

Emerging Retail Business: Boon for Indian Economy

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Abstract

Indian retail business is growing at very fast rate in the country. This business occupies a great place of importance in the economy by holding fourth rank in the category of most attractive nations for retailing business. This sector is providing employment to the eight percent employable people. It has been observed that in 2018 Indian retail business will attain the business of US\$ 950 billion. In 2015 Indian retail business is expected to attain the growth rate of 14% to 15%. The future of this sector is very bright and the retail business will certainly be a boon for the Indian Economy.

Key Words: Retail Business, Indian Economy, Organised and Unorganised Sector, On-Line Retailing, FDI

Retail Business

There are two main ways for doing the business viz wholesale business and retail business. When goods and services are marketed by the organization through intermediaries this practice is termed as wholesale business. When goods and services are marketed to the consumers then it is called retail business. Retail means practice of delivering or providing the goods and services to the ultimate consumer. A manufacturer and a wholesaler both can make retail business. India is a developing economy and

perceives many new opportunities of development in the business environment. Indian economy has seen many steps up to the development of modern retail market. At the earliest there were small grocery shops in the country. Now many big retail stores are functioning in the country. Many multinational giants have opened their retail outlets in the Indian market.

Objective of the Study

This study is based on the Indian retail business. In this paper the researcher has focused on the role of retail business in the economic development of the nation. By pointing out the present contribution of the retail business, a future role of the sector has been discussed in the end.

Methodology

The study is based on secondary data which has been obtained from various published and online sources. The discussion is based on inferences drawn from the point of view of general arena. The outcome of the present study cannot be applied on the particular retail sector because this is not any case study. Use of secondary data is the main limitation of this study.

Indian Retail Market

Indian retailing business has emerged a big sector in the recent years. Presently Indian retail market is doing business of US\$ 500 billion and is expected to attain the business of US\$ 950 billion in 2018. Indian retail market is having the fifth rank all over the world.

Retail sector is providing the employment to 8% of the total work force. India has adopted the liberalization process since 1991 which created a smooth path for the retailers in the country. Retail business in India is having the history of 150 years. The concept of retail market in India came in 1869 when Crawford market in Mumbai and New market in Kolkata made their presence. In 2015 Indian retail business is expected to attain the growth rate of 14% to 15%.

In India two types of retailers are functioning. First types of retailers include small retailers which operate their business at small scale level. Small retail segment involves the street shops, street hawkers, small cart seller, corner shops, general stores and small grocery shops which provide the goods and services door to door. This segment is also termed as unorganized retail sector. Large retail segment includes big stores, mega shops, departmental stores, cooperative stores. Major large retailers are functioning in the country efficiently includes Easy Day, Big Bazaar, Vishal Mega Mart, Reliance Outlets, V-Mart and Super Bazaar. This segment is also termed as organised retail sector as big organizations follow all the legal and social framework prevailed in the business environment.

This business has attained a big position in the country and now the big leaders in the market like Wal-Mart and Tesco are planning to establish their outlets in the market. Recently Wal-Mart has announces to open 50 new retail stores in the near future. Nowadays online retailing business is catching high lines in the country. Main online

retailers include OLX.Com, Snapdeal.com, Homeshop 18.com, Flipkart Offers, Amazon.com, Jabong.com and myntra.com etc.

Discussion

US Based Global Management Consulting Firm, A T Kearney has given fourth rank in the category of most attractive nations for retailing business. Retail business is contributing to the Gross Domestic Product of the country up to 14%. Indian economy is based on large and varied geographical region. For delivering the goods and providing services in such a big country, the retail business is carrying out its responsibility very well. The lateral decision of the 51 % FDI in the retail sector by the Government will be an accelerated step towards the growth of the sector. In future the retail business in our country will have a big occurrence for serving the customers.

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