

Having already established itself as a brand in apparels, Kewal Kiran Clothings is now setting its sights on the retail sector, along with putting into motion an ambitious plan for increasing its exports

In Tune With Fashion Fads

Incorporated in 1981, Kewal Kiran Clothing today is amongst the few large branded apparel manufacturers in India. The company with sales in Asia, Middle East and CIS, designs, manufactures and markets branded jeans, semi-formal, and casual wear for men. The company began as a manufacturer of men's wear for reputed brands. The company is exposed to global standards in quality, technology, marketing and branding. In 1989, the company introduced 'Killer', the first international denim brand created in India. Today 'Killer' is one of the most successful and widely recognised brands in the Indian apparel industry.

Excerpts from the interview with Kewal Chand Jain, CMD, KKCL:



Kewal Chand Jain
CMD,
Kewal Kiran Clothing

What kind of impact Kewal Kiran Clothing has witnessed due to the recent global economic slowdown? What kind of strategies are you adopting to maintain

your growth?

We have seen the demand softening all over. The positive side of the slowdown is that real estate prices have rationalised and further tend to be corrected as a result of which property prices shall become affordable. In order to maintain our growth we have planned vertical expansion. We are looking for properties on a revenue sharing basis and appointing new franchisees and distributors. The company exports to Middle East and is enhancing its presence in the American market.

What is your take on the interim budget 2009-10? What other initiatives are required from the government to revive the growth of the textile industry?

The interim budget has hardly touched any area for economic growth. In fact, the government should take positive steps to enhance the demand of domestic consumer goods in the country.

The country's money is being migrated overseas through international brands. We are a company seeking growth from internal accruals and the company's brand equity and if the government bestows some benefits this will sweeten our bottomline.

What have been the thrust areas for Kewal Kiran Clothing in recent times?



We have been manufacturers of branded apparels since the last two decades and until now have had little experience in retail but we wish to be good in retail too. Our thrust has been to create excellent quality products and ensure stronger and wider presence across the country.

What is your present capacity? Is there any plan for increasing this capacity in the near future?

Our installed capacity is over 3 million pieces per annum. We are watching market conditions and if need be we will add further capacities.

Tell us about your retail network. How many stores have you opened this year? What are the targets for the next financial year?

We have opened 40 stores this year. The target for next year is 50-70 stores across the country.

Apart from branded lifestyle clothing, you are also into shoes and eyewear. What kind of revenue these two segments bring to your overall earnings? What kind of potential do you see in these two segments?



We have specialised in denim and casuals. We are adding lifestyle products like

Kewal Chand Jain

CMD, Kewal Kiran Clothing

India is an emerging market and not a developed market for branded apparels as a result of which the realisations are not as expected.

shoes and sunglasses with a view to provide single window shopping. We have started a promotional campaign for shoes and sunglasses and as such have meager revenue from the same. Commercial operations of these products will add to our topline and bottomline without much increasing the overheads. However, we foresee tremendous potential in the fashion accessories segment if done in the right manner.

What was your export revenue in the last financial year? What initiatives have you taken to enhance your overseas presence further?

Presently our export sale is meagre as compared to total turnover. We are exploring possibilities of exporting to the US.

You have an array of established

brands. Is there any plan for launching new ranges in the near future?

No.

Is there any plan for further diversification in the near future?

No.

Where do you see Kewal Kiran Clothing in the next five years?

A leading branded lifestyle products' company with a turnover of Rs 500 crore.

Can you tell us about the risks and challenges that lie ahead for the company to maintain its sustained growth?

India is an emerging market and not a developed market for branded apparels as a result of which the realisations are not as expected. Malls have been only a footfall story and are not really generating business. This has led to lower penetration. Another risk is the ability to increase the MRPs in a highly

competitive environment.

What is your vision for Kewal Kiran Clothing?

Kewal Kiran is a financially strong, fully transparent and law-compliant company and has all the potential for becoming a Rs 1,000 crore company by 2018. Barring the recessionary market trends, it should grow smoothly.

How are you creating value for your investors?

Investors' have reposed confidence in the management of the company and the management is committed to ensure highest profitability and greater EPS. We are inclined to enhance the awareness of the company's branded products across the world to improve realisations and topline and bottomline. ❖