



Corporate Look of Indian Retailing Industry – A Case Study of Reliance Group

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ABSTRACT

Retailing is important part of industrial segment of any economy in any country which is divided in Organized Retailing Segment and Unorganized Retailing Segment. In any country there is existence of both segments and performing well. The dominance of these segments differs from country to country. In developing countries there is dominance of unorganized segment where as in developed countries there is dominance of organized segment. In India after 1991 there is change in the trading and marketing activities in the country as the liberalized policy declared by central government which has opened the door for corporate sector to enter in retailing industry and so many corporate houses have entered in this industry. In this paper researcher has tried to study Reliance Group as one of the key player of Indian Organized Industry.

KEYWORDS

Retailing, Retailing Industry, Organized Retailing Segment, Unorganized Retailing Segment

INTRODUCTION:

Retailing industry is gaining the attention of government, researchers, academicians and policy makers. For any country Retailing is a distinct, diverse and dynamic sector which is of huge economic significance to most developed nations. It generates revenue and wealth for nation, encourages investments and brings technological advancements. It also brings employment and creates wealth of the economy and vibrant part of our changing society and a major source of employment.

Retailing Industry is divided into two sectors: Organized Retailing Sector and Unorganized Retailing Sector.

Organized Retailers - Organized Traders/Retailers are those who are licensed for doing trading activities and registered to pay different taxes to the government.

Unorganized Retailers – Unorganized Retailers are those consisting of unauthorized small shops - conventional Kirana shops, general stores, corner shops among various other small retail outlets selling different items in small quantity, normally not paying tax to the government and majority of them are managed or controlled by the local government authorities.

In this paper, efforts have been made to study Reliance Group as one of the key player of Indian Organized Retailing Industry.

METHODOLOGY: This study is based on secondary data collected from report titled "Indian Retail Report 2015", Published by Images Multimedia Pvt. Ltd., New Delhi, annual reports of Reliance Retail Limited and websites.

UTILITY: This secondary data based study will be useful to researchers, academicians and corporate officers for getting the idea about the performance of Reliance Group in Indian Organized Retailing Industry.

INTRODUCTION OF RELIANCE GROUP: This group has entered in Indian Retailing Industry in the year 2006. The promoter is Mr. Mukeshbhai Ambani. The name of the company is Reliance Retail Ltd (RRL) a subsidiary company of Reliance Industries which has 45 subsidiaries & divisions.

AREA OF BUSINESS: Company has adopted a multi product business strategy and operates chain of convenience stores, supermarkets, hypermarkets, wholesale cash & carries stores, specialty stores and online stores and has democratized access

to all types of products and services across all segments for all Indian consumers. This company is engaged in doing the business of selling FMCG products, food products, electronics and consumer durables products, apparel products, footwear products, lifestyle products, and home improvement products.

SNAPSHOT OF FINANCIAL PERFORMANCE AND NO OF STORES ACROSS INDIA:

- 21,075 Crore Revenues in FY2016.
- 857 Crore EBDITA in FY2016.
- More than 3,300 Retail Stores are in operation.
- 13 million Sqft Retail Area.
- More than 3.5 million Customers are served every week.
- Operating in more than 670 Cities.

DIFFERENT BUSINESS UNDER RELIANCE RETAIL:

(1) RELIANCE DIGITAL: This retail format concentrates on information technology based consumer durable products which are the largest electronics retail chain in the country. Under the brand name Reliance Digital, Digital Xpress and Digital Xpress Mini there are more than 600 stores across seventy cities of the country.

(2) RELIANCE FOOTPRINT: This format was started in November 2007 as a multi-brand family footwear store. Today it is offering more than 60 domestic and international brands. This format is available in more than hundred cities through hundred and seventy stores stocking over 20,000 products in formals, casuals, party wear, comfort wear, kids wear, home wear, sportswear, accessories, luggage, handbags, and more.

(3) RELIANCE FRESH : This format is introduced as the neighborhood store concept.

(4) i STORE: This format is Part of Reliance Digital. iStore is an Apple Premium Reseller and local Apple expert. iStore offers a range of Apple products and accessories.

(5) MARKS & SPENCER (M&S) : Under this format there are forty stores working in India under joint venture between UK fashion retailer Marks & Spencer (M&S) and Reliance Retail. In 2013, the this brand entered tier II locations as in Kochi, Kanpur and Surat. In May, 2014, the company opened a store in Mumbai entirely dedicated to lingerie and beauty products. It is the planning to have 100 stores in India by 2016.

(6) RELIANCE MART : In 2007 company started the retails business under named 'Reliance Mart' in Ahmedabad that offers consumer durable products that include clothing, stationery, toys, medicines, home furnishings, footwear, FMCG, IT, automotive accessories, apparel accessories, and fashion jewellery as part of its lifestyle section.

(7) RELIANCE MARKET: This format was started in 2011. Reliance Market, the dynamic player in India's cash-and-carry segment and has already become the leading wholesale cash-and-carry chain in the country which is finding 100 new potential locations for the cash-and-carry business across the country by 2016.

(8) RELIANCE TRENDS: Since 2011 this format is working as fashion and accessories brand of Reliance Retail .These stores offer a variety of brands across men's, women's and children's categories. More than 165 Reliance Trends stores has been working across 100 cities in the country.

(9)RELIANCE SUPER :Reliance Super store is a Minimart format that offers a large variety of products in every category including fresh produce food and grocery, home care products, apparel and accessories, non-food FMCG products, home appliances and automotive accessories and lifestyle products.

(10) VISION EXPRESS: Vision Express is a joint venture between Reliance Retail and Grand Vision which is Europe's largest optical retailer with worldwide presence of 5000 plus stores in over 41 countries. There are around 175 outlets under this format across India basis.

CONCLUDING REMARKS:

Reliance Retail Limited is venture of Reliance Group headed by Mr. Mukesh Ambani started in the year 2006 which is the leading player of Indian Organized Retailing Business. This company has more than 3,300 retail outlets with the presence in 670 cities of India. In the years to come the company will hold good position in the market.

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