

CAUSES AND CONSEQUENCES OF
INFORMAL COMMERCIAL SECTOR
(CASE STUDY : MORADABAD)

A DISSERTATION

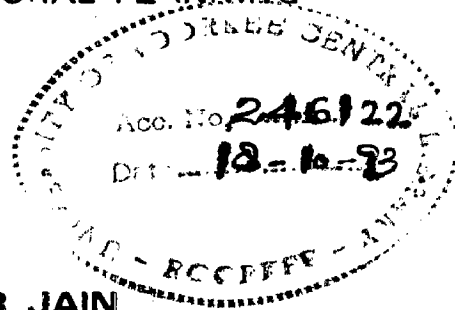
*submitted in partial fulfilment of the
requirements for the award of the degree*

of

MASTER OF URBAN AND RURAL PLANNING

By

MANOJ KUMAR JAIN



DEPARTMENT OF ARCHITECTURE AND PLANNING
UNIVERSITY OF ROORKEE
ROORKEE-247667 (INDIA)

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CANDIDATE'S DECLARATION

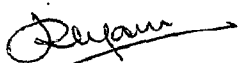
I hereby certify that the work which is being presented in dissertation entitled, 'CAUSES AND CONSEQUENCES OF INFORMAL COMMERCIAL SECTOR (CASE STUDY : MORADABAD)', in partial fulfilment of the requirement for the award of MASTER OF URBAN AND RURAL PLANNING' in the Department of Architecture and Planning, University of Roorkee, Roorkee is an authentic record of my work carried out from August 1991 to February 1992, under the supervision of Shri R.K.Jain, Lecturer, Department of Architecture and Planning.

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

DATE:


(MANOJ KUMAR JAIN)

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


(R.K. Jain)
Lecturer
Dept. of Arch. & Plng.
University of Roorkee
ROORKEE 247 667

A C K N O W L E D G E M E N T

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(MANOJ KUMAR JAIN)

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1

INTRODUCTION

CHAPTER - 1

INTRODUCTION

1.1 GENERAL DEFINITION OF INFORMAL COMMERCIAL SECTOR :

The balance of urban populations between the industrialised countries and the third world is in the process of most significant changes. Urban population in the developing countries is now growing twice as fast as those in the industrialized countries. They are also growing in number greatly exceeding those of the industrialized countries, even during the period of the latter's most rapid growth. Caught in a population spiral caused by a combination of natural increase and rural in-migration the urban areas in developing countries lack both the required developed urban infra-structure and the large amount of capital needed to provide these facilities. The result is all too obvious in proliferating squatter areas, inadequate and often chaotic transport systems, the lack of water and sewerage systems, high levels of unemployment and numerous other problems that persist in the cities.

The high levels of unemployment can be ascribed to the incapability of the organised sector to absorb the unprecedented increase in the urban labour force. Moreover, the chances of gaining productive employment in organised

sector are only for those who have the requisite skill and training.

The organised sector based on capital heavy and sophisticated technology can not easily absorb the unskilled or semi - skilled rural migrants or the urban illiterates. Most of this urban labour force, therefore, have to engage themselves in a variety of petty economic activities requiring low skill level and capital.

These economic activities show marked differences from the activities in the organized sector and thus provide a two-tier structure of the urban economy. It is this unorganized sector of economy which has been termed as 'Informal Sector' by the International Labour Organization, which describes it as 'that part of economy where economic activities and enterprises which are typically small scale, labour intensive, relatively easy to enter, free from union strike, and Government taxation and paying low wages.'

The informal sector may include Industrial or Commercial activities. The informal shopping activity which is an essential ingredient of the commercial sector, may, therefore, be termed as 'Informal Commercial Sector'. For the purpose of this study, therefore, the 'Informal Commercial Sector' is one which covers petty shopping activity performed outside the scope of law and both economic and physical regulation, being carried out on public spaces, e.g., open spaces, road sides, footpaths etc.

1.2 PROBLEM IDENTIFICATION :

Informal growth is now a national phenomenon and has aroused a great deal of controversy in planning for it. It has been a prevailing misconception, that, the activities under this sector, have more to do with the economy of the urban sector, and we tend to forget the physical or spatial aspects of these activities. The hawkers, the peddlers, the rehrls, the semi permanent structures operating on the public spaces are nothing but the physical manifestation of the economic activities under the informal sector. But in course of time, when the number of these activities grow spreading over more public space, causing problems to other urban functions, the planners find themselves helpless without a policy frame work. The solution to such problems ends in some adhoc approach like demolition or eviction.

Acknowledging the immense size of this sector and the important role it plays in the commodity distribution systems of the cities, planning for this sector has to be the part and parcel of the development planning at city level. Only then it will be possible to minimise the problems created and faced by this sector as well as the short comings in their working environment. This project would aim at providing this sector an alternative for better working environment as well as minimizing its conflicts with other urban activities after a thorough analysis of the prevailing situation.

1.3 CHOICE OF STUDY AREA :

The reasons for selecting Moradabad for the study purpose are as follows :

1. Different types of informal sector activities are clearly seen operating mainly on public spaces causing great many troubles to the smooth functioning of the various urban activities.
2. The Master Plan of Moradabad with a set of guidelines and objectives oriented towards the planned development of the town, has not included any policy measure/schemes to solve this crucial problem.
3. Most importantly my long and personal association with this city has helped me in field survey and collection of other data.

1.4 OBJECTIVES OF THE STUDY :

1. To identify the causes and consequences of the Informal Commercial Sector in Moradabad.
2. To appraise the role of the Informal Commercial Sector of Moradabad in terms of its interactions or linkages with formal shopping, residents of the area and with Government.

3. To highlight the planning Implications of informal commercial activities, and suggest remedial measures.

1.5 SCOPE AND LIMITATIONS OF THE STUDY :

The study has been restricted within municipal boundaries of the town.

The focus of the study has been on informal commercial activities performed through various modes on footpath and other public spaces. While information on the formal commercial sector was available from various sources, knowledge about informal sector was highly limited.

Due to limitations in availability of data for the informal commercial sector, the study has been based mainly on primary surveyes to establish the causes and consequences of informal commercial sector.

1.6 METHODOLOGY :

1. The total number of establishments existing in the form of Khokhas, Rehris, Footpath vendors, peddlers were recorded along with their functions.
2. A sample was then drawn up on the basis of the total number of establishments in that mode so as to give a meaningful statistical base.
3. A survey was carried out to collect information

pertaining to physical and structural background history of the enterprise with its operational characteristics.

4. The information collected through the field surveys and secondary sources was analysed to identify the causes and consequences of Informal Commercial Sector activity.
5. On the basis of these findings, the planning implications of Informal Commercial Sector have been considered and a planning proposal for informal commercial establishments for the detailed study area has been prepared.

NOTES :

1. Majumdar, Atrey, 'In-migration and Informal Sector- A case study of urban Delhi', Birla Institute of Scientific Research, Economic Research Division, Vision Books Pvt. Ltd., 1980.
2. Town and Country Planning Organization, 'Informal Sector in a Metropolis', T.C.P.O., New Delhi, 1983.

2

**REVIEW OF LITERATURE
AND STUDY OF ATTEMPTED
PLANNING PROPOSAL**

CHAPTER - 2

2.1 REVIEW OF LITERATURE :

2.1.1 'PLANNING AND DEVELOPMENT IN DEVELOPING COUNTRIES'

BOR, WALTER, EKISTICS 282, JAN - FEB, 1982 :

In this paper, Walter Bor observes - the role of informal economy as the key issue with regard to improving conditions in the Third World.

The informal sector of the economy includes the activities of all those who work outside the formal economy and monetary transactions and who subsist on their often irregular incomes, who provide services for themselves or for other in exchange for cash or goods. Since there are no official measurements of these activities they are excluded from national statistics like the GNP, yet they amount to vast economic resources. The informal economy is all pervasive and of particular importance in developing countries. However, the recession in industrialized countries has also resulted in a growth of their informal economy.

After analysing the various examples from various developed and developing countries, the author concludes that with the informal economy of the Third World, untapped

resources are released to play an increasing role in the social and economic life of the country. The informal sector of the economy is of much undervalued importance for developing countries, it represents the engine of growth and should be vigorously encouraged.

2.1.2 ORGANIZING THE SELF EMPLOYED :

'THE POLITICS OF THE URBAN INFORMAL SECTOR' SANYAL,
BISHWAPRIYA, INTERNATIONAL LABOUR REVIEW, VOL. 130, 1991,
No. 1'

In this paper, Bishwapriya Sanyal emphasizes on the importance of the knowledge of the politics of the urban informal sector as in his view, no policy on informal sector is likely to be pursued unless it has strong political support. He discusses about the political dynamics within the sector, about the politics of its external relationship with the Govt., with established political parties or with organized labour in the formal sector.

The paper includes some of the key findings about the urban informal sector which are as follows :

- i. The two segments of urban economy, the formal and the informal are neither disconnected nor distinctly different in all their characteristics. For example, UIS firms often serve

as subcontractors to firms in the formal economy.

- ii. The UIS is not the natural resort of recent migrants to the city. On the contrary, many of them start with odd jobs in the formal sector and later transfer to the UIS to start a business after they have saved some capital. The incomes of UIS participants are thus not uniformly low, some of them earn more than the average income in the formal sector.
- iii. The UIS, despite its title of a 'Sector', is not limited to any one type of activity. The only commonality among these diverse activities is that in the UIS context, they are not legally established and hence are not subject to state regulations.
- iv. The majority of the labour force in developing countries engaged in the UIS is self employed.

2.1.3 'PLANNING THE INDIAN CITY'

BUCH, M.N. : VIKAS PUBLISHING HOUSE PVT. LIMITED, NEW DELHI, 1987, PAGES 120 - 131 :

In a study, entitled, 'The Role of the Informal Sector in the Development of small and Intermediate Cities of India', by M.N. Buch and Pushpa Pathak, the authors

have concluded that in terms of employment the informal sector accounts for almost 50 percent of the total workforce in small and intermediate cities and the picture is not very different in large cities.

After thorough analysis, the authors found that despite substantial investment, the manufacturing sector is not increasing its share in the employment market. This would suggest that whilst there is some inflow of relatively better skilled and educated people into industrial infra-structure being created around large cities, there is also a substantial inflow of unskilled workers who move into the informal sector and both service the formal sector and earn income therefrom. The high rate and growth of the various towns can be ascribed to the growth of the informal sector. Whether it is a metropolitan city or a smaller town in backward areas, it is the informal sector employment which seems to be playing a very substantial role in the absorption of the migrant population. In terms of policy this factor is extremely important.

2.1.4 'URBANIZATION IN DEVELOPING COUNTRIES'

CHERUNILAM, FRANCIS :

Himalaya Publishing House, Bombay, 1984, Pages 101-111 :

The author attributes the growth of informal sector to the high magnitude of migration from rural to urban areas. In rural areas, unemployment and underemployment

have been on the increase. The mechanization of agriculture has thrown many out of employment. The invasion of modern large - scale industries has deprived many artisans and those engaged in small and cottage industries of their livelihood. The size of land holdings has dwindled and the number of land less labourers has increased sharply. Since landless agricultural labour population bears the largest incidence of rural poverty and unemployment, an increase in its size reflects the correlated increase in poverty and employment. These depressing economic conditions in rural areas have led to a large scale migration of the people to urban areas in search of better economic opportunities. The magnitude of migration has been far in excess of the absorptive capacity of the organized sector of the urban economy and the civic amenities. This situation has led to the growth of a large un-organized or informal urban sector which performs a variety of economic functions.

The author holds the view that one of the important reasons and justifications for the existence of the large informal sector is the contribution it makes to the economic functioning of the city and to an economic use of scarce resources. One reason for the thriving of the informal trading sector is the comparatively low prices it charges by reason of the absence of, or very low, establishment charges and low profit margins. The tax

exceptions and concessions enjoyed by the informal sector also facilitate lower pricing.

The author advocates the importance of the informal sector since it is valuable to society not only because of the economizing function performed by it but also because of the fact that holds out opportunities for almost all categories of people.

Francis has dealt with the various aspects of the informal sector including personal features of the participants in this sector. He urges to give due recognition to these aspects when formulating the plans for a statutory regulation of the informal sector activities. For example, wide disparities in the earning levels of the participants in this sector, the production and distribution of goods and services in the informal sector etc.

2.1.5 'GROWTH AND VITALITY OF NON PLAN SERVICES IN CHANDIGARH'

SARIN, MADHU,

EKISTIES 249, AUGUST, 1976 :

In this article, Madhu Sarin has dealt in detail with the history of growth of informal sector in Chandigarh right from the commencement of the construction of the city. It also includes various difficulties faced by the enforcement staff in the clearing operation of these establishments encroaching the public places as well as the

problems faced by the entrepreneurs in the shifting of establishments to new locations.

After thorough analysis of the data collected on the occupations, investment and income, socio - economic characteristics etc. of the participants, in Informal sector of Chandigarh some of the major findings are as follows :

1. Generally, the number of informal enterprises per 1000 person in different sectors of the city is proportional to the gross residential density of the sector.
2. The selection of participants' present occupations was based on two major groups of consideration :
 - a) Lack of alternative employment opportunities or access to capital resources for initiating any other enterprise.
 - b) The availability of experience of retailing through family, relatives or friends. It is generally believed that starting a small retailing enterprise is an easy task.
3. The largest single reason given for choosing Chandigarh to migrate to was the presence of

other friends or relatives there already. Other factors varied between linking the idea of being a Government capital, its being a safe place, having been transferred there, having found a job in the city, and so forth.

2.1.6 'REHRI - THE MOBILE SHOP OF INDIA - EKISTICS,
ADITYA PRAKASH, NOVEMBER 1972 :

In this article, the author presents his observations on different aspects of the rehri operating in Chandigarh.

According to the author, the total number of rehri operating equals to the total number of other formal shops. The rehri are located under shady trees, near the shopping sectors, or on any vacant patch of land. The denser the population of the sector, the more the rehri. There is a tendency for the rehri to turn into permanent establishments. But there are also rehri which move around a particular place for selling their commodities.

Though the investment is very small, the rehriwalas manage to make a sound income. They quote lower price than the regular shop owners, which is affordable for the urban poor. These rehri provide job opportunities for a larger number of people than the shops, because the later tend to concentrate wealth in a few hands.

Most of the problem arises from the general unlawfulness of the rehri business. The problems arise from the lack of acceptance of rehri as a proper institution. They do not have any lawful schemes for their activities. Because of the above mentioned facts, other problems arise, which can be listed as follows :

1. Unpaved sites full of dust and filth which become slushy when it rains.
2. Insanitary conditions caused by lack of proper drainage and collection of litter and wastes from vegetables, fruits and eatables.
3. Lack of places of rest, recreation and social intercourse for the rehriwalas.
4. Lack of supply of tapped water and sanitary facilities.
5. Lack of facilities who spend night on the site.

The author also presents situation, assuming a planned effort for these rehri.

As these rehriwalas also represent the standard of economy of our country, we can not neglect them. They are of course an integral part of any urban centre. We have to confess that the space where, rehri are located is a much more lively place than any other shopping area. But it is not beautiful, because, we do not consider it worth a while

to think about its potential for goodness and beauty.

2.1.7 'INFORMAL SECTOR IN A METROPOLIS - CASE STUDY OF DELHI
INFORMAL INDUSTRIAL,
CLUSTER : T.C.P.O., NEW DELHI 1983 :

Seeing the increasing trend of the informal sector from 58% in 1961 to 63% in 1980, of the total work force of Delhi, the Town and Country Planning Organisation, India had a case study of an informal sector cluster with reference to the industrial cluster located at Anand Parabat, Delhi, in the form of a survey to assess the types, functions of industrial units, the working capital, turnover, and inter dependence of the production functions. The aim of the study was to ascertain as to whether the area could be regularised. The unique characteristic of the area is that it is governed in the optimal operational efficiency within the small enterprises undertakings.

The study was undertaken with the following objectives :

1. Identification of manufacturing and other economic activities being carried out in the informal sector including trade, commerce and services.
2. To know about the pattern of employment, production, capital, turnover, linkages, in

terms of input and output, disposal etc.

3. To study the socio-economic condition of workers, their origin, living condition, linkage with native place and other related aspects.
4. To study the requirement of the area from the planning point of view particularly provision of services, like electricity water, drainage, circulation etc.
5. To suggest measure for enabling more efficient functioning of the units within the overall planned frame work of the metropolitan economy.

The study group had both a general survey and also a sample survey. The survey covered aspects like capital and workers, procurement of necessary raw materials or processed goods, intermediaries and the use of services.

Similarly, in case of workers, the survey attempted to find out about their earnings, their skills, training, also about the savings and expenditure and to some extent about their living conditions.

The salient findings can be listed as follows :

1. Most of the skilled and semi-skilled workers are without any significant formal education or training particularly at the time of their

entry into this sector.

2. Most units are huddled together forming exceedingly compact clusters, due to extreme congestion and lack of spaces.
3. There is a terrible lack of needed movement space and in many units there is not much of natural light and ventilation.
4. Ground coverage is high as there is hardly any open space available within the plots. Naturally, the net floor space available is far below prescribed standards envisaged in the master plan.

2.1.8 'A POLICY AND PROGRAMME ORIENTED APPROACH TO URBAN INFORMAL SECTOR', KOPARDEKAR, H.D., ITPI JOURNAL, DECEMBER 1988 :

The author, after analysing, thoroughly, all the available information regarding the informal sector, has come out with very strong points regarding the role and characteristics of the informal sector in small and intermediate urban centres. Basing on evidences, the author postulates that,

1. The small and intermediate sized cities have a large informal sector.
2. The informal sector contributes significantly

to employment, and offers income opportunities to a substantial proportion of the economically active population at comparatively low economic costs.

3. The income generated in the informal sector compares favourably with the income earned by workers with similar characteristics in the formal sector.
4. The informal sector exhibits a high degree of permanance and vitality and, finally,
5. There are economic administrative and institutional constraints which inhibit proper development of the sector.

The author has come out with few characteristics of the informal sector, after analysing several studies and they are :

1. ease of entry
2. reliance on indigenous resources
3. family ownership
4. labour intensive operation
5. skills acquired outside formal system of education
6. unregulated market, etc.

The author advocates a very serious and conscious

effort for the overall development of this sector in an urban situation. The main problem that this sector faces in an urban area, is the unavailability of space and land for their operation, which compells this sector to operate illegally, encroachings on public space, and creating problems to the urban activities. The author advocates reservation, or zoning of areas for informal sector activities, where people can work in a better environment and attain a more respectable place in the society. This will also enable them to pay, at least, to some extent, for the services they use and help the public agencies to recover the costs, at least, partially, and reduce the resources gap to some degree. Such an area can be designated as self employed workers area or 'Sewa Park'. The author has also cited some of successful projects. According to the author, unless some such positive policy and programmes are evolved and rigorously enforced the problems will not only continue but will reduce the liveability of the cities and towns by traffic congestion, spoilt environment and even law and order problems.

2.2 STUDY OF ATTEMPTED PLANNING PROPOSAL :

2.2.1 INTRODUCTION :

The present case study is of Bapu Market situated in Chandni Chowk area in Delhi. The market constitutes of 150 stalls arranged in two rows each row having 75 stalls on a 36' wide strip along one side of Gandhi Ground on Dr. H.C. Sen Road.

Before being allotted a space of 5' x 7' under a scheme to resettle them within the planned frame work in the city by the Municipal Corporation of Delhi in 1976, all the stall owners were earning their livelihood from the unauthorised pattris or rehris. Afterwards, these allottees were allowed to construct wooden stalls on the space allotted at their own cost. Since then these stall owners are carrying out commercial activities in this market.

The space used for constructing the market was initially a part of Gandhi Ground demarcated as an recreational area in the Master Plan of Delhi. In front of the market along the road there is a bus terminal of intra city transportation system. Opposite the market and across the road, there exist two Cinema Halls. The market is in the vicinity of railway station and main commercial area of Chandni Chowk.

Bapu Market comprises largely of establishments

dealing in cloth, ready made garments, foot wear, general merchandise provision goods and dhabas. Municipal Corporation of Delhi charges a sum of Rs.40.00 per month in the form of license fee named as 'Tehbajari' from the enterprises in the Bapu Market.

2.2.2 OBJECTIVES OF CASE STUDY :

1. To know the improvements in the physical and socio-economic conditions of entrepreneurs running unauthorised establishments after providing them with licensed stalls.
2. To know the short comings in the scheme.
3. To reach a set of guidelines before proposing such a scheme in the study area in Moradabad.

2.2.3 METHODOLOGY :

1. The total number of stalls in the Bapu Market were recorded in different categories and separate samples were drawn up on the basis of total number of stalls in each category so as to give a meaningful statistical base.
2. A number of unauthorised pattri wallas and rehriis squatting in the nearby area of the Bapu Market were selected which fulfilled the following requirements :

- a) The entrepreneur was earning his livelihood from the unauthorised pattri or rehri, before or since 1976, the year when Bapu Market was established.
- b) The establishment was the nearest to the Bapu Market in its category, based on the type of commodity sold or services offered.

The above criteria for the selection of the samples for survey helped in making a meaningful base for comparing them with the establishments in Bapu Market in several aspects.

The first criterion ascertained the selection of only those establishments which had same or more life which the establishments in Bapu Market have. While the second criterion helped in selecting only those establishments which were working in almost, if not same, circumstances.

3. Detailed socio-economic and physical surveys of stalls in the Bapu Market and unauthorised pattri-wallas and rehri have been made.
4. The information collected on licensed stalls and unauthorised establishments through the field surveys has been analysed individually as well as compared with each other to evaluate the success of scheme.

2.2.4 ANALYSIS :

95% of Bapu Market enterprises were engaged in trading and only 5% in services. About half of the traders were selling cloth and clothing followed by general merchandise and footwear. Three out of six service enterprises consisted of stove repair, two of barbers and one of tailor.

The findings of the survey can be summarised as follows :

a) Occupation :

In Bapu Market, for only 37.5% respondents, their present occupations represented their previous occupation which they pursued before acquiring the stalls. The 62.5% respondents had started with other occupations; for a majority of them the change was largely from extremely low capital investment, petty trading and service occupations to comparatively better income ones.

The selection of respondent's present occupations in Bapu Market was based on two major groups of considerations :

- i. The previous occupation did not have much market demand at the present new location.

ii. Availability of a permanent space instigated people to switch over to a business needing more investment and giving better returns, e.g. a person having vegetable selling as his previous occupation now could start business in electric items.

b) Stock Values and Income :

Most of the respondents did not have any accurate idea of either their incomes or the percentage of profit charged from customers. This was particularly evident in the case of fruit and vegetable sellers. There is a high degree of bargaining associated with sales in such markets and that is one of the attractions for customers.

In Bapu Market the range of value of goods in stock/^{of} different enterprises showed a variation from as much as Rs.50,000 at the top end of the scale to as little as Rs.2,000. 31.2% respondents had initial investment between Rs.1,001 - 5,000; 50% between Rs.5,001 - Rs.20,000; 12.5% between Rs.20,001 - 40,000 and only 6.3% above Rs.40,0001.

The range of monthly incomes of individual enterprises varied from Rs.800 to Rs.2,500. Majority of enterprises (56.2%) fall in the income group of Rs.1,001 - 1,500 per month. While 12.5% had income

below Rs.1,000/- per month and 25% between Rs.1,501 - Rs.2,000/- per month.

Among unauthorised pattriwallas and rehriis 40% of the enterprises had the stock of value of less than Rs.1,001. While 40% enterprises between Rs.1,001 - 5,000 and only 20% between Rs.5,001 - Rs.10,000.

c) Place of Residence :

The type of residential accommodation being used by respondents can be used as an important indicator of their priorities and economic status.

In Bapu Market, 62.5% respondents have owned residential accommodation and 37.5% rented ones. While before acquiring the stalls only 25% had owned residential accommodation and 75% rented ones. Similarly, at present 68.7% have pucca residences and 31.3% semi-pucca. While before acquiring the stalls only 37.5% respondents lived in pucca residences and 62.5% in semi-pucca residences.

Among unauthorised pattriwallas and rehriis, 10% owned the residential accommodation and 50% live in rented ones. Similarly, only 30% live in pucca houses and 70% live in semi-pucca or kutche houses.

d) Working Hours :

In Bapu Market, 75% respondents found to engage themselves in the business for upto 10 hours daily, which are normal working hours for business community. Only 25% respondents were found having 11 - 13 working hours. But before acquiring the stalls, only 18.7% of these respondents had upto 10 working hours, 50% between 11 - 13 working hours and 31.3% between 14 - 16 working hours.

Among unauthorised establishments, 50% respondents found to have between 9 - 12 working hours, only 10% less than 9 working hours and 40% between 12 - 16 working hours.

e) Education :

In Bapu Market, as many as 93.75% of the married respondents having above 5 years old children found to giving education to their children after acquiring the stalls.

While among unauthorised enterorises only 40% of the married respondents having above 5 years old children, found to giving education to their children.

5 The various advantages of relocating the unauthorised rehriis and pattriwallas in the Bapu Market were found to be as follows :

- 1) Availability of storage space helped entrepreneurs to store sufficient stock as well as variety of goods.
- 2) Covered spaces also provided protection to the goods.
- 3) Permanent space obviated the need of transporting the goods to and from the site and thus minimising the expenditure and damage of goods.
- 4) Fixed location of licensed stalls also helped in attracting more customers.
- 5) Entrepreneurs got relief from the harassment by the police and municipal corporation and other law enforcing department personnels.
- 6) Majority of entrepreneurs feel security of job of their children due to availability of permanent space.
- 7) After acquiring a permanent space, it was possible to get loan from financial institutions and thus possible to expand the business.
- 8) At previous locations, in one way or the other, these enterprises, now part of Bapu Market, were obstructing the free movement of the traffic. But, after being accommodated in the Bapu Market such problem is removed.
- 9) With the improvement in financial and social

conditions, the entrepreneurs became more aware of the cleanliness and hygiene, specially the entrepreneurs selling eatables.

2.6 The various suggestions given by the entrepreneurs for the further improvements in such a scheme are as follows :

- a) Before shifting of an enterprise, its survival should be ensured at the new place of work.
- b) Provision of various services like water supply, drainage conditions, toilets, dust bins etc. to improve the environmental conditions.
- c) The market should have proper street lighting.
- d) The circulation space should be paved properly.
- e) While deciding the size of stalls, food stall should be given sufficient space for preparation of food, washing and seating of customers.

2.7 CONCLUSIONS :

From the analysis of the data of the survey following conclusions can be drawn up :

1. While shifting a particular establishment to another place, the market demand of the commodity sold or services offered from the establishment should be gauged at the new place before hand for the survival of the enterprise.

2. The licensed stalls in Bapu Market are capable of having much more stock than the unauthorised pattriwallas and rehri.
3. The licensed stalls in Bapu Market have better incomes than the unauthorised pattriwalles and rehri.
4. The owners of licensed stalls in Bapu Market have better residential accommodation and economic conditions than the unauthorised pattriwallas and rehri owners.
5. The majority of the owners of licensed stalls have normal working hours while majority of unauthorised pattriwallas and rehri have more than normal working hours.
6. The entrepreneurs in Bapu Market are more aware of education than unauthorised pattriwalls and rehri owners.
7. It was found that the expenditure of enterprises after acquiring licensed stalls increased, but it was over compensated by the increase in the income and saving in other expenditure made before acquiring the stalls like bribe to personnels of law enforcing departments for occupying the public spaces, damage of goods in daily transportation, rent paid for acquiring a shop front, storage

space, etc. The expenditure after acquiring stalls are in the form of electricity tarrif, chowkidar's pay, cost of structure, maintenance cost, tehbajari etc.

Thus, we can finally conclude that scheme to provide the unauthorised pattriwallas and rehriis a licensed space has proved to be successful although having certain shortcomings. It has resulted in the improvement in the economic as well as social condition of entrepreneurs. Therefore, similar schemes can be proposed for other areas to resettle the unauthorised pattriwallas and rehriis in the planned frame work in the city. These schemes can further be strengthened by incorporating the aforesaid suggestions.

3

**AN INTRODUCTION TO
STUDY AREA - MORADABAD**

CHAPTER - 3

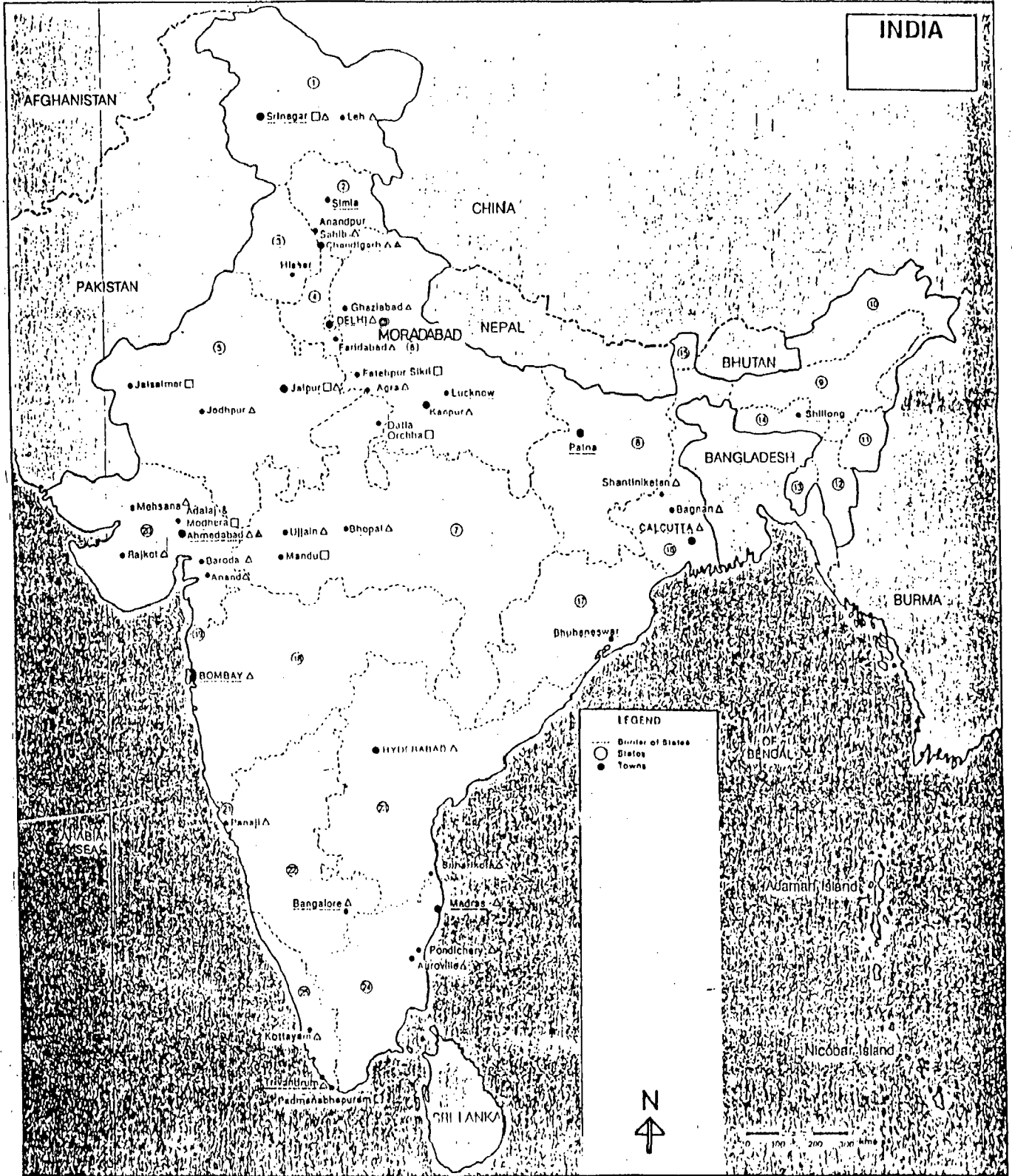
AN INTRODUCTION TO STUDY AREA - MORADABAD

3.1 INTRODUCTION :

Moradabad is the principal town and administrative head quarter of Moradabad District. This is also head-quarter of Moradabad Division of the State and falls in the Western Zone of U.P., which is economically more advanced compared to the Eastern and Central Zones. The location of the district is in between $20^{\circ}20'$ and $29^{\circ}16'$ North latitude and $78^{\circ}4'$ and 79° East longitude. It forms the part of the Indogangetic plain. The area under Moradabad Municipal Board is 34.19 sq.km.

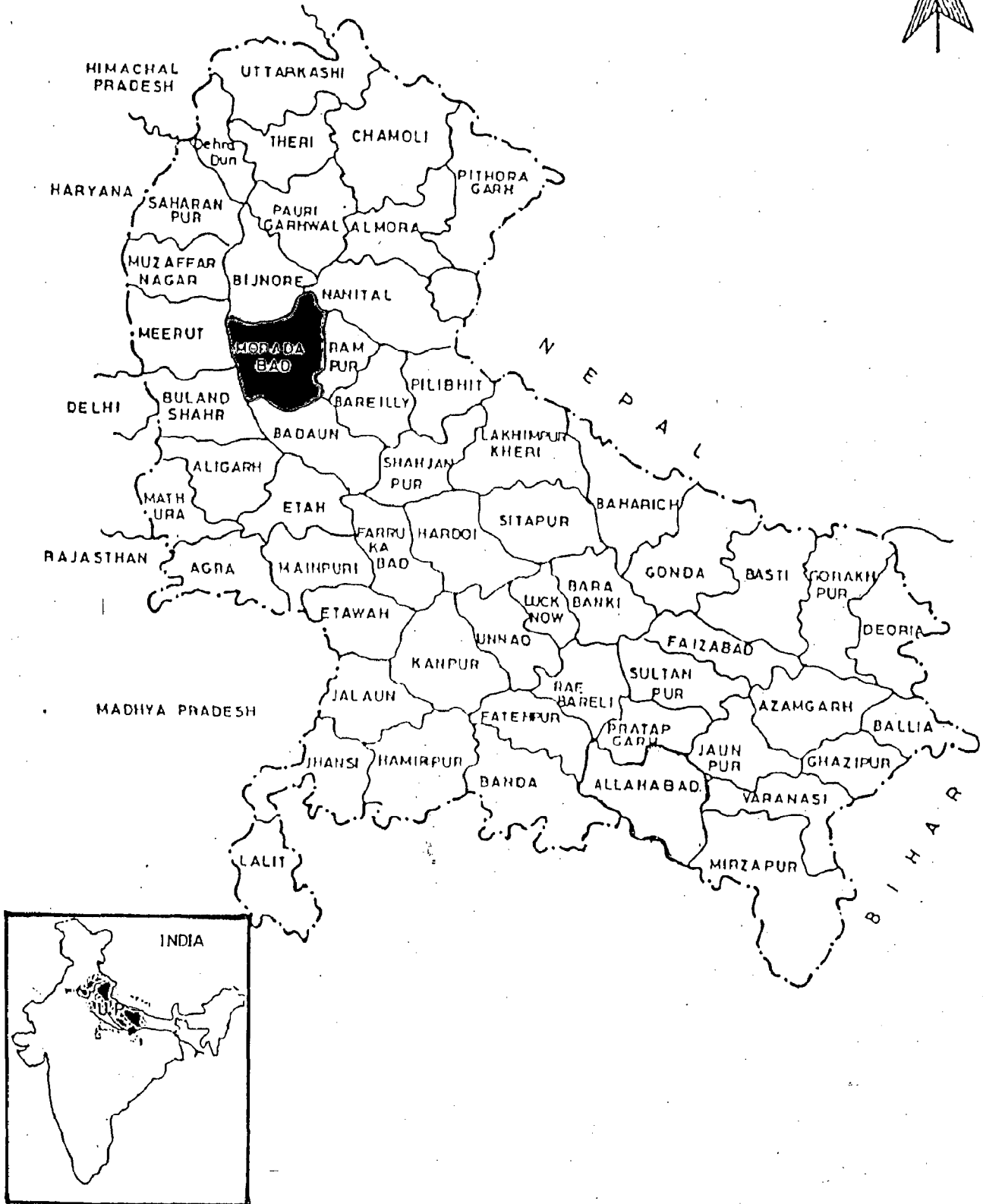
3.2 LOCATION :

The nearest urban neighbours of Moradabad are Meerut at 128 Km. to the West, Bulandshahar 131 Km. and 139 Kms. via Hapur to the South West, Bijnor 128 Kms. to the North Rampur 29 Kms. to the East and Badaun 111 Kms. to the South East. Moradabad has good growth potential due to its strategic location on the National Highway and main railway route to Howrah from Punjab. This is evident from the industrial prosperity of Moradabad during the last decades. Moradabad is a home of Brass and other



GEOGRAPHICAL LOCATION OF MORADABAD
(fig. no. 1)

UTTAR PRADESH



LOCATION OF MORADABAD IN U.P.
(fig. no.2)

metal-wares and has a wide market of these wares, not only in India but also in other countries. Moradabad is a big trading centre specially for adjoining hill and tarai areas. Thus the regional setting of Moradabad favours the development of an Industrial - cum - market town, as it is located in rich agricultural tracts, well served by roads and railways.

3.3 IMPACT OF NATIONAL CAPITAL REGION :

Moradabad is only 99 miles (158 Kms.) from Delhi by road and rail and has frequent bus and train services for Delhi. Moradabad is neighbouring district of National Capital Region which includes in U.P. Sub region Meerut and Bulandshahar Districts. It falls in the immediate vicinity of National Capital Region and the development of National Capital Region as well as of Meerut and Bulandshahar is, thus, expected to have favourable impact on the development of Moradabad. This has highlighted its chances for development more due to its strategic location as well as adjoining areas of hills from where raw materials like timber, wool, etc. can be brought here and after processing sent for use to its hinterland.

3.4 DEMOGRAPHY :

The population of Moradabad has always been rising every decade from 1911 and onwards due to various economic

factors and better employment opportunities. The population of Moradabad has increased about 2.4 times during the last 30 years, i.e., 1961 to 1991.

Table -1 shows the trends in growth since 1911.

TABLE -1

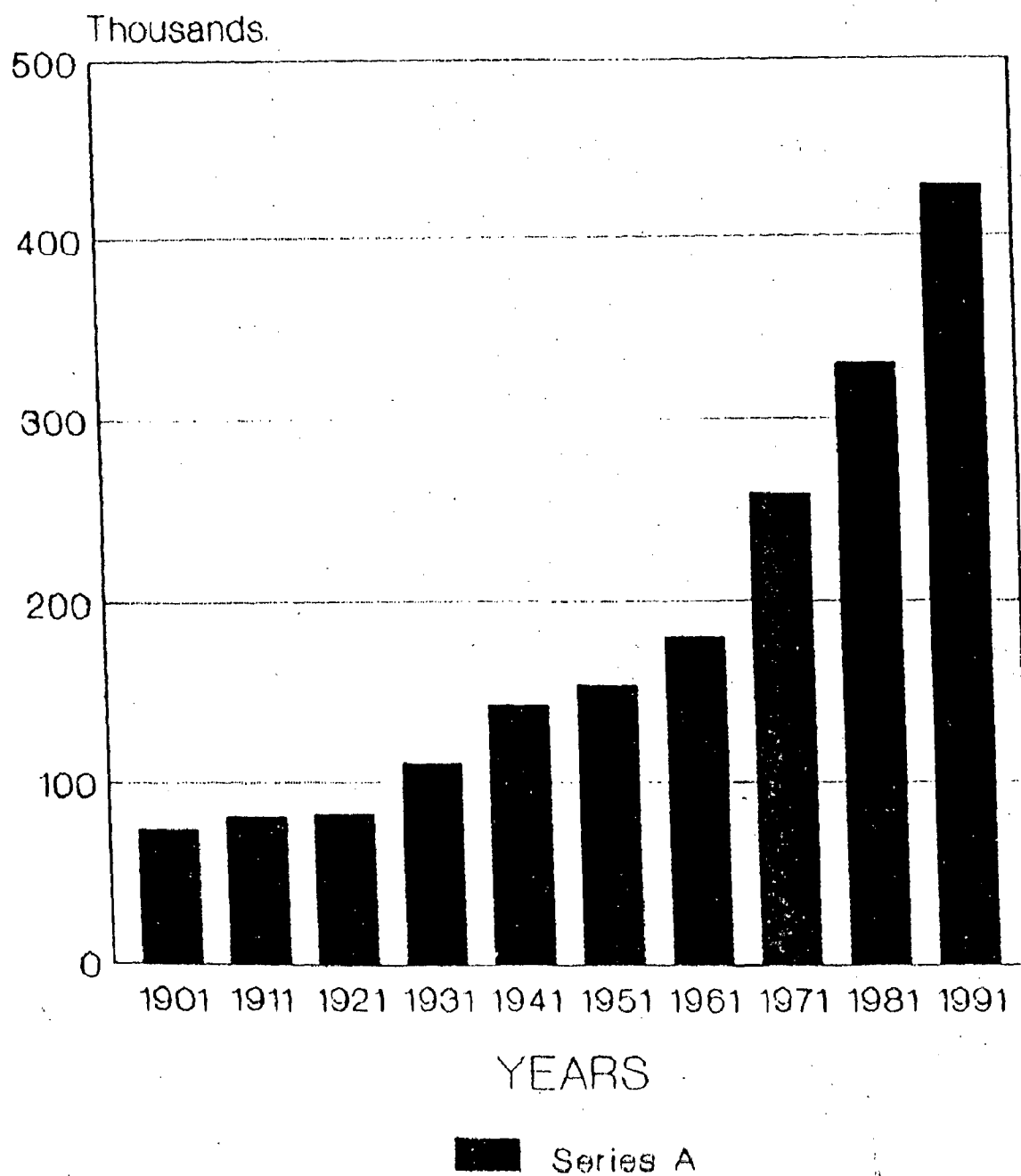
Population Grown Trends - Moradabad - 1901 - 91

Year	Population	Variation	Percentage variation
1901	75082	-	-
1911	81118	+	+ 0.04
1921	82671	+	+ 1.91
1931	110562	+	+33.74
1941	142414	+	+28.81
1951	154018	+	+ 8.15
1961	180100	+	+16.93
1971	258590	+	+43.58
1981	330051	+	+27.63
1991	428797	+	+29.92

Moradabad experienced highest population growth, i.e., 43.58% during the decade 1961-71 followed by 33.74 in 1911-21 and 29.92% in 1981-91.

The percentage of migrants to Moradabad urban has been

POPULATION GROWTH TRENDS MORADABAD 1901-1991



SOURCE: CENSUS REPORTS

(fig. no.3)

21% in 1971 and 17.4% in 1981.

3.5 OCCUPATIONAL STRUCTURE :

The participation ratio in Moradabad as per 1981 census was 28.8% as against 26.8% in 1971 census. The 1971 census further reveals that 6.5 percent of total working force was employed in primary sector. Secondary sector accounts for 34.9 percent of total working force. The remaining 58.6 percent were employed in the tertiary sector. The trade and commerce component is 18.6 of the total work force, whereas other services account for 25.7 percent. The table below gives various components of the occupational structure as per census 1971.

Occupational Structure, Moradabad - 1971

Sl.No.	Occupations	Persons	Percentage of total workers
1.	Primary Sector (Category I, II, III)	4508	6.5
2.	Secondary sector	42	0.06
	IV Mining and Quarrying	42	0.06
	V Manufacturing, Process- ing, servicing and repairs	22958	33.14
	VI Construction	1179	1.7

3. Tertiary sector :

VII	Trade and Commerce	12908	18.6
VIII	Transport, storage and communication	9910	14.3
IX	Other services	17802	25.7
	TOTAL WORKERS	69307	100
	TOTAL POPULATION	258590	

3.6 DEVELOPMENT POTENTIAL :

In regional context prospects of fast development of Moradabad seem to be bright in view of the following factors :

1. Availability of skilled labour for industrial jobs.
2. Strategic location on National Highway and main railway route.
3. Nearness to the National Capital Region.
4. Existence of nuclei for manufacturing and small-scale industries.
5. Good transportation linkage.
6. Availability of Power from Kalagarh project.

7. Conducive development potential in urban centres of the district, other than Moradabad.

3.7 MASTER PLAN OF MORADABAD :

The present Master Plan of Moradabad for the period 1976 - 96, does not contain any planning proposals for the Informal Commercial Sector, although it has inter alia dealt with Formal Commercial Sector in detail and has a wide range of proposals for it.

The Master Plan has identified the retail business* as the most important commercial activity of the town. It has been observed that of the total business units, about 84 percent come in the category of shops* which are scattered through out the city. There are at present no shopping centre or area functionally suited to the present needs and demands of the growing population. The existing shopping areas or markets originated in the form of one or two shops along the main through fares and subsequently they have grown up in most unplanned manner. They are mostly congested.

* In the context of the thesis, these come under Formal Commercial Sector.

Moradabad is completely devoid of shopping centres specialising in a particular commodity. Maximum number of shops are of spices and general merchandise, followed by food and food grains and brass utensils. Shops of brass utensils, spices and general merchandise and food grains are the chief employers, employing nearly one fourth of the total workers under occupational category of trade and commerce. Besides local needs, these shops cater to the requirements of adjoining rural and urban areas. Majority of shops have no parking, loading and unloading facilities and in the remaining, such facilities are inadequate.

The Master Plan envisages that considering the past trend and further growth potential, the Formal Commercial Sector will play an increasing role which will increase the workers employed in this sector. It has been observed that the density in existing commercial areas is increasing as also the number of shop and shopkeepers. Consequently, new shops are being added in every available space in these areas and existing units have started in encroaching on the footpaths. These shops, in the main areas, are without corridor in the front.

The Master Plan further, envisages, that if additional commercial areas are not developed on functional basis suited to their requirements then the effective width of roads will decrease in the existing areas and the frontage will

be used for loading and unloading more and more, creating traffic hazards.

After analysing the characteristics of the present markets, the Master Plan concludes that the present markets will continue to perform their present functions and proposes to locate retail commercial areas of various orders in other proposed planning districts, where the future population is to be accommodated.

3.8 THE INFORMAL COMMERCIAL SECTOR ACTIVITIES IN MORADABAD :

Different types of Informal Commercial Sector activities are clearly seen operating on the public spaces all over town. They range from a cluster of a large number of informal commercial establishments to a single unit. They generally concentrate in areas where there are large customer population.

The informal commercial establishments are not located evenly throughout the town. They tend to concentrate in areas of high population density, at nodes of transportation transfer, or adjacent to activities such as entertainment complexes, major employment centres and commercial enterprises where they can benefit from product complementarity and mutual customer attraction. This tendency to concentrate in areas where there are large numbers of customers and dense traffic flows is understandable from

their point of view because they are anxious to increase the volume of sales. The profit margins on their product are generally small and thus greater the turnover the larger will be net income.

Unfortunately, this pattern of concentration of these establishments is the basic cause of their conflict with the city authorities in so far it causes congestion and blockage.

The reconnaissance of the town revealed that the various places where the informal commercial sector activities have concentrated themselves most.

1. Near major employment centres such as Govt. Offices, collectorate and Court compound, Head Office, S.B.I.
2. Near Bus stops and Railway Station.
3. Street corners in major residential areas selling small daily necessities.
4. Near parks, e.g., Company Bagh, famous temples, Kali ka Mandir, Cinema Halls, and other frequently visited areas needing support services and stalls of eatables and other consumer goods.
5. Near big hospitals like Police line Hospital and Victoria Hospital.
6. Near or in the major commercial areas like

Station Road market.

The informal commercial sector establishments in Moradabad generally sell commodities like vegetables, fruits, cheap plastic goods and house hold items, pan and cigarette, tea eatables ranging from cheap food and snacks and offer services like lock, cycle, lock and shoe repair etc.

Second aspect of the pattern of location of informal commercial sector relates to the tendency of sellers of the same commodity to cluster. The best examples are cluster of cloth and clothing sellers around town hall, food sellers near railway station, vegetable sellers in Kothiwal nagar on Station road, etc.

The enquiries from workers of Informal Commercial Sector revealed following primary considerations involved in the selection of the place of operation :

1. 60.8% workers have chosen the place, mainly because of it has high customer population and taken up the function according to the demand. Sometimes a wrong guess about the demand of a commodity, causes the change of commodity.
2. 1% workers have selected the place of operation according to the demand of the commodity

which is predecided like vegetable sellers who grow it themselves.

3. 8.9% workers have selected the place of operation due to its nearness to place of residence.
4. 8.2% have chosen the place of operation, primarily due to the reason that the place is free from harassment by local authorities.
5. 7.1% workers stated the reason of availability of space.

The various informal commercial sector establishments are required to pay a licence fee to the Municipality for their operation which is collected daily by a person deputed by the Municipal Board. Such licensed establishments are not considered as registered and liable to be removed at any time by the local authorities, if such activities cause problems to other normal urban spatial activities.

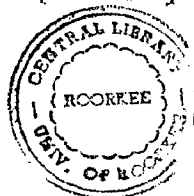
4

**ASPECTS OF
INFORMAL COMMERCIAL SECTOR**

CHAPTER-4ASPECTS OF THE INFORMAL COMMERCIAL SECTOR

Taking into consideration the availability of resources and the precision required, it is difficult to undertake the detailed study analysis of Informal Commercial Sector for the whole of the town. Therefore, a small area designated as ward No. 33 by the Municipal Board of Moradabad has been selected for an intensive study. (See Fig. 4) The primary reasons for the selection of the area is the maximum concentration of Informal Commercial establishments in this area. The other reasons being, it is the main commercial area of the town and provides the city dwellers with every type of commodity starting from vegetables to electronics items. It is located almost in the centre of the city and five cinema halls, two Civil hospitals, a number of educational institutions and the office of Municipal Board are located in this area. All these factors substantiated by the administrative ward boundary have helped in the deleneation of the area. The area of the study area is 48 hectre approximately and the population of the area is about 9,000.

Although the primary concerns of the physical planners

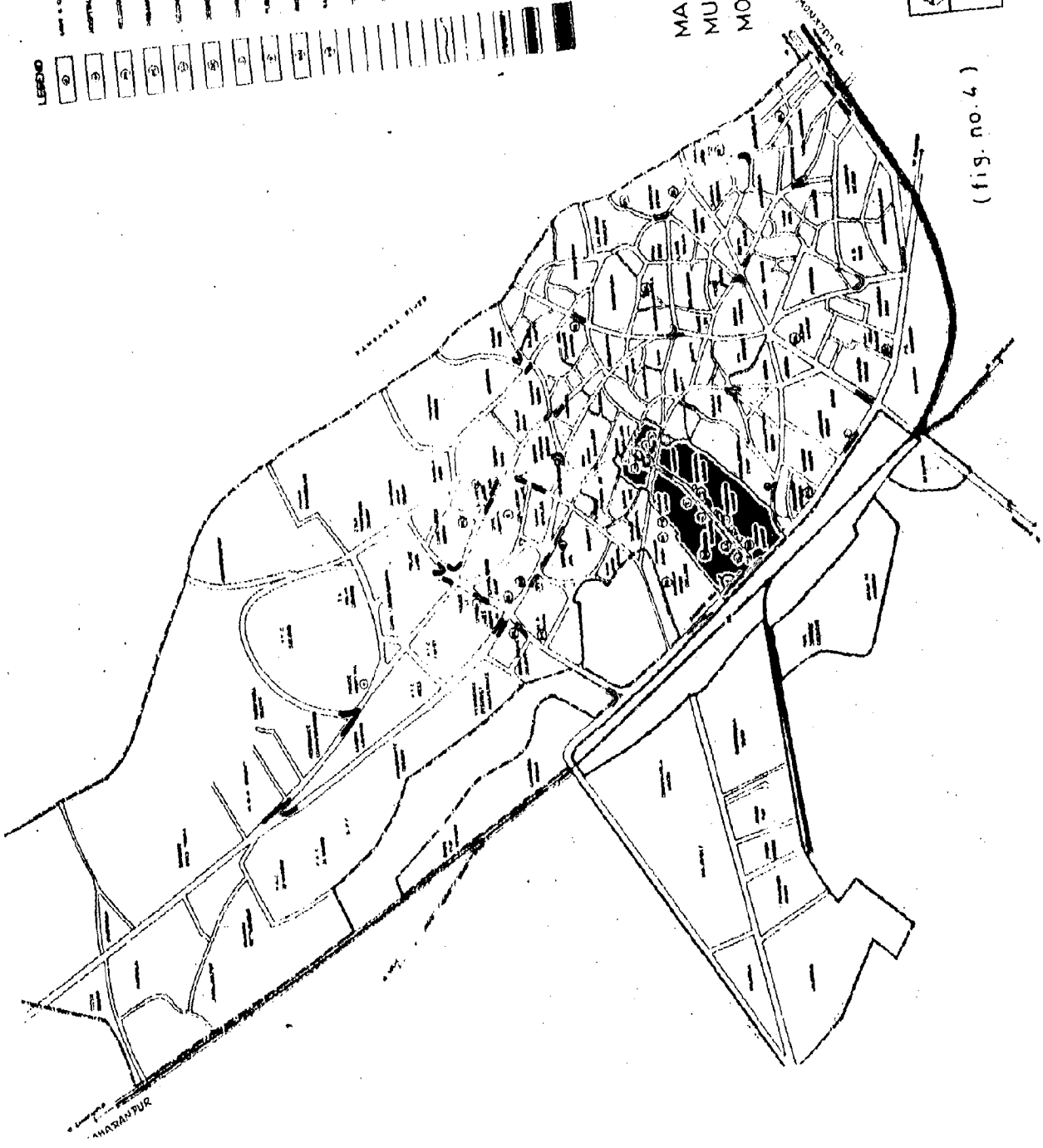


246122.

- LEGEND**
- 1. MAIN COMMERCIAL STREET
 - 2. SIDE STREET
 - 3. ALLEY
 - 4. FOOTPATH
 - 5. UNPAVED ROAD
 - 6. PAVED ROAD
 - 7. CANAL
 - 8. DRAIN
 - 9. PUBLIC PLACE
 - 10. PUBLIC SQUARE
 - 11. PUBLIC MARKET
 - 12. PUBLIC BUILDING
 - 13. PUBLIC OFFICE
 - 14. PUBLIC SCHOOL
 - 15. PUBLIC HALL
 - 16. PUBLIC GARDEN
 - 17. PUBLIC PARK
 - 18. PUBLIC PLAYGROUND
 - 19. PUBLIC SWIMMING POOL
 - 20. PUBLIC RESTAURANT
 - 21. PUBLIC CAFE
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 - 194. PUBLIC RESTAURANT
 - 195. PUBLIC CAFE
 - 196. PUBLIC BAR
 - 197. PUBLIC CLUB
 - 198. PUBLIC GYM
 - 199. PUBLIC SWIMMING POOL
 - 200. PUBLIC RESTAURANT

DETAILED STUDY AREA
 LOCATION OF INFORMAL
 COMMERCIAL SECTOR

MAP
 MUNICIPAL BOARD AREA
 MORADABAD



(fig. no. 4)

	Prepared by Planning Section Municipal Board Moradabad
	Checked by Planning Section Municipal Board Moradabad

lie with the physical problems. The policies and actions towards a physical solution greatly depend on other related aspects. The various aspects of the Informal Commercial activity are, therefore, needed to be studied.

During the survey, total 203 Informal Commercial Sector establishments were recorded in the study area. They were operating through different modes of operation and occupied public spaces like road side unmetalled portions, foot paths, etc.

There is a wide variety of the goods sold and services offered by the establishments which fulfil almost all the needs of the daily household life. In fact, this activity runs parallel to the formal retail shops and markets only with the exception that the quality of the goods are mostly of inferior type and the goods are of essential nature. Twenty six types of units have been identified in terms of types of goods and services (See Appendix I) which for the purpose of analysis have been classified into six main groups, on the basis of their predominant function :

1. Unprocessed food : including raw food such as vegetables and fruits.
2. Prepared foods : including mainly cooked food, snacks, chat etc.
3. Pan shops : including pan, cigarette, tobacco, etc.

4. Tea Shops : including tea, cold drinks and Coffee etc.
5. Non-food items : consisting of miscellaneous commodities, e.g., textiles, crockery, foot wear, cosmetics, toys, metal utensils, magazines, audio cassettes etc.
6. Services : consisting of various activities like hair cutting, lock, cycles and stove repaireres, cobblers, etc.

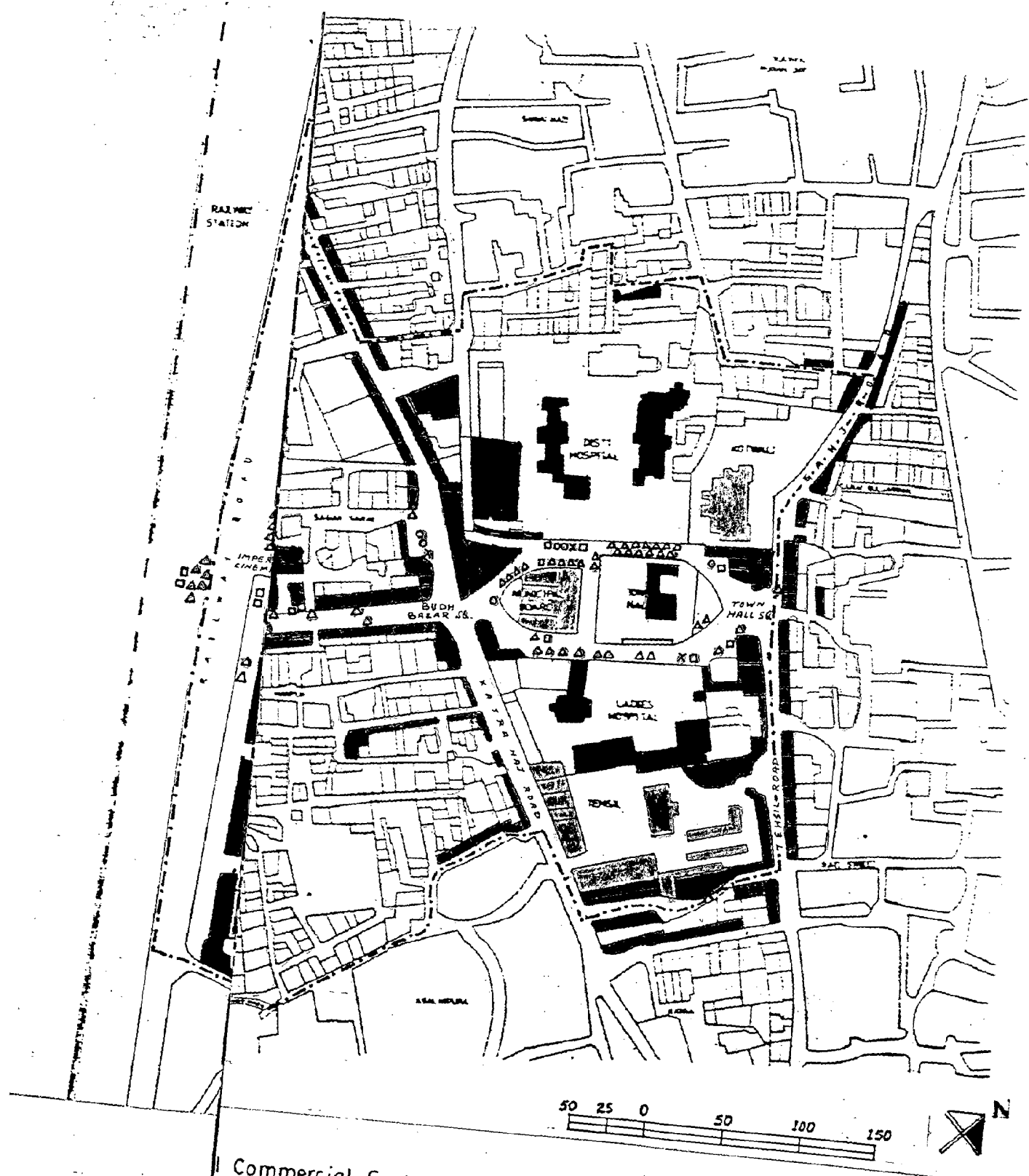
It is observed that most of the units (49.8%) are engaged in selling non-food items of which (32%) are engaged in selling textiles goods including readimade garments, hosiery, saries, bed sheets, etc.

The second largest part of the activity (15.8%) is engaged in selling prepared food items followed by establishments offering services (13.8%), unprocessed food (12.8%), tea shops (3.9%) and pan shop (3.9%)


4.1 PHYSICAL ASPECTS :

4.1.1 Modes of Operation :

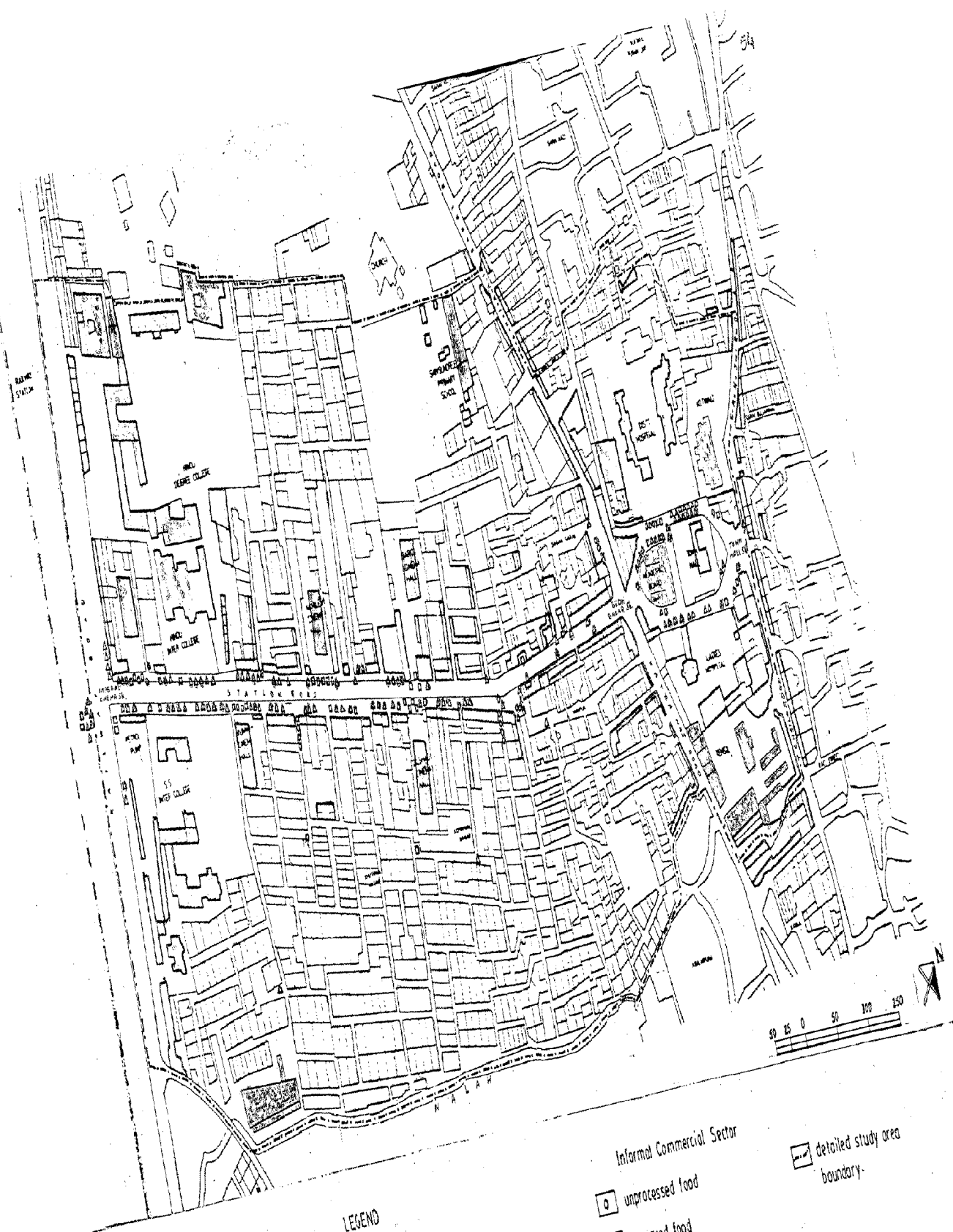
Six categories of Informal Commercial Sector enterprises on the basis of their modes of operation have been



- Commercial Sector
- Processed food
- Food
- App
- P
- Food items

 detailed study area boundary

(fig. no.5)



LEGEND

- residential use
- commercial use
- industrial use
- govt. & semi govt. offices
- medical, educational, & recreational facilities
- open spaces
- unprocessed food
- prepared food
- pan shop
- tea shop
- non-food items
- services

detailed study area boundary.

DETAILED STUDY AREA EXISTING LAND USE

(fig.no:5)

identified, which are as follows :

1. Mobile Hawkers:

On foot or bicycle who essentially take their goods or services to customers rather than being attached to a fixed location where the latter come to look for them. These are generally one person enterprises using minimal equipment. (Fig. 6)

2. Pattri or Thariwallas :

Who offer goods or services from pavement or rather ground space. Both pattri and thari belong to a range of descriptive terms in colloquial languages: pattri literally translated means pavement or sidewalk and thari reflects a piece of ground flattened for the purpose of working from it. Thus a pattriwalla denotes a person working from the pavement and a thariwalla one working from the ground. Typical examples include petty traders selling cheap cloth and household goods, posters and magazines and services such as shoe repairs, cycle repairs, lock repairs.

(Fig. 6)

3. Mobile Rehri :

The term rehri denotes a four wheeled barrow which can be pushed. Typical examples were fruit or vegetable sellers, chat sellers, etc. (Fig. 7)

4. Immobile rehri :

This category consisted of enterprises making use of rehri which were obviously immobile owing to either the tires being deflated, wheels sunk in the ground or wheels removed altogether. Some units use tarpaulins hung on poles serving as protection against the weather. Typical examples included fruit or vegetable traders, tea sellers. (Fig. 7)

5. Immobile units with or without rehri but making use of additional furniture :

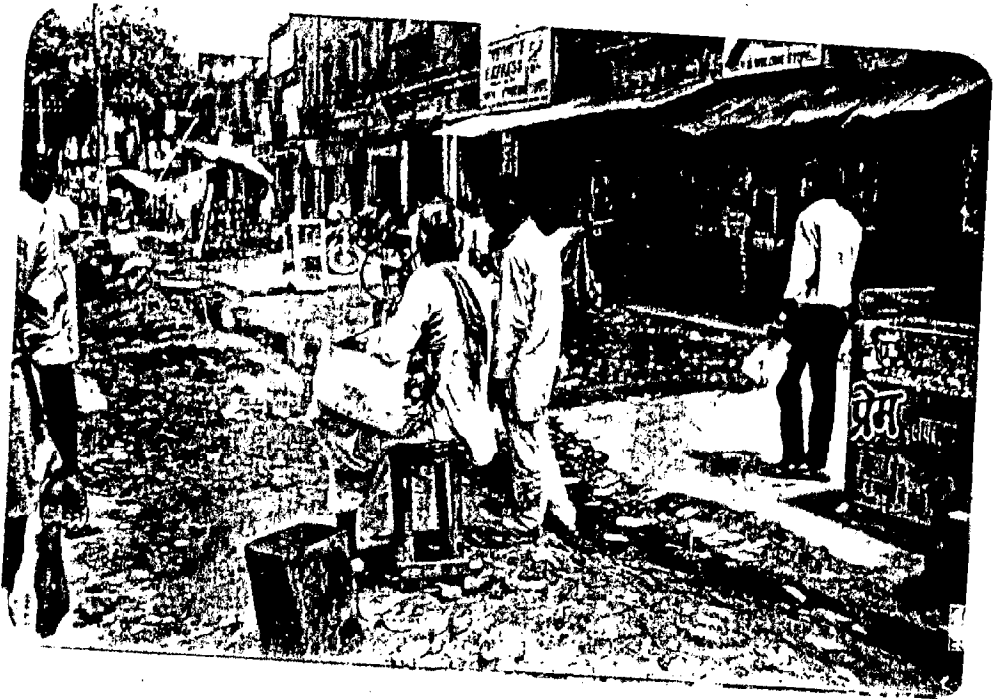
These usually occupy considerably more space than most of the other categories and use such furniture as charpoys, benches, tables, etc. Typical examples of this are dhabas serving cooked meals, cloths and utensils selling units (Fig. 8)

6. Khokhas :

Which denote cheap improvised structures used as shops and, therefore, fixed in location. (Fig. 8)

For the purpose of analysis, the types of units falling under category No. 2, 4 and 5 have been clubbed under one heading, i.e. Footpath vendors.

Survey revealed that majority (69%) of the establishments fall under the category of footpath vendors, which is followed by the establishments (27.6%) who have adopted Rehri as their mode of operation. While peddlers



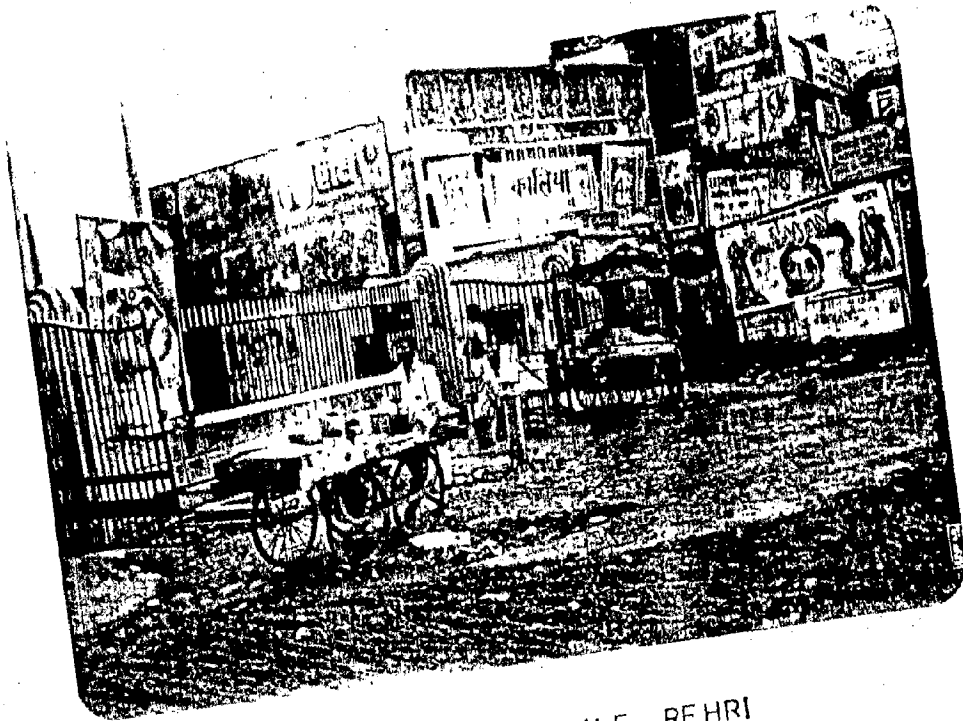
(fig. 6.a)

MOBILE HAWKER



(fig. 6.b)

PATRI OR THARIWALA
MODES OF OPERATION



MOBILE REHRI

(fig 7.a)



IMMOBILE REHRI

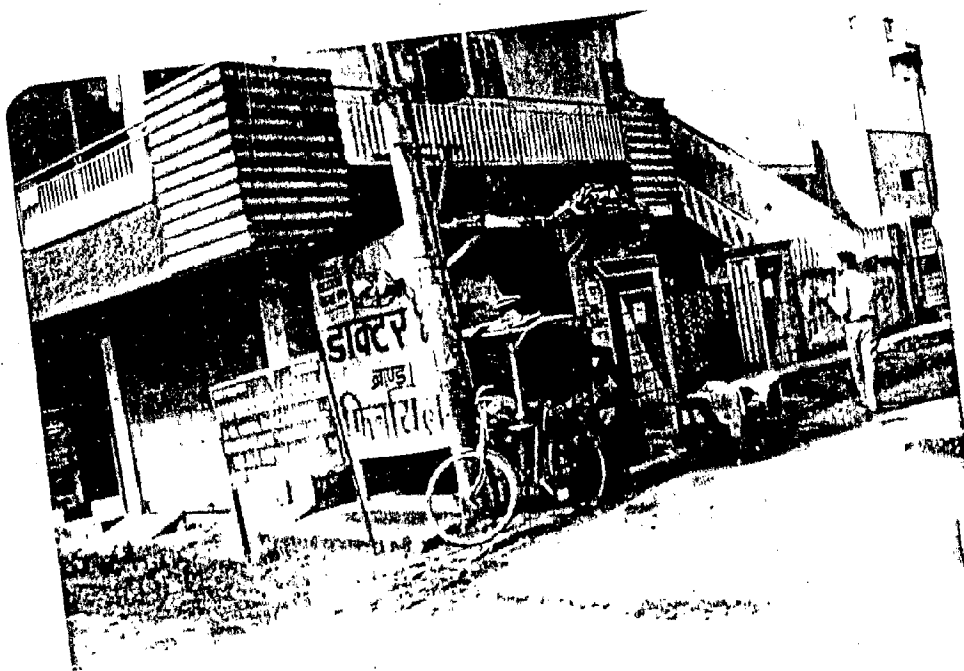
(fig 7.b)

MODES OF OPERATION



IMMOBILE UNITS

(fig. 8.a)



KHOKHAS

MODES OF OPERATION

(fig. 8.b)

and khokhas count only 3.5% and 3.9% respectively.

Again, it is found that majority of establishments (63.6%) of total establishments in the category of foot path vendors dealing with non food items. While majority of establishments (48.2%) operating from Rehri are selling prepared food.

The mode of operation adopted by the majority of establishment selling unprocessed food is as footpath vendors (50%), Prepared food is Rehri (84.4%), Pan Sellers is as footpath Vendors (62.9%), Tea sellers is as footpath vendors (62.9%), Non food items is as footpath vendors (83.2%), and by the establishment offering services is as footpath Vendors (79%). (Refer Appendix-II).

4.1.2 SPACES OCCUPIED :

4.1.2.1 Types of Spaces :

The Informal Commercial Sector establishments generally occupy or encroach upon the public spaces temporarily. The detail description of the types of spaces occupied by these establishments in the study area is presented in the following paragraphs :

A. Unmetalled Sides of the Roads :

The establishments operating on the unmetalled portions on either side of the roads are a common sight. (Fig. 9)

B. Platforms of the big shops :

The paved spaces or platforms in front of the big shops which are meant for the movement of customers from one shop

to another shops are occupied by these informal establishments with the permission of the shop owners. These shop owners very often charge some rental from such establishments. (Fig. 9)

C. Along dead walls or boundary of the buildings :

The spaces along dead walls or boundary of the buildings are very oftenly used by the establishment as the wall or boundary fencing or wall is very useful for displaying goods like textile goods and supporting the furniture etc. (Fig. 10)

D. Spaces identified by immovable objects :

It is found that entrepreneurs of informal commercial sector operate always under the threat of eviction as they occupy space illegally. Very often they are evicted from their working place. But operating from a space identified by some immovable object already existing like electricity pole, telephone pole or tree gives them protection from eviction. Working from under the shelter of tree is advantageous from one more point of view that is the protection provided by it from sun, rain, and bad weather. (Fig. 10)

E. Unutilized spaces or less crowd circulation spaces :

The unutilized spaces like approach passage to a public building or circulation spaces of markets are occupied by the establishment. (Fig 11)



(fig 9.a)

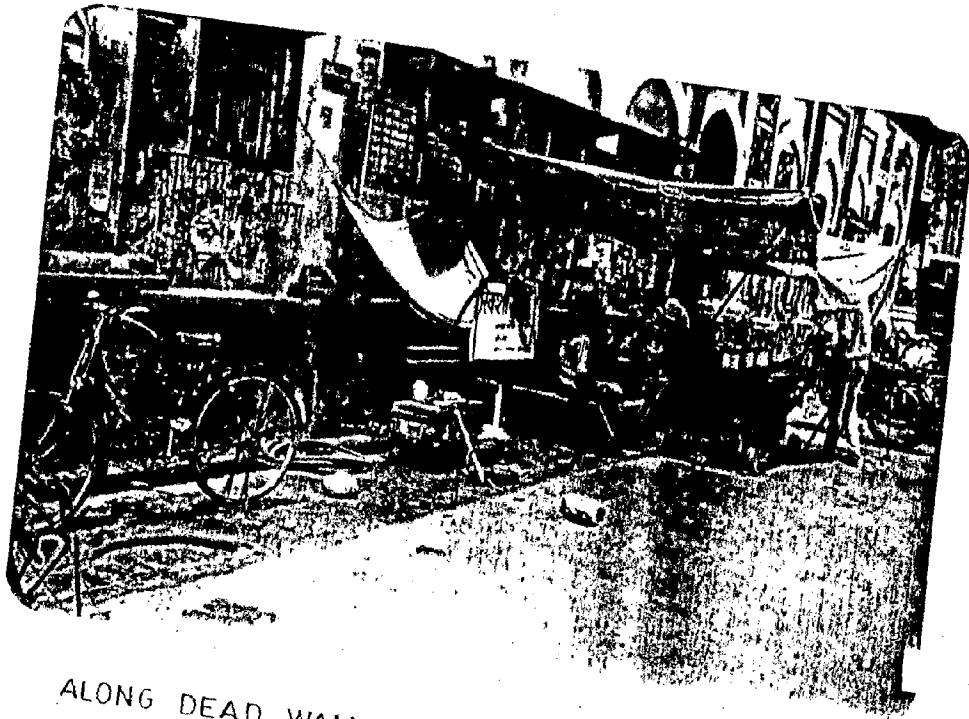
UNMETALLED SIDES OF THE ROADS



(fig 9.b)

PLATFORMS OF THE BIG SHOPS

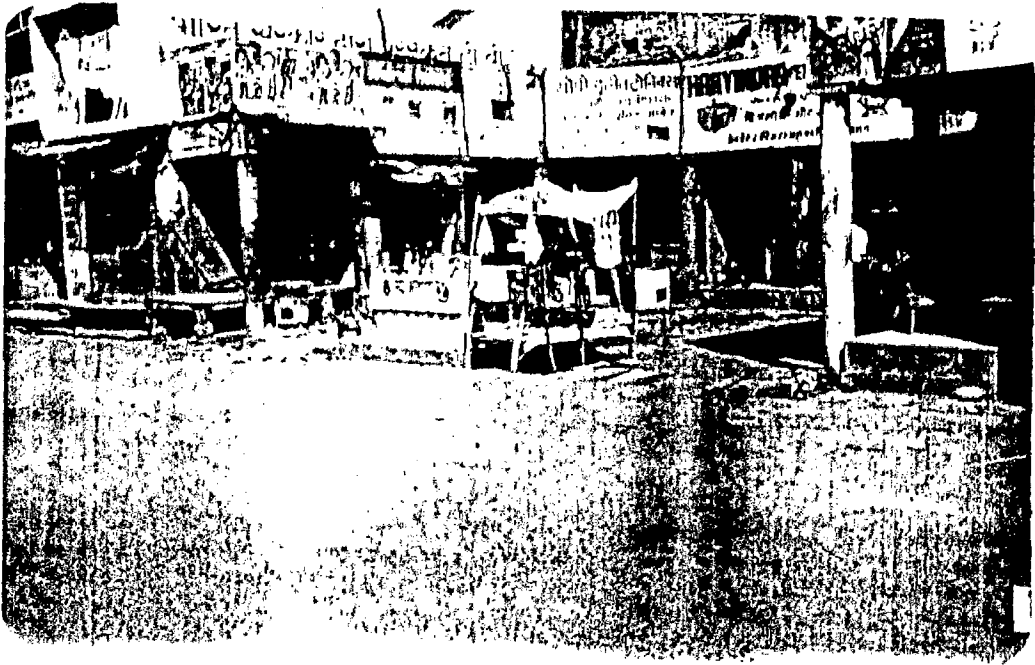
TYPES OF SPACES OCCUPIED



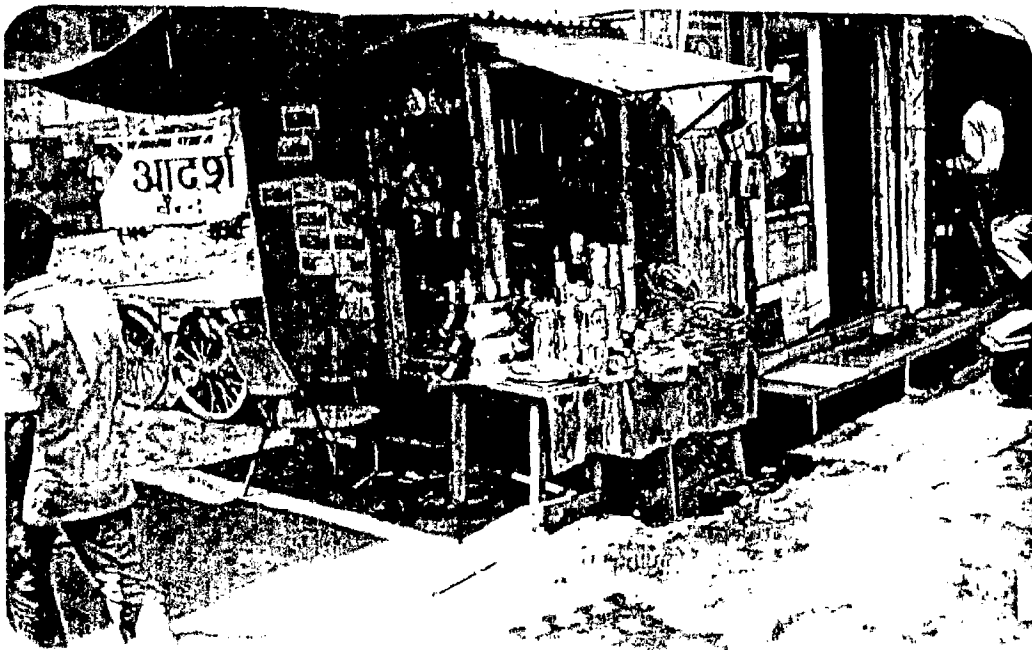
(fig.10.a) ALONG DEAD WALLS OR BOUNDARY WALLS



(fig.10.b) SPACES IDENTIFIED BY IMMOBILE OBJECTS
TYPES OF SPACES OCCUPIED



(fig.11a) LESS CROWDED CIRCULATION SPACES



(fig.11.b) OVER DRAINS
TYPES OF SPACE OCCUPIED

F. Over Drains :

The drains along the streets in the study area generally open. The space over the drains is used by the establishments either by erecting khokhas or putting planks over them. (Fig. 11)

4.1.2.2 The area occupied :

The survey revealed that under the category of footpath vendors the area occupied by the majority of informal commercial establishments (56%) in the study area, is between 1.1 sq.m. to 1.5 sq.m. while 18.2% of the establishments are of size less than 1.1 sq.m. Another 12% of the establishments cover area between 1.6 to 2.0 sq.m. and 14% occupy between 2.6 to 3.0 sq.m.

The Rehris due to their fixed size, occupy area about 1.35 sq.m. each. The Rehris for eatables occupy more area due to the projection on three sides used by the customers while eating. 75% of the Khokhas are of size between 1.1 to 1.5 sq.m. and another 25% of size less than 1.1 sq.m.

The data shows that the average area occupied by the informal commercial establishments is about 1.5 sq.m. However, it can be presumed that if any action is to be taken to provide these establishments with a permanent working space then they will need more space for their operation in new locations. Since, at present due to the temporary nature of activity they are limited in the volume of goods that they can carry or display. (Appendix III)

4.1.3 Storage and Other facilities :

Unlike the formal retail shops, the informal commercial sector establishments do not have the proper facilities required for carrying out the business only except the sweeping which is done by the Municipal Board to maintain cleanliness of streets. Because of the temporary nature of the mode of operation, it becomes necessary for the units to keep the goods to a secured place during the night. It is a common practice that the entrepreneurs who do not have their place of residence near the place of work, take some storage space or godown in the vicinity on rent individually or in a group and store their goods there at night or on off days. The rental paid for such space varies from Rs.50/- to Rs.120/- per month depending upon the location and size of space.

Regarding electricity, because of the unauthorised nature of the activity, it is impossible to get it in proper manner and has been observed that for the electricity all of them depend on the shops opposite them or streets lights. However, some of the entrepreneurs, manage to get a connection from nearby formal shops by mutual agreement paying some terrif to them.

Other facilities like water supply, toilets, garbage disposal, etc. are also not available to this sector, although Municipal Board charges a licence fee from them. The garbage produced from this activity is generally left lying on the road side or thrown in the nearby drains by the entrepreneurs. This causes another problems of drain chocking.

In fact, the facilities, required for the expansion of these activities, are not available for this sector.

4.2 SOCIAL ASPECTS :

Information has been collected on the social characteristics of the informal commercial sector workers as well as their attitude towards the activity and presented under the following sections :

4.2.1 Age Structure :

The survey revealed there is a predominance of informal commercial sector workers (61.8%) in the age group between 21 to 35 years. No worker was found to be of age below 16 years and only 6.8% of age above 45 years.

In the age group of 16 - 20 years and 36 - 45 years, the percentage of workers is 10.1 and 15.3. Thus, there is a preponderance of young workers in the Informal Commercial Sector in the study area. (Refer Appendix IV).

4.2.2 Literacy :

As many as 73 percent of respondents were literate and rest 23 percent did not receive any formal education. It clearly indicates that the Informal Commercial Sector workers have low education levels as 76.8 percent of the literate workers have education till middle school or below. Only 11.9% of the workers were found to have passed High School and 3.4% of the workers passed Intermediate or Higher Secondary examination, while 1.8% of the workers were found to be Graduate. The data shows that

workers in this sector have come generally from lower educational streams, yet they are by no means the worst educated groups in the city. (Refer Appendix V).

4.2.3 Household size and earning members :

The average household size of the Informal Commercial Sector entrepreneurs in the study area is 4.94 with average number of earners as 1.75 giving a dependency ratio of 2.82. While 44.1 percent of the families depend on the single earner and 69.5% entrepreneurs have average household size of 7.5. (Refer Appendix VI)

4.2.4 Place of Birth and Present Residence :

The survey revealed that 86.4 percents of the respondents had place of birth other than Moradabad town. 69.5% of workers were born in the rural areas of the Moradabad district, while only 8.5 percent of the respondents had their place of birth outside Moradabad district. (App. VII)

There was no particular pattern of relationship of present place of residence and work place found, except the fact that 47.5% of the workers have the place of residence beyond 5 Km. away from the place of work and commute daily. They are the workers from the nearby rural areas. (App VIII)

4.2.5 Reasons for choosing the activity :

The reasons for choosing the Informal Commercial activity have been found to be different in every case and it varies from the absolute need for survival to mere prospect of better living

Moreover, it is not a single reason which encourages one to accept this activity as an occupation, mostly the needs of the entrepreneurs get coupled with the prospect of the business. For the purpose of identifying the basic reasons, informations have been collected and categorised under four headings :

- i) Unemployment : where the respondents were in search of job or lost their previous job.
- ii) Under-employment: where the respondents were working some where before joining this activity with less wages or earnings.
- iii) Preference ; where the respondents were basically attracted towards the activity than any formal activity.
- iv) Other reasons : where the respondents had to take up the activities due to the reasons other than the above three, like, engagement of some relative in this activity, family inheritance, etc.

It has been found that 55.9% of the informal commercial sector entrepreneurs have adopted the activity due to lack of employment opportunity and another 25.4 percent due to under-employment, 10.2 percent entrepreneurs have been found to be not interested towards any formal activity. While only 8.5 percent of respondents cited other reasons. (Appendix IX)

4.2.6 Attitude towards the activity :

The general attitude of the informal commercial sector

entrepreneurs towards the activity is that they want to continue with the activity. From this attitude it can be easily conceived that informal commercial activity in the study area, though not always appreciable to the entrepreneurs, is a viable one. Statistics show that 71.2 percents of the entrepreneurs want to continue with it without any hesitation and on the other hand 28.8 percent prefer to give it up. (Appendix X)

This attitude, if related with the age of the entrepreneurs is found to vary among the young and old. Almost all the entrepreneurs (92.3%) of age more than 35 years prefer to continue. While 69.1 percent of entrepreneurs of age below 35 years want to continue with the activity.

Opinion was collected from the entrepreneurs of the informal commercial sector regarding the attitude towards occupying the public space where it causes trouble to the community and it is observed that they are very much conscious about the fact. Almost all the entrepreneurs agree that the activity should be planned considering all the aspects related to them.

All of the individual entrepreneurs agreed to shift to an alternative location in the close proximity wherever they can earn the same way and the problems to the community reduces. Very strongly they feel that they should not be considered as trouble maker.

They wish the Government to provide them space in the markets or simply at road side and make them authorised. They

only claim that they should be relocated to such areas that have the potentiality to carry out the sale of their goods.

4.2.7 Problems faced by Entrepreneurs :

Based on the survey the main problems faced by the entrepreneurs are non availability of authorised working space and infrastructures though they pay licence fees to the Municipal Board. The other problems which arise basically due to their unauthorised nature of their activity are in security and lack of capital. Very often they face harassment by the police and the local authorities as they are removed from their places of work or chalanned heavily. They say that the insecurity obstruct them psychologically to expand their activity and to gain the confidence of the people.

About the problem of capital, though they manage to overcome by getting the goods mostly on credit, they feel that the bank loans could have been more helpful for promoting their business.

4.3 ECONOMIC ASPECTS

4.3.1 Income Pattern :

The survey has revealed that the incomes of Informal Commercial Entrepreneurs in the study area varied from Rs.500 to Rs.2,000/- per month depending upon the type of function. About 72.8 percent of entrepreneurs found to be earning Rs.601/- to Rs.1,200/- per month and 8.5 percent of them earning less

than Rs.600/- per month. While only 13.6 percent entrepreneurs have income between Rs.1,201/- to Rs.1,500/- per month and 5.1% of them have above Rs.1,500/- per month.

It was observed that the establishments selling unprocessed food and offering services have generally low income levels and those selling non food items have higher income levels. The pattern of distribution of the Informal Commercial Sector entrepreneurs by income clearly indicates the marginal nature of their occupation. It should be noted that most of the respondents did not have any accurate idea of either their incomes or the percentage of profit charged from customers. This was particularly evident in the case of fruit and vegetable sellers. There is a high degree of bargaining associated with sales in this activity and that is one of the attractions for customers. The entrepreneurs work with approximate notions of what price they must charge from a particular customer. (Refer Appendix XI).

4.3.2 Investment :

The range of value of goods in stock of different enterprises showed a variation from as much as Rs.15,000/- at the top end of the scale to as little as Rs.50/- at the bottom. The investments are found to be less than Rs.500/- in case of 37.3% of informal commercial establishments in the study area. Another 50.9 percent of such establishments had investment between Rs.500/- to Rs.2,000/-. Only 11.9 percent establishment

had invested more than Rs.2,000/-.

The low investments are indicative of the smaller scale of operation of these informal establishments and this can be ascribed to two reasons, mainly. Firstly, the uncapability for more investment and secondly unwillingness for high investment due to unprotected nature of the Informal Commercial Sector. (Refer Appendix XII).

4.3.3 Hours of Operation :

In so far as the hours of operation of the informal commercial activity are considered, the general observation is that entrepreneurs engaged in this activity work for very long hours in the preparation and selling of their goods. The data indicates that food sellers work for longest hours and non-food sellers and service establishments have the shortest hours of work. About 60% of the food sellers work for more than 12 hours per day while about 72 percent of non food items sellers work for less than 12 hours per day.

Most of the establishments have daily peaks when the majority of their sales are made. Unprocessed food sellers attract the largest proportion of their customers in the morning. Rprepared food sellers attract customers at the time of main meals and interval time of the cinema shows, whereas non-food item sellers attract customers all through the day, but the maximum sales are made in the evening. It is this pattern of peaks that is contributory to problems of congestion.

(Refer Appendix XIII)

4.3.4 Comparative Prices of goods :

Generally, the goods sold by the informal commercial establishments are not comparable with the goods of the formal shops but wherever the goods of the same quality are sold by the formal shops, the prices do not remain the same because of the obvious reasons, that formal/regular shops have more overhead cost and more profit margins. Textile products and general goods are sold by informal establishments generally at much cheaper price than the formal shops, whereas the prepared food stuff can not at all be compared. While, there are no formal shops in the area selling unprocessed food and offering services like cycle repair, stove repair, lock repair and cloth ironing.

Thus, this sector provides functional shopping and having apart the quality part, the sector provides goods of essential nature to the lower income class people of the city at a considerable lower rate than that which is charged in the formal shops.

4.3.5 Payment for Occupying Space :

It has been found through survey that the informal commercial establishments in the study area were occupying space on the road side unmetalled portions, foot paths, corridor or on the carriage way, itself through payment in various forms, like regular rent to the formal shops, bribe to city administration as well as police personnels, license fees to Municipal Board or a combination of these.

About 79.7 percent of the informal establishments were occupying space either only by bribing to the police personnels or along with the regular rent and license fees.

25.5% of the informal establishment were occupying the space in front of the formal shops by paying regular rent to them. Though this form of payment is also illegal but the entrepreneurs of informal sector do not take it as exploitation as it gives them a certain degree of protection.

The amount of total payment in various forms for occupying the working space varied from Rs.20/- to Rs.200/- per month. About 54.3% of such establishments were paying Rs.50/- to Rs.100/- per month and another 33.9 percent were paying less than Rs.50/- per month. The rest 11.9% of the entrepreneurs paying Rs.100/- to Rs.200/- per month. (Appendix XIV & XV)

5

**CAUSES OF
INFORMAL COMMERCIAL SECTOR
GROWTH IN MORADABAD**

CHAPTER - 5

CAUSES OF INFORMAL COMMERCIAL SECTOR GROWTH

IN MORADABAD :

The study has revealed that the informal commercial growth in Moradabad can be ascribed to a combination of factors related to economic conditions, migration, unemployment etc. Each of these factors has helped in the sustenance and further growth of this sector of urban economy. The various causes of informal commercial sector growth can be explained under the following headings.

1. MIGRATION :

The study has revealed that a large share of work force in the Informal Commercial Sector, i.e., 69.5% comprises of unskilled, poorly educated migrants who have been forced from the nearby areas because of lack of economic opportunity. In the cities, their lack of education and unfamiliarity with the urban way of life, combined with limited employment opportunities, have spurred their entry into the Informal Commercial Sector. This ease of entry into this sector can be ascribed to its requirements of little capital and low level of skill. Thus, this sector provides a useful urban 'refuge' occupation for the

dispossessed of the rural areas.

The total migrant work force in the Informal Commercial Sector accounts for 86.4% which contains migrants from nearby rural and urban areas within the district Moradabad, as well as from outside the district Moradabad.

The reasons for migration varies from the absolute need for survival to mere prospect of better living. These can be presented in three categories :

a) Unemployment :

58.8% of the migrant entrepreneurs were without any job or had lost their jobs at there place of birth and migrated to Moradabad in search of job.

b) Underemployment :

About 13.6% of the Informal Commercial entrepreneurs migrated due to underemployment at their places of birth. That means they were working some where with less earnings.

c) Others :

This category comprises of about 11.8% entrepreneurs who migrated to this place due to various other reasons like clashes with the dominant groups, split in family, family quarrel etc.

2. PREFERENCE OVER FORMAL SECTOR :

Preference over the Formal Commercial Sector was also one of the reasons for joining the Informal Commercial Sector. The share of such entrepreneurs in the work force was found to be 10.2 percent. They are basically attracted towards this activity due to various reasons like freedom from regularity of a formal enterprise, less responsibilities etc. It is generally believed that starting a small retailing enterprise is an easy task. About 8.5% entrepreneurs were found to adopt this activity as 'family inheritance', etc.

3. ECONOMIC CONDITIONS :

Majority of the Informal Commercial Sector entrepreneurs belong to the economically weaker section and low income group. Due to their low income level these entrepreneurs are unable to afford a regular shop having high rental. Therefore, they continue to operate in the Informal Commercial Sector where they are able to operate by paying a relatively nominal amount in the form of bribes or license fees. Moreover, because of their inability to invest large sums of money, they joined the Informal Commercial Sector.

4. ENFORCEMENT :

The weakness or leniency on the part of law enforcing

department to stop the unauthorised commercial activity on the public spaces has been one of the causes of the growth of the Informal Commercial Sector. This encouraged growth of not only these establishments but also attracted many other new ones.

5. CORRUPTION :

Illegal transactions in the case of 79.7% of Informal Commercial establishments have permitted them to occupy space on public lands and such corruption has helped in the growth of this sector.

6. POLITICAL FACTORS :

Political attitudes toward the informal sector help in the growth or removal of this sector. The workforce of Informal Commercial Sector in the study area has their union under the leadership of a political worker. He is helping the growth of this sector by giving them indirect, but effective protection.

6

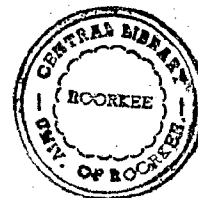
**CONSEQUENCES OF
INFORMAL COMMERCIAL SECTOR
IN MORADABAD**

CHAPTER-6CONSEQUENCES OF INFORMAL COMMERCIAL SECTOR

Owing to its size and presence in the busy parts of a city, Informal Commercial Sector is bound to have its effect on the physical, social and economic environment. This effect can be negative or positive and can be explained under the two broad headings. Positive Consequences and Negative Consequences of Informal Commercial Sector.

POSITIVE CONSEQUENCES :1. Economic Need :

The Informal Commercial Sector establishments with their low overheads and their desire to maximise customer contact, service the low income population of the city. The goods offered by these establishments are based on the economic needs of the people. The quality of various items sold like cosmetics, plastic goods, crockery, toys, etc. and services offered like cycle repair, lock repairs etc. is adjusted against the economic needs of the people. Moreover, these establishments sell what the shopkeepers can not afford to sell, e.g. ground nuts, baked dal, channas, chat, golgappas and provide services like lock and stove repairs.



2. Functional Shopping :

While the formal sector shops failed to provide functional shopping activity, the growth of the Informal Commercial Sector has been mainly based on the functional distribution of such activities like tea shops, pan shops, vegetable and fruit sellers etc. The eatable sellers clustering near the cinema halls provide a large number of cinema viewers with a variety of snacks etc. quickly at a cheaper price.

The growth of the Informal Commercial activities along route of movement and at road junctions and their home delivery system through rehri, peddlers, etc. make shopping more convenient to consumers.

3. Competition :

For sale of some common goods like fruits, vegetables, general house hold items, etc., the two sectors, i.e. Informal and Formal Sector offer competition. During the survey of the formal shop, it was revealed that the formal shop keepers have to control prices of goods which are also offered by an informal sector establishment.

4. Employment Generated :

The underlying character of Informal Commercial Sector is 'self employment' with relative ease of entry and need of low capital base and skill, this sector

provides livelihood for a large number of unemployed poor, especially the migrants from rural areas. The 149 informal commercial workers in the study area who would have otherwise been unemployed have been absorbed in this sector of economy. Above all, this sector provides job opportunities for a large number of people than formal sector, because the latter tends to concentrate wealth in a few hands.

5. Distribution of Commodities :

The Informal Commercial Sector provides a platform for the upward flow of goods in vertical exchange of goods, which results in their consumption by a class different from that of the producers. Fresh unprocessed and processed foods, pottery, craft goods etc. that pass from the peasant to urban middle and upper classes represent such an example.

6. Resource Conservation :

The establishments in Informal Commercial Sector also provide a platform for the sale of goods made of recycled waste materials, like toys, craft works, clothes etc. which formal shops can not afford to sell due to their inferior quality and less profit margins.

7. Increased Incomes :

The Informal Commercial Sector has also helped people in increasing their income. It has absorbed people who

were earning less incomes or under employed at previous job and now are earning more. Thus this sector has helped in raising the average income level of people.

NEGATIVE CONSEQUENCES :

1. Obstruction to Traffic Movement :

The most important negative effect of the growth of Informal Commercial Sector on the smooth functioning of the urban system is obstruction to traffic movement, which bothers the urban planners especially physical planner.

a) One of such problems is created due to the fact that the informal commercial establishments occupy the road side pavements upto such an extent that a part of the pedestrians is forced to move through the carriage ways which in turn reduces the effective width of carriage way as well as the speed of the vehicles. At some places in the study area, e.g. road encircling the town hall, the carriage way has become already inadequate to carry the required traffic load and this problem further gets aggravated wherever the pedestrians are also required to move through the carriage ways.

It has been observed that the informal commercial establishments tend to locate themselves as close as possible to the flow of traffic even if there is ample road side space to accommodate them without hindering the

vehicular traffic movement. This can be ascribed to two reasons. Firstly, the formal shop owners resist informal establishments to locate very close to their shops, as this reduces the frontage of their shops. Secondly, there is always a competition among these establishments to catch the customers and this becomes easier if they locate themselves near the traffic stream.

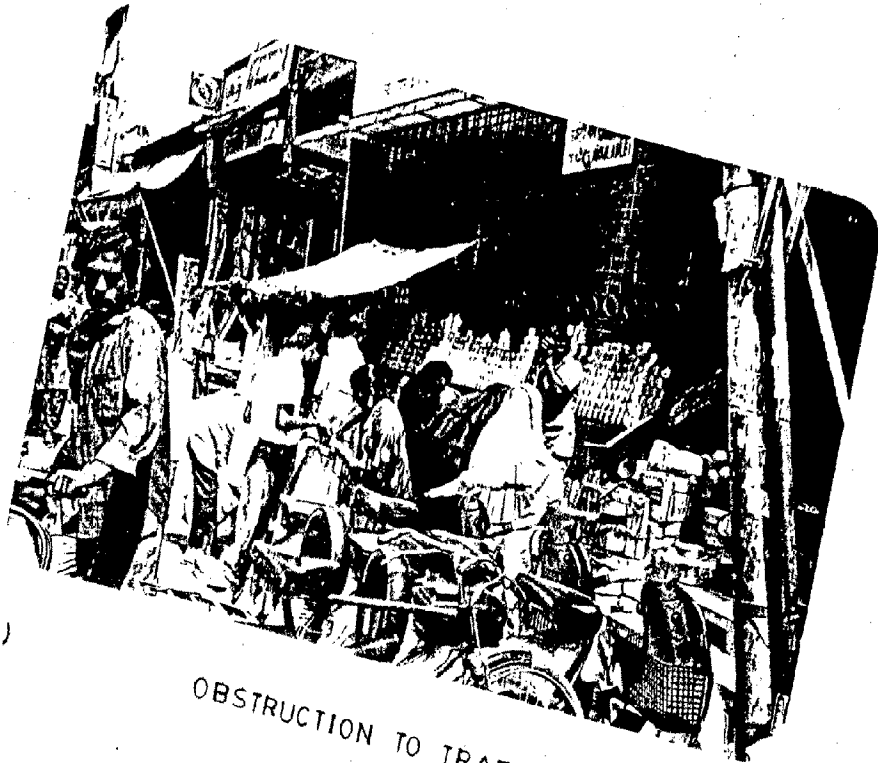
b) The other type of problem is created by the high concentration of shoppers at peak hours who casually walk across the carriage ways frequently to go through the goods on both sides of the roads.

c) Another problem created is due to the tendency of Informal Commercial establishments to locate themselves at street corners where pedestrian flows are at their peak and thus obstruct the smooth turning of vehicles and reduce the efficiency of junctions.

d) The pedestrians especially children and aged persons also face a great inconvenience as the road side pavements or footpath which are meant for their movement are occupied by the Informal Commercial establishments. Thereby they are forced to walk on the carriage way and very often conflict with the vehicular movement. (Figs.12 to 17)

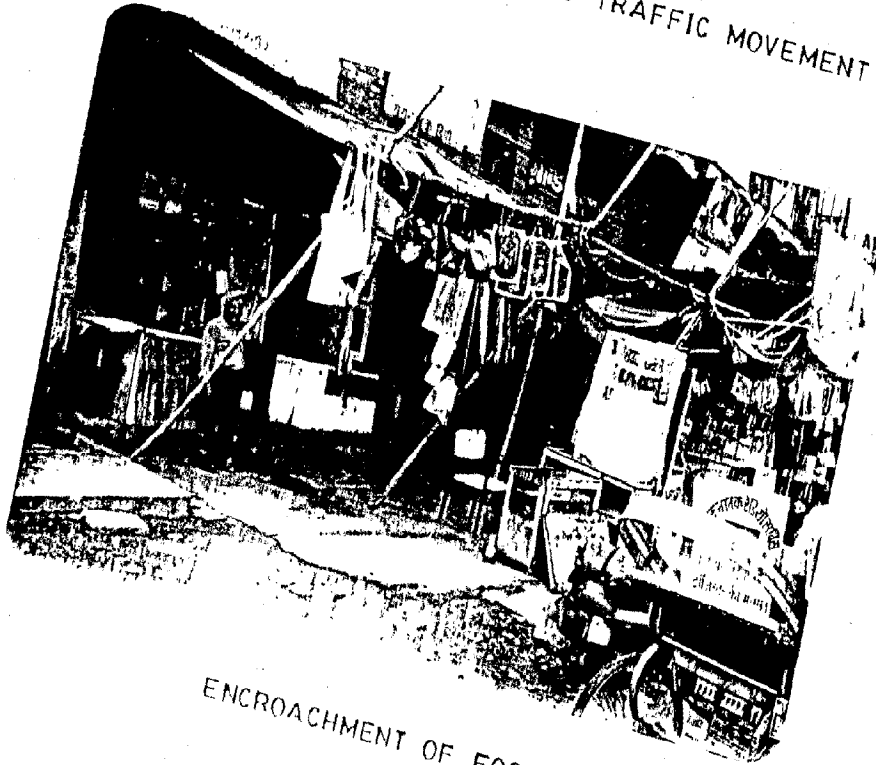
2. HYGIENE AND SANITATION PROBLEMS :

Due to illegal nature of the Informal Commercial Sector establishments, they are not provided with any infrastructural



(fig. 12)

OBSTRUCTION TO TRAFFIC MOVEMENT



(fig. 13)

ENCROACHMENT OF FOOT-PATHS



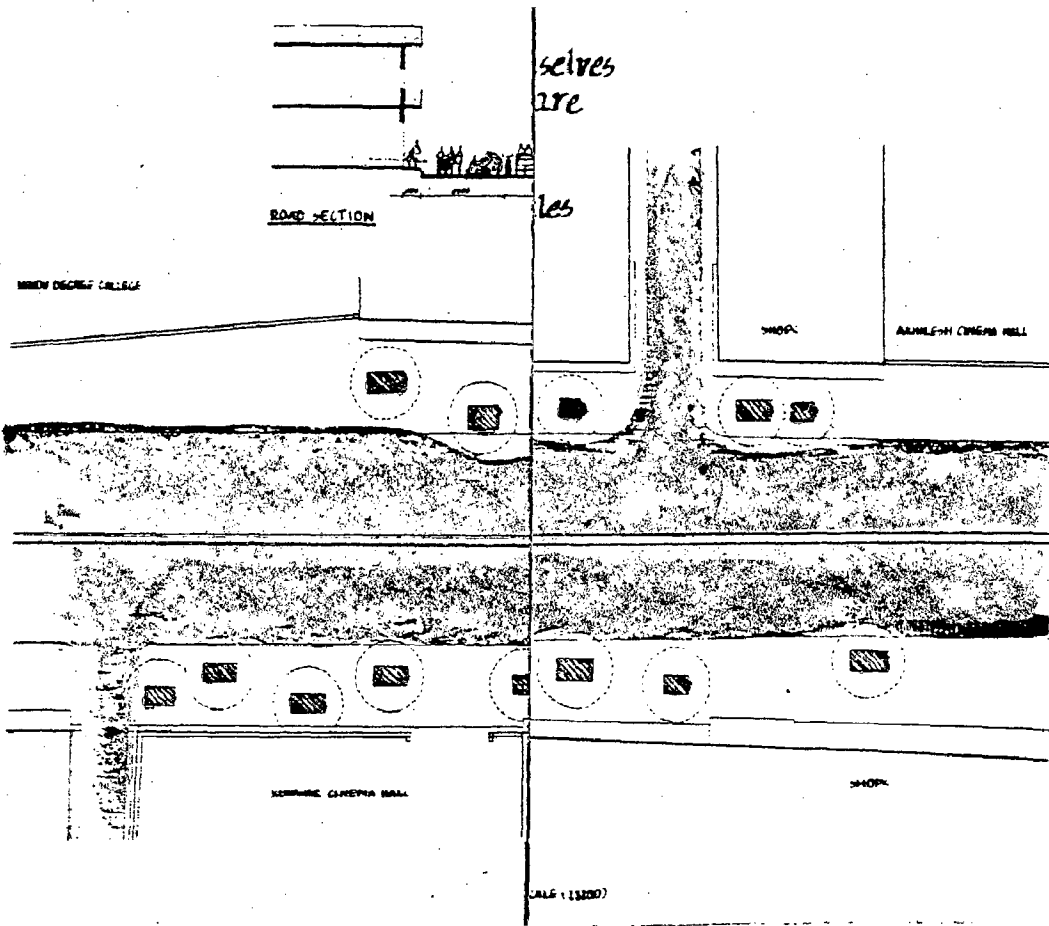
(fig. 14)

ENCROACHMENT OF CARRIAGEWAYS



(fig 15)

OBSTRUCTION TO TRAFFIC MOVEMENT



two factors which cause the location of establishments near the traffic stream:
 1. resistance from formal shop owners to locate close to their shops.
 2. competition among themselves to catch the customer!

- UNINSTALLLED PORTION OF THE ROAD
- RETTALLED PORTION OF THE ROAD
- ROAD MEYAN
- UNINSTALLLED PORTION
- PLATFORM IN FRONT OF SHOP
- ▨ INFORMAL COMMERCIAL SECTOR ESTABLISHMENTS
- ▨ MOVEMENT OF TRAFFIC AT PEAK HOUR

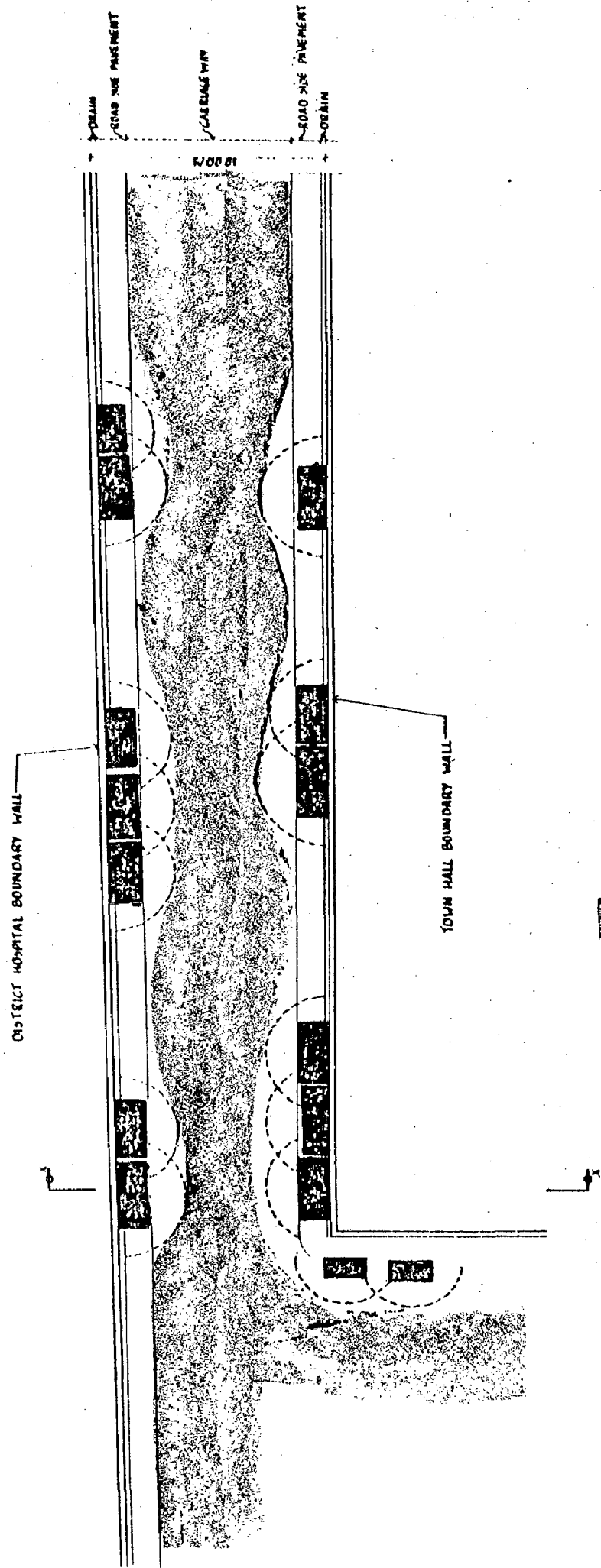
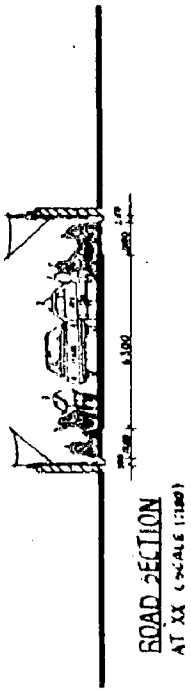


Fig 17

PROBLEMS OF TRAFFIC MOVEMENT

facilities.

The lack of proper drainage and collection of litter and waste from vegetables and fruits and other eatables create unsanitary conditions. Dhabas can be seen without any provision for supply of tapped water and waste disposal and thus working under totally **unhygienic** conditions, which thereby cause health hazards. (Fig. 18)

3. VISUAL EYESORE :

Because of their low economic standard and mode of operation the informal sector entrepreneurs always go for very cheap structural form for their establishments. Khokhas constructed with old and shabby material, Rehris with deflated or torn tyres covered by a shabby tapaulin protecting them from sun and rain etc. are a common sight. Due to these disorderly and shabby physical features, the Informal Commercial Sector activities become eye sore to the city scape. (Fig. 19)

4. INFRASTRUCTURAL PROBLEM :

The informal commercial establishments occupy the public spaces and use infrastructural facilities which have not been planned for them and are meant for other purposes. Thus, these informal commercial activities obstruct the development activities and cause under utilization of infra-structural facilities.



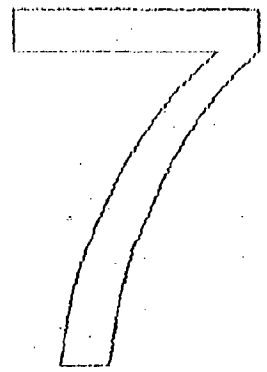
(fig 18)

ENVIRONMENTAL POLLUTION



(fig 19)

VISUAL EYESORE



**LINKAGES OF
INFORMAL COMMERCIAL SECTOR
: MORADABAD**

CHAPTER-7

LINKAGES OF INFORMAL COMMERCIAL SECTOR : MORADABAD

The survey revealed that the Informal Commercial Sector has certain linkages with the formal sector, Residents of the area and Government. The degree of linkages is different for different groups of establishments, depending upon the nature of their operation and the types of goods sold and services offered.

The various linkages can be described as follows :

LINKAGES WITH FORMAL SECTOR :

1. The informal commercial sector establishments have spatial linkages with the formal shops. They tend to locate themselves near the formal shopping centres to attract the customers.
2. The formal sector workers buy the cheap goods from informal commercial establishment, e.g., tea, pan, eatables, etc.
3. The informal commercial establishments offer a large number of goods and articles which are not available in the formal commercial sector such as the sale of lower quality and hence lower priced goods like plastic goods, foot wear, clothese, etc. For the provision of such arti-

cles, the Informal Commercial sector provides goods commensurate with the purchasing power of a large section of consumers.

4. Availability of certain commodities like, vegetables, fruits, eatables, pan, tea, etc. in the both of the sectors establishments causes competition between the two. This competition forces the formal commercial sector to sell these commodities at a competitive price to the disadvantage of these formal sector workers.
5. The competition has also led to the reduction of the volume of sales of common commodities in the formal commercial sector shopping.

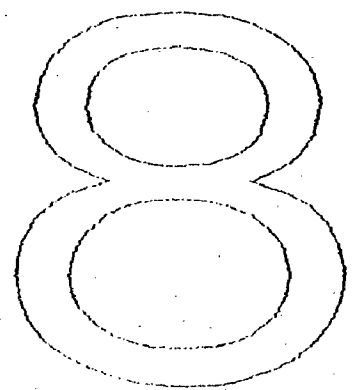
LINKAGES WITH RESIDENTS :

1. Availability of certain commodities which a house-wife has to shop daily or sometimes twice a day like vegetables fruits, bread etc. at the informal establishments near to the place of residence has provided convenience to the residents. They prefer this sector as it provides essential commodities at a cheaper price.
2. Informal establishments selling vegetables, fruits, have stronger linkages with the residents of the study area than with the establishments selling other items.
3. Conflicts arise due to the obstruction caused to the pedestrian movement by their occupation of footpaths.

4. Survey revealed that the unhygienic conditions and environmental pollution caused by such informal establishments is objectionable to the residents. But they put up with these conditions due to the convenience and goods at the cheaper prices provided to them by these establishments.

LINKAGES WITH GOVERNMENT :

1. City administration of Moradabad does not allow the informal commercial establishments to operate freely, squatting on public spaces. In the eyes of the city administration, the problems caused by these establishments greatly outweighs the advantages that they provide to the city economy by performing a major role in the sale and distribution of food stuffs and other commodities.
2. As revealed by the survey most of the informal commercial establishments occupy the public spaces by paying bribes to the personnels of law enforcing departments. This is a loss to the Government as it leads to an unauthorised acquisition of public property.
3. The existence of the Informal Commercial Sector in an area puts extra pressure on infra-structural facilities such as roads and services.
4. Despite of the above said negative linkages with the Government, it reduces the burden of government by providing self employment to a large number of otherwise unemployed people.



PLANNING IMPLICATIONS

CHAPTER-8

PLANNING IMPLICATIONS :

On the basis of its causes and consequences and its linkages with the Formal Commercial Sector and Residents of the area, the planning implications of Informal Commercial Sector can be presented in two ways. At first an attempt has been made to formulate plan proposals to mitigate the problems of the delineated detailed study area related to the Informal Commercial Sector. These plan proposals are space oriented and aim to solve the spatial problems. The second attempt is to formulate a package of policies and programmes for the overall development of the Informal Commercial Sector in the town of Moradabad. These policies and programmes will be general in nature based on the findings of the survey of the study area. But a few recommendations can also be taken as the base for formulating guidelines for such an exercise for other towns.

8.1 PLANNING PROPOSAL FOR THE DETAILED STUDY AREA

8.1.1 REVIEW OF EXISTING SITUATION :

The Budh bazar area chosen for detailed study is the main Commercial area of the town. Its location in the town has made this area an important one. Also, the degree of dependence of the city dwellers on this area proves its importance. Though,

Budh Bazar and area contiguous to it is commercial zone of the town, the character of the land use of this area is somewhat mixed type. This is because of its nature of development. Major share of the land area, abutting the roads goes to commercial purposes. The owners of the old residential buildings of this area letting portions of their houses, particularly, ground floors and front portions to commercial purposes is a common practice, which can be ascribed to the high rental value, they get in return. A large area of land is occupied by the public and semi public use. Two Govt. hospitals, one degree college, two Inter Colleges are located in this area. Besides, office building of Municipal Board, five cinemas halls and a number of hotels and restaurants exist in this area.

Because of this character of the area which attracts a large number of people for different purposes, a large number of informal commercial establishment can be seen operating in this area. Moreover, flow of people through this area is again enhanced as a road, known as Station Road, passing through this area caters to the traffic flowing between the city and Raodways bus stop as well as Railway Station.

Therefore, a majority of such informal commercial establishments occupy the spaces on both sides of station road between Imperial Cinema square and Town Hall Square. (See Drawing No.) having a distance of 1020 meters approximately.

Owing to landuse pattern and its location, the circulation

pattern in this area is characterised by mixed traffic. Congestion is a regular feature because of the volume of the traffic, particularly at peak hours as the right way of the street is inadequate to cater to the heavy volume of the traffic.

Moreover, the lack of parking space and a number of openings on the Station Road created by the branch roads catering to interior area also add to the problem of traffic congestion. The problem is further aggravated by the encroachment of the unmetalled or paved portions on either side of the road by the informal commercial establishments. The various problems, as already discussed in the previous chapters, caused by the existence of informal commercial establishments in this area can be listed as follows :

1. Obstruction to traffic movement.
2. Hygiene and Sanitation problems.
3. Visual Eye sore
4. Infra-structural problems

Out of these, the problem which needs to be tackled at the first priority is the problem of traffic movement. It is evident that the problem of obstruction to traffic movement caused by Informal Commercial establishments is due to their location on the road and thus conflicting with the movement of traffic. Now, a number of locational actions towards such establishments can be taken to mitigate the traffic problem.

These actions can be described as follows :

- I Clearance of all the informal commercial establishments from the area.
- II Removal of vehicular traffic and permission to all the informal commercial establishment to operate legally from locations they desire.
- III Relocation of all the informal commercial establishments in other appropriate locations or sites.
- IV Permission to some establishments to sell legally from some of their locations but relocation of others in other appropriate locations or sites.

Now, let us consider all the above four actions one by one to gauge their efficacy to solve the problem in the light of other constraints.

ACTION I :

The clearance operation that removes the informal commercial establishments from an area in which they have been operating, is the most common and frequent action taken by the city administration. But after studying the various social benefits and linkages of informal commercial sector, it can be inferred that this action, although can mitigate the problem of traffic movement, yet will have its negative repercussions. Some of them can be as follows :

1. It will attack the informal commercial sector workers' very source of livelihood and offer them

nothing in return.

2. It will cause great inconvenience to the residents of the area, formal sector workers, and low income group population to whom these informal commercial establishments provide functional and economic shopping.

Moreover, these clearance operations are seldom successful in the long run as experienced and told by the local city administration.

Looking at these factors, this action does not seem to be suitable one.

ACTION II :

As already mentioned that the location of almost all the informal commercial establishments is on the unpaved sides of the Station Road. This road is one of the most important roads of the town due to various reasons. Firstly, out of total eight cinema halls five of them are located on this road. Secondly, many educational and health facilities are located on this road. Thirdly, it passes through the main commercial area of the town. Lastly, it serves to a large share of traffic community between the interior of the town and trans railway line area, railway station and bus stop. The above factors clearly speak the importance and amount of traffic on the Station Road. Besides, non availability of any alternative route which can be used in place of the Station road rejects the adoption of this action.

ACTION III :

Relocation of all the informal commercial establishment in other appropriate locations or sites would certainly help achieving the goal of mitigating traffic problem. But, again this will not be a pragmatic solution, as this relocation of all the establishments will not be in the favour of the location specific establishments and may cause reduction in their sales and even, can lead to their closure.

ACTION IV :

After a critical analysis of the previous three cases, it can be inferred that the Action IV which involves, permission to some establishments to sell legally from some of their locations, but relocation of others in other appropriate locations or sites, will prove to be a pragmatic solution of the problem.

Now on the basis of this locational policy action, a proposal for the study area can be prepared.

8.1.2 PROPOSAL :

The survey has revealed that there are total 203 informal commercial establishments in the study area. The distribution of these establishment according to their function and mode of operation has been presented in Appendix I and II.

The number of establishments occupying the road side space are 154 between Imperial Cinema square and Budh Bazar

Square, while 49 between Budh Bazar Square and Town Hall Square. The further break up of these establishments on the basis of functions between these squares is as follows :

Function	No. of Informal Commercial establishments	
	Between Imperial Cinema and Budh Bazar Square	Between Budh Bazar and Town Hall Square
1. Unprocessed food	22	04
2. Prepared food	28	04
3. Pan shop	04	04
4. Tea shop	06	02
5. Non food items	69	32
6. Services	24	04
Total :	153	50

The locations of these establishments have been shown in Drawing No. 01. Fig. NO. 5.

A customer survey was carried out at the informal commercial establishment locations in the study area prior to relocation, to establish the extent of the area from which customers came or define their catchment area. Consultation with the entrepreneurs of informal commercial establishments also helped in such

exercise. The major findings of the survey are as follows :

1. Sellers of food stuff were found to have the greatest reliance on a locational symbiosis with their customers.
 - a) Most of the customers purchasing unprocessed foodstuff came from within five minutes walking distance, that means they were residents of the nearby area.
 - b) A large share of the eatable sellers located themselves in front of the Cinema halls. Indian average of 4 establishments selling eatables at each cinema hall. This helped them to serve a large number of cinema viewer besides the nearby formal shops and other passers by. While rest of the eatable sellers located themselves near hospital, Municipal Board office or such other places. The two dhabas served basically customers like rickshaw pollers, informal sector workers etc.
 - c) Tea sellers serve mostly to the nearby formal shops and office. They are more location specific as the tea is served hot and can not be carried to long distances.
2. Pan and Cigarette sellers relay on the regular

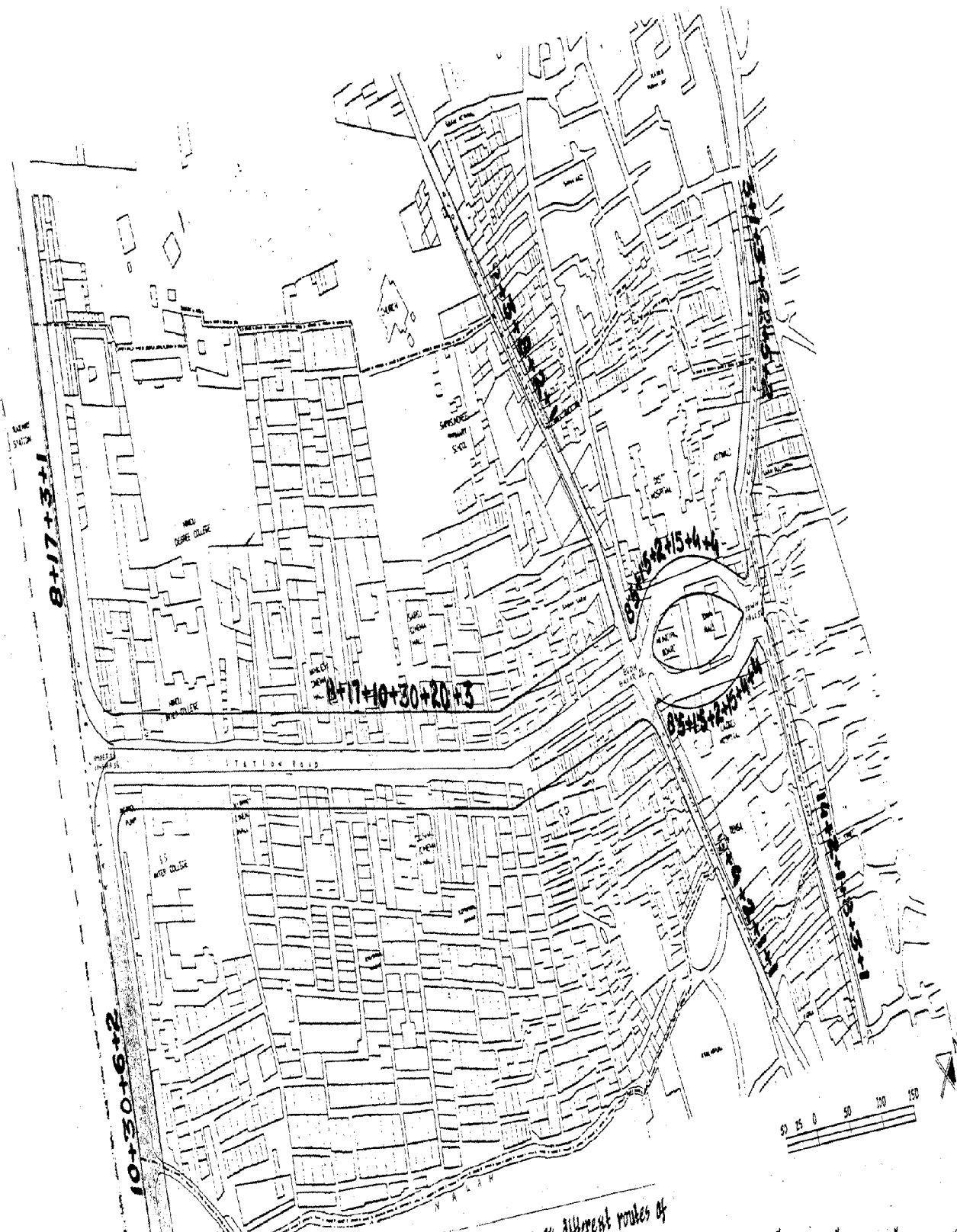
customers from the nearby offices and formal shops as well as residents of the area.

3. Non food items establishments, generally draw their customers from long distances beyond the study area. They appear to suffer the least disruption of business in the event of relocation, provided new site has business potential.
4. Establishments offering services like cloth ironing draw their regular customers from the nearby residences and thus, are very sensitive to relocation, while lock repairers, stove repairers, cobblers are less sensitive to relocation.

The above findings dictate that 126 Informal Commercial establishments of non food items and services (except cloth ironing which are 3 in number and are located in the residential area) are not sensible to relocation and hence can be relocated at new site on the route of movement of their customers.

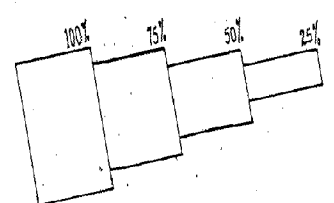
This can be perceived that the number of these establishments can be distributed on different routes of movement of customers in proportion to the number of customers following those routes.

The detailed analysis of routes of movement of customers gave following four possible alternatives for the distribution of non food and services establishments on different routes of movement of customers. (Also refer Fig. 20).



The percental distribution of customers on different routes of movement, followed by them while passing through the study area, can be found by linking the numbers of same colour on different roads. This does not apply to the following two colours as these denote the % of total customers coming purposely to the area mentioned against them.

- - area between imperial cinema sq. and bukh bazar square.
- - area between bukh bazar square and town hall square.

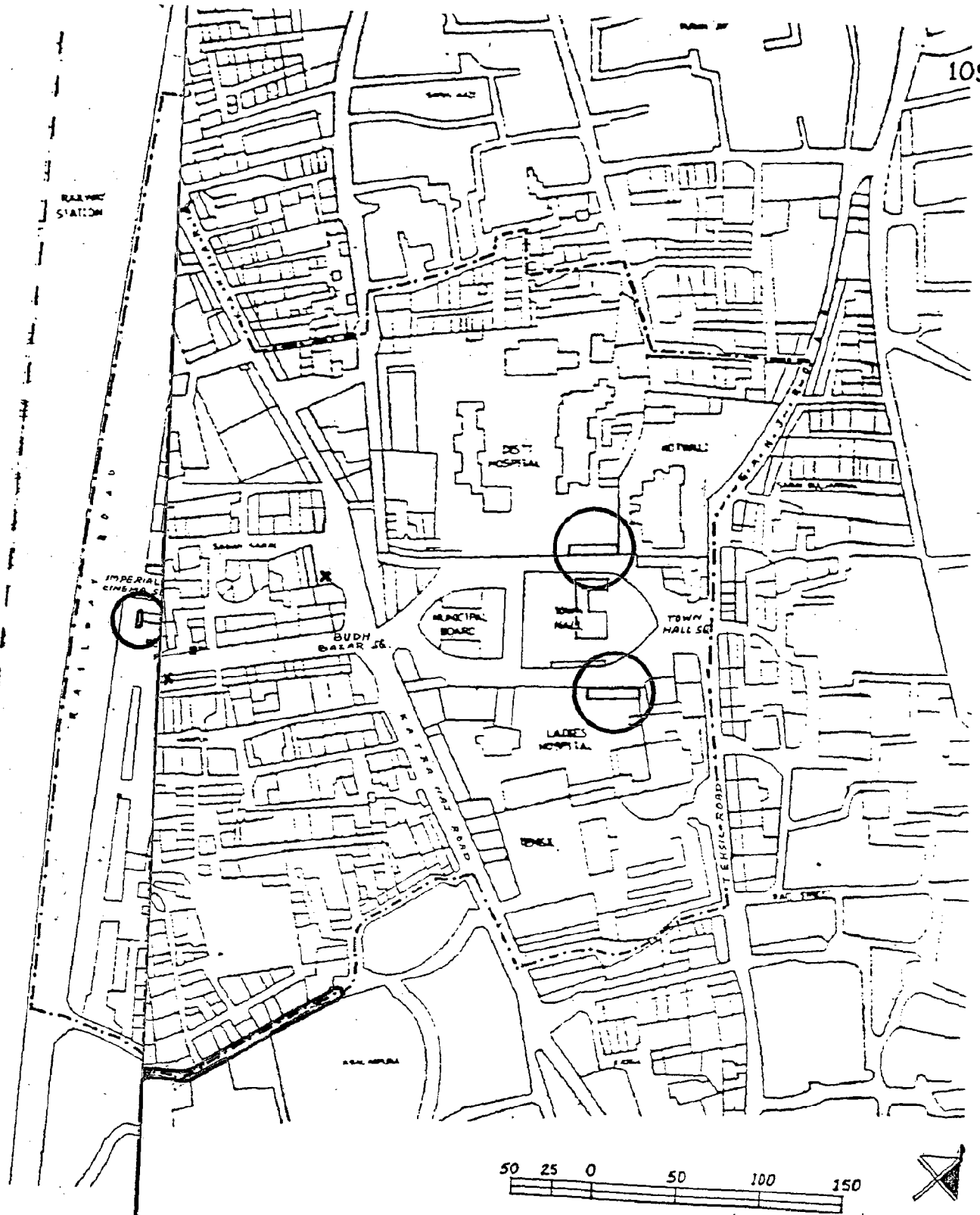


PERCENTAL DISTRIBUTION OF CUSTOMERS ON DIFFERENT ROUTES (FIG. NO. 29)

	The Road where the establishments can be relocated	Alternatives for percentage distribution of establishments on the different roads (in percentage)			
		I	II	III	IV
1.	Railway Road	29	-	29	-
2.	Rampur Road	48	-	48	-
3.	Kanjari.Sarai Road	06	-	-	-
4.	Katra Naj Road	6	-	-	5
5.	Ganj Road	-	-	-	-
6.	Tehsil Road	-	-	-	-
7.	Roads encircling Town Hall	3	12	12	7
8.	Station road	8	88	11	88
TOTAL :		100	100	100	100

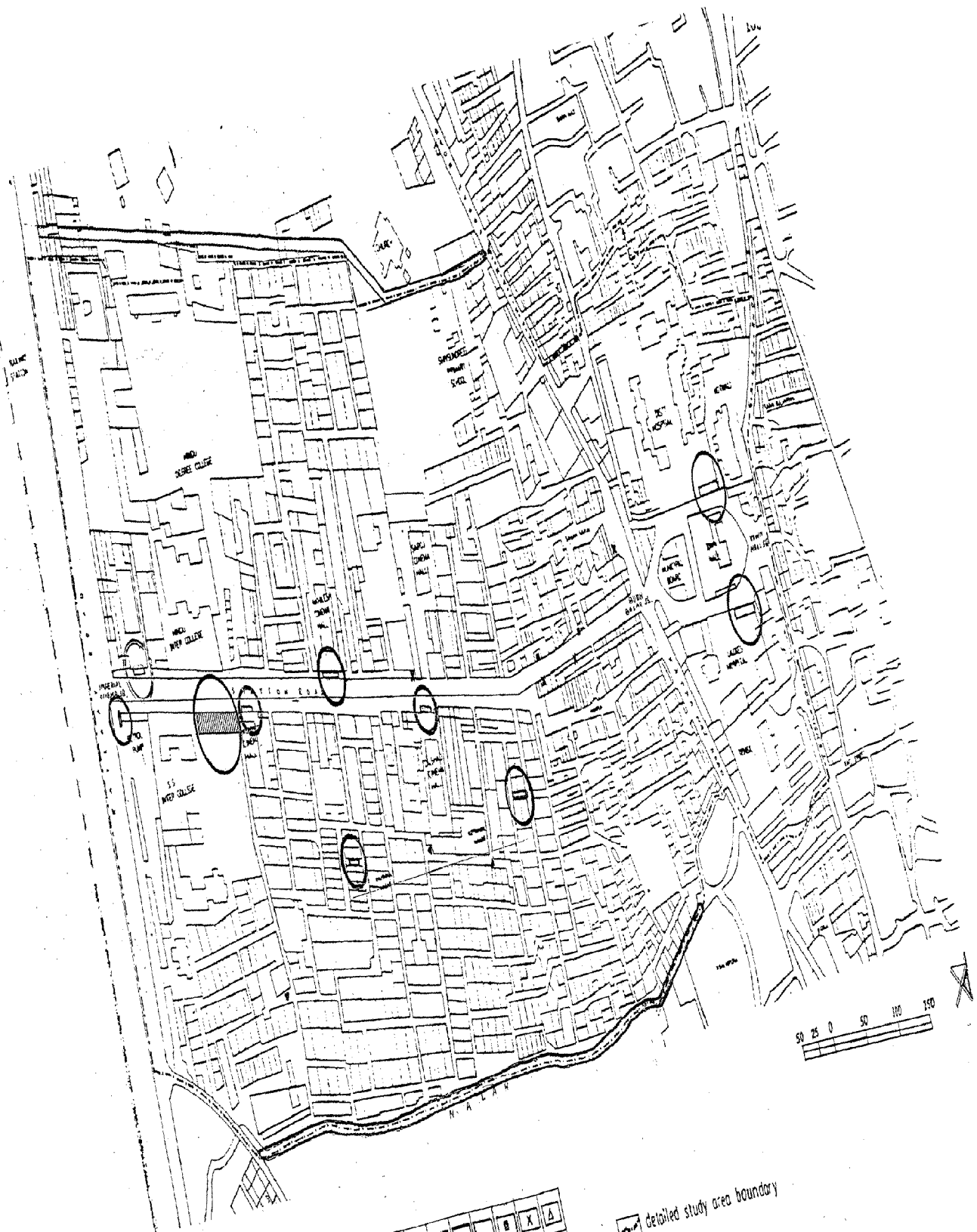
After considering the various factors like the availability of space, the type and volume of vehicular traffic on the roads, the Alternative II has been adopted. The vacant land of S.S. Inter College along the Station road and that of District Hospital and Victoria Hospital on the road encircling the Town Hall has been proposed to accommodate 110 and 16 such establishments respectively. (Fig. 21 & 22)

The unprocessed food establishments have been relocated on the secondary roads (Fig. 21) in the residential area. The roads would be closed for vehicular traffic and specially designed stepped platforms (Fig. 23) would be placed for vegetable and fruit sellers to operate.





no. of establishments at each location	fun	study area boundary
	un	roads
	pr	
	pa	
	ted	

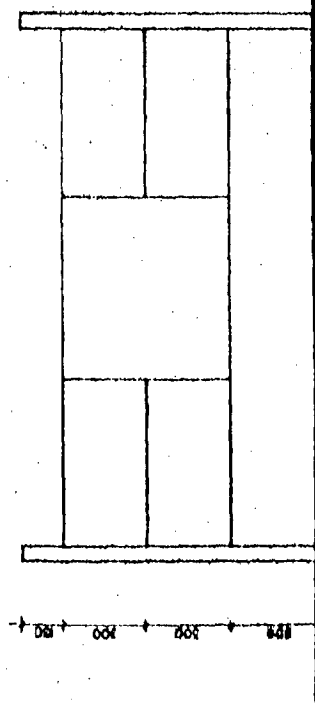
LOCATIONS OF COMMERCIAL SECTOR ESTABLISHMENTS (fig.no.21)



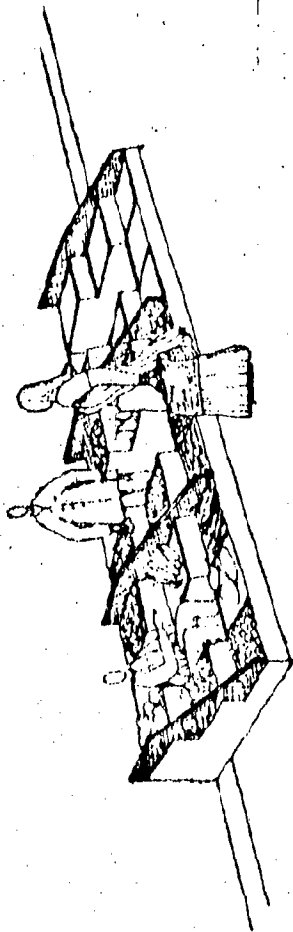
function	location									
	1	2	3	4	5	6	7	8	9	10
unprocessed food	1	3	13	6	-	-	-	-	-	-
prepared food	8	2	-	4	2	6	4	-	-	-
pan shop	-	2	-	1	-	-	-	1	-	-
tea shop	-	1	-	-	1	-	-	-	-	-
non-food items	89	6	-	-	-	-	-	-	-	-
services	21	2	-	-	-	-	-	-	-	1

 detailed study area boundary
 proposed roads

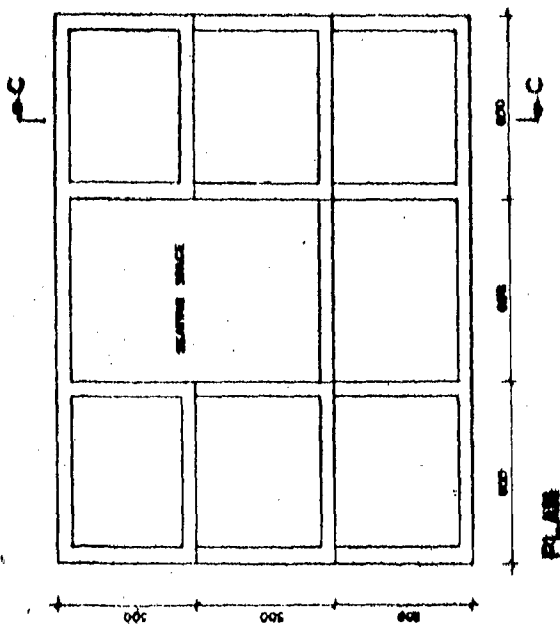
PROPOSED LOCATIONS OF
INFORMAL COMMERCIAL SECTOR ESTABLISHMENTS (fig.no.21)



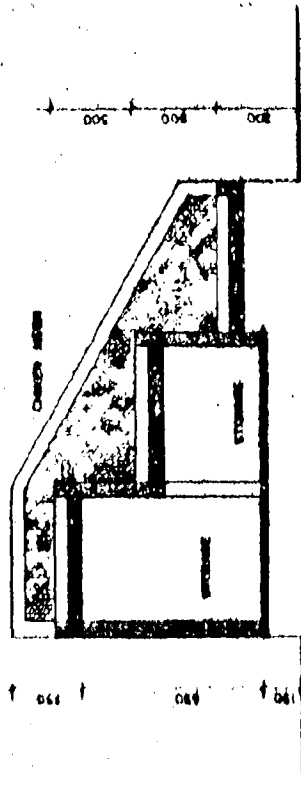
ELEVATION



STEPPED PLATFORM FOR DISPLAYING
VEGETABLE & FRUITS.



PLAN

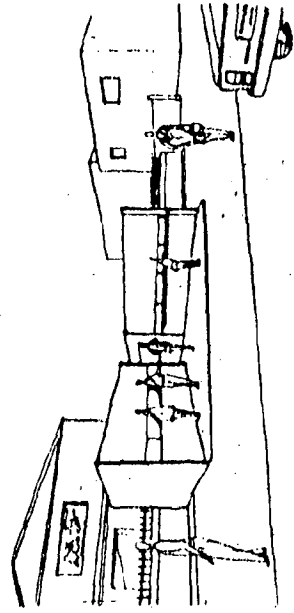


SECTION CC

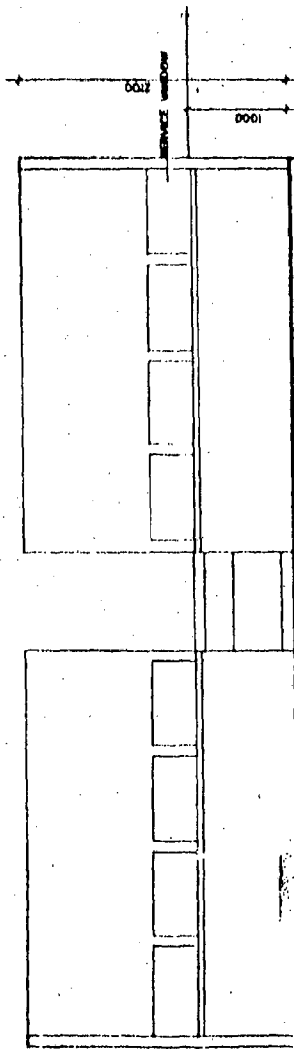
SCALE 1/8"

VEGETABLE & FRUIT PLATFORM

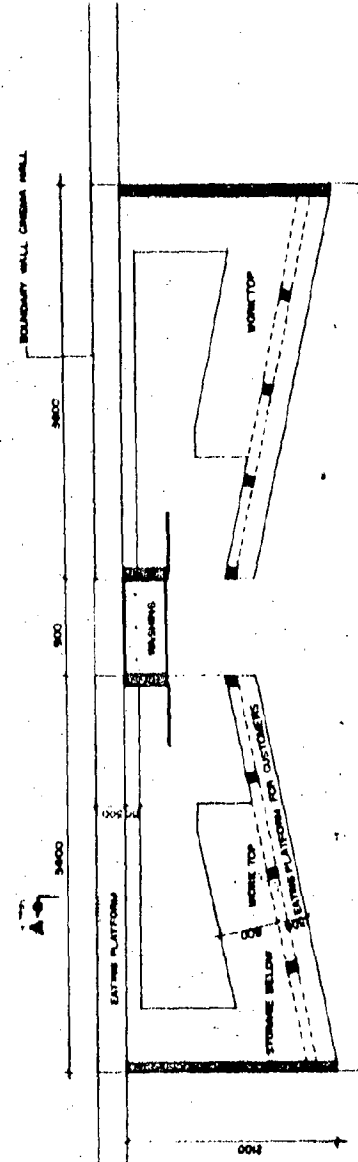
(FIG. 23)



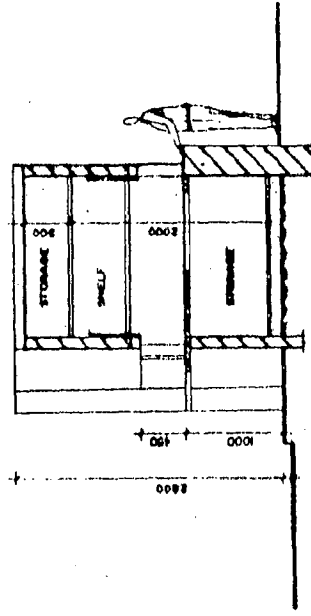
VIEW



ELEVATION



PLAN A-A



SECTION AA

FOOD STALL (SCALE 1:25)

SERVING PERSONS IN THE CINEMA HALL PREMISES AS WELL AS PASSERS BY ON THE ROAD.

TILTING OF FRONTSIDE ON ROAD SIDE CREATES SPACE FOR CUSTOMERS. COMMON WASHING AREA FOR TWO STALLS.

TAPPED WATER FOR CUSTOMERS.

AMPLE WORKING AND STORAGE SPACE INSIDE THE STALL. FIXED TO ONE LOCATION AWAY FROM TRAFFIC FLOW AN ADVANTAGE OVER REFRIG.

(FIG. 74)

Most of the prepared food sellers have been located in especially designed stalls along the boundary walls of different cinema Hall. So that they can serve Cinema viewers as well as passers by on the road. (Fig. 21,24) Rest of the prepared food sellers have been located at other appropriate locations as shown in Fig. 21

Similarly, Pan and Tea sellers have also been either accommodated at the same place or relocated at other appropriate locations after considering their degree of conflict with the traffic movement.

The allotment of the spaces in the markets can be done by balloting. Basic facilities like, toilets, tapped water, electricity and drainage systems would be provided in these markets to improve the working environment and sanitary conditions, for both the entrepreneurs and the general public. For all these facilities the entrepreneurs would pay general charges. But as far as the land is concerned the rent will be subsidised. The stalls can either be provided by the local authority on a subsidised cost or these can be left on the entrepreneurs to make themselves on the self help basis according to the proposed designs of different stalls.

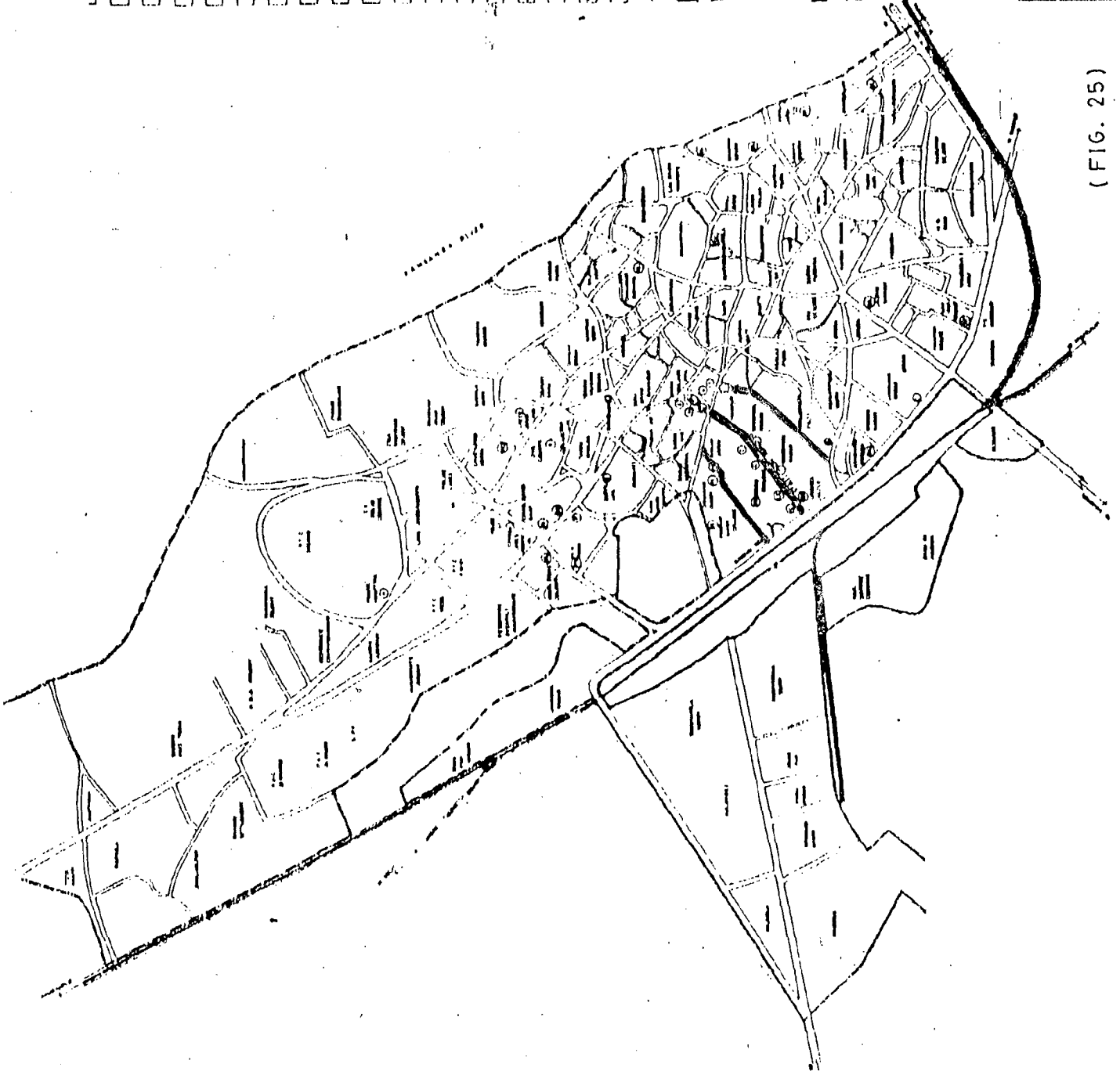
This proposal, reckons only the existing informal commercial establishments in the area. These establishments shall be issued licences to work from the locations as proposed and allotted by balloting. A strict supervision would be required to control the entry of new informal commercial sector

establishments in the area.

It is further proposed that two new parallel roads flanking the station road shall be laid down to reduce the volume of traffic on the Station Road. (As shown in Fig. 25). The reduction of traffic volume on the Station Road will also help in checking the further growth of Informal Commercial Sector on the road. Since, reduction in traffic volume will cause decline in the number of customers of Informal Commercial Sector on the road and thus, decrease in their sales. On the new roads, spaces along the roads shall be allocated to accommodate the Informal Commercial Sector, which is expected to grow with the increase in traffic on these roads.

- LEGEND**
- ① GOVT. & COMMERCIAL OFFICE
 - ② HOSPITAL
 - ③ POLITICAL HEADQUARTERS
 - ④ PRIMARY SCHOOL
 - ⑤ SECONDARY SCHOOL / JUNIOR COLLEGE
 - ⑥ COLLEGE
 - ⑦ CHURCH, WALL & SPONGE CEMENT, INSTITUTION
 - ⑧ PUBLIC WORKS
 - ⑨ BUS STAND
 - ⑩ RAILWAY STATION
 - ⑪ TRADE CENTRE
 - ⑫ INDUSTRIAL
 - ⑬ MARKET
 - ⑭ MARKET
 - ⑮ MARKET
 - ⑯ MARKET
 - ⑰ MARKET
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 - ㊾ MARKET
 - ㊿ MARKET
- STATION ROAD
- PROPOSED ROADS

MAP
MUNICIPAL BOARD AREA - MORADBAD



	Scale 1:5000
	Surveyed by S.P.A. & Co. (Surveyors) Prepared by S.P.A. & Co. (Surveyors) 1991-92

(FIG. 25)

8.2 POLICIES AND PROGRAMMES :

When it can be clearly perceived that neither the urban poverty will disappear nor the formal sector will provide full employment for many more years in the future, it can also be perceived that the two tier marketing system will prevail in the city structure. With respect to the present situation, informal commercial activity seems better to be recognised.

If it is agreed that informal commercial sector activities should be recognized as an ubiquitous feature in the retailing system of the city, the major aspects towards making policy for informal commercial sector are the locational one. Because this is also true that informal commercial establishments can not be given full freedom to sell from any location they desire and in turn conflict with other activities.

While it is appreciated that these informal commercial sector activities can not be allowed to occupy the entire urban spaces, it is recommended that measures adopted towards the sector should be aimed at increasing its integration into the urban economy. This recommendation is based not only on the fact that informal commercial sector makes a significant contribution to the commodity distribution system in the city, but also on the fact that workers in this sector generally form part of the low-income populations of the city. Therefore, there is a need for a set of structural policies designed to improve the standards of living, working and welfare of the low income population in the city. Structural actions or policies are

defined as those measures devised to eliminate or encourage the economic base of the Informal Commercial Sector activities.

8.2.1 GENERAL RECOMMENDATIONS

1. The informal commercial sector plays a significant role in the distribution of commodities in a city and, because of this, must be accepted as a fact of urban life.
2. In view of the important role, the informal commercial sector plays in urban life, specific policies designed for this sector should be among one of the priorities of city administration.
3. Participation of informal commercial sector workers should be developed as much as possible to achieve better cooperation between city authorities and representatives of this sector. This would also help formulating more pragmatic local policy actions.
4. The policy formation for Informal Commercial Sector should be part of an overall urban and national policy in which funds allocated at a national level may be made available to city Govt. for the improvement of the conditions of the poor in cities. This should be regarded as part of the national goals designed to eliminate poverty.
5. As a large share of workers in this sector constitutes of people migrated from rural areas in search of jobs, therefore, policy and programmes

aimed at providing job opportunities in rural areas should be framed to prevent excessive growth of this sector.

8.2.2 SPECIFIC RECOMMENDATIONS :

8.2.2.1 Spatial Aspects of Policy on Informal Commercial Sector :

1. In case of existing areas, where possible urban space for existing Informal Commercial Sector activities should be made available through the following alternatives to avoid their conflict with other urban activities.
 - a. Expanding the existing public markets as well as planning more small markets wherever the potentiality for the informal commercial activity exists or can be increased by locating other activities.
 - b. Imaginative use of urban space could be encouraged to facilitate Informal Commercial Sector activities. For example, use of car parks when not occupied, use of temporarily vacant urban lots, or use of secondary roads for such activities.
 - c. Designating some streets for Informal Commercial Sector activities by diverting and closing them to vehicular traffic.

2. In case of proposed new areas, potential areas for informal commercial activities should be identified and provided space accordingly, at the planning stage. Some of such potential areas have been listed below:
 - a) Street corners in major residential areas,
 - b) Sites near major employment centres such as offices, factories, godowns etc.
 - c) Sites near railway/bus stations, truck terminals, major car parks etc.
 - d) In the formal shopping centres.
 - e) Parks, gardens, temples, cinemas and hospitals and such other frequently visited areas.
3. Such sites, developed for Informal Commercial Sector activities should be provided with basic facilities like water supply, electricity supply, toilets, common place for sitting together for relaxation and gossip, garbage collection and disposal, drainage etc.

8.2.2.2 LEGAL AND ADMINISTRATIVE ASPECTS OF INFORMAL COMMERCIAL SECTOR POLICY :

1. Provision should be made for Informal Commercial Sector activity in city master plans.
2. Information on Informal Commercial Sector should be collected in the census.
3. A flexible system of control of Informal Commercial sector activities should be introduced. The enforcement of regulations can be carried

through use of licences. These licences will also collect revenue.

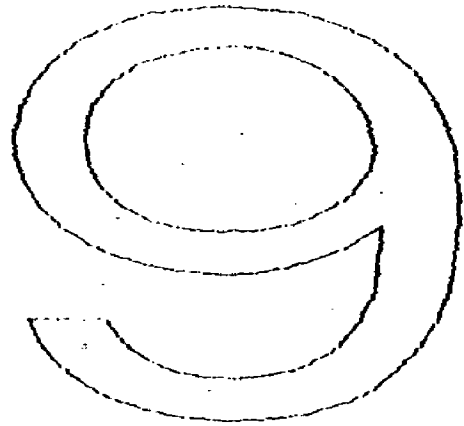
4. The existing laws and regulations that do not make provisions for Informal Commercial Sector activity should be reviewed and revised.

8.2.2.3

SOCIAL AND ECONOMIC ASPECTS OF INFORMAL COMMERCIAL SECTOR POLICY :

1. The nonformal education of various kinds be made available to informal commercial sector workers to improve themselves. So that with an improved knowledge they can better serve the public and hopefully move out of this sector in the future.
2. Current statistics on Informal Commercial Sector workers like their number and other characteristics must be collected and monitored, so that planning for this urban function and service can proceed realistically and effectively.
3. It is suggested that Informal Commercial Sector workers should organize themselves into associations, so that they can express their opinions as a group.
4. The Informal Commercial Sector should be recognized by the formal financial institutions and provided loans to promote the business.
5. The formal financial institutions like insurance company must recognise the informal commercial

establishments (who are legally allowed to operate after implementation of the proposals,) so that, these people can get compensation in case of damages of their assets caused due to natural calamity or some accident.



CONCLUSIONS

CHAPTER-9CONCLUSIONS :

Although the study carried out indicates problems of congestion, environmental degradation and hygiene etc. associated with Informal Commercial Sector activities, the general picture that emerges is one in which this activity performs a vital function in the commodity distribution systems of a city.

Moreover, the study has revealed that a large share of work force in the informal commercial sector constitutes of the unskilled and poorly educated people who have entered this activity due to unavailability of employment opportunity in the formal sector. Given the present stage of development in the country and demographic and economic trends, this situation will prevail for many years to come. Therefore, there is a necessity, that a two tiered marketing system with Informal Commercial Sector activities constituting one tier of an alternative planning paradigm must be envisaged by the town planners. At present, town planners are more favourably disposed towards the formal sector in planning commercial provisions for the Indian Towns or cities.

This sector has got the required potential to be included in the planning development process. Provisions should be made for Informal Commercial Sector activities in city Master Plans as a long term effort to include them in the planning process.

In the short term, policies of accommodation for existing informal commercial activities should be developed. This does not mean that these should be allowed free access to all urban space, because each city must determine the priorities for urban landuse. But where possible, existing informal commercial activity concentrations should be allowed to continue, or alternative urban locations selected in such a way that consideration is given to all sections of the community.

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APPENDIX-I

TYPES OF GOODS

	<u>Type</u>	<u>No. of Units</u>		<u>Percentage</u>
1.	<u>Unprocessed Food :</u>			
	a) Fruits	11		
	b) Vegetables	15	26	12.8%
2.	<u>Prepared Food :</u>			
	a) Dhabas	04		
	b) Snacks, eatables, namkeen choola bhatura, chaat, etc.	28	32	15.8%
3.	Pan shop and Cigarette	08	08	3.9%
4.	Tea shop	08	08	3.9%
5.	<u>Non Food Items :</u>			
	a) Textiles (Redymade Garment Hosiery, clothes, Saree, bed sheets etc.)	32		
	b) Household goods	10		
	c) Footwear	07		
	d) Magazines (Old books seller)	08		
	e) Earthen work	02		

f)	Perfume sellers	01		
g)	Audio Cassette Seller	03		
h)	Mats Sellers	02		
i)	Crockery	08		
j)	Posters	05		
k)	Plants	01		
l)	Goggles	04		
m)	Lottery	01		
n)	Toys	03		
o)	False ornaments cosmetics	04		
p)	Stainless steel utensils	10	101	49.8%

6. Services :

a)	Cobblers	06		
b)	Cycle repairs	07		
c)	Stove, Lock, Umbrellas, Torch repairs	12		
d)	Cloth Ironing	03	28	13.8%

Total :		203	203	100%
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APPENDIX - II

Distribution of Informal Commercial Sector
Establishments by Mode of Operation and
Predominant functions

S.No.	Establishment function	Mode of Operation				Total	Samples
		Ped- dler	Footpath venders	Rehri	Kho- khas		
1.	Unprocessed food	3	13	10	-	26 (12.8)	07 (26.9%)
2.	Prepared food	1	04	27	-	32 (15.8)	08 (25%)
3.	Pan Shop	-	05	01	02	08 (3.2)	04 (50%)
4.	Tea Shop	-	05	03	-	08 (3.2)	08 (100%)
5.	Non-food items	3	84	11	03	101 (49.8)	25 (24.7)
6.	Services	-	21	04	03	28 (13.8)	07 (25.01)
	Total :	7 (3.5)	132 (65)	56 (27.6)	08 (3.2)	203 (100)	59 (29.1%)

(Figures in brackets indicate percentages)

Footpath venders include the following :

1. Pattri or Thariwallas
2. Immobile rehri
3. Immobile units with or without rehri

APPENDIX-III

DISTRIBUTION OF ESTABLISHMENTS BY THE
AREA OCCUPIED WITH RESPECT TO THEIR
FUNCTION AND MODE OF OPERATION

S.No.	Mode of operation	Function Area in Sq.m.	a	b	c	d	e	f	Total
1.	Peddler	Upto 1.0 Above 1.0	3	1	-	-	3	-	07
2.	Foot path Vendors	Upto 1.0	1	2	5	1	12	3	24
		1.1 - 1.5	4	-	-	4	48	18	74
		1.6 - 2.0	8	-	-	-	8	-	16
		2.1 - 2.5	-	-	-	-	-	-	-
		2.6 - 3.0	-	-	-	-	16	-	16
		3.1 - 3.5	-	-	-	-	-	-	-
		7.1 - 7.5	-	2	-	-	-	-	2
		Total (Nos)	13	4	5	5	84	21	132
3.	Rehri	1.35 (1.5 x 0.9)	10	27	1	3	11	4	56
4.	Khokha	Upto 1.0	-	-	2	-	-	-	2
		1.1 - 1.5	-	-	-	-	3	3	6
		1.5 and above	-	-	-	-	-	-	-
		TOTAL :			2		3	3	8

Total : 203

NOTE :

- a - Unprocessed food, b - Prepared food,
c - Pan shop, d - Tea shop, e - Non food items
f - Services

APPENDIX-IV

INFORMAL COMMERCIAL SECTOR ENTREPRENEURS
AGE STRUCTURE

Function	Sample size	No. of workers in age group of				Total
		Below 16 yrs	16-20 yrs	21-35 yrs	36-45 yrs Above 45yrs.	
Unprocessed food	7	-	1	5	1	-
Prepared food	8	-	1	4	2	1
Pan shop	4	-	-	2	2	-
Tea shop	8	-	1	4	1	2
Non-food item	25	-	3	19	2	1
Services	7	-	-	6	1	-
TOTAL :	59	-	6	40	9	4
			(10.1)	(67.8)	(15.3%)	(6.8%)

APPENDIX-V

DISTRIBUTION OF ENTREPRENEURS BY
EDUCATION LEVEL

Function	No. of entrepreneurs having education upto						Total
	N.F.	P.S.	M.S.	H.S.	I.	Gr.	
Unprocessed food	5	2	-	-	-	-	7
Prepared food	3	4	1	-	-	-	8
Panshop	-	-	2	1	1	-	4
Tea shop	-	2	4	2	-	-	8
Non-food items	5	11	3	4	1	1	25
Services	3	3	1	-	-	-	7
Total :	16 (27.0)	22 (37.3)	11 (18.6)	7 (11.9)	2 (3.4)	1 (1.8)	59 (100)

NOTE :
N.F. - No formal education
P.S. - Primary School
M.S. - Middle School
H.S. - High School
I. - Intermediate/Higher Secondary
Gr. - Graduation

APPENDIX-VI

INFORMAL COMMERCIAL SECTOR ENTREPRENEURS

Pattern of House hold size and house-hold earners

Household size	Number of earners					No. of households
	One	Two	Three	Four	Five	
1	1	-	-	-	-	1
2	2	1	-	-	-	3
3	4	2	-	-	-	6
4	5	5	1	-	-	11
5	11	8	1	-	-	20
6	2	3	5	-	-	10
7	-	1	-	-	-	1
8	1	3	2	-	-	6
9	-	-	-	-	-	-
10	-	-	-	1	-	1
Total :	26 (44%)	23 (38.9)	9 (15.3)	1 (1.7)	-	59

APPENDIX-VII

INFORMAL COMMERCIAL SECTOR ENTREPRENEURS

Place of Birth

Function	Within Moradabad Town	Within Moradabad distt. but outside the town		Other Distt.	Other State	To- tal
		Urban area	Rural area			
Unprocessed food	1	-	6	-	-	7
Prepared food	2	-	6	1	-	8
Panshop	1	1	2	-	-	4
Tea shop	2	1	5	-	-	8
Non-food items	1	3	17	3	1	25
Services	1	1	5	-	-	7
TOTAL:	8	5	41	4	1	59

APPENDIX-VIII

INFORMAL COMMERCIAL SECTOR ENTREPRENEURS
Distance of Present Residence from Work Place

Function	Distance from Residence in Km.						Total
	Upto 1	1-2	2-3	3-4	4-5	Beyond 5	
Unprocessed food	-	1	-	1	-	5	7
Prepared foos	2	-	5	1	-	-	8
Pan shop	2	1	1	-	-	-	4
Tea shop	-	3	4	1	-	-	8
Non-food items	-	1	1	2	2	19	25
Services	1	-	1	1	-	4	7
TOTAL:	5	6	12	6	2	28	59

REASONS FOR CHOOSING THE ACTIVITY AS
PROFESSION

Reason	No. of entrepreneurs
1. Unemployment	33 (55.9)
2. Under employment	15 (25.4)
3. Preference	6 (10.2)
4. Other (family inheritance etc.)	5 (8.5)
TOTAL :	59 (100)

(Figures in brackets indicate percentage)

APPENDIX-X

PREFERENCE OF ENTREPRENEURS TO CONTINUE
OR GIVE UP

Age group	No. of entrepreneurs who want		Total
	to continue	to give up	
Below 16 Yrs.	-	-	-
16-20 Yrs.	4 (66.6)	2 (33.4)	6 (100)
21-35 Yrs.	26 (65.0)	14 (35.0)	40 (100)
36-45 Yrs.	8 (88.9)	1 (11.1)	9 (100)
Above 45 Yrs.	4 (100)	-	4 (100)
TOTAL :	42 (71.2)	17 (28.8)	59 (100)

APPENDIX-XI

INFORMAL COMMERCIAL SECTOR ESTABLISHMENTS

MONTHLY INCOME PATTERN

Function	Monthly Income in Rs.					Total
	Upto 600/-	601- 900/-	901 - 1200/-	1200- 1500/-	Above 1500/-	
Unprocessed food	1	5	1	-	-	7
Prepared food	-	2	4	2	-	8
Pan shop	-	1	2	1	-	4
Tea shop	-	2	5	1	-	8
Non-food items	2	9	7	4	3	25
Services	2	5	-	-	-	7
TOTAL :	5 (8.5)	24 (40.8)	19 (32.0)	8 (13.6)	3 (5.1)	59

(Figures in brackets indicate percentage)

APPENDIX-XII

I.C.S. ESTABLISHMENTS - DISTRIBUTION BY INVESTMENT

Function	Investment in Rupees							To- tal
	Upto 500/-	501/-- 1,000/-	1001- 1500/-	1501- 2000/-	2000- 5000/-	5000- 10000/-	Above 1000/-	
Unprocessed food	5	2	-	-	-	-	-	7
Prepared food	3	4	1	-	-	-	-	8
Pan shop	2	2	-	-	-	-	-	4
Tea shop	2	3	3	-	-	-	-	8
Non-food items	3	5	7	3	4	2	1	25
Services	7	-	-	-	-	-	-	7
TOTAL :	22	16	11	3	4	2	1	59

(excluding cost of mode)

APPENDIX-XIII

DISTRIBUTION OF I.C.S. ENTREPRENEURS BY
TOTAL WORKING HOURS PER DAY

Function	Workding hours per day				Total
	Upto 10 hrs.	Above 10-12	Above 12-14	Above 14-16	
Unprocessed food	-	3	3	1	7
Prepared food	1	2	4	1	8
Pan shop	-	2	2	-	4
Tea shop	-	6	2	-	8
Non-food item	5	13	7	-	25
Services	3	3	1	-	7
TOTAL :	9	29	19	2	59(100)
Percentage :	(15.3)	(49.2)	(32.2)	(3.3)	

APPENDIX-XIV

DISTRIBUTION OF INFORMAL COMMERCIAL ESTABLISHMENTS
BY AMOUNT OF PAYMENT FOR OCCUPYING THE PLACE OF
OPERATION

Function	Amount of payment in Rupees per month							Total
	0-25	25-50	50-75	75-100	100-125	125-150	More than 150	
Unprocessed food	4	3	-	-	-	-	-	7
Prepared food	1	2	5	1	-	-	-	8
Pan shop	-	-	1	3	-	-	-	4
Tea shop	-	-	4	3	1	-	-	8
Non-food items	2	2	9	6	3	2	1	25
Services	2	5	-	-	-	-	-	7
TOTAL :	8	12	19	13	4	2	1	59

DISTRIBUTION OF INFORMAL COMMERCIAL ESTABLISHMENTS
BY SYSTEM OF PAYMENT FOR OCCUPYING SPACE

<u>Systems</u>	<u>No. of Establishments</u>
1. Owned through purchase	x
2. With regular rent	5
3. By way of bribe	21
4. By licence fee	4
5. (2 + 3)	10
6. (3 + 4)	16
7. (2 + 3 + 4)	2
8. Did not reveal	3
TOTAL :	59 (100)

CAUSES AND CONSEQUENCES OF INFORMAL COMMERCIAL SECTOR

Case Study : Moradabad, Thesis MURP - 1991

Questionnaire for Survey on
Informal Sector Activities

Enumerator :

Date:

Time:

PART I : PHYSICAL CHARACTERISTICS :

1. Mode of operation : Peddler/Footpath Seller/
Rehri/Khokha
2. Type of space occupied :
3. (a) Area occupied by the Unit :
- (b) Frontage covered by the Unit :
- (c) Depth covered by the Unit :
4. Storages facility :
5. Services : Available Not available
- a) Toilet facility :
- b) Water supply :
- c) Electricity :
- d) :

PART II : SOCIAL CHARACTERISTICS :

6. a) Age :
- b) Sex :
7. Education :
8. Place of Birth : Within city/outside city
9. Present residence : Within city/outside city
- a) Distance from work Place :
- b) Time taken from work Place :
10. Mode of travel :

11. a) No. of family members :
b) No. of working members :
12. Reason for selecting this activity :
13. Reason for selecting present place of operation : Better sales/Demand/near to residence/near place of procurement/no harrashment by local authorities/Place occupied for a long time/any other.
14. Attitude towards the activity:
- a) Do you want to continue with this activity : YES/NO
- b) What are the problems with this activity. :

PART III : ECONOMIC CHARACTERISTICS :

15. Type of goods sold :
16. Sources of goods : Formal est./Informal est.
17. Average monthly income :
18. Initial investment made :
19. a) No. of years of engagement in hawking. :
b) No. of working hrs/day :
c) Time of best sales : Morning/Noon/Evening/Whole day
20. Paying for occupying the space : To Corporation/Police/Political leader/others
21. Amount paid per month for occupying the space :
22. Why could you not procure a regularshop : High Cost/Non affordability/Not available/Not interested.

23. a) Are you ready to pay rent : YES/NO
if permanent space is
provided.
- b) If yes, how much can you : Rs.0-25; 25-50; 50-75; 75-100;
pay max'. : 100-125; 125-150; 150-200; 200-250;
more than Rs.250/-.
24. Suggestions for improvement :
25. Customers :
- a) Customers entertained/day :
- b) Proportion of customers : 10%, 25%, 50%, 75%/No pattern
served :
- c) Where from most of the : Don't know/From immediate area
customers come : (10 min. walk)/from outside this
area/from both/No pattern.
26. Average prices of goods
in comparison to those
sold in formal shops : Lower/Higher/Same
27. Quality of goods as ^{as}
compared to those in
formal shops : Inferior/Superior/Same
28. Are you ready to shift
to other location :
29. If yes, any suggestion
for such alternative
location

DEPARTMENT OF ARCHITECTURE AND PLANNING, UNIVERSITY OF ROORKEE
ROORKEE 247 667

CAUSES AND CONSEQUENCES OF INFORMAL COMMERCIAL SECTOR

CASE STUDY : MORI DABAD, Thesis - MURP - 1991

Questionnaire for
Customers

Enumerator : M.K. Jain

Date:

Time :

Location :

-
1. Frequency of use : Seldom/regular/mostly
 2. Preference over formal sector : Easy access/cheaper/not available elsewhere/any other
 3. Type of goods sold by formal sector do not meet your demand. : Yes/No
 4. Environmental conditions : Noisy/slum-condition/traffic congestion/unhealthy/any other
 5. Route taken for coming to this place (as per drawing shown) :
 6. Frequency of taking this route: Seldom/regular/mostly
 7. Main purpose of coming to this place : Shopping/on route to work place/ near to work place/ near to residence / cinema / hospital / College / Any other.
 8. Will you continue to buy goods, if these establishments are relocated :
 - a) at some other place along the road side.
 - b) in a vendor's market abutting the road.
 - c) in a vendor's market not abutting the road.
 9. Suggestion for improvement : Roads / Drainage / Infra-structural facilities / Regular Space allotment / Control of further growth.
 10. Quantum of informal shopping : Sufficient/Insufficient