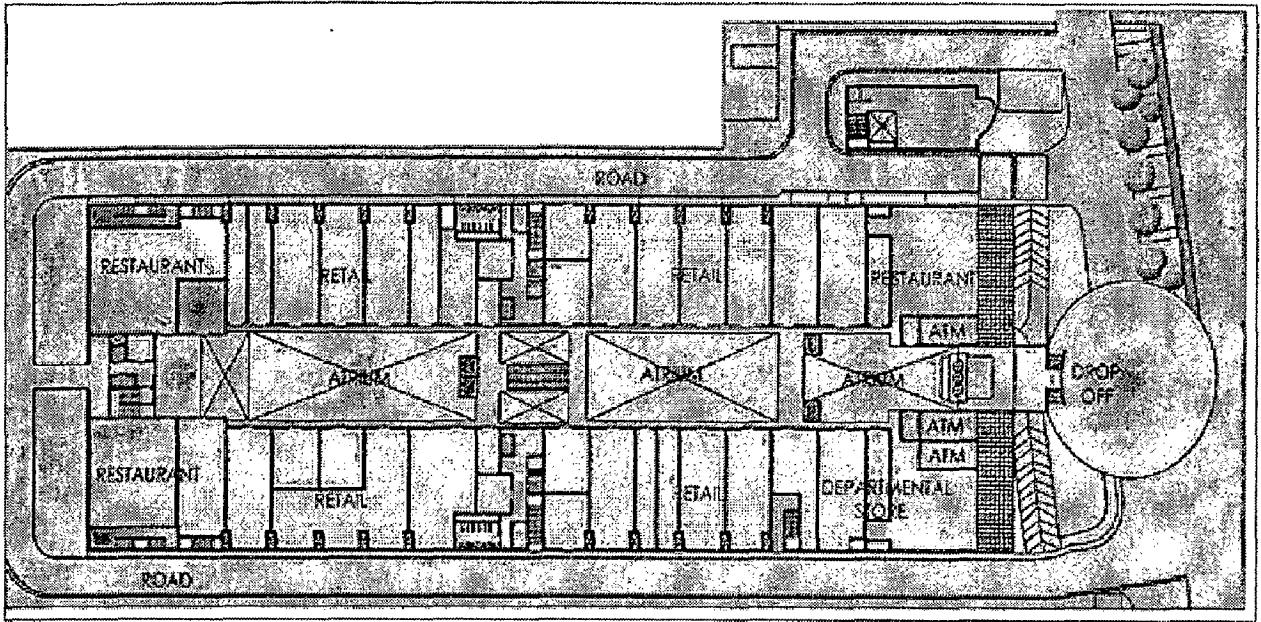
DESIGN STRATEGIES :

Two design strategies were devised to achieve this desired complexity. One was that creating a system of programmatic overlapping and intersecting. Second was of designing a mall that is not just a stack of shops fitted out in a building but more like an enclosed Indian street systems.

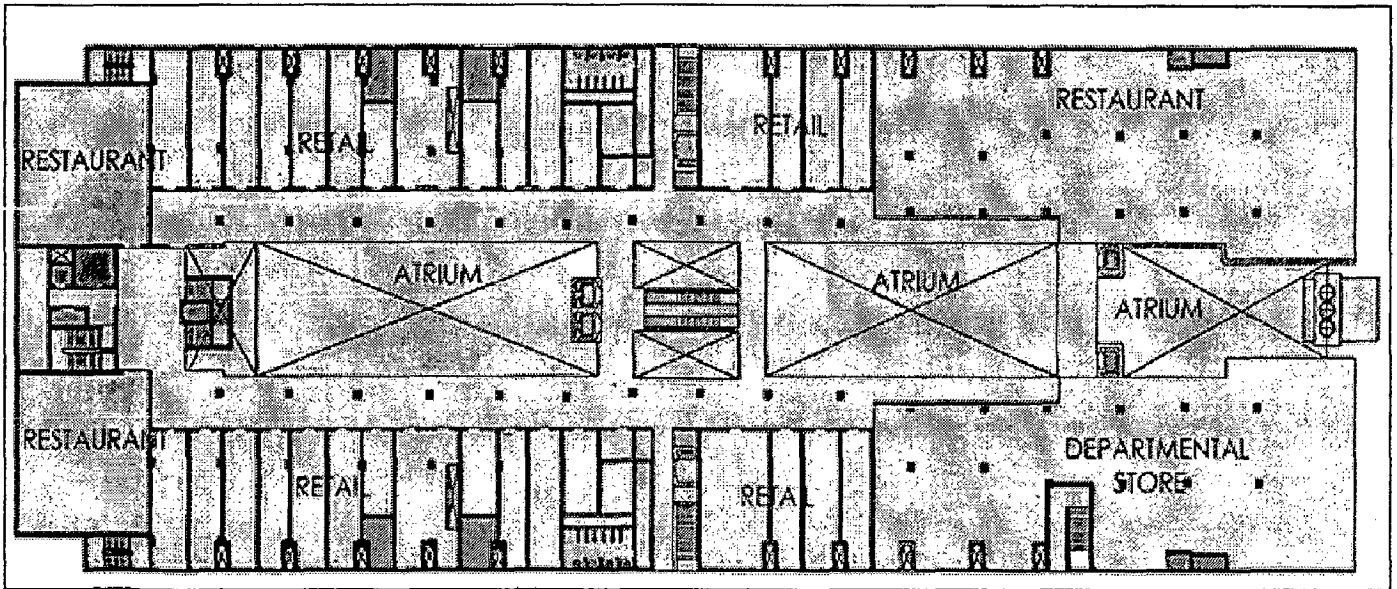
BASIC PLANNING

To avoid the monotony, metropolitan has been planned with cross programming of multiple functions.

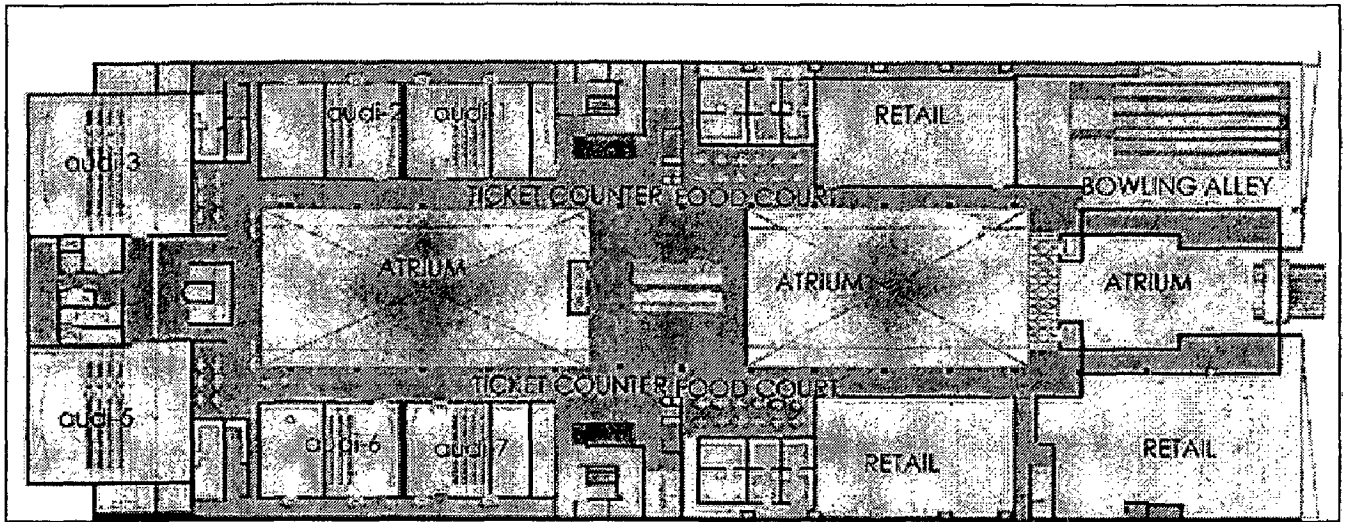
- - Cinemas
- Restaurants
- Bowling



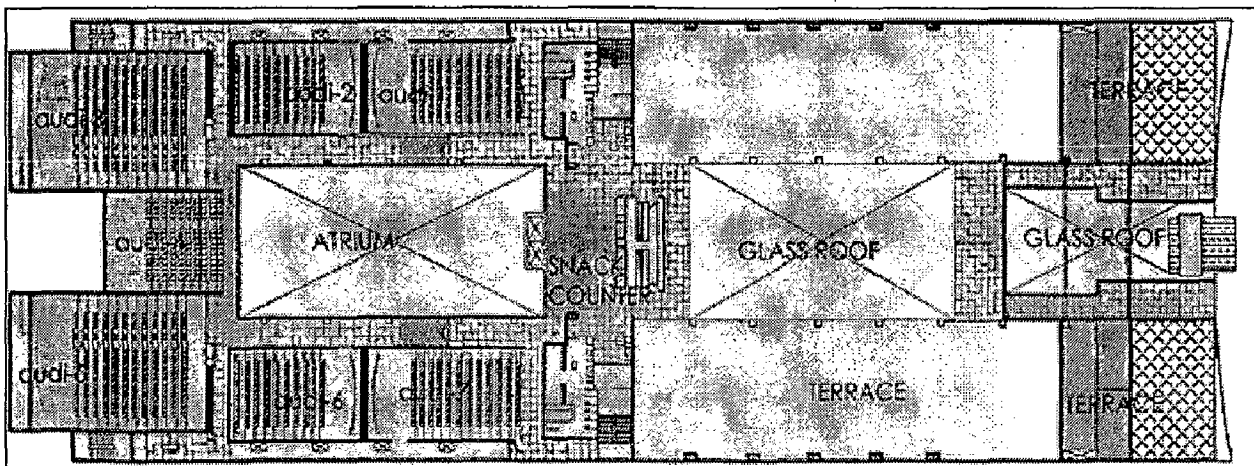
GROUND FLOOR PLAN



FIRST / SECOND FLOOR PLAN



THIRD FLOOR PLAN



FOURTH FLOOR PLAN

SIZES IN SQ.FT :

Total area(in lakh)	Shopping Area	Atrium	Fun & Entertainment	Food	Parking	Services
3.5	110000	30000	55000	75000	80000 UB 60000 LB	20000

DISTRIBUTION OF THE SPACES :

Levels	Activity
Lower Basement	Parking
Upper Basement	Parking
Ground Floor	Retail outlet, F&B, Kids station and anchor store
First floor	Retail Outlet and Restaurants
Second Floor	Retail Outlets, restaurants ad departmental store (yet to open)
Third Floor	PVR and Food Court

VERTICAL CONNECTIVITY :

Number of Lifts: 8	Total Capacity per lift : 15 persons
Escalators: 6	Levels connected with escalators: 3
Crèche: Rs. 90 per hour per kid	

PARKING :

Parking detail	Space for no. of Vehicles	Entries on Weekends
Four Wheelers	600 Plus	3000
Two Wheelers	600	750 to 800

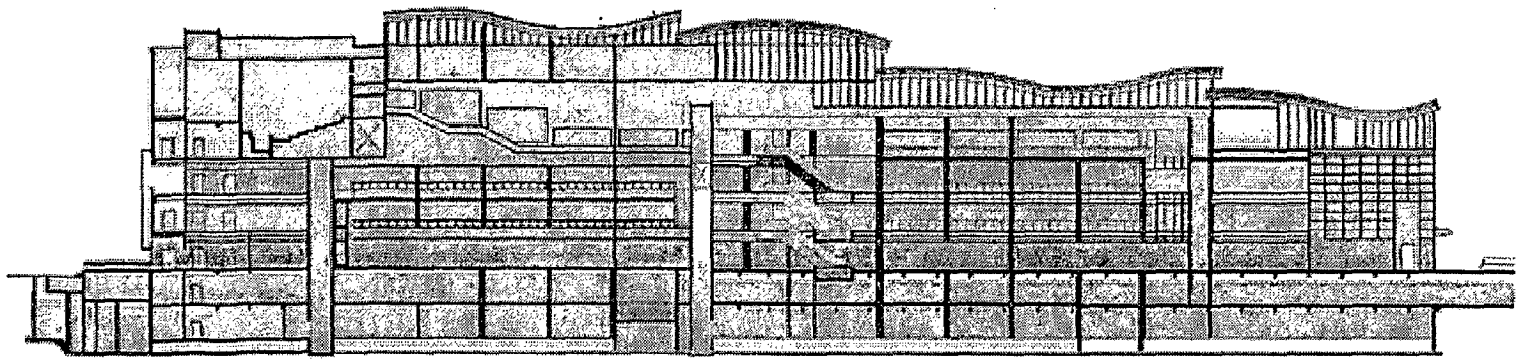
SALIENT FEATURES

Atrium space is main focal point and the intension was to avoid an intimidating and non-democratic space. Instead it has been seen as a protected and inviting space providing potential of re-establishment of street culture. Metropolitan has been designed with following features that shall counteract these factors.

Building automation systems that help regulate the lighting and the air conditioning based on occupancy patterns through the day, season and the year.

SERVICES :

Air conditioning provides the advantage of making this space work round the year. The Metropolitan alone is serviced by 1500 tones of air conditioning and backed up by 4500 KVA diesel generating sets, in order to reduce the strain on environment.



SECTION

MERITS :

- Strong axis is maintained while placing of spaces and more liken enclosure of Indian Streets.
- Ample natural light come from three atrium spaces.

DEMERITS :

- Possibility of over crowding at movie floor, due to not ample buffer space at cinema lobby.

RECOMMENDATIONS & CONCLUSIONS

Topics covered in this chapter are :

- Recommendations
- Conclusion

10.1 RECOMMENDATIONS :

Encourage Mixed Use :

- Encourage and support new and existing uses around the road front that continue to make the area a focal point in the surrounding catchment.
- Encourage the development of high quality entertainment and retail uses that attract customers from beyond the intermediate market areas, as well as attracting local residents.
- Strong public entrances on the streets.
- Well defined and adequate parking and landscaped spaces.

New Formats :

- "Hybrid malls" are the hottest concept, which conjoin large enclosed malls with an outdoor urban streetscape retail/entertainment component, with such attractions as multiplex cinemas, ice rinks, children's play scapes and themed restaurants.
- Businesses that once were peripheral to the mall and services are grouped together. Not in the same mega-building, but often in open-air pedestrian walkway leading to the mall entrances.
- Moving from "Green field to Grey fields": From failing shopping centers to Great Neighbourhoods".

Reinventing Existing Malls :

- Reviving mall properties by “turning them inside out”.
- Like tearing off the road and putting a street or open-air walkway where shoppers once strolled indoors.
- The stores, then, enjoy a new public face.
- The development is exposed to foot and car traffic, rather than sitting undiscovered deep in the interior of cloistered areas.

A retail space is no longer just a store - it is a stage .It is an environment that tells a story, creates an image, and set a mood

The Forecast :

- Even at the best of times, a few retailers will fail. During tough times, failure rate of retailers will tend to rise.
- Fittest retailers survive and as these retailers consolidate their gains and expand, they need additional floor space and often end up leasing stores formerly occupied by losers.
- Winning retailers would gravitate towards **dominant** malls as the best locations for their new stores.
- Owners of **dominant** malls will have least trouble finding new credit worthy replacement retailers.
- Non- dominant malls will bear the brunt of shrinking share of the market.

- As the weaker, second rate malls disappear, the survivors will be left with healthier, vibrant malls.

10.2 CONCLUSION :

The malls in India need to have a clear positioning through the development of differential product assortment and differential pricing, in order to compete effectively in a growing mall market. Segmentation in malls

- Like Up-Market Malls, Mid-Market Malls
- Proper Planning
- Correct Identification of Needs
- Quality Products at lower prices
- Right Store Mix &
- Right Timing

would ensure the success of the 'mall revolution' in India.

A feasibility study in an emerging market should follow a "Global to Local" model wherein besides global factors, other issues like emerging markets, national, and local market conditions should also be considered.

The malls in India need to have a clear positioning through the development of differential product assortment and differential pricing, in order to compete effectively in a growing mall market.

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Annexure 1

Household Survey Format

Questionnaire for Household Survey

1. How frequently do you go out for

- | | | | | |
|----------|-------------------------------------|------------------------------------|---------------------------------------|--------------------------------|
| Movie | <input type="checkbox"/> twice a wk | <input type="checkbox"/> once a wk | <input type="checkbox"/> once a month | <input type="checkbox"/> _____ |
| Shopping | <input type="checkbox"/> twice a wk | <input type="checkbox"/> once a wk | <input type="checkbox"/> once a month | <input type="checkbox"/> _____ |
| Eating | <input type="checkbox"/> twice a wk | <input type="checkbox"/> once a wk | <input type="checkbox"/> once a month | <input type="checkbox"/> _____ |
| Leisure | <input type="checkbox"/> twice a wk | <input type="checkbox"/> once a wk | <input type="checkbox"/> once a month | <input type="checkbox"/> _____ |

2. What are the preferred places of entertainment in the city for

- | | | | | |
|----------|----------|----------|----------|----------|
| Movie | 1. _____ | 2. _____ | 3. _____ | 4. _____ |
| Shopping | 1. _____ | 2. _____ | 3. _____ | 4. _____ |
| Eating | 1. _____ | 2. _____ | 3. _____ | 4. _____ |
| Leisure | 1. _____ | 2. _____ | 3. _____ | 4. _____ |

3. What is your household monthly expenditure for (in Rupees)

- | | | | | | |
|----------|--------------------------------|--------------------------------|---------------------------------|---------------------------------|--------------------------------|
| Movie | <input type="checkbox"/> < 250 | <input type="checkbox"/> < 500 | <input type="checkbox"/> < 1000 | <input type="checkbox"/> < 1500 | <input type="checkbox"/> >1500 |
| Shopping | <input type="checkbox"/> < 250 | <input type="checkbox"/> < 500 | <input type="checkbox"/> < 1000 | <input type="checkbox"/> < 1500 | <input type="checkbox"/> >1500 |
| Eating | <input type="checkbox"/> < 250 | <input type="checkbox"/> < 500 | <input type="checkbox"/> < 1000 | <input type="checkbox"/> < 1500 | <input type="checkbox"/> >1500 |
| Leisure | <input type="checkbox"/> < 250 | <input type="checkbox"/> < 500 | <input type="checkbox"/> < 1000 | <input type="checkbox"/> < 1500 | <input type="checkbox"/> >1500 |

4. How much time you spend normally for each outing for

- | | | | | |
|----------|-----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Movie | <input type="checkbox"/> < 2 hrs | <input type="checkbox"/> 2-4 hrs | <input type="checkbox"/> 4-6 hrs | <input type="checkbox"/> > 6 hrs |
| Leisure | <input type="checkbox"/> < 2 hrs | <input type="checkbox"/> 2-4 hrs | <input type="checkbox"/> 4-6 hrs | <input type="checkbox"/> > 6 hrs |
| Shopping | <input type="checkbox"/> < 30 min | <input type="checkbox"/> < 1 hrs | <input type="checkbox"/> 1-3 hrs | <input type="checkbox"/> > 3 hrs |
| Eating | <input type="checkbox"/> < 30 min | <input type="checkbox"/> < 1 hrs | <input type="checkbox"/> 1-3 hrs | <input type="checkbox"/> > 3 hrs |

5. How much do you normally travel for

- | | | | | |
|----------|---------------------------------|---------------------------------|-------------------------------|---------------------------------|
| Movie | <input type="checkbox"/> 15 min | <input type="checkbox"/> 30 min | <input type="checkbox"/> 1 hr | <input type="checkbox"/> > 1 hr |
| Shopping | <input type="checkbox"/> 15 min | <input type="checkbox"/> 30 min | <input type="checkbox"/> 1 hr | <input type="checkbox"/> > 1 hr |
| Eating | <input type="checkbox"/> 15 min | <input type="checkbox"/> 30 min | <input type="checkbox"/> 1 hr | <input type="checkbox"/> > 1 hr |
| Leisure | <input type="checkbox"/> 15 min | <input type="checkbox"/> 30 min | <input type="checkbox"/> 1 hr | <input type="checkbox"/> > 1 hr |

6. You normally prefer to go with

- | | | | | |
|----------|---------------------------------|----------------------------------|-------------------------------|------------------|
| Movie | <input type="checkbox"/> Family | <input type="checkbox"/> Friends | <input type="checkbox"/> Self | Group size _____ |
| Shopping | <input type="checkbox"/> Family | <input type="checkbox"/> Friends | <input type="checkbox"/> Self | Group size _____ |
| Eating | <input type="checkbox"/> Family | <input type="checkbox"/> Friends | <input type="checkbox"/> Self | Group size _____ |
| Leisure | <input type="checkbox"/> Family | <input type="checkbox"/> Friends | <input type="checkbox"/> Self | Group size _____ |

7. What is the mode of transportation you normally use for above trips

- 2 Wheeler
 4 Wheeler
 3 Wheeler / Taxi
 Public transportation

8. Where would you prefer to shop (Shopping mall is a concept having at a single place with branded retail, eating joints and other entertainment facilities, like bowling alley, etc.)

- Retail Market
 Shopping mall
 Whole sale markets
 Informal Bazaars

9. Where do you shop following – Specify Location

Apparels _____
White goods _____
Eating Out. _____
Leisure & Ent. _____

10. Would you prefer to go to mall cum multiplex (this is a concept having all under one roof with branded retail, Eating joints and 2 – 3 screen cinema) or all separately.

Mall cum Multiplex All separate

11. How much would you prefer to travel for such facility?

15 min 30 min 1 hr > 1 hr

12. What is the utmost criteria for leisure / entertainment / shopping (Give Ranking)

Pricing Convenience Ambience Location Others _____

Age group	<input type="checkbox"/> < 25 yrs	<input type="checkbox"/> 25–34 yrs	<input type="checkbox"/> 35–50 yrs	<input type="checkbox"/> >50 yrs	
Sex	<input type="checkbox"/> Male	<input type="checkbox"/> Female			
Mon. Income	<input type="checkbox"/> < Rs 10 K	<input type="checkbox"/> 10-20 K	<input type="checkbox"/> 20-40 K	<input type="checkbox"/> > 40 K	
Profession	<input type="checkbox"/> Business	<input type="checkbox"/> Service	<input type="checkbox"/> Self employed	<input type="checkbox"/> Student	<input type="checkbox"/> Housewife
Education	<input type="checkbox"/> 10 + 2	<input type="checkbox"/> Graduate	<input type="checkbox"/> Post Grad	<input type="checkbox"/> Professional	<input type="checkbox"/> Others

Annexure 2

Retailers Survey Format

Retailers Survey Format

1. Type of Store

- Apparel - Departmental Store - Food Chain - Book Store - Jewellery - Gifts & Toys
Any Other _____

2. How would you rate the future business scenario in retail in Thiruvananthapuram?

Excellent Good Average Poor

3. What is the footfall you are getting at your retail store?

Weekdays _____ Weekends _____

4. What percentage is the conversion of average daily footfall? (How many purchase on each hundred footfall)

< 10% > 10% > 15% > 25%

5. Are you in process of opening new stores in Thiruvananthapuram?

Yes No

6. What are most important criteria for a retail outlet for your chain? (Give Ranking 1, 2, 3, 4, 5)

Location Accessibility Parking Footfall Lease Rent Business District

7. How do you rate Plamoodu Junction and Pattom Junction as a Mall Destination?

Excellent Good Average Poor

8. How do you rate Pattom and Plamoodu Junction Road as a destination for your business?

Excellent Good Average Poor

9. What will be expected rental pricing/ lease rent for retail space in Shopping Mall at Pattom and Plamoodu Junction Road in Rs p sq ft?

< 15 15-25 25-35 35-45 45-55 > 55

10. Would you be interested to take space in a shopping mall at Cunningham Road?

Most Interested May take Consider Not Interested Not interested at this point

How much is the minimum space requirement for store?
