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Radhakishan Damani (RD) - Journey from Dalal street to a billionaire

Many of u might have not read about this underrated billionaire bcoz he maintains low profile .

There's a saying for him that “wo itni khamoshi se kaam karte hai ki unki kamyabi shor macha deti hai”.

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Radhakishan Damani was born to a Marwari family. Famously known as Mr. White (coz he mostly wears white clothes) .
Radhakishan Damani started his career as a stockbroker.

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But he soon understood that if he wants to earn money from the market, then he needed to invest and trade his own money in the stock market, instead of being just a stockbroker. And soon he started stock trading his in the Indian stock market.

He made huge profits from it

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In 2001, After reaching such great heights, he suddenly quit the stock market business and decided to enter the retail industry

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He launched DMart supermarkets and hypermarket chain in 2002 .

Well have u ever thought why DMart offers high discounts as compared to other stores ?

This credit goes to the strategy applied by Radhakrishnan Damani

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I will give u point by point explanation of the startegy he has employed

1. Almost every store is owned by DMart , that means they don't have to pay for rent. And with this startegy they have never

faced shutdown of any store of theirs since their inception

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2. DMart has always remained on basic items & has never forayed into electronics , the reason being it requires big space & a long time to sell.

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3. U must have seen stores like Metro Mall launching their own brands , but DMart never does this as it always relies on third party .

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4. Loyal Customer base- In these all years it has given high discounts to its customers. And their main audience is middle class & lower middleclass group.

5. Slotting fee - This is the another reason why they are able to offer high discounts.

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Basically slotting fee is the rent the manufacturer pays to retailer for a particular shelf in the supermarket so that his product gets sold fast .

6. Operational Cost - If u have ever visited DMart u may have noticed that they don't have fancy interiors.

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This the another reason why they are able to offer high discounts .

7. Vendor relationship-

The FMCG industry has a payment norm of 12-21 days, but Dmart pays its vendors on 11th day itself. This helps him stay in the good books of the vendors and avoids stock outs.

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Basically, his strategy is to “Buy it low, Stack it high and sell it cheap”!

From a revenue of 260 cr in 2007 they have jumped to a revenue of 5000 crores in 2019 . DMart has almost 220+ stores running across India

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DMart is valued around 2 lac crores at present.

Radhakrishnan Damani is also the mentor of Rakesh Jhunjhunwala. It will not be wrong to call him "Sam Walton of India"

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