The retail sector is rapidly transforming and is sure to show its highest growth in the coming five years. Thus, the sector is rapidly transforming, with the current players and new entrants preparing to explore market growth that will result from. Growth is expected in the organized retail sector; due to the rapid increasing consumer demand and the availability of real estate.

Moreover, thanks to the increased reach of media, the abundance of high disposable income, and the availability of variety of brands and services, consumers have become more ambitious and aware and are only seeking the best. Thus, as a result, both brands and their retailers need to expand, grow, and evolve further in order to provide the right combination of price, product differentiation, experience, and service to consumers.

There are approximately 200 new malls, 1400 supermarkets, and 400 department stores currently under construction in India. Many retailers are approaching with huge investments, and most forecasters say that the sector will reach US$ 500–700 billion by the year of 2012.

Over next few years, India will witness many retail businesses gaining critical mass as growth in the industry expedite, driven by major aspects such as availability of...
quality real estate, improved mall-management practices, and consumers' preference bias for shopping in new environments.

**Future Concerns:**

- **No difference among the Malls' homogeneity.** This can be possibly countered by looking at specialization.

- **Little Small inventory turnover** and stock availability measures which make it important for the retailers to enhance their operations.

- **No integration and coordination of operations of retailers and supplier operations.** Efficient inventory practices followed on the auto and auto-component used by the auto industry could be leveraged for efficient supply-chain management.

- **Lack of supplier responsibility**, in terms of delivery schedules and delivering the accurate quantity delivered.

- **Sales tax laws** - retailers have face state-level procurement and storage which taxes which lead them to maintain higher inventory. VAT has brought slight ease, eased this a bit.

- **Major gaps in areas of supply chain and customer relations**, adopted by merchandising, facilities management, and vendor development. Proactive training is essential for addressing these and other developmental areas.