

Avenue Supermarts Ltd

(DMART | BSE Code:540376)

INR 3501.75

52 Week (High -INR 5219 & Low -3530)

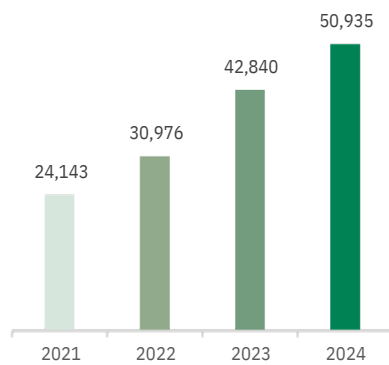


About the Company

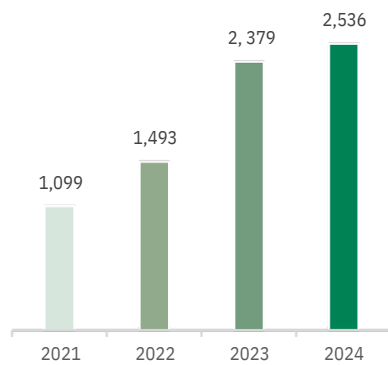
DMart is a one-stop supermarket chain that aims to offer customers a wide range of basic home and personal products under one roof. Each DMart store stocks home utility products - including food, toiletries, beauty products, garments, kitchenware, bed and bath linen, home appliances and more - available at competitive prices that our customers appreciate. Our core objective is to offer customers good products at great value. DMart was started by Mr. Radhakishan Damani and his family to address the growing needs of the Indian family. From the launch of its first store in Powai in 2002, DMart today has a well-established presence in 371 locations across Maharashtra, Gujarat, Andhra Pradesh, Madhya Pradesh, Karnataka, Telangana, Chhattisgarh, NCR, Tamil Nadu, Punjab and Rajasthan. With our mission to be the lowest priced retailer in the regions we operate, our business continues to grow with new locations planned in more cities. The supermarket chain of DMart stores is owned and operated by Avenue Supermarts Ltd. (ASL). The company has its headquarters in Mumbai. The brands D Mart, D Mart Minimax, D Mart Premia, D Homes, Dutch Harbour, etc are brands owned by ASL.

Financial Summary

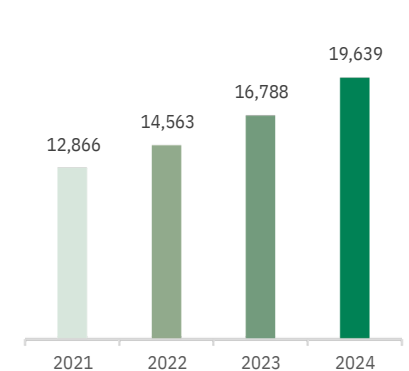
Revenues(INR Crs.)



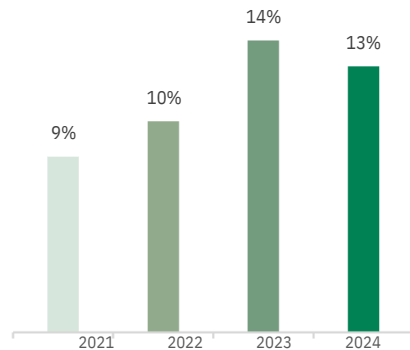
Net Profit (INR Crs.)



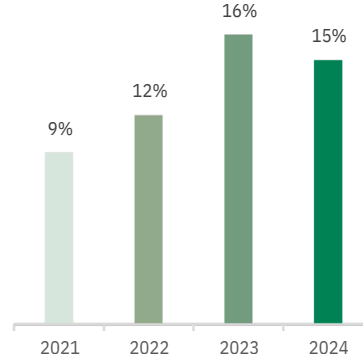
Average Total Assets(INR Crs.)



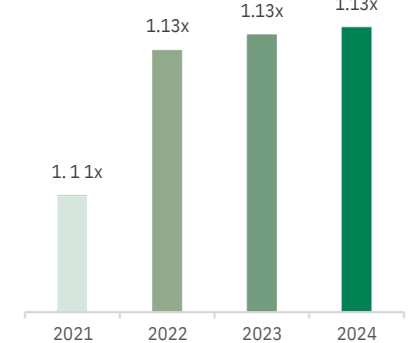
Return on Asset (%)



Return on Equity (%)



Financial Leverage



Recent Updates

DMart chain of retail stores, its consolidated profit for the quarter ended March 2024.

- Profit: Rs 563 crore, a 22.4% increase from the same quarter in the previous financial year.
- Revenue: Rs 12,727 crore, a 20% increase year-on-year. • EBITDA: Rs 943 crore, a 22.3% increase year-on-year.
- Operating profit margin: 7.41%, a 13% increase.
- Basic earnings per share (EPS): Rs 8.66, compared to Rs 7.10 in the same period of the previous fiscal year.
- DMart also opened 24 new stores during the fourth quarter, bringing the total number of stores to 365 across 12 states and union territories in India.

Dupont Analysis - Return on Equity & Return on Asset

Return on Equity(ROE)							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	806.3	902.5	1301.1	1099.5	1492.6	2378.5	2536.2
Average Shareholder Equity	4255.4	5128.3	8333.6	11631.7	12930.7	14878.2	17388.3
Return on Equity(ROE)	18.95%	17.60%	15.61%	9.45%	11.54%	15.99%	14.59%

ROE - Dupont Equation							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	806.3	902.5	1301.1	1099.5	1492.6	2378.5	2536.2
Revenue	15033.2	20004.5	24870.2	24143.1	30976.3	42839.6	50935.3
Net Profit Margin (A)	5.36%	4.51%	5.23%	4.55%	4.82%	5.55%	4.98%

	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Revenue	15033.2	20004.5	24870.2	24143.1	30976.3	42839.6	50935.3
Average Total Asset	5733.8	6326.9	9540.8	12865.6	14563.0	16787.8	19638.5
Asset Turnover Ratio (B)	2.6x	3.2x	2.6x	1.9x	2.1x	2.6x	2.6x

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Average Total Asset	5733.8	6326.9	9540.8	12865.6	14563.0	16787.8	19638.5
Average Shareholder Equity	4255.4	5128.3	8333.6	11631.7	12930.7	14878.2	17388.3
Equity Multiplier (C)	1.3x	1.2x	1.1x	1.1x	1.1x	1.1x	1.1x

Return on Equity (A*B*C)	18.9%	17.6%	15.6%	9.5%	11.5%	16.0%	14.6%
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Return on Asset							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
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Average Total Asset	5733.8	6326.9	9540.8	12865.6	14563.0	16787.8	19638.5
Return on Asset	14.06%	14.27%	13.64%	8.55%	10.25%	14.17%	12.91%

ROA-Dupont Equation							
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Net Profit	806.3	902.5	1301.1	1099.5	1492.6	2378.5	2536.2
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Return on Asset (A*B)	14.06%	14.27%	13.64%	8.55%	10.25%	14.17%	12.91%
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Dupont Summary

- ROE of Avenue Supermart has been decreased to 15.61% during COVID and made a low of 9.45% in FY 2021 which now has rose to precovid levels and currently at 14.59% as of 31 March 2023.
- ROE has been decreased significantly in the past 7 years from 18.95% to 14.59%. Asset efficiency of the company is constantly maintained throughout the period, the reason for fall in ROE is reduction of financial leverage in the company from 1.35x in FY2018 to 1.13x in FY2024.
- ROA of Avenue Supermart has been decreased from 14.06% in FY2018 to 12.91% in FY2024. While the asset efficiency remains constant, the reason for increase in ROA is decreased net margin of the company.

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