expect growth at double of inflation in FY24: Raymond's Gautam Hari Singhania

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As the demand has started to come back slowly, diversified group Raymond expects its growth rate to remain "at least double of inflation" this fiscal, according to Raymond Chairman and Managing Director Gautam Hari Singhania. Singhania says he is "optimistically" looking at the future with growth in mid to high teens percentage in the coming three-five years.

The diversified group expects higher growth coming from its new realty business, while its lifestyle business comprising suiting and shirting verticals, gives a push to the growth. "Post Covid FY23 has been a good year for Raymonds so far. It was good for everybody. Things have turned around. I am optimistically looking at the future," Singhania told PTI.

Raymond has two fundamental businesses – lifestyle and real estate. It was facing a slowdown because the middle class, which creates demand for clothing to housing and education, had a little bit of an impact on income because of the recession. "I think slowly it is starting to come back, which is a positive sign. And I am hopeful as you know that in May, there is a good wedding season, we should see a reasonable bounce back," he added.

When asked about global inflation, Sighania said the supply chain issues in the world are still there. "They are not going away… it is improving but I guess if maybe you know a few more quarters and it should get better." Over Raymond's growth expectation for FY24, Singhania said: "We must grow at least double the rate of inflation. That should at least aspire … businesses like real estate will grow faster than our fabric business because that's more legacy business. "But having said that, the real estate business base is smaller. So, the combined gross I would say double that of inflation is something you should definitely look at," he said.

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When asked about the margins, Singhania said, "Our margins are increasing quarter on quarter." Raymonds which owns brands such as Park Avenue and ColorPlus expects to continue the growth momentum from the last six quarters. "In line with our continuous growth for straight six quarters, we at Raymond are optimistic that we will continue to grow our revenues and profitability in mid to high teens percentage in coming 3 to 5 years," said Singhania.

This growth will be fuelled by the retail expansion and distribution reach across the country as it focuses on the new offering Ethnix by Raymond as well as other apparel brands. "We plan to open 400 to 500 new retail stores," he said adding "This expansion primarily will be on an asset-light model." According to Singhania infrastructure development happening at a rapid pace along with a burgeoning middle class exhibiting a greater propensity to buy premium products reflects the robustness of the economy. "For Raymond, weddings in India is a big always a big opportunity and in the coming two months we have about 40 wedding days. Post covid, NRI weddings have also gathered steam in India," he said.

Over exports, Singhania said its orders are full and is adding new customers. It has invested around Rs 200 crore and added 19 new lines in garmenting business. "We enjoy the unique position of being a preferred supplier for global brands. Our order book for the Garment Export is full as we are continuously acquiring new customers it is a proud moment for Raymond being clothier to the world," said Singhania.

While talking about its real estate business Raymond Realty, Singhania said its commitment and before-time delivery of the houses and has got "credibility" in the market. "The growth in our real estate business will be led by developing Thane land parcel and through joint development agreements (JDA's) route in Mumbai Metropolitan Region (MMR). We are on track to become a net debt-free company in the next two years," he said. Raymond, which is also present in the engineering business, consumer care and denim had a consolidated revenue of Rs 6,348 crore in FY22.