

NATIONAL INSTITUTE OF TECHNOLOGY,WARANGAL
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Organisational Structures and Personnel Management

ASSIGNMENT 1

TOPIC

CASE STUDY : D-MART

SUBMITTED TO

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CASE STUDY

D[★]MART

ABOUT

• COMPANY	D-MART
• FOUNDER	RADHA KRISHNA DAMANI
• TYPE	HYPERMARKET CHAIN
• HEADQUARTERED	MUMBAI (MH)
• OPERATED BY	AVENUE SUPERMAR- KET LTD.
• ESTABLISHED IN	2002
• TOTAL STORES	214 (2021)
• TOTAL REVENUE	24,000 (Cr.) (2019)
• TOTAL PROFIT	1,300 (Cr.) (2019)

Today, D~~A~~MART has become a synonym of the ~~world~~ Supermarket and is also called the "WALMART OF INDIA".

INTRODUCTION :

DMART is the most successful hypermarket chain in India formed by Radha Krishna Damani in 2002 with its first store in Mumbai.

Radha Krishna's main focus was on starting small, keeping the business profitable and working on consistent growth.

Their business model and strategies were so strong and solid that from the day they have started this business till now they have never faced failure or loss in it. From the year 2002 to 2021 they have an exponential growth in the number of stores in all over India.

Here is the list of stores in different year and in different states of India -

(1) Year 2002 - 2003

Total Stores : 2

States : Maharashtra.

(2) Year 2012 - 2013

Total Stores : 57

States : Maharashtra (40)

Gujarat (14)

Karnataka (3)

(3) Year 2015 - 2016

Total stores : 110

States : Maharashtra (58)

Gujarat (26)

Telangana (13)
 Karnataka (6)
 Andhra Pradesh (3)
 Madhya Pradesh (3)
 Chhattisgarh (1)

(4) Year: 2018 - 19

Total stores: 176

States: Maharashtra (70)
 Gujarat (34)
 Telangana (21)
 Karnataka (16)
 Andhra Pradesh (11)
 Madhya Pradesh (6)
 Rajasthan (5)
 Punjab (4)
 Tamil Nadu (4)
 Chhattisgarh (3)
 NCR (Delhi) (1)
 Daman (1)

(5) Year: 2019 - 2020

Total Stores: 214

States: Maharashtra (76)	Chhattisgarh (5)
Gujarat (37)	NCR (1)
Telangana (24)	Daman (1)
Karnataka (20)	
Andhra Pradesh (17)	
Madhya Pradesh (11)	
Rajasthan (7)	
Punjab (5)	
Tamil Nadu (10)	

DMART Business Model and Supply Chain :

The chain of DMART operates on a B2C (Business to Consumer) model in which the company sells its goods from the manufacturers house to that of the end-user.

Some good practices of DMART business model are as follows -

- ① **Ownership Model :** This model plays a major role in making DMart a low or no debt company making it financially strong. Most of stores are owned by the company ~~and~~, thus they never have to pay rent which helps ~~decrease~~ DMART open more stores and gain high positive cash flow.
- ② **Low Operational Expenses :** Rather than making expensive and attractive interior DMART tries to ~~to~~ make it as simple as possible. They also make effective utilization of their space by putting as much items as possible in a small space. They also don't have many billing counters in their store to avoid labor charges.
- ③ **Affordable Price of Products :** DMART is well known for his huge discounts and excited offers that makes DMART popular among customers. DMART buys their product from directly from manufacturers and sell to customer eliminating the ~~the~~ distributors and whole sellers profit as a result customer directly gets ~~a~~ benefit of it.

- ④ Slotting fee: It is a fee that Dmart charges from the manufactures to store their product on the shelves of Dmart stores. As the store got its profit in the form of fee, the margin ^{on} of product is decreased as a result customers are benefited.
- ⑤ Regional Goods: In different regions there are different local products that are very famous among the peoples. Dmart researches the popular brand (local) of a particular region and makes them available in their stores thereby avoiding peoples need to go to the local Kirana stores. This has helped Dmart to gain more market shares.
- ⑥ Good Relationship with Manufacturers: DMART repays its suppliers within a week and also try to maintain a healthy relation with them which results in ~~in~~ Dmart items ~~stock~~ are never "out of stock".

SUGGESTIONS FOR THE COMPANY :

- (1) Increase in Bill counters: The current generation values time more than money and if the customer has to wait for long time in a queue may result in customer discontinue. It is also reduce the rush and at store keeping the avoiding the covid situations.
- (2) Increase Parking area: It is one of the most crowded places in India and it become very difficult to get a parking in. It is also a major issue which breaks customers.
- (3) Home delivery: They can also start home delivery service by changing amount for it. Because of this pandemic most of the people avoid crowded places but if they will get such an option definitely DMART sales will increase.

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Conclusion :

Heavy crowd is the major issue because of which some customers avoid shopping on dmart. If some technique to maintain the crowd is implemented then surely there revenue will increase.

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Reference:-

(1) StartupTalley.com(2) Wikipedia(3) LearnStockMarket.in(4) iide.co