

Tata retail outfit plans 100 stores by 2010

Infiniti Retail Ltd, a wholly-owned subsidiary of Tata Sons, plans to expand its presence with about 100 stores across the country by 2010 to cash in on the growing demand for electronic and consumer durable products, a top company official said here Wednesday.

'We plan to add 30-35 stores a year to have about 100 stores by 2010,' Infiniti managing director and CEO Ajit Joshi told reporters here.

To create a one-stop solution with a pan-Indian presence, the company has entered into a technical and sourcing partnership with Woolworths, a leading retail chain, to offer a range of products including home entertainment, small appliances, white goods, computers and peripherals, communication, music, imaging and gaming software.

'We showcase about 6,000 products, including 180 national and international brands in consumer durables and electronic gizmos. We source Swan security systems and Logitech remote control devices from Woolworths for the Indian customers,' Joshi said.

Admitting that availability of retail space at preferred locations was posing a challenge for opening multiple stores in a given city, Joshi said high premium on properties and astronomical rentals have created a catch-22 situation for new entrants in the growing retail sector.

'At prevalent rates, it costs between Rs.1,500-2,000 per sq ft to set up a retail store like Croma. With the basic cost (rental) accounting for 25-30 percent of the total cost, there will be pressure on margins, as flooring, fixtures, IT network and air-conditioning add-up to the initial cost,' Joshi noted.

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