

IMAGES OF FASHION.COM

JULY 27, 2010

IMAGESFashion.com BETA

<http://www.imagesfashion.com/NewsDetails.aspx?Ntype=1&id=433>

GOENKA DIAMOND PLANS AN EXPANSION

Source: Goenka Diamond and Jewels, Jul 27 2010



Mumbai-based Goenka Diamond and Jewels plans to scale up their operations with an investment boost of up to Rs 100 crore. As part of the expansion plan, the company plans to open 19 more outlets pan-India over the next 18 months, taking the total number of outlets to 24.

"We are looking at opening 19 more stores over the next 18 months with an investment of Rs 100 crore. Of this 17 will be G Wild and two will be Ceres stores," said GDJ's Managing Director, Navneet Goenka.

On the back of expansion plans, the company aims to grow at 25% annually at least in the next five years. "We expect a 25% top-line growth this fiscal, at par with the industry standards. The bottomline is expected to grow by 9% around Rs 60 crore," Goenka said.

The company, which derives around 75% of its total revenue from exports to countries like Russia and Malaysia, had clocked a net sales of Rs 536 crore in FY'10 and has targetted this number to go up to Rs. 700 crore in FY '11.

Presently, the company has six stand-alone boutique stores under its two premium brands, G Wild and Ceres. The new stores will come up in locations like Chandigarh, Ludhiana, Ahmedabad, Kanpur, Delhi, Goa, Amritsar and Kolkata.

According to Goenka, the zooming gold prices in the country have given a push to the diamond jewellery sales and this trend is expected to continue in the approaching years. The company, which is in the business of cutting and polishing of diamonds and manufacturing and retailing of diamond jewellery under Ceres and G Wild brands, had raised Rs. 125 crore through an initial share sale early this year.

G Wild is a premium brand with prices ranging from Rs.10,000 to Rs. 4 lakh while Ceres is a luxury brand and has a price range starting from Rs. 5 lakh.