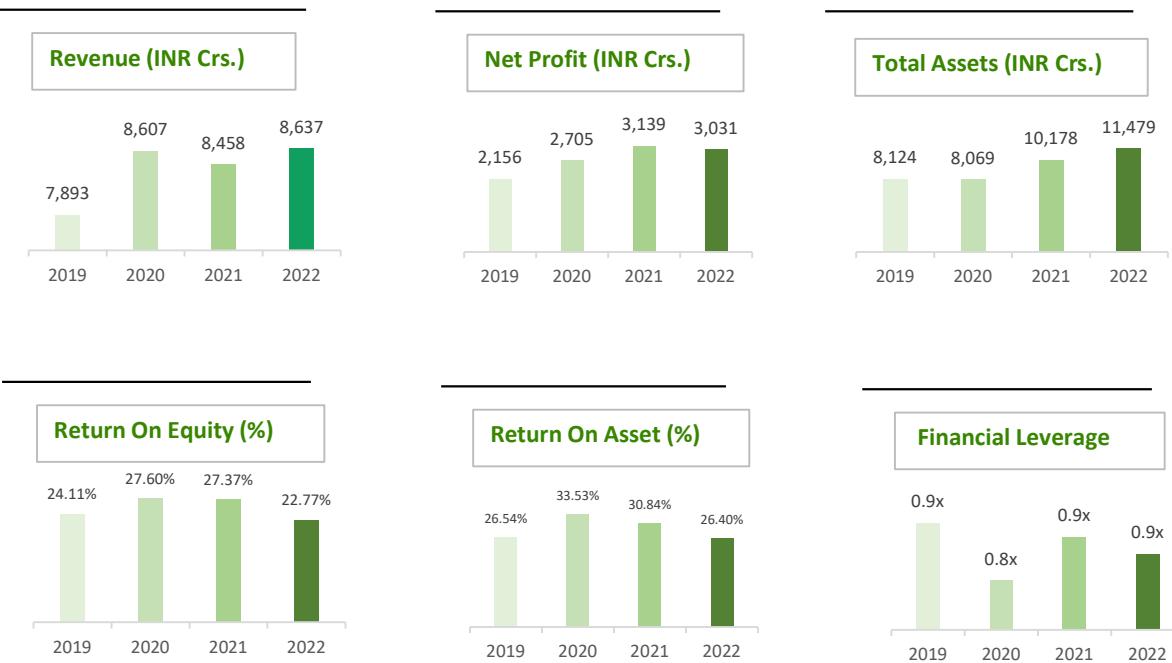


About The Company

Avenue Supermarts Limited, d/b/a DMart, is an Indian retail corporation that operates a chain of supermarkets and hypermarkets. The company was founded by Radhakishan Damani and is based in Mumbai. As of March 2025, DMart has 415 stores across 12 states and union territories in India.

Financial Summary



Recent Updates

- PAT grows 22% YoY to Rs 563 crore, revenue up 20%
- The company's revenue jumped 20% year-on-year (YoY) to Rs 12,727 crore. The retailer's EBITDA rose 22.3% YoY to Rs 943 crore while its operating profit margin also growth of 13 bps at 7.41%.
- Avenue Supermarts, which runs the popular DMart chain of retail stores, on Saturday, announced that its consolidated profit for the quarter ended March 2024 has jumped 22.4% to Rs 563 crore as against

Dopond Analysis - Return On Equity & Return On Asset

	Return on equity						
	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22
Net Profit	1745.16	1939.43	2038.93	2155.92	2705.17	3139.29	3030.57
Average Shareholder Equity	5633.59	7064.355	8007.06	8940.39	9800.355	11468.23	13308.93
Return on equity	30.98%	27.45%	25.46%	24.11%	27.60%	27.37%	22.77%
	ROE - Dupont Equation						
	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22
Net Profit	1745.16	1939.43	2038.93	2155.92	2705.17	3139.29	3030.57
Revenue	5585.36	7096.01	8527.24	7892.67	8606.94	8457.57	8636.74
Net Profit Margin (A)	31.25%	27.33%	23.91%	27.32%	31.43%	37.12%	35.09%
Revenue	5585.36	7096.01	8527.24	7892.67	8606.94	8457.57	8636.74
Average Total Asset	5279.515	6202.595	6881.74	8124.42	8068.985	10177.67	11479.22
Asset Turnover Ratio (B)	1.1x	1.1x	1.2x	1.0x	1.1x	0.8x	0.8x
Average Total Asset	5279.515	6202.595	6881.74	8124.42	8068.985	10177.67	11479.22
Average Shareholder Equity	5633.59	7064.355	8007.06	8940.39	9800.355	11468.23	13308.93
Equity Multiplier (C)	0.9x	0.9x	0.9x	0.9x	0.8x	0.9x	0.9x
Return On Equity (A*B*C)	30.98%	27.45%	25.46%	24.11%	27.60%	27.37%	22.77%
	Return on Asset						
	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22
Net Profit	1745.16	1939.43	2038.93	2155.92	2705.17	3139.29	3030.57
Average Total Asset	5279.515	6202.595	6881.74	8124.42	8068.985	10177.67	11479.22
Return on Asset	33.06%	31.27%	29.63%	26.54%	33.53%	30.84%	26.40%
	ROA- Dupond Equation						
	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22
Net Profit	1745.16	1939.43	2038.93	2155.92	2705.17	3139.29	3030.57
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Asset Turnover Ratio (B)	1.1x	1.1x	1.2x	1.0x	1.1x	0.8x	0.8x
Return On Asset (A * B)	33.06%	31.27%	29.63%	26.54%	33.53%	30.84%	26.40%

Dupont Summary

- ROE of Avenue Supermart has declined over the period, falling from around 31% in FY16 to nearly 23% in FY22. While ROE improved temporarily during FY20–FY21, the overall trend reflects a gradual reduction. This decline has occurred despite an improvement in net profit margin, which increased from roughly 31% in FY16 to about 34–35% in FY22.
- Over the past seven years, the primary reason for the fall in ROE is the consistent reduction in financial leverage.

Disclaimer : This report is made as part of educational assignment and is meant for educational purpose only. The author of the report is not liable for any losses due to actions taken basis this report. It is advisable to consult SEBI registered research analyst before making any investments.