

Think India Think Retail - 9th Edition



Value Capture: Unlocking Potential

2025

A report on identifying dormant retail assets and assessing their hidden value potential.

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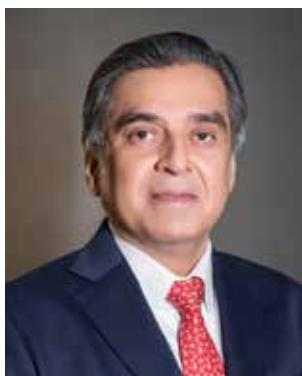
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Foreword



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Now in its ninth edition, the **Think India Think Retail** report series continues to track India's evolving retail ecosystem. With each edition, our endeavour has been to sharpen our understanding of the country's dynamic retail markets, and this year, we take another significant step forward. Having tracked the phenomenon of 'ghost' shopping centres for three consecutive years, we have deepened our analysis, expanding the study from 29 cities in 2024 to an extensive coverage of **32 cities** in this edition.

India's retail landscape is at a pivotal juncture. Over the past decade, the country has witnessed an extraordinary expansion of organised retail across Tier 1 and Tier 2 markets. Shopping centres that were once rare in smaller cities have now become central to urban life nationwide. As aspirations rise alongside disposable incomes, the need for high-quality retail environments has intensified. This evolving landscape presents tremendous opportunities while posing new challenges for retailers, developers, investors, and city planners.

Think India Think Retail 2025, themed Value Capture: The Dormant Retail Opportunity, arrives at a moment when these complexities are most pronounced. During India's retail boom, several early-generation shopping centres which are undermanaged, outdated, or unable to keep pace with changing consumer expectations have lost relevance and gradually slipped into underuse, becoming what we term 'ghost' centres. Rather than viewing these assets as relics of the past, this edition reinforces our conviction that they hold immense, untapped value. Through strategic repositioning, new concepts, and adaptive reuse, many of these dormant centres can be transformed into vibrant, commercially viable destinations once again. Reconnecting rising consumer demand with underutilised retail infrastructure will be crucial to sustaining India's retail growth trajectory.

This year's study offers a comprehensive mapping of India's retail real estate to date. Spanning 32 emerging cities, it captures the breadth of modern retail formats – from shopping centres and high streets to airports and hotels – while providing nuanced insights into quality variations, occupancy dynamics, and consumption behaviour across markets. By pairing ground-level research with international learnings, **Think India Think Retail 2025** presents a clear roadmap to unlock value in ageing retail assets and re-establish them as productive contributors to the country's consumption economy. The report aims to act as a catalyst for collaboration among developers, investors, retailers, and policymakers committed to rejuvenating these centres and restoring them to relevance.

Knight Frank is proud to present this forward-looking analysis of India's retail sector. As you explore the chapters ahead, we invite you to imagine the possibilities that lie in revitalising the nation's dormant retail estates. Together, we can help India's retail landscape grow not just in scale, but in resilience, efficiency, and inclusivity, turning yesterday's overlooked assets into tomorrow's success stories.



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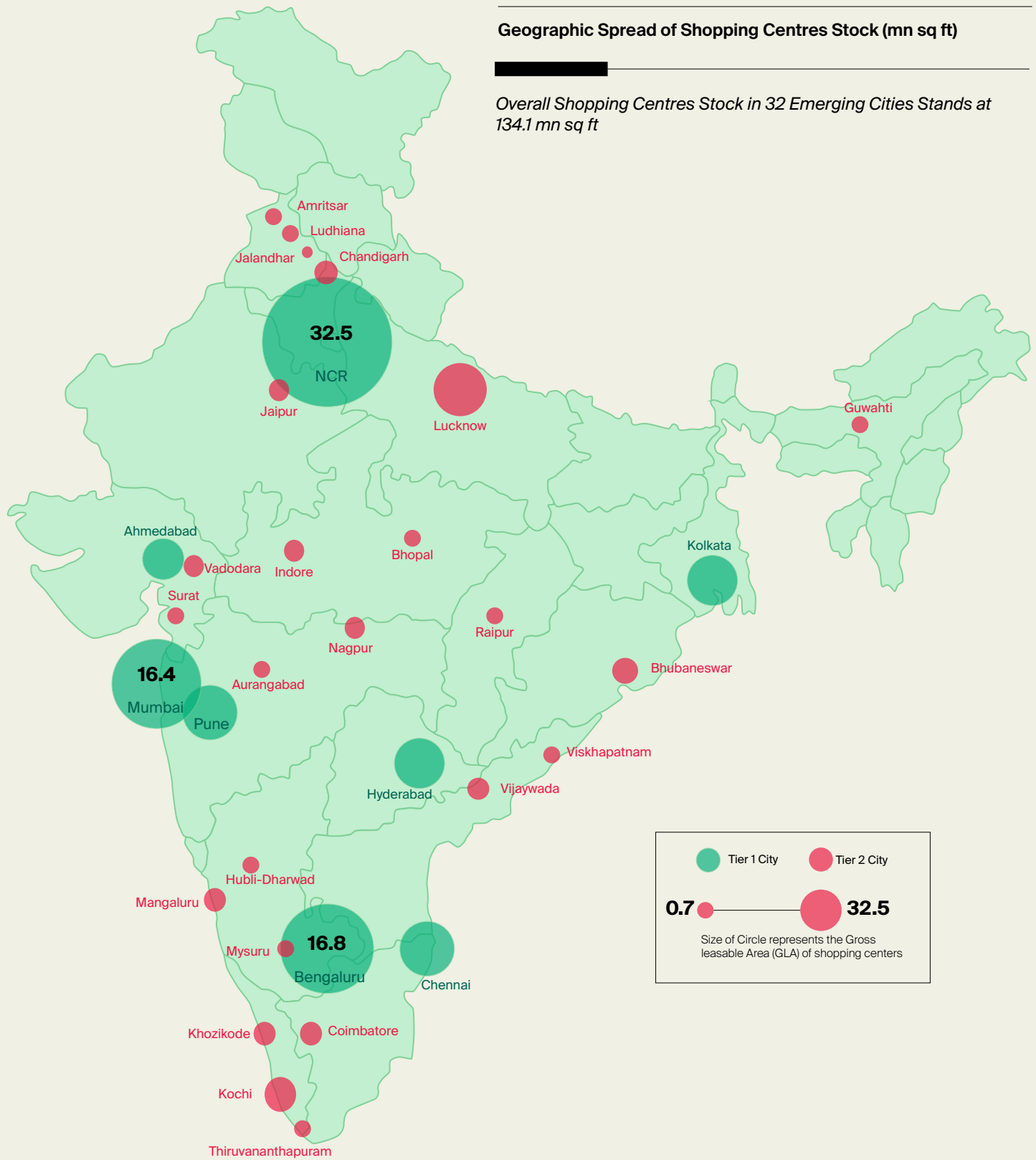
Approach & Methodology

This report maps India's retail real estate across shopping centres, high streets, airports, and hotels with the spotlight on reinvigoration of shopping centres, as retailers seek better-managed assets and investors explore selective opportunities for repurposing. It delivers insights from the national to city scale, analysing brand mix, vacancy trends, and asset quality using Knight Frank's 2025 dataset.

India's retail landscape has become both diverse and polarised: Grade A shopping centres thrive, while weaker assets struggle to stay relevant. Organised formats, once confined to Tier 1 metros, have expanded into Tier 2 cities on the back of rising incomes and aspirational consumption. Against this backdrop, this study applies a structured funnel approach to identify ghost shopping centres and assess their potential for reinvigoration.

Geographic Spread of Shopping Centres Stock (mn sq ft)

Overall Shopping Centres Stock in 32 Emerging Cities Stands at 134.1 mn sq ft



Coverage of the Study

The Think India Think Retail 2025 survey scrutinises 32 cities: 8 Tier 1 metros and 24 Tier 2 cities that are now integral to India's consumption story. The coverage spans:



365 operational shopping centres with more than 22,400+ stores



58 key high streets with over 7,900 stores



17 Airport (domestic departure terminals only) with 1000+ outlets



302 five-star and heritage hotels across 12 cities, with more than 340 retail stores



The methodology for this report follows a funnel-based approach that narrows the retail universe to highlight high-potential assets for reinvigoration. Starting with the complete stock of organised shopping centres across the surveyed cities, the study applies a multi-layered framework to:

Grade assets across quality benchmarks (design, sustainability, tenant mix, anchors, layout, ownership, etc.)

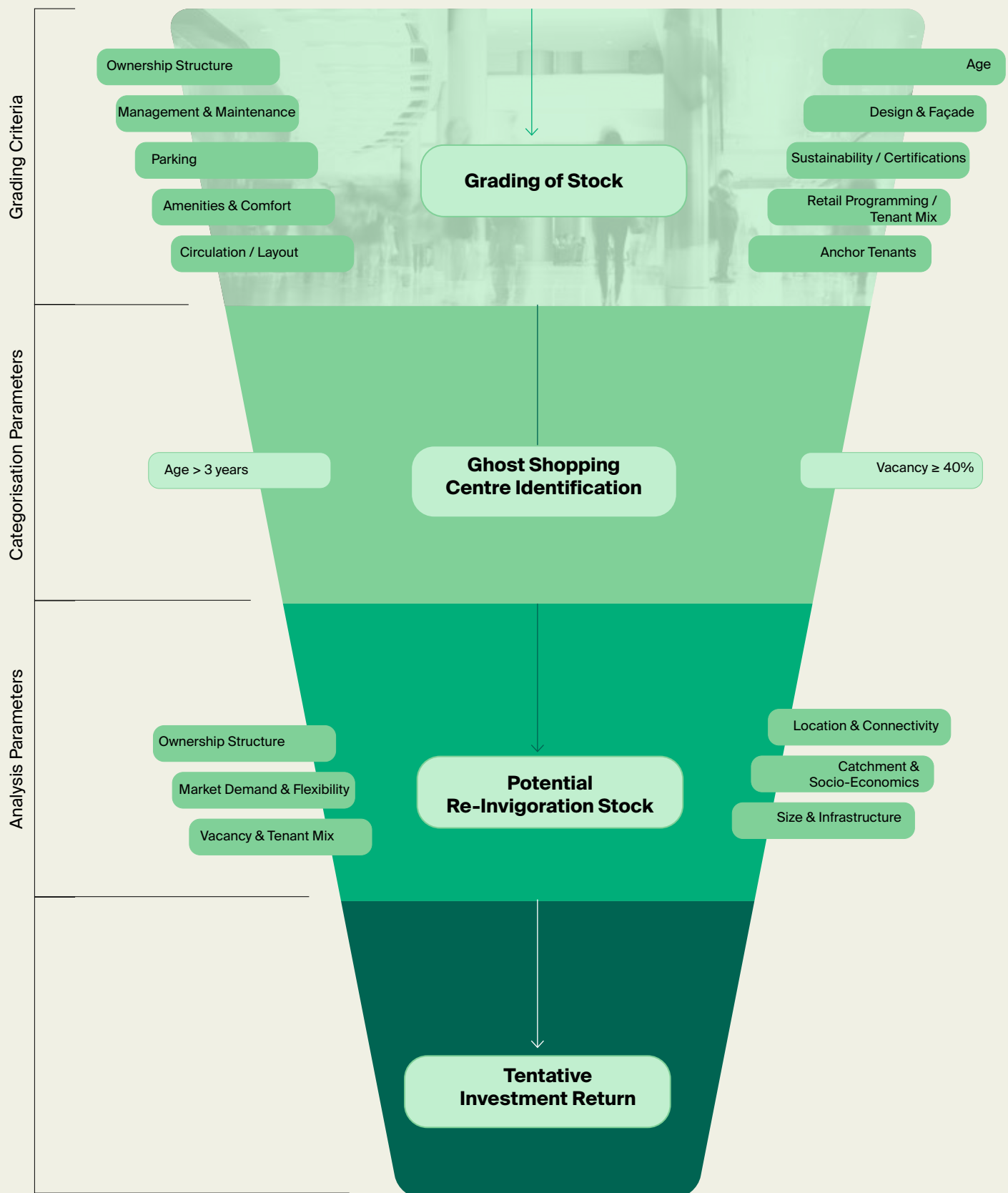
Identify ghost shopping centres based on vacancy and age thresholds

Evaluate reinvigoration potential through a structured seven-bucket framework covering market and asset-driven factors

Shortlist centres most suitable for reinvigoration and assess their financial attractiveness

This process moves from the broad universe of stock to a sharper focus on centres with tangible potential for Re-Invigoration, captured in the flowchart below:

Shopping Centre Stock Assessment



CHAPTER 1

From Air to Avenue: India's Retail Real Estate Landscape

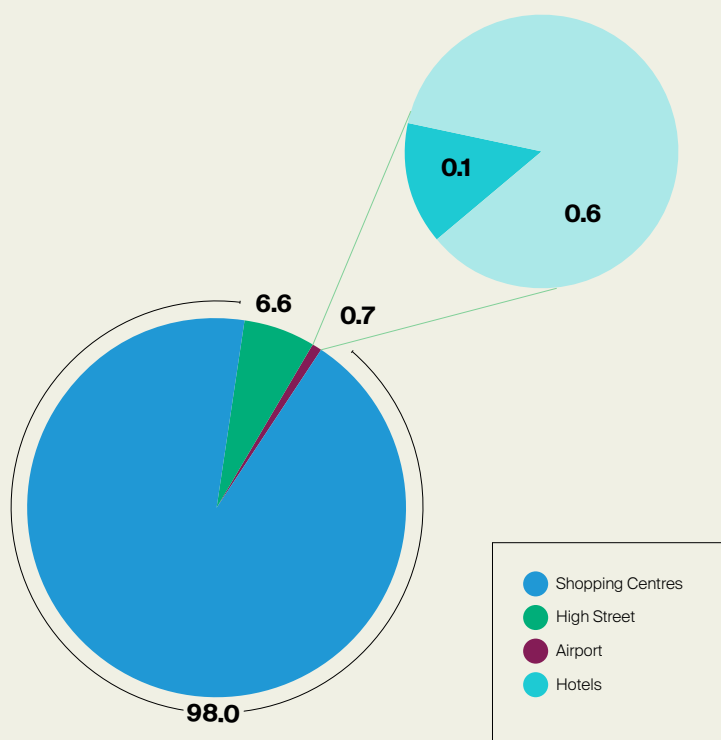
India's retail formats are evolving in distinct ways. Shopping centres remain the engine of organised retail, high streets continue to draw strength from legacy, airports are emerging as premium shopping destinations, and hotels retain their niche in luxury. Together, they define the length and breadth of where India shops today.

The numbers underline the unique distinction of different formats: While centres dominate in size and scale, other formats contribute to shaping consumer journeys. High streets still command loyalty in older markets with its organic inheritance, airports connect brands with affluent travellers, and hotel arcades preserve exclusivity. Each format has its strengths and vulnerabilities, shaping how India's retail story unfolds.

Interestingly, the picture is not about dominance alone but about diversity. Shoppers today move seamlessly between formats with weekend trips to Shopping centres, weekday errands on high streets, occasional splurges at airports, and indulgences at hotel boutiques. This interplay is what makes India's retail ecosystem vibrant, layered, and constantly in motion.

Shopping Centres as the Anchor of Modern Retail

Organised Retail Stock in Tier 1 Cities (mn sq ft)



Source: Knight Frank Research

The combined organised retail stock in Tier 1 cities stands at nearly 105 mn sq ft, with shopping centres alone commanding 98 mn sq ft. This means that more than nine out of every ten square feet of modern retail space is housed within shopping centres.

Yet the smaller formats carve out their own spaces in the shopper's journey. High streets, with their organic inheritance and visibility, often anchor the everyday rhythm of a city, think morning errands or quick fashion pickups after work. Shopping centres, by contrast, are where families spend weekends, combining shopping with food, movies, and leisure. Airports add a touch of indulgence while on the move, with luxury, travel essentials, and gifting woven into the travel experience. Hotels, though boutique in scale, complete the spectrum by offering retail moments wrapped in luxury - fine jewellery, designer apparel, or artisanal crafts picked up while indulging in hospitality. Today, their retail pull has largely faded, and the hotel's loss is the shopping centres' gain, as consumers prefer the vibrancy and variety of shopping centres.

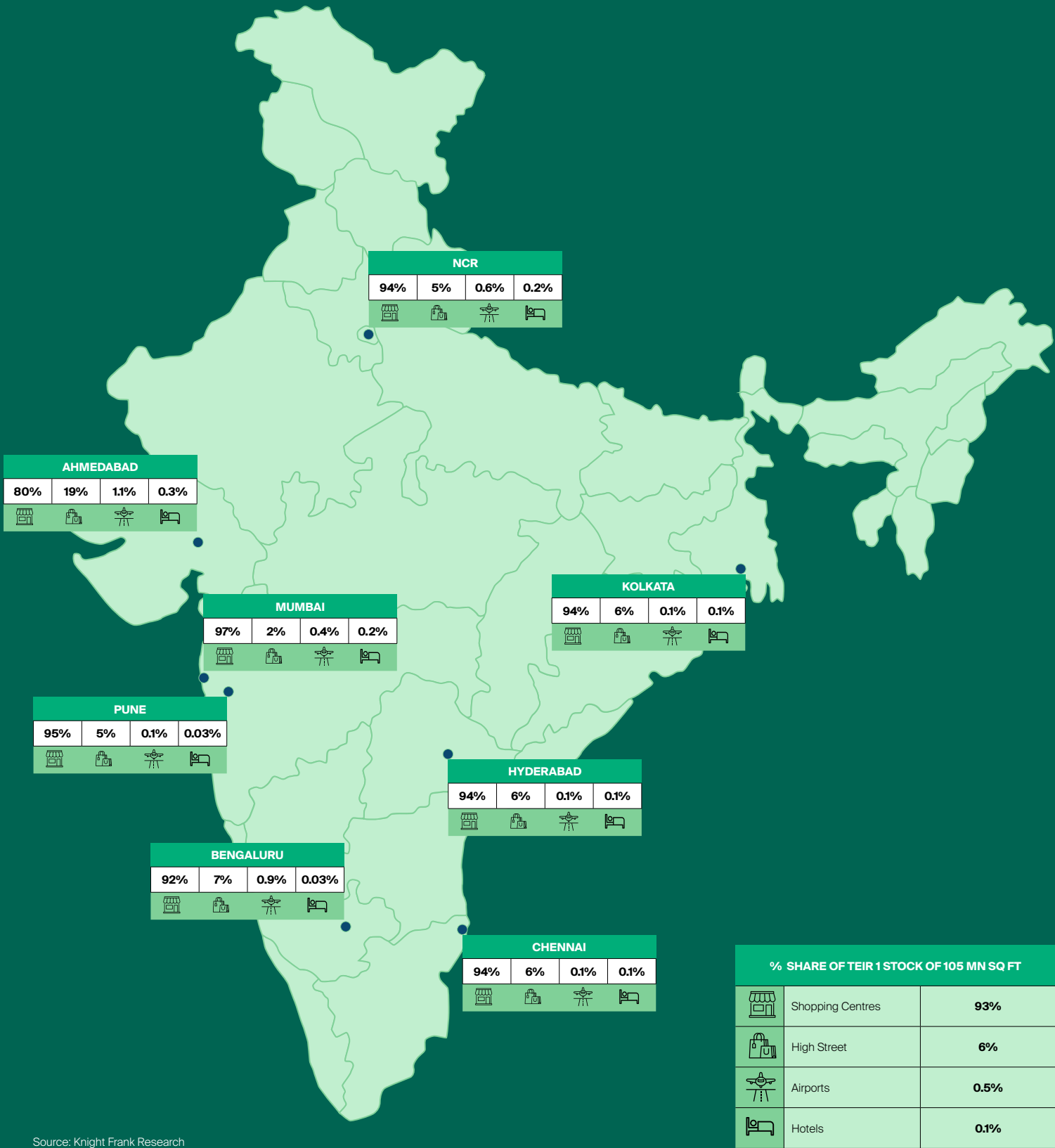
Together, these formats don't just divide shopping space, they map the many moods of Indian shopping: functional, social, aspirational, indulgent, and exclusive.

In India's Tier 1 cities, **93%** of organised retail space sits **within shopping centres**. High streets, airports, and hotels together account for less than 7%.



Retail Footprint by Format in Tier 1 Cities

Stock Distribution in Tier 1 Cities in Shopping Centres, High Streets, Airports and 5 Star Hotels



Source: Knight Frank Research

Shopping Centres remain the backbone across metros, though the balance between formats tells its own story. Cities like Mumbai, Chennai, and Kolkata are decisively more inclined towards shopping centres, with 94-97% of the stock within the shopping centres. Their retail skylines have tilted almost entirely towards large, managed environments.

By contrast, Bengaluru and NCR showcase a dual rhythm. While centres dominate in overall space, high streets such as Brigade Road or Connaught Place continue to pulse with energy, offering brand visibility and recall that centres may not replicate.

Ahmedabad and Hyderabad are striking for their higher presence of high streets at 19% and 13% respectively. Their traditional corridors like CG Road or Jubilee Hills remain cultural anchors, blending old-world familiarity with modern brands. These variations highlight that while Shopping centre define scale, high streets embrace continuity and community.

Though smaller in footprint, airports are emerging as premium retail gateways. Terminals in cities like Delhi, Mumbai, and Bengaluru are no longer just transit spaces but curated destinations where travellers indulge in shopping as part of their journey. Hotels, once home to prestige arcades, have ceded ground. Once home to prestige retail, the hotels have lost ground as arcades lie underused while shoppers prefer the energy and variety of centres for luxury purchases once reserved for hotel corridors.

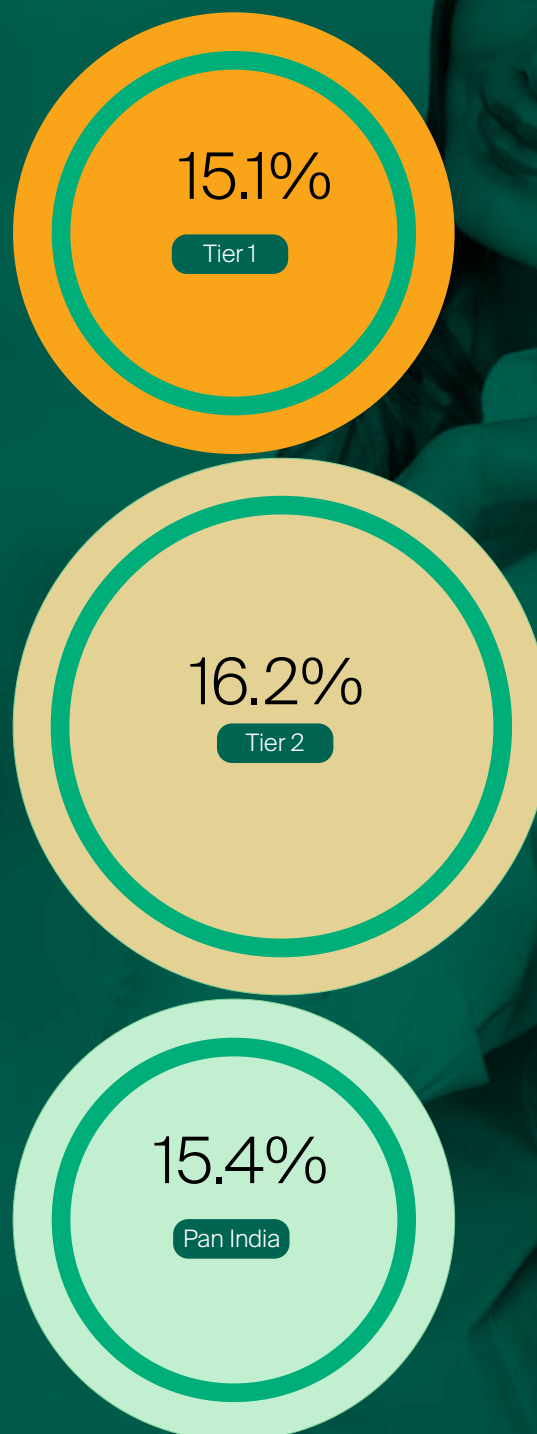
One critical indicator of market health is the vacancy rate in shopping centres, and here we see a divergence between bigger and smaller cities. Tier 1 cities report a vacancy of 15.1%, a sign that even established metros face gaps between supply and demand.

Tier 2 cities, however, face greater pressure with vacancy at 16.2%. Here, the challenge lies in thinner brand pipelines and fewer anchor tenants, leaving shopping centres vulnerable to churn. Yet, the same markets also hold promise: rising consumption and expanding middle-class demand create opportunities for well-managed centres to stand out. Many centres in these cities are caught between strong consumer appetite and weaker operational models.

At the pan-India level, vacancy averages at 15.4%. The national figure, however, conceals sharp contrasts: thriving Grade A centres continue to attract brands while ageing or poorly located centres drag the average up. The story is clear, quality determines occupancy, across both Tiers: 1 and 2.

Higher Vacancy in Tier 2 Cities

Vacancy Levels in Shopping Centres in Tier 1 & Tier 2 Cities



Source: Knight Frank Research

Shopping Centre and Airports Open Doors, Streets and Hotels Hold Ground

Brand Origin Share in Different Retail Formats in Tier 1 Cities



Source: Knight Frank Research

Indian

International

The distribution of Indian and international brands across formats shows clear distinctions. Shopping centres house 67% Indian brands and 33% international, reflecting their role as gateways for both domestic and global retailers. High streets remain predominantly local, with 86% Indian brands, underlining their role as the heart of traditional retail. Airports, on the other hand, are more balanced, with 70% Indian and 30% international brands, thanks to their positioning as hubs for premium shopping. Hotels remain the most India-centric, with 91% Indian brands, often in categories like jewellery and handicrafts, where domestic players dominate. These patterns illustrate how Shopping centre and airports are the primary platforms for global brand penetration, while high streets and hotels continue to showcase Indian strengths.



Retail Format Comparison

India's various retail formats paint a dynamic picture of how consumers shop today, from large shopping centres to vibrant high streets, niche hotel arcades, and fast-evolving airport terminals. Each format contributes differently, reflecting diversity in consumer behaviour and market evolution. Yet beneath this diversity lies an uneven story. The distribution of stock, demand penetration, and vacancy levels vary sharply across cities, which make it essential to examine how 32 of India's emerging cities present these contrasts and what they reveal about the broader retail pulse.

Strengths

● Shopping centres

Central to India's retail revival with large, controlled environments.

Grade A Shopping centres in major cities: high occupancy, footfalls, and conversions.

● High Streets

Resilient in urban cores, especially Bengaluru, Delhi, Mumbai.

Lower operating costs, visibility, and heritage character.

● Airports

Premium retail destinations with growing passenger traffic.

Captive affluent audience supports luxury, electronics, apparel, and local crafts.

● Hotels

Prestige-driven, focusing on luxury (jewellery, fashion).

Exclusivity appeals to high-net-worth guests.



Weaknesses

● Shopping centres

Many smaller/aging Shopping centre face high vacancy and obsolescence.

Poor location, outdated design, or strata ownership leading to "ghost Shopping centres."

● High Streets

Fragmented space and infrastructure issues. Smaller stores, limited parking, inconsistent experience due to lack of centralized management.

● Airports

Retail space limited to major hubs with high rents.

Dependent on passenger volumes, limiting broader retail demand.

● Hotels

Small scale, restricted to select five-star hotels. Highly dependent on hotel occupancy and event traffic.

CHAPTER 2

Capturing the Retail Pulse of 32 Indian Cities

India's retail footprint is far from uniform. Each city presents a unique balance of demand, stock availability, and consumer behaviour. Some cities show extraordinary Shopping centres penetration relative to their population, while others remain under-served despite strong purchasing power. These variations create a patchwork of opportunities and challenges across the country's retail landscape.

The density of occupied shopping centre stock per 1,000 population reveals a strikingly uneven pattern across the 32 Indian cities.

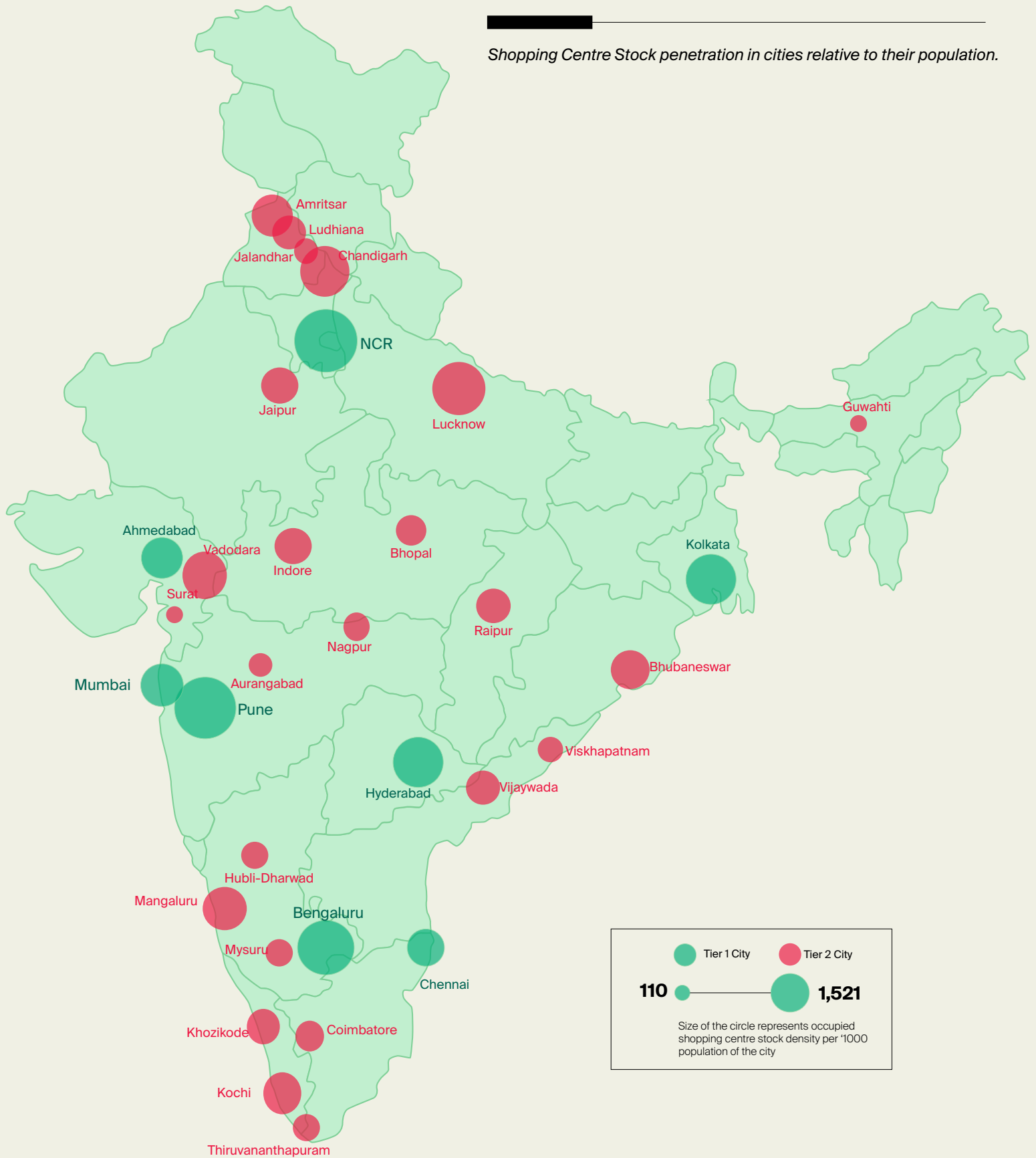
At one end, Mangaluru (1,521) and Lucknow (1,230) stand out with exceptionally high retail density, where shopping centres are not just destinations but integral to daily consumption habits. Pune (1,103) and Bengaluru (1,031) also demonstrate strong penetration, indicating vibrant markets where retail supply keeps pace with consumer appetite.

At the other end, cities such as Surat (118) and Ludhiana (110) highlight the opposite story: large consumer bases with relatively limited shopping centre ecosystems. Here, traditional high streets continue to dominate, and modern retail remains under-penetrated.

The metros present a mixed picture: Mumbai (638) and NCR (766) showcase scale over intensity, while Chennai (510) and Hyderabad (562) reflect mid-level density balanced by strong high-street traditions.

Density of Occupied Shopping Centre Stock per 1,000 Population

Shopping Centre Stock penetration in cities relative to their population.



High-Performance Cities

A handful of cities clearly outperform the rest on key metrics like occupancy and sales productivity. These high achievers generally have retail supply well calibrated to demand, and benefit from proactive centre management. Shopping centres in such cities operate near full capacity and enjoy healthy tenant mixes. Examples include:

- **Mysuru (vacancy ~2%)** – A tightly supplied market with very limited organised retail space. The scarcity of shopping centres relative to demand ensures that any quality centre attracts strong footfalls and remains almost fully occupied.
- **Vijayawada (vacancy ~4%)** and **Vadodara (~5%)** – Both are mid-sized cities with steady growth in consumer spends, yet new retail supply has been introduced cautiously. This equilibrium means the existing shopping centres face less competition, keeping vacancies low and retailer interest high.
- **Thiruvananthapuram (~6%)** and **Visakhapatnam (~6%)** – Southern India's rising retail stars, where robust consumer demand meets a new generation of well-managed shopping centres. These cities have benefited from avoiding overbuilding; each new centre has strong anchors and caters to an eager customer base, resulting in consistently high occupancy.



Underperforming Cities

At the other end of the spectrum, several cities struggle with significant vacant retail space and underutilised shopping centres. The causes range from oversupply and poor planning to operational issues and changing market dynamics:

- **Nagpur (vacancy ~49%)** – Nearly half of this city's shopping centre space lies empty. A spate of development in anticipation of future demand overshot what Nagpur's consumer base could absorb. Excess capacity, combined with only modest growth in retailer interest, has led to centres that never achieved critical mass and languish with high vacancies.
- **Amritsar (~41%)** and **Jalandhar (~34%)** – In these cities of Punjab, developers built too many shopping centres in close proximity, outpacing the depth of viable retail tenants. Though consumer appetite exists, when multiple large centres compete for the same set of brands, none can sustain healthy occupancy. The result has been chronically half-empty properties as retailers cherry-pick only the top-performing locations.
- **Ahmedabad (~32%)** – Despite a strong local retail culture, many of Ahmedabad's older shopping centres are seen struggling. The issues include ageing formats that appear to be out of touch with today's shoppers, suboptimal locations for some of the projects, and a lack of differentiation with several centres carrying a similar mix of stores. Meanwhile, the city's prominent high streets like CG Road continue to thrive and often outperform the Shopping centre, drawing retailers and shoppers away, further depressing shopping centre occupancy.
- **Kozhikode (~23%)** – The shopping centres in this city of Kerala have faced challenges not from oversupply, but from format and operational weaknesses. Limited presence of anchor tenants, coupled with management and maintenance deficiencies, have prevented local Shopping centre from reaching scale or achieving popularity. Although the demand is present as evidenced on busy high streets, the existing centres have not been able to capitalize on it due to execution issues.

Put simply, India's high-vacancy markets are often caught in a vicious cycle of weak demand absorption, over or sub-optimal supply, and retail formats that no longer appeal to consumers. In contrast, the low-vacancy markets tend to benefit from disciplined supply introduction and a "stickiness" of consumers who have few alternatives for modern retail. Understanding these disparities is key for investors and retailers as they pinpoint which cities, and which assets within cities, hold genuine promise versus which ones require a reinvention to unlock value. Ultimately, it is not just the scale of retail space that matters, but the strength and quality of the assets, a distinction that is becoming increasingly evident across India's retail landscape.



CHAPTER 3

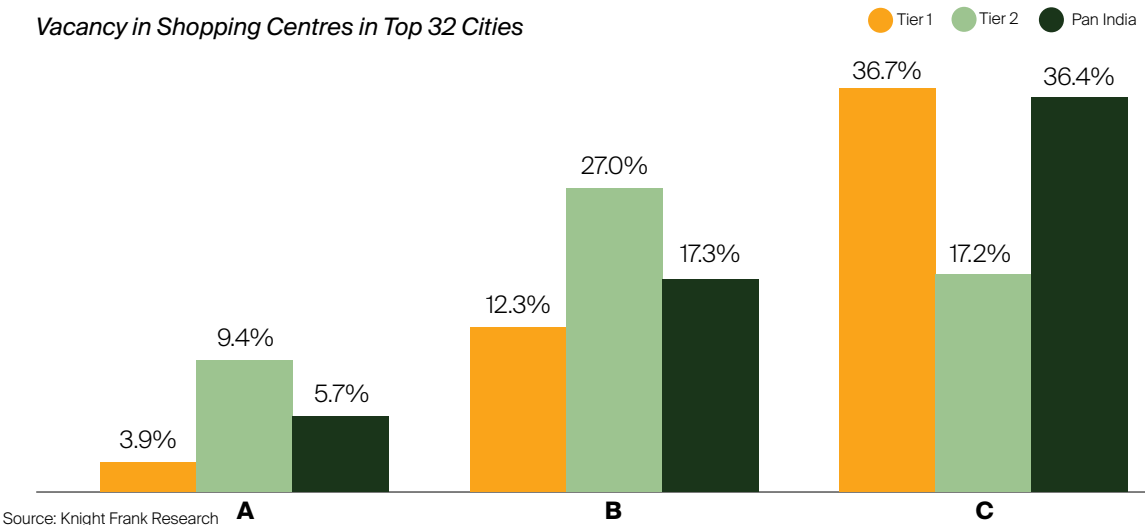
Retail Redefined – The Allure of Quality Retail Spaces

India's retail landscape is increasingly defined by the quality of its spaces. While the stock of retail space continues to grow, it is the Grade A Shopping centre that have remained the focal point for retailers. These invariably attract top global and Indian brands due to their location, amenities, and high footfalls.

Grade A Shopping centre boast modern designs, seamless layouts, and integrated leisure options, making them attractive to consumers and tenants alike. With professional management and state-of-the-art facilities, they offer retailers the best environment to connect with their target audience.

The Shift Toward Quality Spaces

Vacancy in Shopping Centres in Top 32 Cities



The demand for Grade A spaces is outpacing supply, creating a tight market for quality retail. With overall vacancy at 15.4% in 2024, vacancy in Grade A Shopping centre remains low at around 5-6% in most cities, while Grade C Shopping centre face much higher vacancy rates, often above 30%.

This divide between quality assets and underperforming assets is more pronounced in Tier 2 cities, where the gap is widening as new, modern shopping centres rise while older Shopping centre struggle to keep pace with changing consumer expectations.

While Grade A Shopping centre shine, Grade B and C Shopping centre face increasing struggles. These spaces, which are often ageing, with fragmented ownership, struggle to maintain a consistent tenant mix and draw shoppers. Located in less prime areas or with outdated infrastructure, they face higher vacancy rates and declining rental yields.

However, opportunities for reinvigoration remain. Developers are now actively looking at repurposing older Shopping centre by rebranding them or incorporating new concepts, like value retail or community-centric spaces to attract foot traffic. Some Grade C Shopping centre in Tier 2 cities, for instance, still have the potential to transform into entertainment hubs or co-working spaces, and can tap into the rising consumer demand for versatile, experiential environments.

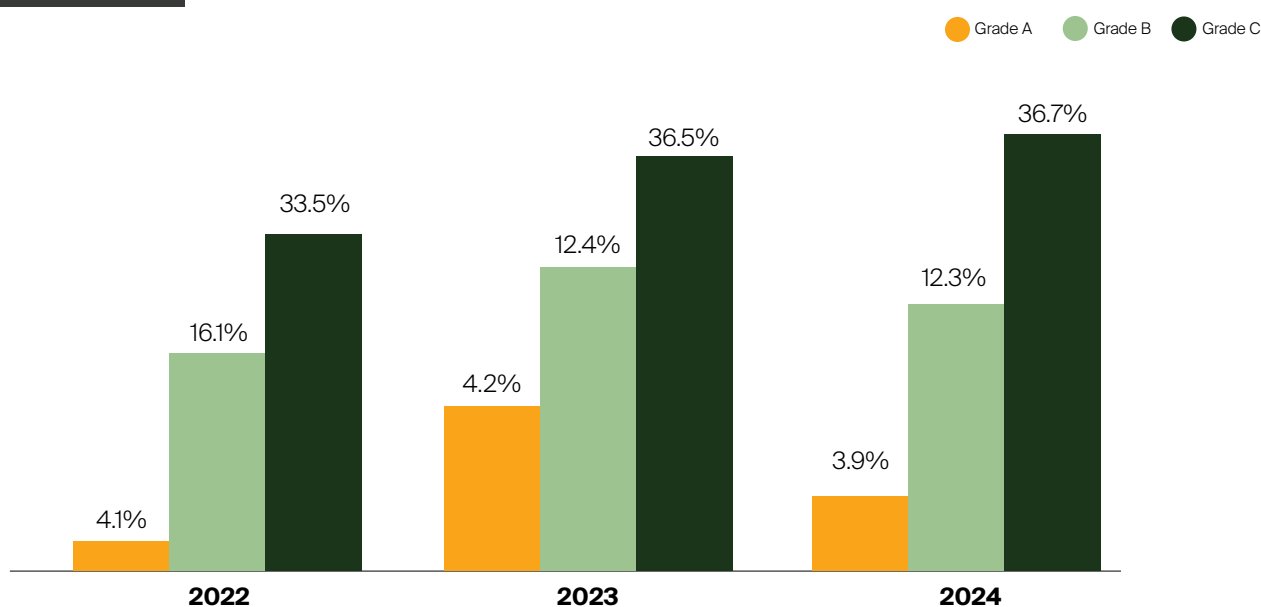
Retailers Favour Well-Managed Centres

Vacancy data over the last three years underscores the growing polarisation in retail real estate performance. Within Tier 1 Cities, Grade A shopping centres have consistently maintained the lowest vacancy levels, declining marginally from 4.1% in 2022 to 3.9% in 2024, reflecting sustained retailer preference and limited availability. In contrast, vacancy in Grade C centres has increased from 33.5% to 36.7% over the same period, underscoring persistent structural challenges and declining relevance. This widening gap clearly illustrates how institutional quality, professional management, and strategic tenant curation define performance in today's market, reaffirming that modern, experience-driven environments are the preferred choice for both retailers and investors.

In today's competitive retail landscape, retailers are increasingly prioritizing modern, well-managed shopping centres that align with their brand image and cater to evolving consumer expectations. Grade A shopping centres stand out due to their controlled tenant mix, high-quality infrastructure, and focus on customer experience. These shopping centres not only offer large, well-designed spaces but also include premium amenities like leisure zones, entertainment hubs, and curated F&B offerings that cater to diverse shopper interests.

Another reason Grade A shopping centres retain strong occupancy is their strategic location. Shopping centres situated in high-footfall areas such as business districts, prime residential areas, or key transport hubs, draw consistent crowds. Additionally, they offer ease of access, ample parking, and well-connected public transport, contributing to their sustained popularity.

Grade Wise Vacancy – Tier 1 Cities



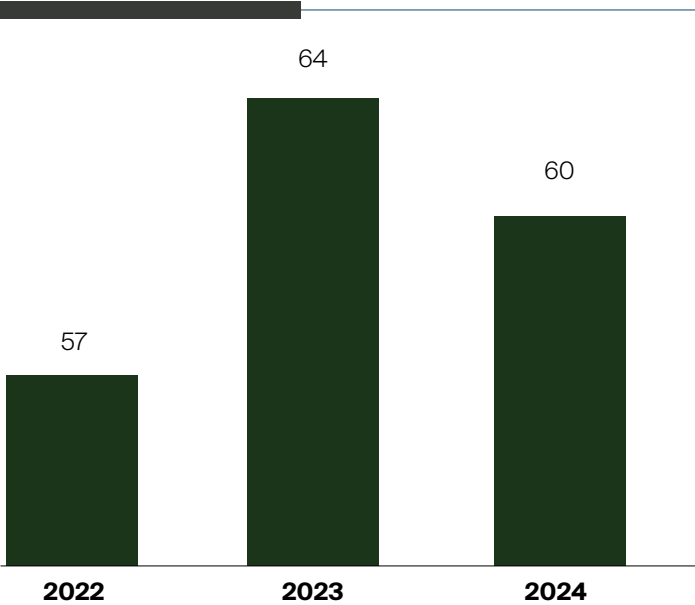
Investors & Developers Reinvigorating Dormant Retail Spaces

The growing disparity between thriving and failing retail assets has not gone unnoticed. Institutional investors, real estate funds, and large retail groups are increasingly turning their attention toward acquiring or revamping ghost shopping centres – those languishing properties with unrealised potential. The logic is straightforward: in a market where building new shopping centres in prime areas is becoming harder due to land costs and saturation, turning around an existing underperforming centre can be a faster path to tapping consumer demand. We are seeing more cases of struggling shopping centres being bought out or taken over by experienced retail operators who inject fresh ideas and capital. The turnaround playbook typically involves upgrading the tenant mix by bringing in a stronger anchor tenant, adding popular F&B outlets or entertainment zones, physical renovations including modernizing the facade, interiors, and facilities, with rebranding and marketing to help shed the old image.

Recent examples highlight what can be achieved. Bengaluru Central Mall, an old centre in Bangalore, was successfully reinvigorated by introducing trendy new anchors like Zudio and Westside (value fashion chains). It was relaunched with a fresh new look which helped bring shoppers back and recapture increased occupancy. Similarly, MBD Neopolis Mall in Ludhiana was acquired and added to the Nexus Shopping centre portfolio, giving it a new lease of life. The new management revamped the space with a better mix of retailers and overhauled customer facilities, transforming it into a destination relevant for local shoppers again. These case studies underscore that for shopping centres with solid catchment fundamentals (dense population, decent spending power), and the right interventions can restore performance. In short, a well-located centre may go through a rough patch, but with patient capital and savvy management, it can be nursed back to health – a compelling proposition for investors with a value-add strategy.



No. of Ghost Shopping Centres in Tier 1 Cities



Source: Knight Frank Research

The reinvigoration story is becoming increasingly visible across India's retail real estate landscape. Over the last three years, the number of ghost shopping centres in Tier 1 cities has reflected both the sector's structural stress and its gradual adaptive response. In 2022, 57 shopping centres were categorised as ghost assets; this increased to 64 in 2023, signalling intensifying vacancies across ageing or misaligned centres. By 2024, the number eased to 60, hinting at the emerging impact of strategic, on-ground interventions and a renewed push by stakeholders to extract value from long-dormant retail assets. Several dormant centres have been relaunched following institutional acquisitions, where new ownership has upgraded design, facilities, and tenant strategies. Others have undergone selective repurposing, where underperforming retail spaces have been transformed into co-working spaces, particularly in locations where conventional office supply is lagging and flexible workspace demand is filling the gap. These trends collectively indicate that ghost shopping centres are increasingly being viewed not as distressed assets but as redeployable real estate, capable of generating new economic value. The reduction in ghost centres underscores that reinvigoration is no longer conceptual, it is actively reshaping asset lifecycles in India's retail environment. As these transitions take shape, it becomes essential to understand the true scale of dormant retail space that sits across India's urban markets. Quantifying this ghost shopping centre stock provides the foundation for assessing where reinvigoration can unlock the greatest value.

Sizing the “Ghost” Stock

The identification of ghost shopping stock is key to unlocking opportunities for revitalization. Vacancy rates, tenant turnover, and outdated designs are the primary indicators of a struggling asset.

Another significant factor in identifying ghost shopping centre stock is the quality of anchor tenants. Shopping centre with few or no anchors often struggle to retain foot traffic. Grade C Shopping centre or older retail developments, especially in outlying areas, are at risk of becoming obsolete unless they are reinvigorated for new purposes - be it community hubs, co-working spaces, or mixed-use redevelopments.

Across India's top 32 cities, nearly 15.5 mn sq ft of retail space is now classified as ghost shopping centres, centres that sit underutilised, burdened with high vacancies, poor tenant mixes, or outdated designs. These centres reflect the widening divide between thriving destinations and those losing relevance.

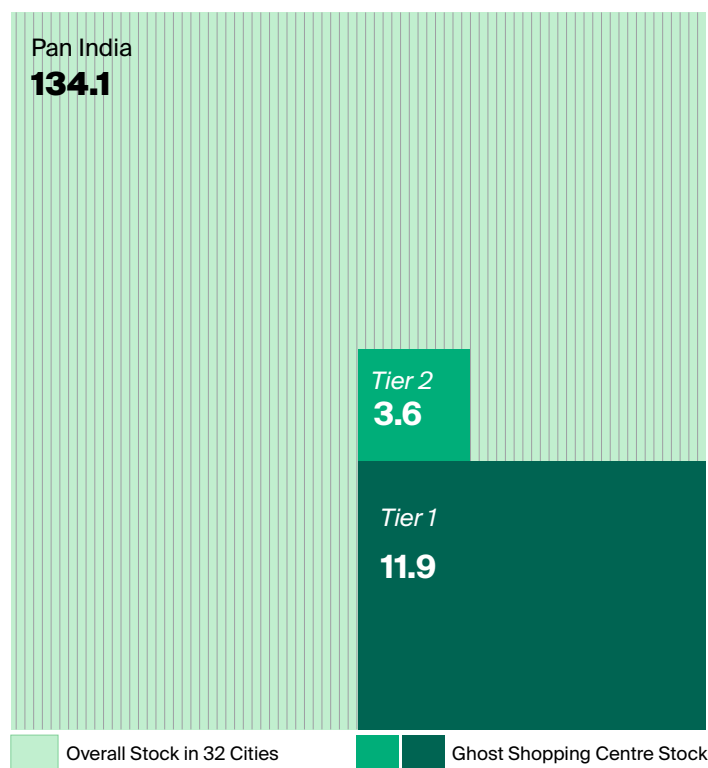
Of this total, about 11.9 mn sq ft lies within Tier 1 cities, underscoring that even the most mature metro markets are not immune. Many first-generation Shopping centre built in the early 2000s are now hollowed out, unable to keep pace with newer, better-managed developments.

In Tier 2 cities, ghost shopping centres account for 3.6 mn sq ft. Here, the issues stem from thinner brand pipelines, weaker anchors, and operational challenges. Yet these cities also carry strong consumer appetite and aspirational demand, offering scope for well-executed repositioning or reinvention.

This large pool of ghost stock is not just a challenge but an opportunity zone. With the right intervention through management upgrades, curated tenant strategies, or reinvigoration, these Shopping centre could be reimagined to align with India's changing retail dynamics.

Quality has emerged as the decisive factor in retail success. Grade A shopping centres outperform consistently, while lower-grade assets find it harder to sustain tenants and consumer interest. This polarisation defines the present landscape. The challenge, however, is what happens to the rest. As space in Grade A centres becomes scarce, attention turns to underperforming assets, the ghost shopping centres, whose dormant potential may hold the key to the sector's next wave of growth.

Ghost Shopping Centre Stock in Tier 1 & 2 Cities (Mn Sq Ft)



Source: Knight Frank Research



CHAPTER 4

Unlocking Potential in Ghost Shopping Centres

India's retail sector today is not just about adding new shopping centres on the skyline; it is equally about unlocking value from dormant stock. The country has accumulated a significant number of shopping centres that have stagnated for various reasons or shut down in the last two decades. These so-called "*ghost*" retail properties may appear to be failures at first glance, but they in fact represent wasted potential or ready-made retail infrastructure that could be revived or repurposed to meet current market needs. By targeting the right assets and executing thoughtful turnaround strategies, investors and developers can transform these underperforming centres into vibrant destinations once again.

Why Shopping Centres Fail

Despite the initial hype, numerous shopping centres in India have suffered stagnation or closure due to structural flaws in their concept or execution. Some common root causes include:

Poor Catchment Planning & Oversupply:

Some shopping centres were built in areas without a sufficient immediate customer base, or in markets that became oversaturated with competing retail projects. For example, Gurugram's MG Road – often dubbed the “Mall Mile” – once saw five large shopping centres in close proximity. Inevitably, only the best-located and the best-managed one retained healthy footfalls, while the others became increasingly languid. Whenever too many shopping centres compete in one catchment area, the weaker ones lose the critical mass of shoppers and tenants, entering a vicious cycle of decline. In smaller cities, during the 2000s, developers sometimes overestimated future demand and built multiple shopping centres where one would have sufficed – leaving several half-empty almost from the start.

Ageing Infrastructure & Lack of Upkeep:

A number of first-generation shopping centres (opened in the early/mid-2000s) did not keep pace with evolving consumer expectations. As shiny new complexes opened elsewhere, older centres that failed to renovate or reinvent themselves, saw patrons drift away. A classic case is the cluster of early shopping centres on MG Road in Gurugram – once the city's go-to retail stretch. They lost appeal as newer destinations like CyberHub and shopping centres on Golf Course Road emerged nearby. If a shopping centre's facilities, interiors, and overall ambience appear to be stuck in the past, shoppers will naturally gravitate to newer options, typically, if no updates are made within 10–15 years of opening.

Design Flaws & Poor Layout:

The physical design and layout of a shopping centre can make or break its fortunes. Centres with confusing layouts, dark corners or dead-end corridors, insufficient signage, or lack of natural light and ventilation tend to discourage repeat visits. If a centre's floor plan prevents easy navigation and fails to expose all shops to foot traffic, retailers in the “hidden” pockets will underperform and eventually exit. Another related pitfall was the “bazaar-style” strata-sold shopping centre – developments configured with too many small shops sold to individual investors. These often end up looking chaotic with space lacking for large anchor stores, undermining the shopping centre's ability to draw crowds.

Strata Ownership Model Issues:

Quite a few underperforming shopping centres in India suffer from fragmented ownership. In such projects, the developer sold shop units to numerous investors, often as a financing strategy during construction. However, without unified ownership and management control, maintaining quality standards and a curated tenant mix becomes nearly impossible as each unit owner leases to whoever will pay rent, leading to an ad-hoc mix of tenants, inconsistent storefronts, and no collective marketing. The overall centre quality and standard can't be controlled effectively, and many such properties devolve into nothing more than collections of unrelated small shops rather than a cohesive shopping destination.

Anchor Tenant Loss:

The exit of a major anchor tenant – such as a prominent department store, hypermarket, or multiplex cinema – can deal a severe blow to a shopping centre's viability if not addressed swiftly. Anchor tenants are key footfall drivers; when one pulls out, the reduced traffic often causes sales for smaller stores to collapse, prompting a broader exodus of tenants. In many cases, this scenario has proven fatal. Once the big draw leaves, a domino effect kicks in where other retailers “bleed” and vacate, sometimes forcing the centre to shut down entirely if a suitable replacement anchor cannot be found in time.

E-Commerce Impact & External Shocks:

The rapid rise of e-commerce in the last decade hit mid-tier shopping centres particularly hard – especially those that did not differentiate themselves with experiences or exclusive offerings. Commodity retail segments (books, music, basic electronics, etc.) saw declining footfall as consumers shifted those purchases online. Centres that were heavily reliant on these categories struggled to generate reasons for people to visit, aside from perhaps a food court or cinema. Those draws alone aren't always sufficient if the centre is poorly located or otherwise unappealing. Additionally, unforeseen shocks like the COVID-19 pandemic delivered a heavy blow to weaker shopping centres in 2020. Many properties already financially shaky pre-pandemic, did not recover post-lockdown, as they lacked the resilience in terms of tenant mix or customer loyalty, to bounce back from months of closure.

Regulatory and Legal Troubles:

In some cases, external administrative issues caused the doom of a shopping centre. Projects entangled in prolonged legal disputes (for instance, litigation over land titles or zoning, or delays in getting occupancy certificates and approvals) could not lease space effectively, resulting in empty buildings. A notable example is the Grand Sigma Mall in Bengaluru, which was caught up in legal issues around land use. It was never able to fully open and was ultimately demolished – an extreme case of value destruction. Such regulatory snags or compliance failures can scare away retailers and visitors, causing even a well-designed centre to turn into a dead asset if the issues aren't resolved promptly.

Shopping Centres “die” when their fundamental value proposition collapses – be it from a flawed location, mismanaged operations, eroded consumer trust, or simply economic forces making them unviable. Unfortunately, India has accumulated dozens of such struggling or closed Shopping centre, especially in metro suburbs and smaller cities from the first wave of mall construction.

Demand vs Supply Crunch

Even as some retail assets lie underutilised, the broader market's appetite for quality space continues to grow. In recent years, the supply of new Grade A shopping centres has been relatively limited as developers have been cautious post-2015, and the pandemic further slowed project pipelines. Yet, retailer expansion has picked up pace again. This mismatch – strong demand versus constrained fresh supply – is especially evident in Tier 2 cities, where many national and international brands are eager to establish a presence but find few suitable modern centres to operate in. The gap is prompting stakeholders to take a second look at older properties. The entry of dozens of new brands into India and the robust growth of categories like affordable fashion, quick-service restaurants, and family entertainment centres signal that retailers are actively scouting for space. If they can't find it in shiny new developments, many are willing to consider a revamped older centre that can meet their requirements.

In essence, a supply crunch of quality retail space is turning into a catalyst for reinvigoration. Shopping centre owners are now fielding interest from tenants that might have shunned their properties a few years ago, provided the owners commit to upgrades. Likewise, city authorities and investors are recognizing that rejuvenating an existing but languishing centre can quickly augment the local retail infrastructure without waiting years for a new build. All these factors have created a fertile environment for dormant retail assets to be brought back into play through renovation, repositioning, or complete repurposing.





Reinvigoration Pathways

When it comes to resuscitating a ghost shopping centre, there is no one-size-fits-all formula. However, several strategic pathways have emerged as viable options depending on the asset's location, physical characteristics, and market context:

Workplace Reimagined: Co-Working Hubs

Of the most natural alternative uses for struggling shopping centres is their conversion into co-working hubs. Large, contiguous floorplates, ample parking, and prime locations make these assets attractive to start-ups, SMEs, and corporates seeking flexible workspaces. With the demand for shared offices rising in both Tier 1 and Tier 2 cities, especially post-pandemic, ghost centres can be repositioned as collaborative business environments. Amenities like food courts and entertainment zones, once designed for retail, can be converted into lounges, breakout areas, or event spaces. For owners, this provides a steady leasing demand from multiple small tenants and positions the property within the fast-growing flexible workspace economy.

Learning Under One Roof: Education Facilities

Ghost shopping centres located in accessible, urban catchments are well suited to be transformed into education-focused destinations. Their spacious layouts and existing infrastructure can house vocational institutes, coaching hubs, skill-development centres, or even satellite campuses of universities. With former retail units retrofitted into classrooms, auditoriums, and administrative offices, these assets can serve a constant flow of students year-round. The built-in parking and transport connectivity enhance their viability as educational facilities. For developers, repositioning centres into education hubs ensures long-term tenants, stable income streams, and community relevance. In Tier 2 cities, where quality educational infrastructure is in demand, this pathway carries significant potential.

Healing Spaces: Healthcare Centres

The growing need for healthcare infrastructure makes ghost shopping centres ideal candidates for conversion into hospitals, diagnostic centres, or wellness hubs. Their generous floorplates allow for efficient layouts with OPD clinics, diagnostic labs, pharmacies, and inpatient wards. Parking provisions and multiple entry/exit points cater well to patient and visitor traffic. Tier 2 cities present opportunities especially where medical infrastructure lags demand. By repurposing retail into healthcare, owners can attract institutional tenants such as hospital chains or diagnostic companies, securing long leases and consistent returns. For local communities, such conversions improve access to quality

healthcare, transforming once-vacant spaces into vital social infrastructure.

Beyond Shopping: Entertainment Hubs

Re-imagining ghost shopping centres as entertainment-led destinations can unlock strong catchment demand, particularly from younger demographics. Vacant retail units can be converted into indoor amusement parks, multiplexes, bowling alleys, gaming arenas, or sports facilities, creating a “day-out” experience. These uses benefit from large floor areas, existing F&B provisions, and the central accessibility of shopping centres. Entertainment-driven repositioning also complements residual retail, as footfalls generated for leisure can cross-subsidise small shops, cafes, and restaurants. In markets where pure retail demand is thin, this approach positions the centre as a vibrant community hub for recreation, increasing relevance and viability beyond shopping alone.

Retail Revival: Upgrade & Reposition

If the shopping centre's location and catchment fundamentals are strong, the preferred approach is often to renovate and re-launch it as a better version of itself. This involves physical upgrades (modernizing the interiors, improving layout and signage, adding parking or access improvements), re-tenanting with a more attractive mix by bringing in a missing anchor like a supermarket or popular fashion chain, curating new F&B and FEC options, with aggressive marketing to reposition the centre in consumers' minds. Essentially, the centre is given a second chance as a retail destination, targeting the gaps in the local market. This strategy works best when consumer demand exists in the area but was not being met due to the centre's previous shortcomings.

Rebuilt for Relevance: Mixed-Use Redevelopment

In cases where maintaining an exclusively retail format is not feasible or profitable, owners may opt to convert the property (partially or entirely) to a different use or a mix of uses. For instance, the upper floors of an ailing centre could be converted into office space or co-working hubs leveraging demand from businesses for large floorplates, or into educational institutions or medical facilities that benefit from the structure and parking. Some projects might undertake a full teardown and rebuild, replacing the old centre

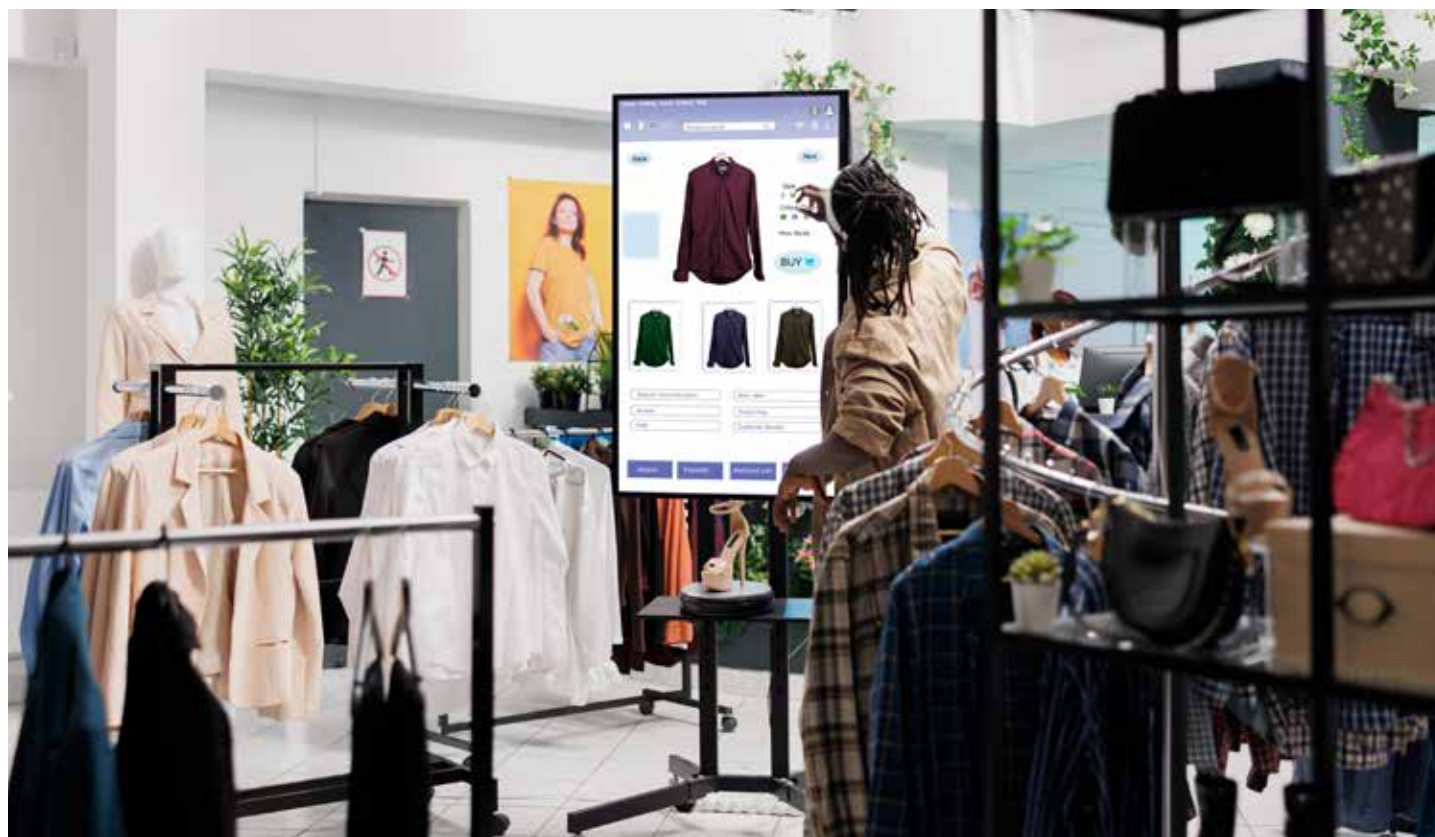
with a mixed-use complex – incorporating residential apartments, offices, maybe a hotel, alongside a smaller, curated retail component. This kind of redevelopment aims to unlock higher value from the well-located land parcel and create a “town centre” feel, as has been done in some international centres.

From Shopping centre to Halls: Community & Civic Reuse

Another pathway is repurposing the space for community-centric needs. Dead shopping centres that are centrally located can find new life as public libraries, municipal office complexes, convention centres or exhibition halls, indoor sports arenas, or cultural venues such as museums and art galleries. Such conversions often require government or civic involvement but can substantially benefit the city by providing much-needed public infrastructure without starting from scratch. For owners, selling or leasing a failing property to public authorities or partnering in a public-private redevelopment can be a way to recuperate and recover investment while contributing to community development.

Focused Format: Specialized Niche Redevelopment

Owners may also consider converting a struggling shopping centre into a more specialized retail or commercial format that better suits the locale. For example, a centre that can't attract premium brands might be relaunched as a factory outlet centre aggregating outlet stores of popular labels, which could draw cost-conscious shoppers from a wider radius. Similarly, a mall in a city known for a particular product e.g. textiles or electronics, could be reimagined as a dedicated bazaar or trade hub for that category, essentially formalising an existing unorganised market. In tourist-heavy areas, a defunct centre could be repurposed into an indoor theme park or food hall. The idea is to identify a niche that is underserved in the region and remodel the asset to fulfil that demand.



A mannequin in a retail store window, wearing a purple polo shirt and dark trousers. A large yellow rectangular sign is suspended in front of the mannequin, containing text about retail reinvention. The background shows a blurred retail environment with shelves and other mannequins.

Emerging Reinvigoration Models

Struggling shopping centres can evolve into more than just retail destinations. New adaptive uses are opening up alternative value pathways:

Co-Working -

Large, flexible layouts converted into shared office spaces.

Education -

Skill centres, institutes, or satellite campuses in accessible locations.

Healthcare -

Hospitals, diagnostics, and wellness centres using existing infrastructure.

Entertainment Hubs -

Cinemas, gaming zones, food courts, and cultural venues.

These formats align with traditional retail revival and mixed-use redevelopment, expanding the possibilities for unlocking dormant retail assets.

Quantifying the Reinvigoration Opportunity

365
Shopping Centres

134.1
Mn Sq Ft

74
Shopping Centres

15.5
Mn Sq Ft

15
Shopping Centres

4.8
Mn Sq Ft

Source: Knight Frank Research

The potential upside of bringing ghost retail spaces back to life can be substantial. Based on our analysis, we estimate that about 4.8 mn sq ft of the currently dormant shopping centre stock in India has strong prospects for successful re-invigation through one or more of the pathways described above. If these spaces were redeveloped and reoccupied, it could generate approximately INR 357 Cr. in overall annual rental revenue – equivalent to around USD 40 mn of revenue each year. This dormant retail opportunity, if unlocked, would not only boost the retail turnover in their respective cities but also create jobs, improve shopper choice, and enhance real estate value in those micro-markets.

Capturing the Value Potential in Revival Ready Assets

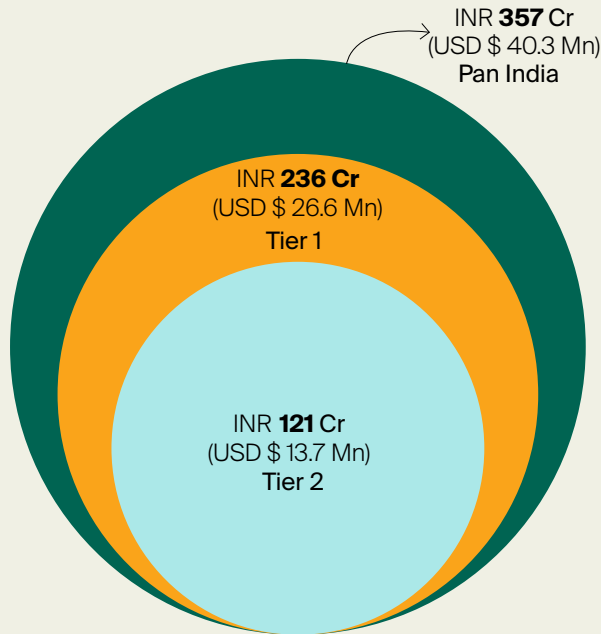
As can be seen, most of the immediate opportunity lies in the major cities (Tier 1 metros contribute roughly two-thirds of the potential at INR 236 Cr), but a significant one-third (INR 121 Cr) comes from high-potential assets in the Tier 2 cities. In terms of investor proposition, these numbers hint at attractive returns. Acquiring or partnering with a distressed shopping centre can come at a fraction of the cost of greenfield development in a prime area, yet once revitalised, the asset can start generating healthy cash flows. Many savvy investors are thus viewing reinvigoration projects as high-yield, value-add real estate plays. The key, of course, is execution - choosing the right strategy for the right property and implementing it effectively.

Beyond revenue, we also analysed 15 shortlisted shopping centres in depth and recalculated their tentative return on investment (RoI). Our findings indicate that these centres, once reinvigorated, have the potential to generate a rental yield of 5.86%. This reinforces the attractiveness of reinvigoration as an investment play, offering not just revenue uplift but also stable, sustainable yields that compare favourably with other real estate asset classes.

In terms of investor proposition, these numbers hint at attractive returns. Acquiring or partnering with a distressed shopping centre can come at a fraction of the cost of greenfield development in a prime area, yet once re-invigorated, the asset can start generating healthy cash flows. Many savvy investors are thus viewing reinvigoration projects as high-yield, value-add real estate plays. The key, of course, is execution - choosing the right strategy for the right property and implementing it effectively.

India's retail real estate story has a significant "second chapter" waiting to be written through the reinvigoration of dormant shopping centres. The raw potential, measured in millions of square feet and billions of rupees, is on the table. Prudently, global experiences can serve as a beacon for India's reinvigoration journey, drawing inspiration from other countries that have successfully reinvented dormant shopping centres, and highlighting lessons that can be adapted as India seeks to revive its own retail assets awaiting reinvigoration.

Expected Annual Rental Revenue Post Reinvigoration of High Potential Shopping Centres

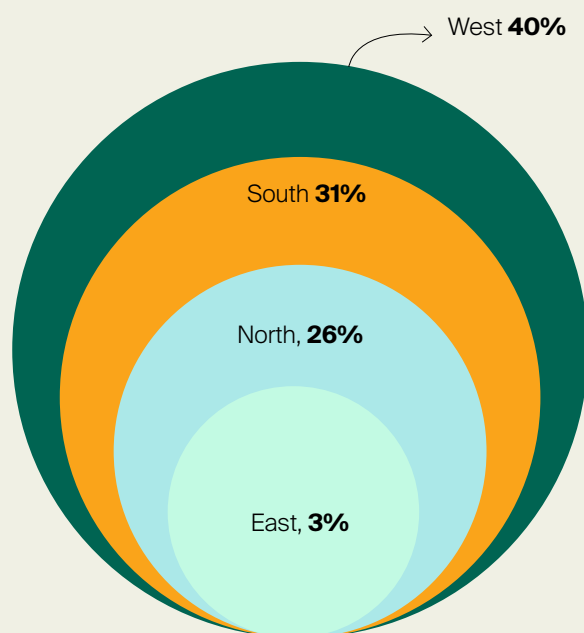


Post Re-Invigoration, **4.8 Mn Sq Ft** has Potential to generate **INR 357 Cr.** of **Annual Rental Revenue**

5.68%

Projected Overall Rental Yield from the Reinvigoration of 15 Potential Shopping Centres

Regionwise Share of Projected Rental Revenue for 2025 (INR Cr)



A deeper analysis of the 4.8 million sq ft of high-potential shopping centre stock reveals strong geographical concentration in the reinvigoration opportunity. The West region accounts for the largest share at 44%, reflecting both the prevalence of ageing assets and the strength of underlying catchments that warrant reinvestment. Revenue potential follows a similar pattern. Together, the West and South regions contribute 77% of the projected rental revenue, underscoring where reinvigoration is most financially compelling, while the Top 8 metros alone capture 66% of the INR 357 crore annual rental revenue outlook for 2025. In total, 15 shortlisted high-potential assets across 11 cities are estimated to generate INR 357 crore in annual rental revenue post-reinvigoration, highlighting the scale of dormant value embedded within these centres.



CHAPTER 5

Takeaways from the Global Stage – Reinventing the Dormant Retail Space

Around the world, retail real estate stakeholders have grappled with the question of what to do with ghost shopping centres – those once-bustling spaces that eventually fell into decline as consumer preferences shifted, anchor tenants exited, and urban dynamics evolved. In many markets, these centres were initially seen as liabilities. Yet, over time, bold, creative reinventions have transformed them into productive, high-performing assets. The examples that follow – from North America to Europe – showcase a powerful pattern: dormant retail can be reshaped into something relevant, valuable, and future-ready. These global transformations offer timely inspiration as India faces its own wave of ageing shopping centres, many of which sit at the strategic intersection of land, location, and latent demand.

Indian Precedents: Early Signals of Adaptive Change

India, too, has begun to see early examples of reinvigoration and adaptive reuse. KOPA Mall in Pune, formerly Nitesh Hub, was repositioned after years of underperformance, eventually re-emerging as a premium lifestyle destination anchored by multiplexes and high-end brands. Bengaluru Central Mall regained traction after the reinvigoration of its structure and a strategic refresh of its tenant mix, with Westside and Zudio bringing new life to an asset that had previously slipped into

obsolescence. Raghuleela Mall in Mumbai, once drifting toward obsolescence, has seen sizable floorplates repurposed for commercial and educational uses. Similarly, Market Square Mall in Bengaluru underwent partial reprogramming, replacing declining retail zones with activity-led tenants to stabilise footfall. Each of these examples, demonstrates India's gradual movement toward the reinvigoration mindset - shifting from demolition or stagnation to reinvigoration by repositioning, repurposing, and reimagining.

Global Insights: What the World Has Learnt About Declining Retail Assets

Across global markets, ageing retail centres have repeatedly proven that large, enclosed shopping centre formats, once considered obsolete, can be repurposed into high-value real estate with the right intervention. A recurring pattern emerges in markets where retail decline arrived earlier than in India: stakeholders looked beyond traditional retail and embraced entirely new uses aligned with contemporary economic demand.

One of the most common transitions has been the conversion of shopping centres into corporate workplaces or research environments. Their expansive, column-light floorplates, integrated parking structures, and strong arterial connectivity make them ideal candidates for large office campuses, co-working hubs, technology labs, and even high-spec life-science facilities. These structures offer scale that would be difficult to replicate in land-scarce or highly urbanised districts, allowing rapid reoccupation and significantly shortened development timelines.

Another prominent pathway has been the transformation of declining retail precincts into education-led spaces anchored by universities, public agencies, or research institutions. These occupiers provide long-term stability and stimulate surrounding urban renewal. The flexibility of shopping centre layouts enables conversion into training centres, innovation parks, or hybrid academic-corporate hubs that integrate classrooms, labs, and community functions.

In suburban or land-abundant locations, many underperforming retail assets have evolved into mixed-use districts, blending residential towers, offices, curated retail, hospitality, and civic amenities. Phased redevelopment is often employed in these cases, reducing upfront risk while enabling the destination to grow organically with market demand. Such mixed-use town centres often replace enclosed shopping centres with open-air streetscapes, plazas, and public spaces.

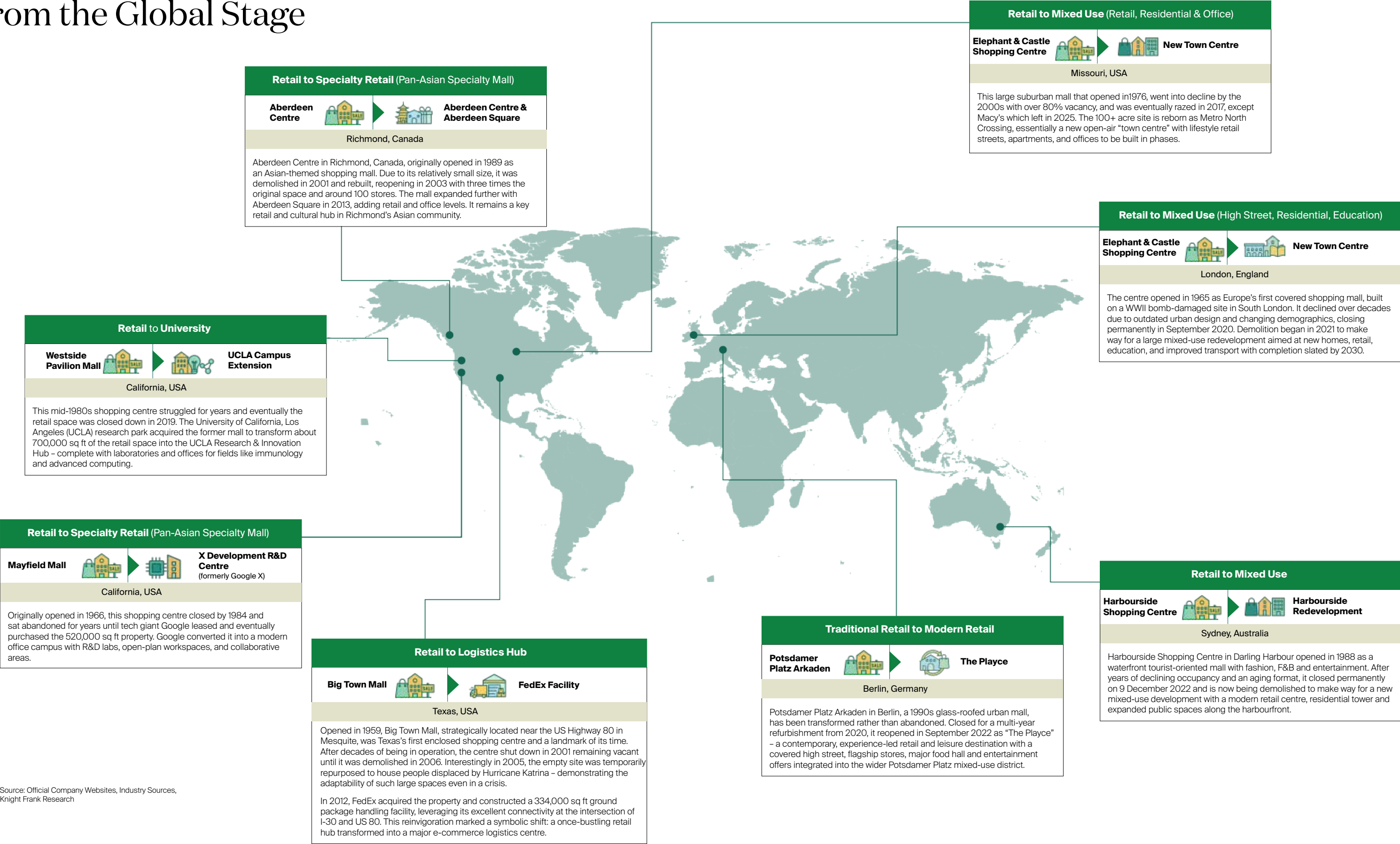
A fast-emerging transformation theme is the repurposing of retail sites into logistics and e-commerce hubs. With robust access, high visibility, and large service yards, former shopping centres have become distribution centres, last-mile delivery nodes, cold-chain facilities, and hybrid logistics-retail platforms. This trend reflects the global rise of e-commerce and the strategic advantage of centrally located retail land parcels.

There are also cases where retail assets were repositioned rather than replaced, through deep refurbishment, experience-led redesign, upgraded facades, re-anchoring, and integration with public realm improvements. In such locations, retail remains viable, but only after substantial reinvigoration that aligns the centre with modern consumer expectations.

Lessons for India

India can derive clear lessons from these global transitions. Older or partially vacant shopping centres possess inherent structural and locational advantages that can support multiple alternative uses, from corporate workplaces and co-working clusters to education, health-tech, logistics, and mixed-use environments. Successful reinvigoration will, however, require flexible planning policies, streamlined change-of-use approvals, and deeper collaboration between developers, institutional occupiers, and city authorities. With rising land constraints, evolving consumption patterns, and demand for future-ready urban formats, India's dormant shopping centres offer a rare opportunity to unlock new economic value through adaptive reuse, strategic repositioning, and carefully planned reinvigoration pathways.

Reinvigorating Dormant Retail: Lessons from the Global Stage



Source: Official Company Websites, Industry Sources, Knight Frank Research

India Recommendations

Global case studies aside, India needs its own playbook to address dormant retail assets, tailored to local economic and regulatory conditions. The following recommendations outline strategic steps to unlock the potential of underperforming shopping centres across Indian cities.

Characteristic	Incentives	Focus	Stakeholders
Public-Private Redevelopment	Expedited approvals, tax breaks	Public Infrastructure creation	Governments, private developers
Mixed-Use Rezoning	Higher FSI relaxed height limits	Combination of housing, offices, retail	Urban local bodies, developers
Specialized Retail	Tax/Fee waivers for new tenants	Differentiated retail concepts	Policymakers, industry groups, owners
Corporate Adaptive Reuse	Change-of-use approvals, financing	Large campuses or logistics hubs	Shopping centre owners, corporations

Source: Knight Frank India

Public-Private Redevelopment Initiatives:

Governments should actively facilitate the conversion of strategically located derelict shopping centres into useful public infrastructure through partnerships. For example, a vacant shopping centre in a prime city location could be turned into a public library, government service centre, indoor sports arena, or multi-purpose community hub via a public-private partnership (PPP). Municipal authorities can offer incentives such as expedited approvals, tax breaks, or land-use variances to private developers who undertake projects with clear social benefits.

Incentivize Mixed-Use Re-Zonings:

Urban local bodies can introduce special redevelopment zones or policies that allow redundant retail properties to be redeveloped with a mix of uses. Often, an old shopping centre’s highest value lies in the land itself; repurposing it into a combination of housing, offices, hotels and a downsized retail component can breathe new life into the site. Incentives like higher Floor Space Index (FSI) or relaxed height restrictions in exchange for including public amenities, could make these projects more financially viable. This approach would encourage developers to take on the challenge of converting obsolete shopping centres into vibrant mixed-use precincts.

Support Specialized Retail Concepts:

Rather than letting a failing shopping centre continue on the same trajectory, owners can reposition it with a differentiated concept that addresses a gap in the market. Policymakers and industry groups can support this by helping identify viable themes and prospective tenants. For instance, a struggling centre might be relaunched as a factory outlet park hosting discount outlets of popular brands, which can attract shoppers from a wide radius. Tailored incentives such as temporary tax or fee waivers for new

tenants, could help jump-start these new formats and give a fresh identity to an otherwise undifferentiated property.

Partner with Corporates for Adaptive Reuse:

There is scope for shopping centre owners to collaborate with large corporations or institutions interested in expansive space. For example, an IT company could turn a defunct shopping centre into its technology development campus, or a hospital chain might convert one into a medical and diagnostics facility. With proper change-of-use approvals, such conversions would put the asset to productive use and generate employment. Financial institutions (banks, REITs) can play a role by financing these adaptive reuse projects as part of their real estate investment portfolios.

Focus on Experience & Community:

Any reinvigoration strategy should be planned, keeping in mind that shopping centres succeeded originally by being community spaces, not just retail boxes. Reviving a dormant centre should involve creating new reasons for people to gather there. This could mean dedicating areas for community events, farmers’ markets, pop-up bazaars, or cultural performances. Developers could integrate public amenities like parks, playgrounds, or amphitheatres into the project to better connect it with the neighbourhood. By positioning the redeveloped site as a community hub and not merely a commercial centre, stakeholders can build goodwill and ensure steady footfall beyond that which traditional retail alone would generate.

Reinvigoration/Repurposing Strategies – Framework Study

Stakeholders aiming to rejuvenate a dormant shopping centre can adopt a structured framework to guide decision-making and execution. Below is a step-by-step strategy that can act as a reference:

Strategic Framework for Re-invigorating Shopping Centers



Source: Knight Frank India

1. Asset Diagnosis:

Conduct a comprehensive analysis of the shopping centre's current state. Assess its catchment (population density, spending power, competition), physical layout and condition (design flaws, structural soundness), and performance history (occupancy levels, rent trends, tenant feedback). Identify the root causes of its decline – be it location issues, mismanagement, lack of demand, or all of the above.

2. Market Feasibility Study:

Evaluate the broader market to determine potential re-use options. This involves identifying unmet needs in the area. For example, is there demand for a hypermarket or multiplex that the centre could accommodate? Is office space in short supply locally? Would the community benefit from facilities like a clinic or a public hall? Engaging with local residents, retailers, and officials during this stage can yield insights into what redevelopment concept would gain support.

3. Strategy Formulation:

Based on the findings, decide on a reinvigoration strategy. Options include:

- Retail Revival - Improving the centre as a retail destination through renovation and rebranding
- Partial Change of Use - Retaining some retail but converting parts of the property to another use
- Full Repurposing - Turning the entire complex over to a new non-retail use or demolishing and rebuilding anew.

Each path should be weighed for cost, time, regulatory complexity, and alignment with market needs.

4. Financial Planning & Partnerships:

Work out the economics of the chosen strategy. Prepare a business plan covering redevelopment costs, funding sources, projected revenues or savings, and expected ROI. Explore different partnership structures. Will the current owners invest

alone? Is there an option for bringing in an equity partner or selling to a specialized developer? Can government grants or incentives be tapped, especially if the project includes a public-use component? Determining the financial viability is crucial before moving forward.

5. Design & Approval Stage:

Engage architects and engineers to create detailed design plans for the redevelopment. Whether retrofitting the existing building or planning a new structure, ensure the new plans resolve the old layout issues such as improved sightlines, added entrances, expanded parking etc. Simultaneously, initiate the process for necessary regulatory approvals such as land-use change, building permits, and environmental clearances. Early and proactive liaison with authorities can smoothen the path for compliance.

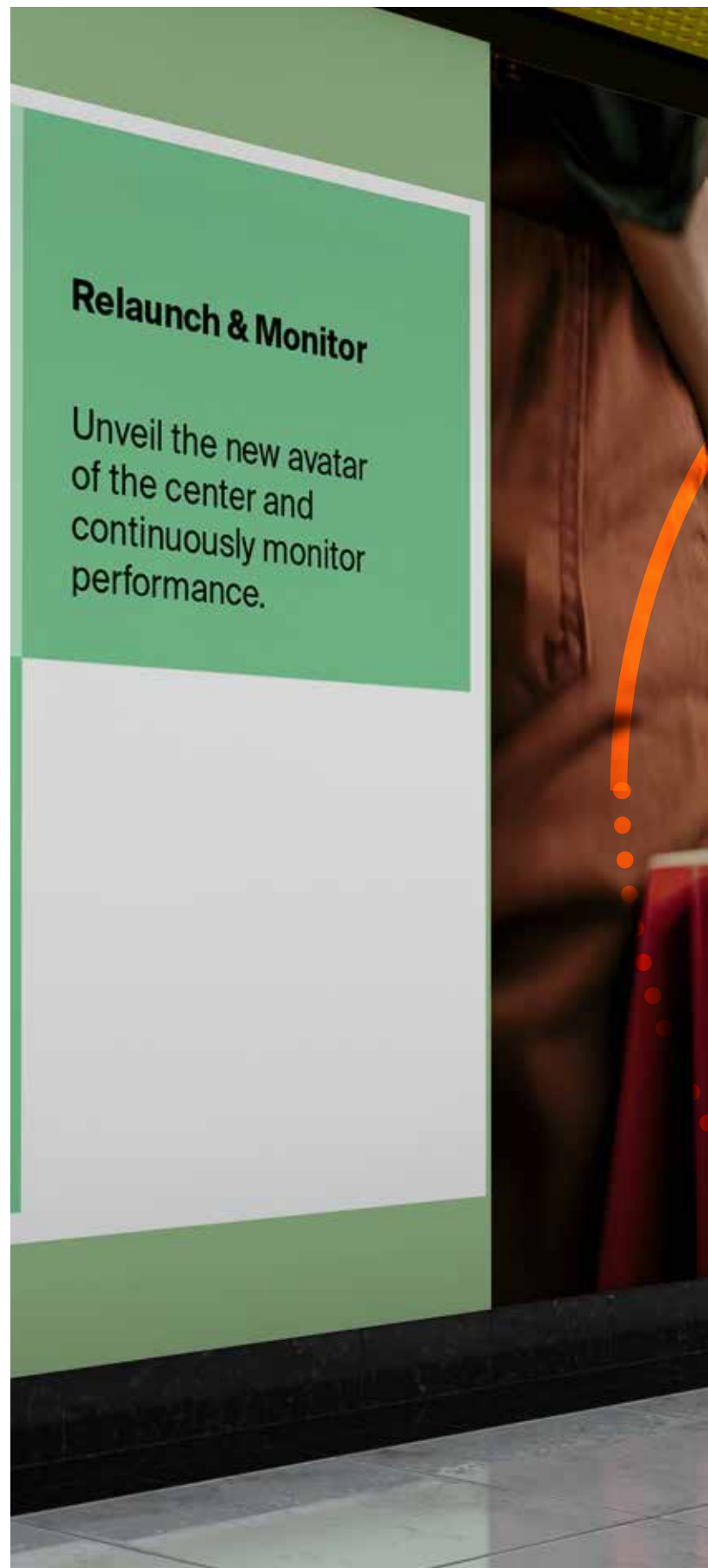
6. Execution & Project Management:

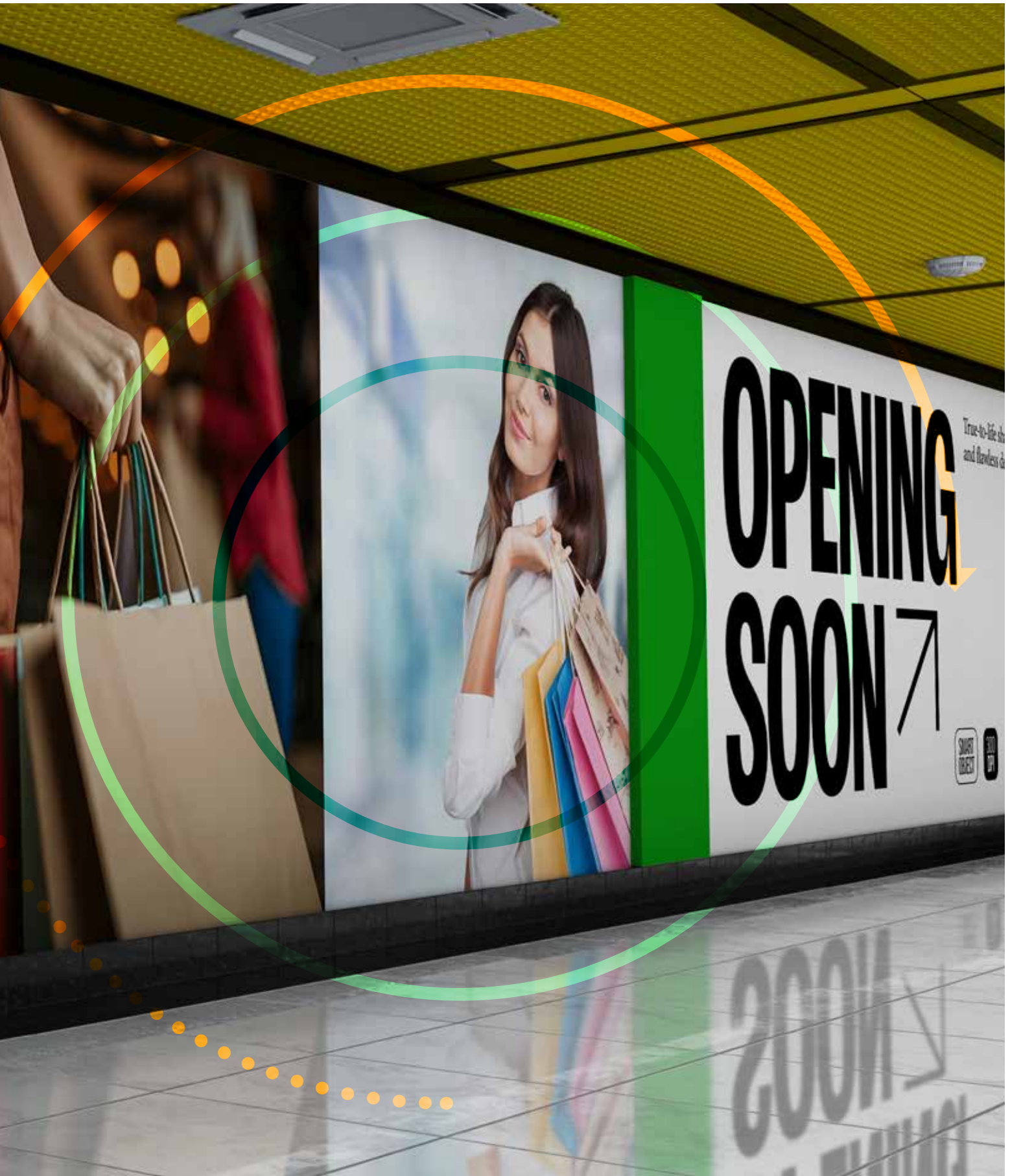
Implement the project with a clear timeline and strong oversight. If the centre still has some operational establishments, phase construction to minimize disruption or provide temporary relocation for tenants. During the build-out, marketing should commence to attract prospective tenants or end-users for the revamped development securing pre-leases or anchor commitments to de-risk the opening. Effective project management is essential to avoid delays and cost overruns.

7. Relaunch & Monitor:

Once redevelopment is complete, unveil the new avatar of the centre with fanfare – press coverage, launch events, and promotions to draw visitors. Offer leasing incentives to key tenants if it is a retail relaunch to ensure a good tenant mix from day one. Post-launch, continuously monitor performance indicators (footfall, sales, occupancy) and gather shopper and tenant feedback. A professional management team must be in place to maintain high standards and keep the tenant mix and experience evolving in line with consumer trends. The goal is to ensure the revived centre remains dynamic and does not slip back into neglect.

By following such a framework, stakeholders can approach shopping centre reinvigoration in a methodical way – reducing risks and increasing the likelihood of a successful turnaround. Reviving a ghost shopping centre is undoubtedly challenging, but with careful planning, collaboration, and adaptive thinking, these once-forlorn properties can be transformed into vibrant community and commercial spaces once more.

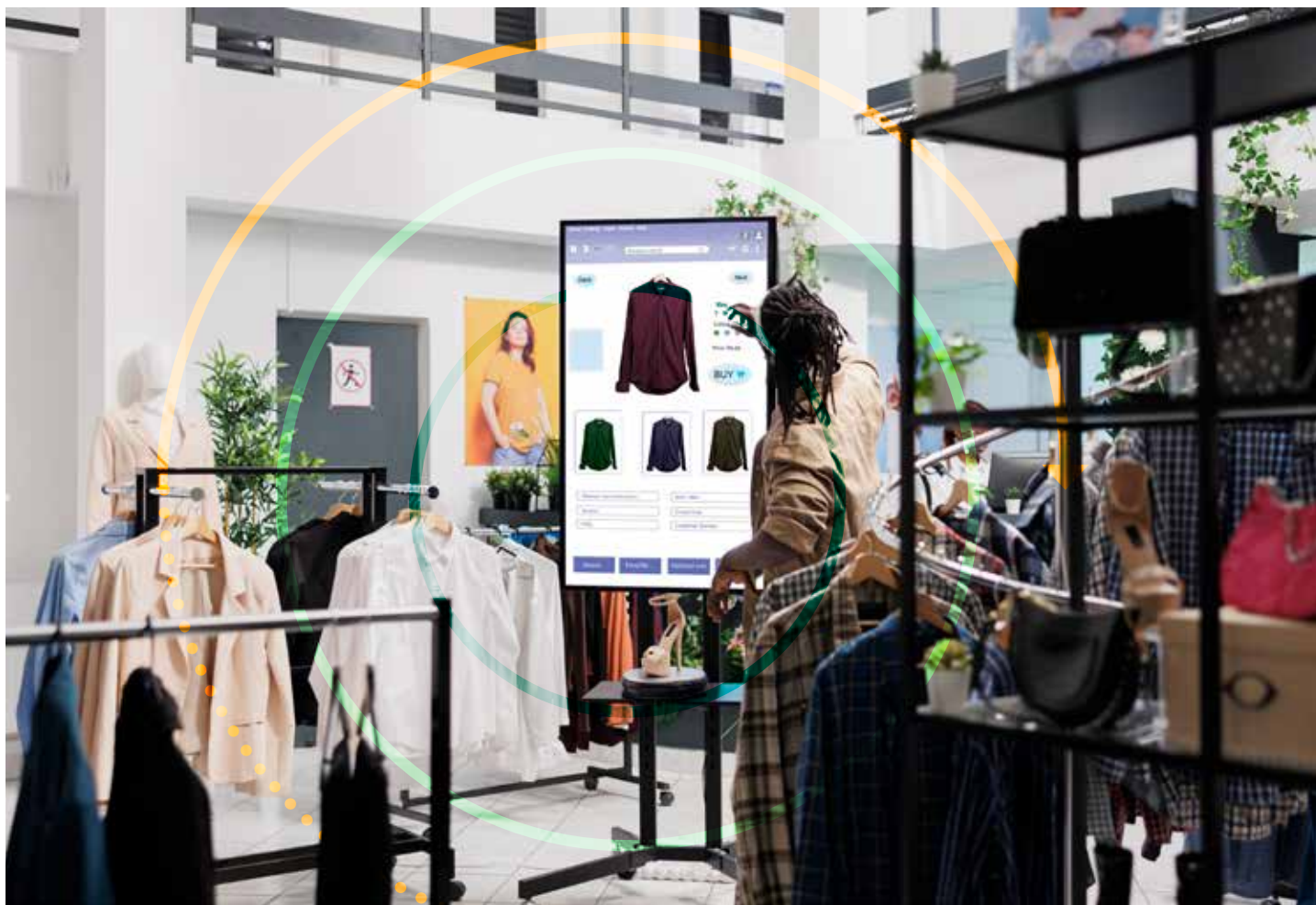




CHAPTER 6

Afterword – The Road Ahead for India's Retail Spaces

India's retail real estate journey is far from having reached its peak. In fact, the most exciting chapters may still lie ahead. As the country's economy expands and consumer spending power rises, the demand for organised retail space will only intensify. Hundreds of new brands, both domestic and international, are entering or expanding in the Indian market, drawn by a young population and evolving lifestyles. These brands, in turn, will require quality physical spaces to showcase their offerings. Shopping behaviour is also maturing. Today's Indian consumer seeks not just a place to buy goods, but an enjoyable, modern environment to spend time with family and friends. In this context, shopping centres will continue to be the linchpin of India's retail experience – providing the scale, comfort, and variety that shoppers and retailers alike covet.



Yet, as highlighted in this report, a critical gap exists between the current supply of quality retail space and the burgeoning demand. Many top-tier shopping centres are effectively full, with a waiting list of retailers, while aging and lower-grade centres have empty floors that signify wasted potential. Bridging this gap is both the challenge and the opportunity of the coming decade. The solution does not lie solely in building more shopping centres at the outskirts of cities – rather, a significant part of the answer lies in reinvigorating the retail assets we already have. By upgrading, repurposing, and reimagining underperforming shopping centres, India can fast-track the expansion of its modern retail footprint without the long lead times of new construction. It is a sustainable approach as well, extracting value from existing structures and infrastructure.

The road ahead for India's retail spaces will require collaboration and creativity. Developers, investors, retailers, and policymakers must work in tandem to unlock the latent potential in ghost shopping centres. This means incentivising redevelopment, easing regulatory hurdles for change-of-use, sharing best practices in shopping centre management, and perhaps most importantly, keeping the consumer at the heart of every decision. A revived shopping centre must ultimately serve the community – whether as a buzzing retail hub, a mixed-use destination, or a new civic space. If India can successfully turn its dormant retail spaces into thriving centres of activity, the payoff will be manifold: reduced urban blight, enhanced consumer choice, increased employment, and a more balanced, resilient retail ecosystem. In essence, by breathing new life into yesterday's retail format, India can better meet the needs of tomorrow's consumer economy – ensuring that the nation's retail real estate truly lives up to its vast potential.

Appendix

This appendix provides detailed coverage of the **Think India Think Retail 2025** survey, capturing the breadth and depth of India’s organised retail footprint. The study includes shopping centres, high streets, airports, and hotels across 32 cities, mapped through extensive field surveys and classified using a multi-parameter grading framework.

City Selection

Cities were chosen based on their economic contribution, population size, retail penetration, and the presence of a critical mass of shopping centres or high streets.

Shopping Centre Coverage

This section outlines the spread of operational shopping centres across Tier 1 metros and Tier 2 cities, highlighting the geographic diversity of India’s organised retail footprint.

Tier 1 Cities	Tier 2 Cities		
Ahmedabad	Amritsar	Indore	Mysuru
Bengaluru	Aurangabad	Jaipur	Nagpur
Chennai	Bhopal	Jalandhar	Raipur
Hyderabad	Bhubaneswar	Kochi	Surat
Kolkata	Chandigarh	Kozhikode	Thiruvananthapuram
Mumbai	Coimbatore	Lucknow	Vadodara
National Capital Region (NCR)	Guwahati	Ludhiana	Vijayawada
Pune	Hubli-Dharwad	Mangaluru	Visakhapatnam

High Street Coverage

India’s high streets continue to play a pivotal role in organised retail. This section captures the most prominent high street corridors across metros and Tier 2 cities, reflecting both legacy destinations and emerging clusters.

S. No.	City	High Street	S. No.	City	High Street
1	Ahmedabad	Chimanlal Girdharlal Road (CG Road)	10	Bengaluru	Mahatma Gandhi Road (MG Road)
2	Ahmedabad	SG Highway	11	Chennai	Anna Nagar
3	Bengaluru	Brigade Road	12	Chennai	Nungambakkam High Road
4	Bengaluru	Church Street	13	Hyderabad	Ameerpet
5	Bengaluru	Commercial Street	14	Hyderabad	Banjara Hills
6	Bengaluru	Hennur Main Road	15	Hyderabad	Gachibowli
7	Bengaluru	Indira Nagar – 100 Ft Road	16	Hyderabad	Jubilee Hills
8	Bengaluru	Jayanagar - 4th Block	17	Hyderabad	Somajiguda
9	Bengaluru	Koramangala - 100 Ft and 80 Ft Road	18	Kolkata	Park Street & Camac Street

S. No.	City	High Street	S. No.	City	High Street
19	Mumbai	Colaba Causeway Market	39	Chandigarh	Sector 17 Market
20	Mumbai	Linking Road	40	Coimbatore	NSR Road
21	Mumbai	Lokhandwala Market	41	Guwahati	Guwahati-Shillong Road
22	Mumbai	Lower Parel	42	Hubli-Dharwad	Coen Road
23	NCR	Bungalow Road, Kamla Nagar	43	Hubli-Dharwad	Gokul Road
24	NCR	Connaught Place	44	Indore	AB Road
25	NCR	Greater Kailash 1 – M Block Market	45	Jaipur	Malviya Nagar
26	NCR	Khan Market	46	Jalandhar	Model Town Road
27	NCR	Lajpat Nagar	47	Lucknow	Faizabad Road
28	NCR	Rajouri Garden	48	Lucknow	Hazratganj
29	NCR	South Extension – I & II	49	Ludhiana	Ferozepur Road
30	NCR	DLF Galleria – Gurugram	50	Mangaluru	Light House Hill Road
31	NCR	Sector 18 Market – Noida	51	Nagpur	Mount Road
32	Pune	Baner Road	52	Raipur	Dharam Nagar Tagore Nagar
33	Pune	Koregaon Park	53	Surat	Dumas Road
34	Pune	Mahatma Gandhi Road (MG Road)	54	Surat	Citylight Road
35	Aurangabad	API Road	55	Vadodara	Alkapuri Road
36	Bhopal	Narmadapuram Road	56	Vadodara	Old Padra Road
37	Bhopal	New Market	57	Vijayawada	Mahatma Gandhi Road (MG Road)
38	Bhubaneswar	Janpath Road	58	Visakhapatnam	Waltair Road

Airports Coverage

Airports have emerged as high-traffic retail destinations, particularly for premium and travel-related categories. This section details the surveyed airports across India that form part of the organised retail ecosystem.

S. No.	City	Airport Name	S. No.	City	Airport Name
1	Ahmedabad	Sardar Vallabhbhai Patel International Airport	10	Kolkata	Netaji Subhash Chandra Bose International Airport
2	Amritsar	Sri Guru Ram Das Jee International Airport	11	Lucknow	Chaudhary Charan Singh International Airport
3	Bengaluru	Kempegowda International Airport	12	Mumbai	Chhatrapati Shivaji Maharaj International Airport
4	Bhopal	Raja Bhoj Airport	13	Nagpur	Dr. Babasaheb Ambedkar International Airport
5	Chandigarh	Shaheed Bhagat Singh International Airport	14	NCR	Indira Gandhi International Airport
6	Chennai	Chennai International Airport	15	Pune	Pune International Airport
7	Coimbatore	Coimbatore International Airport	16	Vijayawada	Vijayawada International Airport
8	Hyderabad	Rajiv Gandhi International Airport	17	Vizag	Visakhapatnam International Airport
9	Kochi	Cochin International Airport			

Five-Star Hotel Coverage

Hotel arcades offer boutique luxury retail, often catering to high-net-worth individuals and international visitors. This section presents the cities where five-star and heritage hotels host organised retail outlets.

S. No.	City	S. No.	City	S. No.	City
1	Jaipur	5	Chennai	9	Udaipur
2	Ahmedabad	6	Pune	10	Jodhpur
3	Mumbai	7	Hyderabad	11	Chandigarh - Tri city
4	NCR	8	Bengaluru	12	Kolkata

Shopping Centre Grading Criteria

To assess the quality and performance of shopping centres, each asset was evaluated against a set of 10 standardised parameters. This grading framework forms the foundation for identifying ghost shopping centres and evaluating their reinvigoration potential.

Criterion	Grade A	Grade B	Grade C
Age	Modern – New/recently renovated; up-to-date design	Mature – Mid-age; partial renovation	Old – Outdated; little/no renovation
Design & Façade	Iconic – Well-designed façade; modern, uniform architecture	Adequate – Functional façade; some consistency	Outdated – Plain, dated, inconsistent design
Sustainability / Certifications	Certified – LEED/BREEAM/IGBC or equivalent; high efficiency	Partial – Some eco-features; limited certification	Negligible – No certifications; outdated systems
Retail Programming / Tenant Mix	Curated – Balanced mix; F&B, entertainment, premium brands; active events	Mixed – Decent spread of brand mix	Unplanned – Few categories; weak/no programming
Anchor Tenants	Multiple – Hypermarket + department store + multiplex + premium anchors	Single – At least one strong anchor; few mid-tier anchors	Absent – Few/no anchors; mostly inline stores
Circulation / Layout	Seamless – Intuitive layout; spacious atriums, multiple vertical links	Standard – Usable layout; standard vertical access; common areas sufficient but not spacious	Poor – Cramped common area, weak visibility
Amenities & Comfort	Premium – Restrooms, seating, childcare, accessibility, landscaping	Functional – Adequate amenities; basic comfort	Minimal – Poor/inadequate amenities; weak upkeep
Parking	Ample – Organized; valet, direct access	Limited – Functional but constrained	Inadequate – Inconvenient or absent
Management & Maintenance	Professional – Outsourced facilities; efficient, well-maintained	Moderate – Partially outsourced; some maintenance gaps	Weak – Owner-managed; poor upkeep
Ownership	Unified – Full ownership by single entity (developer, REIT, fund, trust) ensuring consistency in management	Hybrid – Majority owned by one entity but some strata/fractional ownership	Varied – May be single-owner or strata-owned; ownership and decision-making structures are not uniform

Note: Mall grading is a combination of all the above criteria and not one parameter alone.

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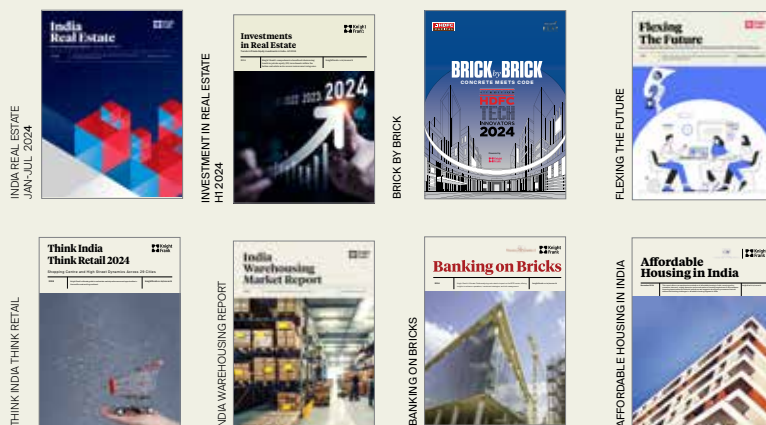
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