

Birla Retail sees same-store sales rising 3-4%

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After seeing low footfalls, Aditya Birla Retail, the retail unit of Aditya Birla group, is witnessing an uptick in business.

The firm has decided to play on the pricing strategy to increase footfall in stores. It also plans to expand its retail operations by adding exclusive stores to its existing 646 outlets by the end of the current financial year.

Thomas Varghese, CEO of Aditya Birla Retail said, "The market is looking up since a couple of weeks. We have witnessed same store growth of 3-4% month on month."

The company, which clocked a turnover of Rs 1,150 crore in fiscal 2008-2009,

More, merrier

The retail chain is also looking at increasing its private labels to garner more cash

The firm plans to add around 70 private labels

It is also looking to ramp up its hypermarket format More Megastore

is expecting to grow at around 25-35% this year and plans to close the current fiscal with a Rs 1,600 crore revenue, helped by both same-store sales growth and new ones, Varghese said.

With pressure mounting on the retail arm to generate extra efficiencies, it has closed non performing

stores, increased private labels and shifted focus to higher margin format-hypermarkets.

More than 1,300 employees were given training for front-end retail. It had so far shut down around 107 stores across India.

"Our strategy is to make profit at company's level. We are at various stages of breaking even and hope to be profitable by 2012-2013," said Varghese.

The shift in strategy follows with slowdown hitting the retail sector and consumer tightening the budgets. But since January, we are seeing an improvement, he added.

The retail chain is also looking at increasing its private labels to garner more revenues.