

October 21, 2020

To  
Bombay Stock Exchange Limited  
P. J. Towers  
Dalal Street, Fort  
Mumbai-400001

BSE Scrip Code : 539216

Dear Sir

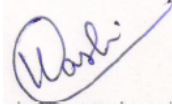
Pursuant to regulation 30 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015, please find attached herewith the Investor presentation for your information and for the information of the stakeholders. The same has also been uploaded in the website of the company [www.junctionfabrics.in](http://www.junctionfabrics.in)

This is for your information and record.

Thanking You

Yours Faithfully

**For Garment Mantra Lifestyle Limited**



**K. Lakshmi Priya**  
**Company Secretary and Compliance Officer**



**Place: Tirupur**



# Garment Mantra Lifestyle Ltd

## Investor Presentation

*October 2020*

# Company at a Glance

# Company Overview



- Incorporated in the year 2011 as a private limited company, Garment Mantra Lifestyle Ltd (Erstwhile Junction Fabrics & Apparels Ltd) is a company focussed on fulfilling the fashion and lifestyle aspirations of Mass Indian Population.
- The Promoters have extensive experience in the Textile Industry for over 3 decades.
- It is an entrepreneur and professionally driven organization engaged in the business of garment manufacturing and selling of both **Knitted Fabrics** as well as **Knitted Garments**.
- It came out with a **Public Issue** in the year **2015 on BSE-SME platform**.
- The company has garmenting facilities spread over 26000+ sq. feet area at **Tirupur – popularly known as ‘Knit City’**.
- The company offers large bouquet of garment products across age groups and segments – kids wear, mens wear and womens wear.
- Over the years, the company has built robust portfolio of **5000+ SKUs** ranging across age groups, segments and sizes.

# Key Highlights



## Strategic Location of Garmenting Unit

- Garmenting unit is spread over 26000+ sq. feet at Nethaji Apparels Park at Tirupur, Tamil Nadu
- Tirupur is also known as “Knitwear Capital’ of India, accounting for around 90% of India’s cotton knitwear exports

## Integrated entire Textile Value Chain

- Garment Mantra controls the entire textile value chain from supplying yarn to the mills for Knitting, Dyeing, Printing, Compacting factories
- Exclusive facilities contracted for each process ensure company with supply of consistent quality fabrics / garments with effective control on costs as well

## Wide Product Portfolio catering to Masses

- Garment Mantra has designed over 5000+ SKUs ranging across ages, segments – kids wear, mens wear, womens wear, boys and girls wear and sizes
- In-house innovative design skills has helped the company in developing vast variety of SKUs and stay ahead of competition
- Variety of fabrics – knitted, blended, 100% polyester, 100% cotton, 100% knitted cotton, non-allergenic natural fibre, eco-friendly

## Adaptive Business Strategy

- Garment Mantra has adopted Innovative Strategies to stay ahead of the competition – sourcing of surplus fabrics of international quality to give it cost competitiveness
- Recently it has started Manufacturing of very affordable Face Masks & Cotton PPE Kits to cope up with the demand arising from prevailing pandemic – Covid-19.

## Experienced Management Team

- Managed by a team of highly experienced and senior management team with exposure in Textile Industry
- Dynamic leadership of the Management has been instrumental in the growth strategy and future plans of Garment Mantra

# Strong Management Team



## Mr. Prem Aggarwal

Chairman & Managing Director

- Instrumental in driving the company strategy.
- 25+ years of experience in the Textile Industry.
- Skill to understand and handle major functions of the company.

## Mrs. Shikha Aggarwal

Whole-Time Director

- Holds a bachelor degree in Arts.
- 15+ years of experience in the Garment Industry.
- Looks after the Domestic Sales & Marketing.

## Ms. Ashmita Agarwal

Director

- Holds a bachelor degree in Commerce.
- Having experience in Product designing and packaging designing.
- Assists in the designing process of fabrics manufacturing.

## Mr. Ramasubramaniam Senthilrajagopal

Independent Non Executive Director

- Holds a Degree of Chartered Accountant from Institute of Chartered Accountant of India.
- 15+ years of experience in practice in the field of Audit and Taxation.

## Mr. Subramanian Thirumurugan

Independent Non Executive Director

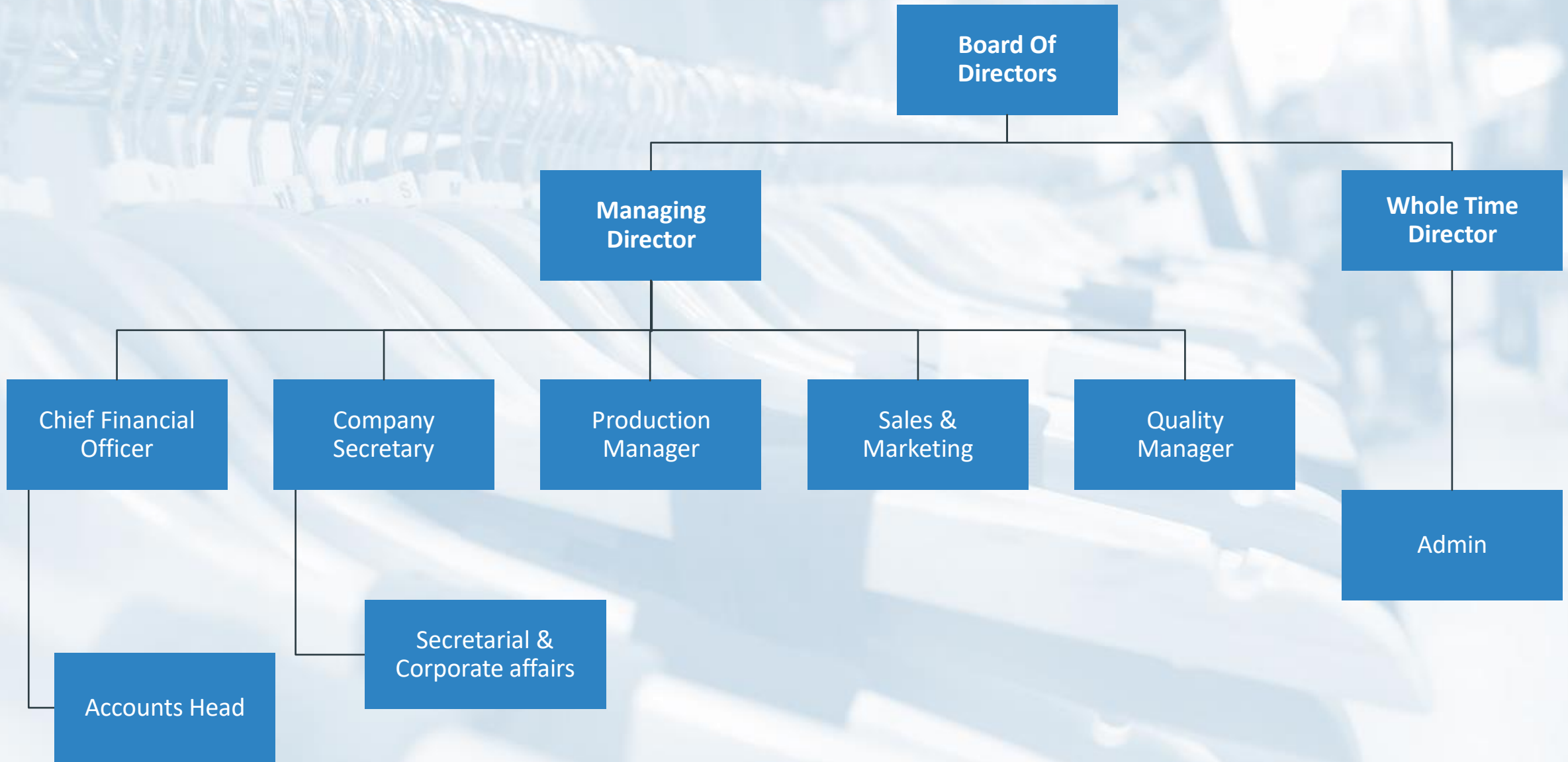
- Holds a Degree in Engineering.
- 18+ years of experience in the IT field.

## Mr. Anil Goyal

Independent Non Executive Director

- Qualified Chartered Accountant in Practice since 1983 .
- 35+ years of experience in legal and other related matters.
- Expertise in FEMA related matter.

# Organizational Structure



# Facilities at Tirupur

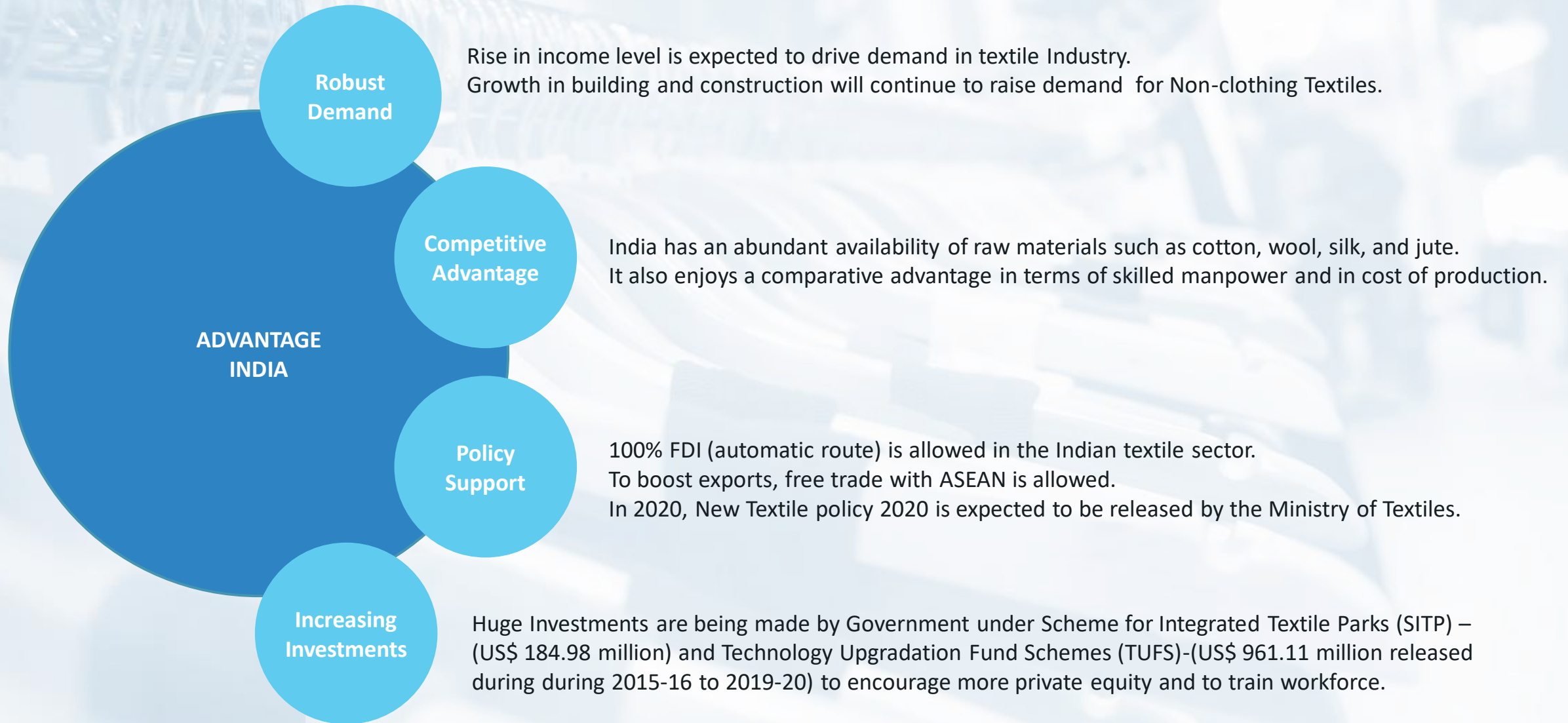


Factory Address: Shed No 40, Nethaji Apparel Park, Ettiveerampalayam, New Tirupur – 641 666.



# Industry Overview

# Indian Textile industry



# India - Knitting the future

India is among the world's largest producers of Textiles and Apparel.

The domestic textiles and apparel industry contributes 2.3% to India's GDP and accounts for 13% of industrial production, and 12% of the country's export earnings.

The textiles and apparel industry in India is the second-largest employer in the country providing employment to 45 million people. It is expected that this number will increase to 55 million by 2020.

- *FDI in the textiles and apparel industry has reached up to \$3.1 bn during 2018-19*
- *Exports in the textiles and apparel industry are expected to reach \$300 bn by 2024-25 resulting in a tripling of Indian market share from 5% to 15%*

<b>28%</b>	<b>2.30%</b>	<b>12%</b>	<b>45 mn</b>
Expected sector CAGR (2019-2021)	Share in India's GDP	Textile exports share in overall exports	Employment generated



**Largest producer of cotton & jute in the world**



**Second largest producer of polyester, silk and fibre in the world**



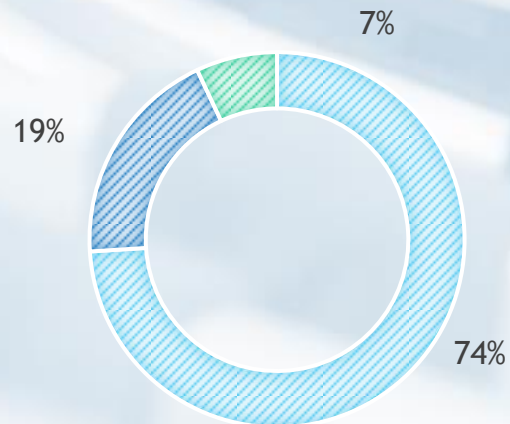
**Second largest employment provider in India after agriculture**

# Industry Scenario

- Textile & garments industry in India is expected to reach \$ 223 bn by 2021 from \$ 137 bn in 2016.
- The textiles and apparel industry in India has strengths across the entire value chain from fiber, yarn, fabric to apparel.
- It is highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool and silk products to the organized textile industry.
- The organized textile industry is characterized by the use of capital-intensive technology for mass production of textile products and includes spinning, weaving, processing, and apparel manufacturing.
- The domestic textiles and apparel industry stood at \$140 bn in 2018 (including handicrafts) of which \$100 bn was domestically consumed while the remaining portion worth \$40 bn was exported to the world market.

## DOMESTIC CONSUMPTION

■ Apparel ■ Technical Textile ■ Home furnishing

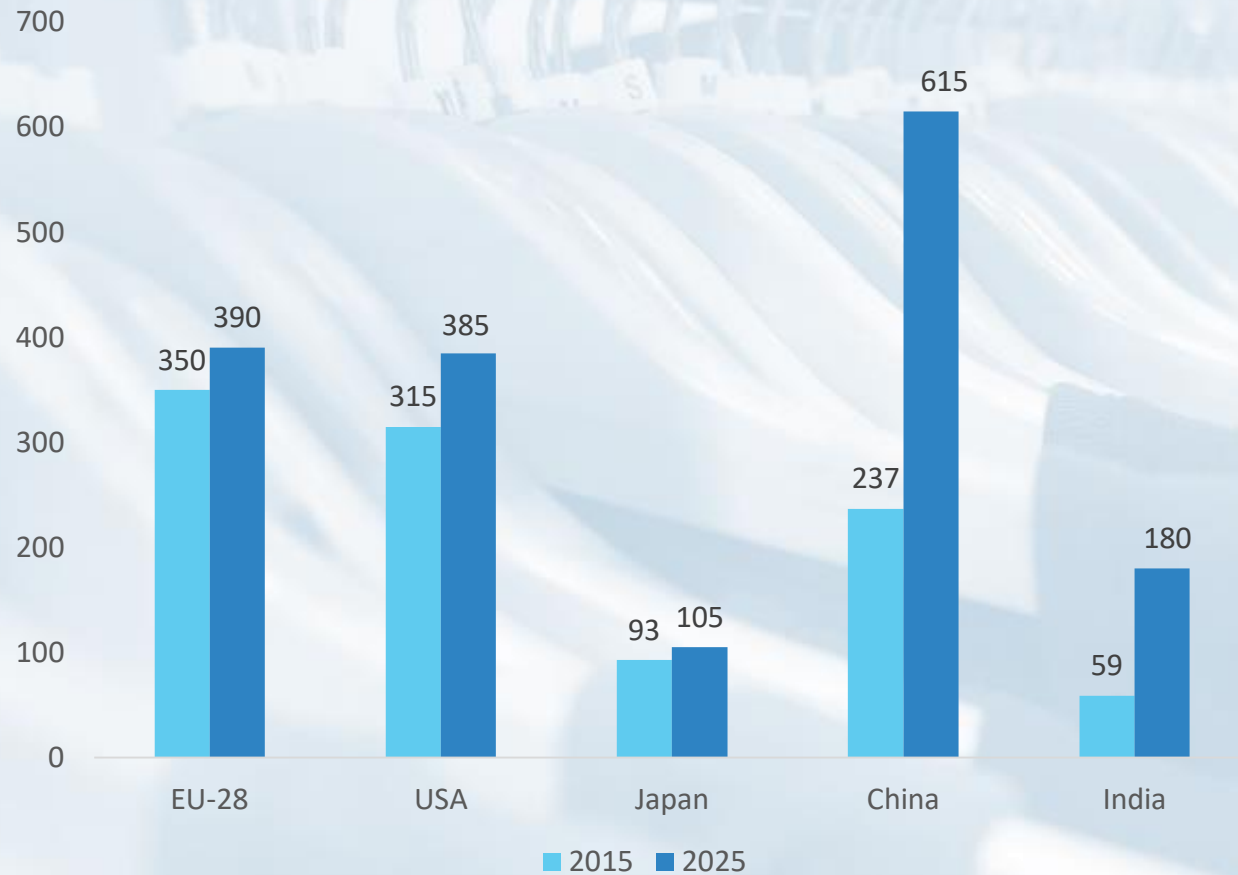


## Growth Drivers

- Abundance of raw material
- Presence of entire value chains
- Competitive manufacturing costs
- Availability of skilled manpower
- Large and growing domestic market
- Rising per capita income, higher disposable incomes and preferences for brands
- Organized retail landscape & e-Commerce
- Increased focus on technical textiles due to growth of end-user industries such as automotive, healthcare, infrastructure and oil and petroleum

# Changes In Global Consumption Pattern

Global Apparel Market Size (US\$ Bn.)



- The global apparel market size is expected to reach US\$ 2.6 trillion in 2025 growing by a projected rate of 4%.
- EU, USA & China are the world's largest apparel markets with a combined share of approximately 54%.
- The growth in Key markets is almost stagnant in volume terms.
- The largest growth is likely to come from China & India due to their growing domestic demand coupled with increasing spending power of people.
- China will become the biggest apparel market, while India will be the second most attractive apparel market by 2025.

# Changes In Global Consumption Pattern

## Disruptions

### Global Economy

- Volatility & Uncertainty
- Global interconnectedness and competition
- Growth shift from West to South And to East
- Disruptive Technologies with accelerated adoption

### Consumer Shifts

- Connected and in control
- Seamlessly move Omni channel during shopping journey
- Expecting zero friction
- Sharing peer-to-peer: information, reviews, opinions
- Expecting it all: convenience, quality, values orientation, newness and price

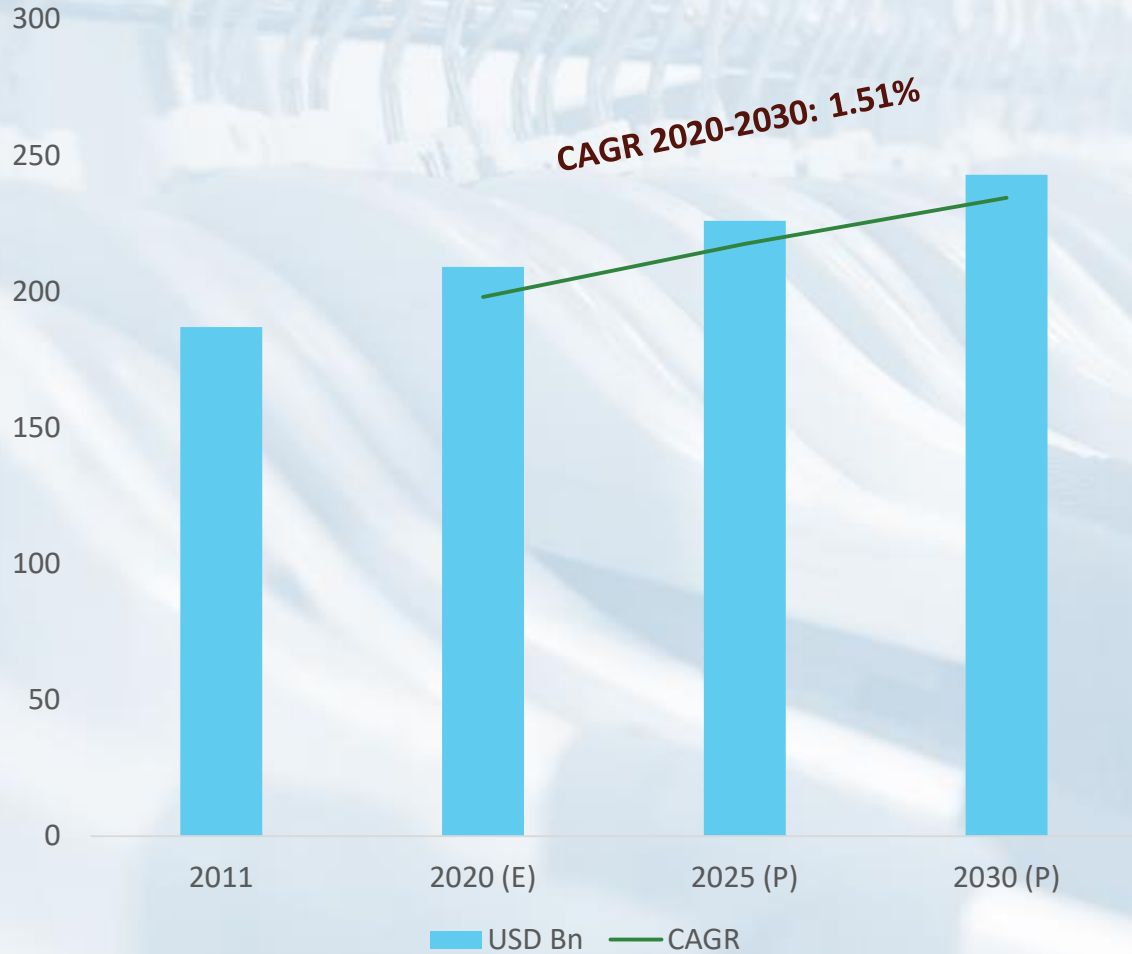
### The Fashion System

- Digitization across the value chain, with refined cost structure
- Accelerated industry pace
- Brands experimenting with direct-to-consumer
- Brick-and-mortar traffic in decline - reinventing the store
- Proliferation of data, providing business opportunities & challenges in control and security

# Global Opportunities for Indian Textiles & Apparel Sector



## Global Cotton Apparel Trade (USD Bn)



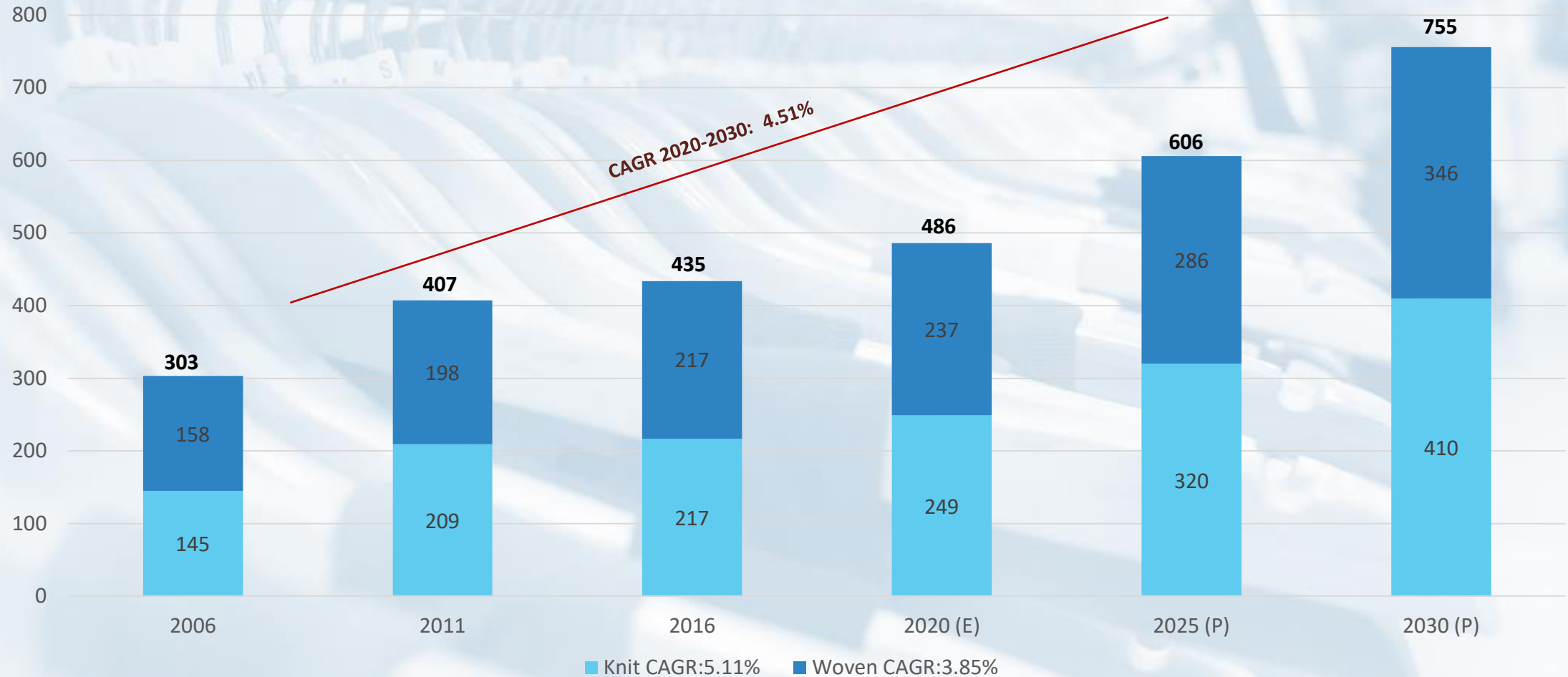
## Global Synthetic Apparel Trade (USD Bn)



# Global Opportunities for Indian Textiles & Apparel Sector



### Comparative growth of Knitted and Woven Apparel Trade(USD Bn)





# Opportunities In India's Domestic Market

## Demand Factor

Continued rise of 'Corporatized Retail'

Growing aspirations and appetite to experiment

Global brands going beyond metros

Rising income and purchasing power

Evolving E-tail market

Growing young population and share of working women

## Supply Factor

Rapid real estate and infrastructure development

Emergence of new categories

Development of supply chain improving efficiency

Proliferation of International brands providing plethora of options

Expansion plans of existing players

R&D, Innovation and new product development

# Garment Mantra - Facilities and Product Range

# Tirupur – popularly known as ‘Knit City’



- Tiruppur is popularly known by few of the nicknames - Knit Wear Capital of India, Textile City, Dollar City, Cotton City, Baniyan City, Knit City, etc., accounting for 90% of India's cotton knitwear export and provides employment to around 400,000 workers.
- It has spurred up the textile industry in India for the past three decades. It contributes to a huge amount of foreign exchange in India.
- Special Industrial Parks have been developed to support the textile industry. Nethaji Apparel Park, Thirupur Export Knitwear Industrial Complex, SIDCO Industrial Estate and J. S. Apparel Park are a few that are operational.
- Nethaji Apparel Park which was established in 1992 and has 189 sheds built over a 4200 square feet area has 53 companies manufacturing knitwear for exports. It presently provides employment to 15,000 people and generates export revenue of Rs. 15 billion from the apparels produced in it.
- Some of the world's largest retailers including C&A, Nike, Walmart, Primark, Adidas, Switcher, Polo Ralph Lauren, Diesel, Tommy Hilfiger, M&S, FILA, H&M, Reebok import textiles and clothing from Tiruppur.
- The City also has locational advantage in terms of the climatic conditions, which gives fabrics manufactured in the city a natural advantage especially for the drying process against machine dried fabrics

# Robust Infrastructure – Across Textile Chain

- Garment Mantra controls the entire textile value chain from supplying yarn to the mills for Knitting, Dyeing, Printing, Compacting factories
- Exclusive facilities contracted for each process ensure company with supply of consistent quality fabrics / garments with effective control on Costs

## GARMENT MANTRA

### Knitting



The Company produces various qualities of circular knitted fabrics right from 100gsm to 400gsm by utilizing the latest & advanced technology machines.

### Dyeing



Ultra modern soft flow machines are used for fabric dyeing.

### Garment Stitching



The company has 50 sewing machines to sew quality garments. The production capacity is about 1,00,000 pcs per month.

### Printing



All over print on knitted fabric using multi colour rotary printing machine Stormac for reactive, pigment and discharge prints.

### Embroidery



The company has computerized multi head embroidery machines. Hand embroidery designs with sequence work, beads. Stone fixing, rhinestones, heat transfer photo & flock prints.

# Vast & Diverse Product Portfolio



## Salient Features of Products:

- All Sizes Garments
- Knitted Fabrics
- Attractive Design
- Blended fabrics i.e. Cotton – Polyester as well as Polyester cotton
- 100% polyester fabrics
- 100% Cotton Knitted Fabrics
- Non-allergenic natural Fibre
- Eco-friendly Products

### MENS WEAR

Polo T-Shirts

Round Neck T-Shirts

Sweatshirts

Nightwear

### WOMENS WEAR

Leggings

Girls Leggings

Nightwears

Yoga wear

Shrugs & Jackets

T-Shirts

### KIDS WEAR

Boys T-Shirts

Kids

Shorts & 3/4th

Girls Sleepwear

# Product Portfolio

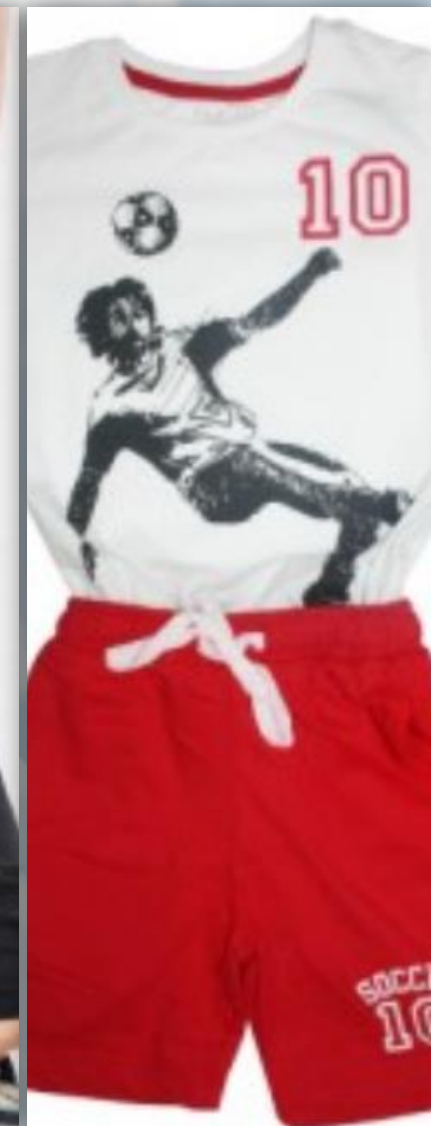


The company has its own in-house brands:



# Product Portfolio

GARMENT  
मंत्र



# Product Portfolio





# Distinguished Fabric Sourcing Strategy

- Rich Experience in the Textile Industry, the company has always taken efforts to remain ahead of its competition
- Fabric – remains an integral part for success of any garment / apparel player – the company has adopted innovative methods for sourcing of fabrics meeting the right quality, latest fashion trend and competitive price in the domestic market.
- The company has started sourcing of surplus fabrics from manufacturers of leading international brands like Zara, H&M, etc and from international & domestic market for trading of fabrics and also making its own garments.
- Cost competitiveness – surplus fabrics are cost effective as compared to earlier traditional sourcing – giving it a pricing advantage of ~10-15%

***Strategy has given substantial impetus to both trading and garment business of the company – thereby Maintaining an Edge over its Peers***



# Quick Adaptability to Market Needs

## Started Manufacturing of Face Masks & Cotton PPE Kits

- The company has demonstrated its versatility in adopting to changing dynamics of business and launching new products.
- Amidst the prevailing pandemic – Covid-19, realizing the need to meet the needs of the Mass Population and as its commitment to serve the society, the company started production of Face Masks & Cotton PPE kits to protect and fight against the deadly virus.
- By virtue of its experience in the textile industry, the company innovated an affordable and sustainable solution for manufacturing of masks, which are prepared by cotton knitted fabrics, making it reusable, washable and high sweat absorbing.
- The company intends to make the product available across every household in our country



# Road Ahead



# Way Forward



- Innovative Strategy right from sourcing of fabrics, designing skills, production process, cost competitiveness is likely to position **'Garment Mantra'** as one of the preferred Knitted Garment Brand in the country
- Fabric Trading business is likely to get an impetus as the company increases its sourcing of surplus fabrics from the domestic & international markets
- Medical Textiles – Face Masks & Cotton PPE kits – likely to be one of the key growth driver, as the segment gets adopted as normal lifestyle product to fight not only Covid-19, but any other potential virus in future

***Garment Mantra is likely to be a Niche Player into the Textile Sector with aim to be Household Name for Branded Garments***

# Post Covid Business Update



- Post Covid, the Company has started utilizing plant facility by venturing into manufacturing of Covid related medical essentials such as Face Masks & Cotton PPE Kits and have seen great traction in that segment. The Company has made variety of masks with different specifications on a large scale with the increase in demand for protected wears.
- Recently, the Company has executed an order worth of 4.4 crores within 15 days of receiving the same from one of the largest B2B platforms and supplied requisite quality products.
- During the lockdown, the Company has witnessed a spike in demand for leisure garments as people were forced to stay at home and as a result knit wear became the basic necessity of the nation.
- Due to festive season and with ease of the restrictions, demand has picked up almost three times higher than the normal scenario and the Company is very optimistic about better performance in the second half of the year.
- Demand from export market has also surged and that is very positive sign for the Company.
- Garment Mantra has faced all the challenges occurred from this pandemic with all its sheer might and valor. With the demand picking up, the Company believes that it has sailed through the corona storm unwracked.

# Ahead in meeting Social Responsibility

C  
S  
R  
Corporate  
Social  
Responsibility



# Committed to give back to Society as part of its CSR commitment



**Business should not only be responsible morally to the stakeholders but also to the society, environment and towards a sustainable planet at large.**

**“ It takes 20 years to build a reputation and only 5 minutes to ruin it.”**

**-(Warren Buffet)**

Following their footsteps we have taken a lot of initiatives for the betterment of our Society and as a token of love to the future generation.

# Love Towards Mother Nature

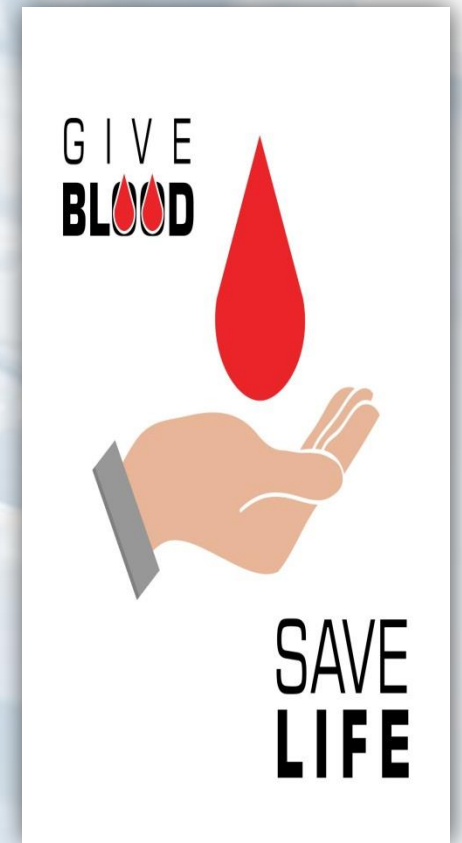
- As a part of its commitment towards climate change initiatives, company has planted 8.5 lakhs of trees as a part of “VANATHUKKUL TIRUPPUR”. The main objective of company to spend CSR funds in this project to create green cover area by plantation.
- For this activities, company has donated a water tank tractor along with funds for the maintenance of the tractor and driver expenses.





# Towards our Society

- Always supporting the enhancement of the quality of life, education and health, Garment Mantra affirm their commitment to the welfare of community by encouraging students with School fees as well as Scholarships And by providing Medical help to elderly and needy people .
- Moreover, the company has organized blood donation camps with the aid of Indian Medical Association and Rotary



# Achievements:

Our Management Team has brought back Laurels and made us and the Company proud.

Naming a few:

- Mr. Prem Aggarwal : Abdul Kalam Award for Best Entrepreneur
- Mrs. Shikha Aggarwal : Abdul Kalam Best Service Award
- Mrs. Ashmitha Aggarwal : Youngest Successful Business Women Award
- Mrs. Tanvi : Motivational Awards in Yoga



# Financial Highlights



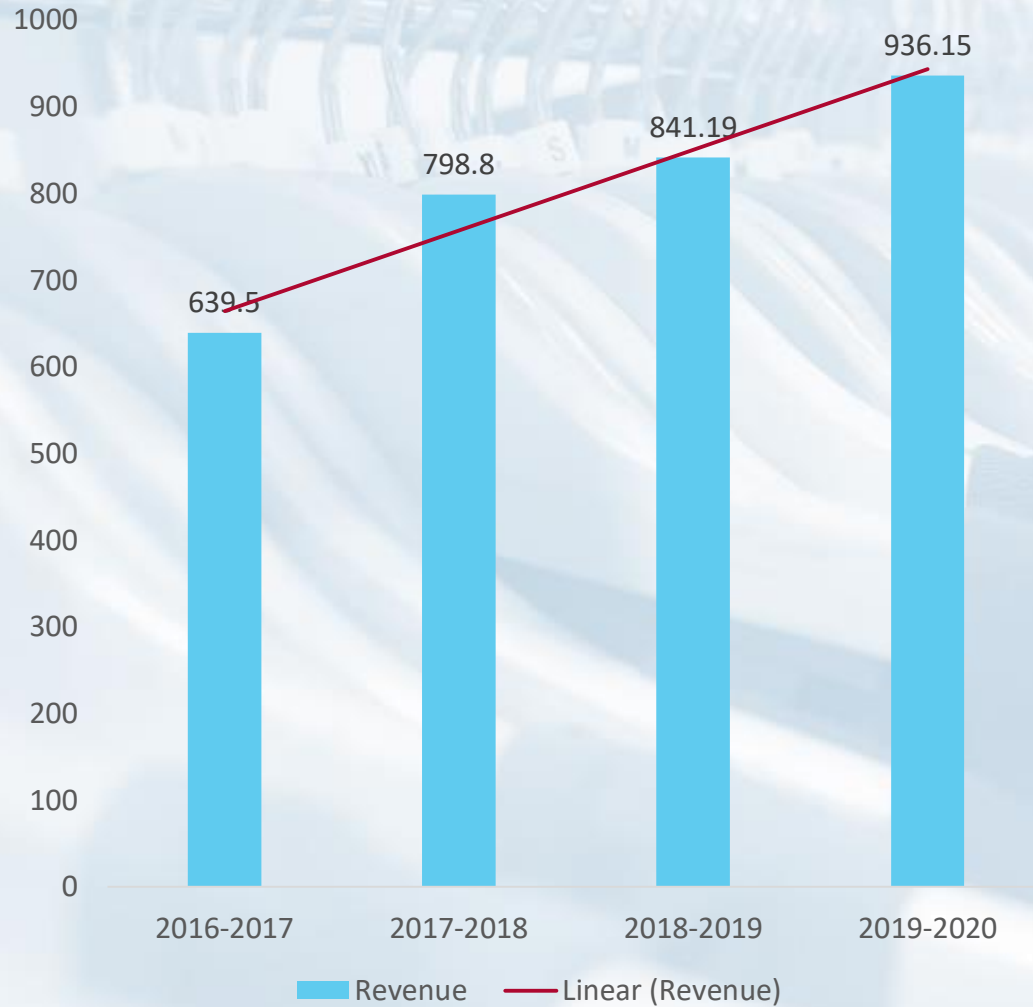
# H2FY2020 Performance



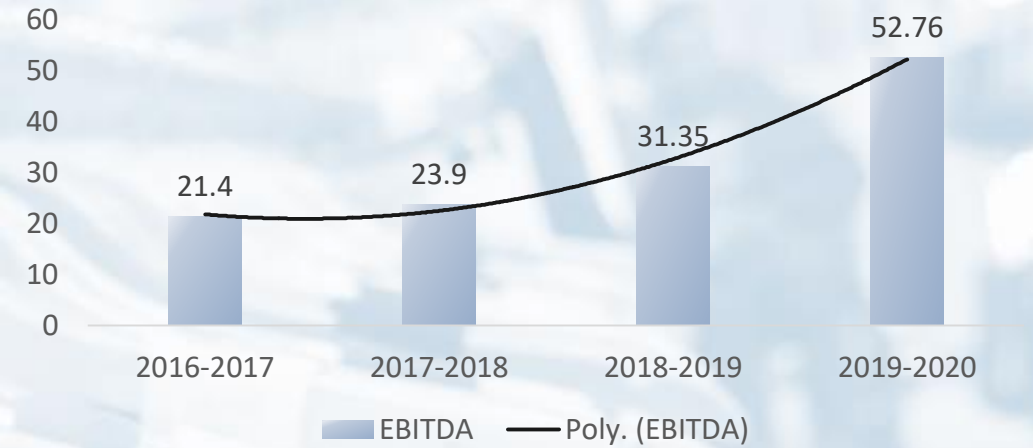
Rs. In Mn	H2FY2020	H2FY2019	YOY%	FY2020	FY2019	YOY%
Total Revenue	531.70	441.78	<b>20.35%</b>	936.15	841.19	<b>11.29%</b>
Raw Material Cost	460.96	399.95	<b>15.25%</b>	802.80	737.09	<b>8.91%</b>
Employee Benefits Expense	2.55	1.34	<b>90.66%</b>	11.71	8.01	<b>46.18%</b>
Other Expense	36.49	23.88	<b>52.84%</b>	68.89	64.75	<b>6.40%</b>
<b>EBITDA</b>	<b>31.69</b>	<b>16.61</b>	<b>90.79%</b>	<b>52.76</b>	<b>31.35</b>	<b>68.30%</b>
<b>EBITDA Margin (%)</b>	<b>5.96%</b>	<b>3.76%</b>		<b>5.64%</b>	<b>3.73%</b>	
Depreciation And Amortization	1.44	1.09	<b>32.44%</b>	2.47	2.06	<b>19.83%</b>
Finance Cost	9.11	8.30	<b>9.73%</b>	17.28	14.25	<b>21.25%</b>
<b>Profit Before Tax</b>	<b>21.15</b>	<b>7.23</b>	<b>192.61%</b>	<b>33.01</b>	<b>15.04</b>	<b>119.51%</b>
Tax	9.77	4.64		9.77	4.64	
<b>Profit After Tax</b>	<b>11.38</b>	<b>2.59</b>	<b>340.05%</b>	<b>23.25</b>	<b>10.40</b>	<b>123.54%</b>
<b>PAT Margin (%)</b>	<b>2.14%</b>	<b>0.59%</b>		<b>2.48%</b>	<b>1.24%</b>	
<b>Basic EPS (Rs)</b>	<b>4.23</b>	<b>0.96</b>		<b>8.64</b>	<b>3.86</b>	
<b>Diluted EPS (Rs)</b>	<b>4.23</b>	<b>0.96</b>		<b>8.64</b>	<b>3.86</b>	

# Improving Scales of Operations

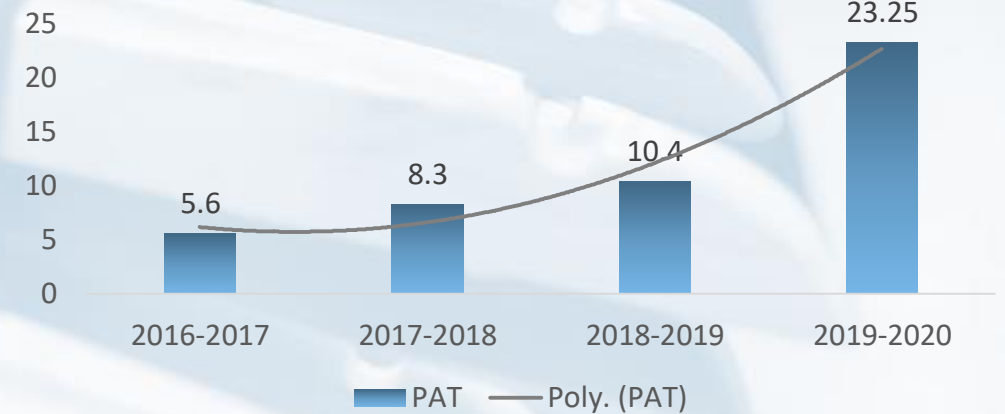
### Revenue



### EBITDA

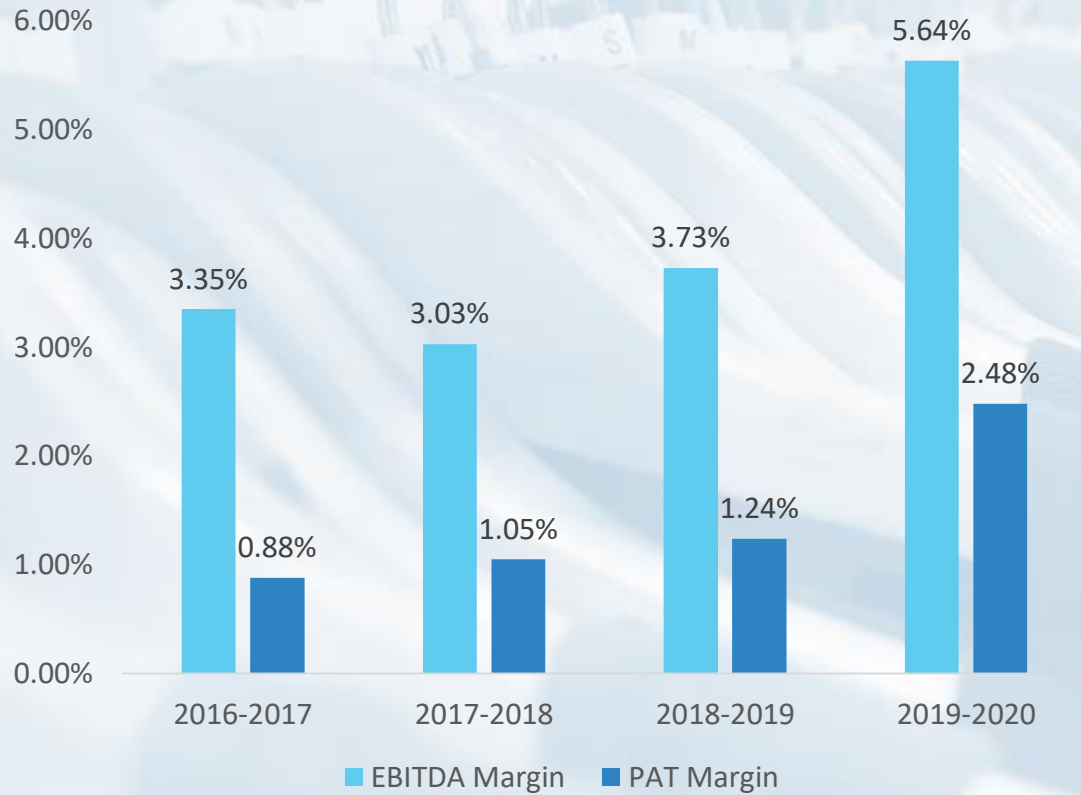


### PAT

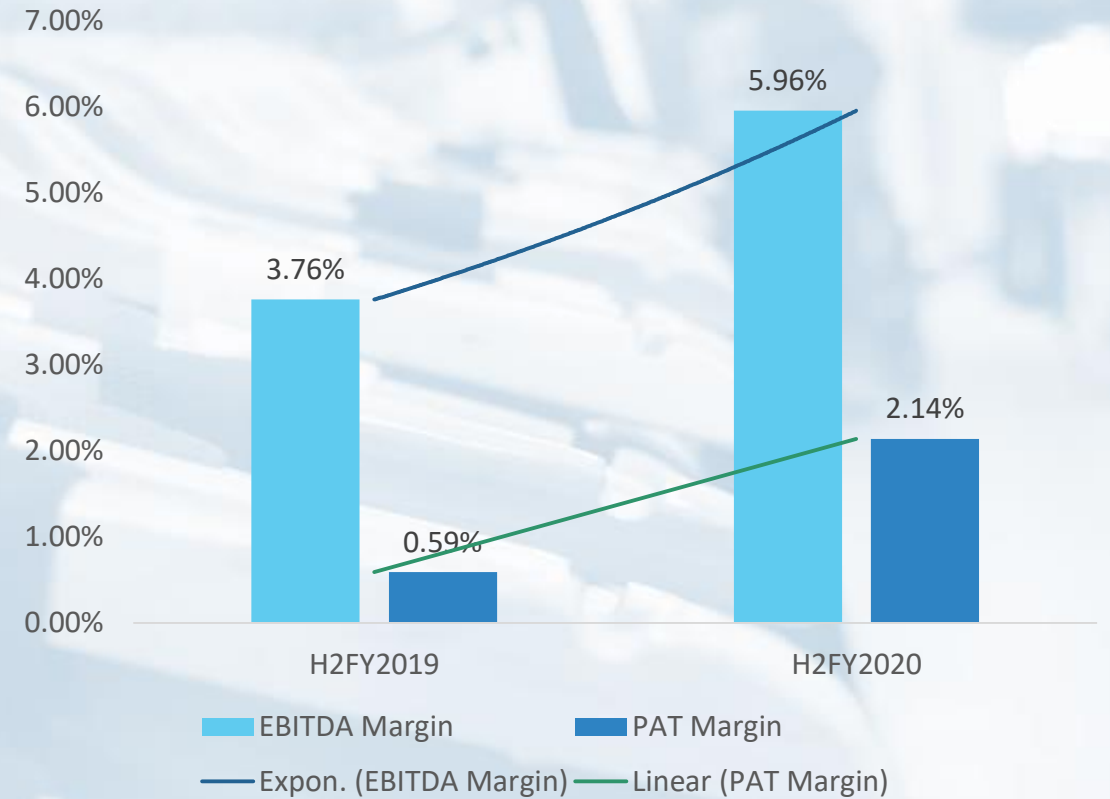


# EBITDA and PAT Margins

### Yearly Margins



### Half-yearly Margins



# Balance Sheet

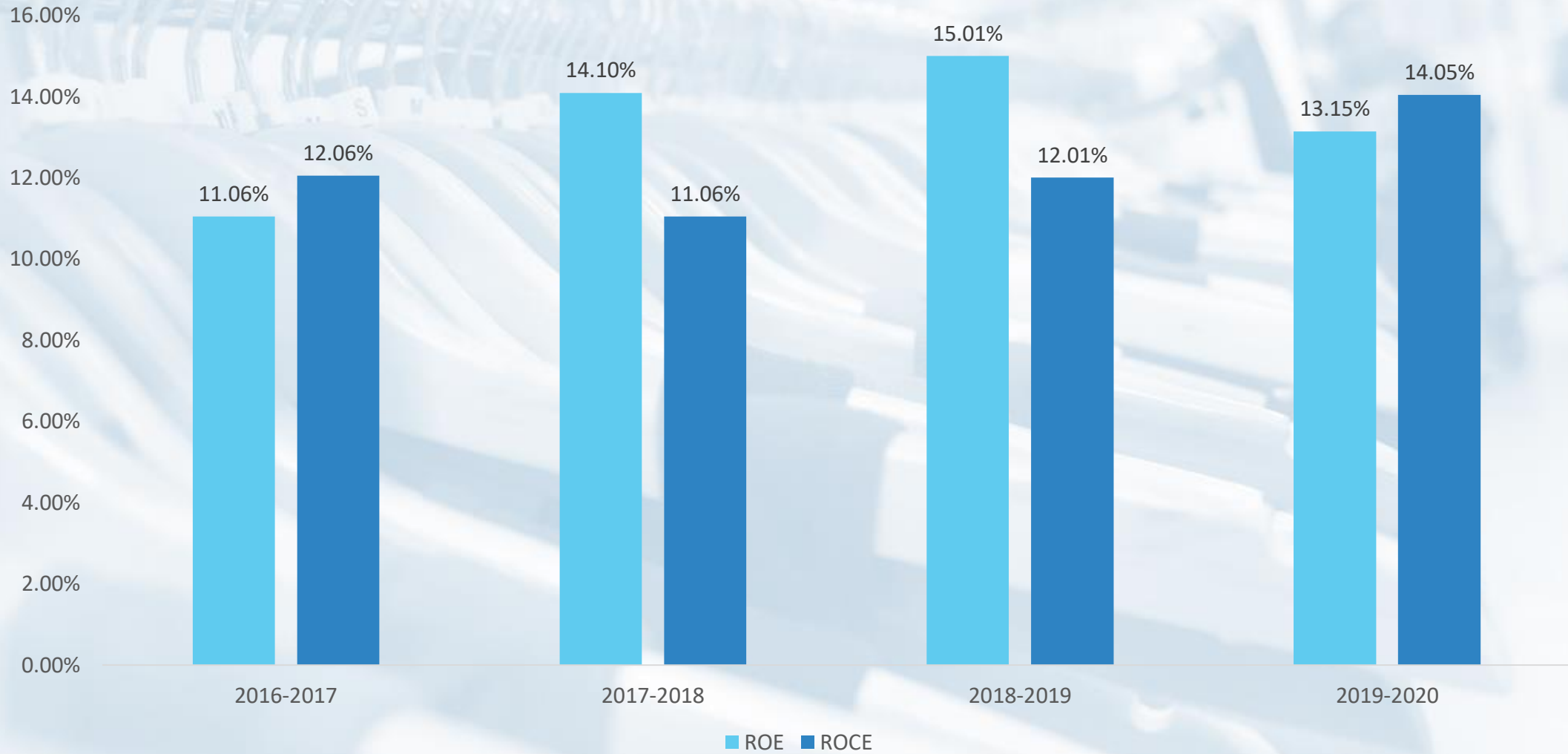


Rs. In Mn	2016-2017	2017-2018	2018-2019	2019-2020
Share Capital	26.92	26.92	26.92	26.92
Reserves & Surplus	23.69	31.94	42.34	65.59
Money received against share warrants				84.21
<b>Networth</b>	<b>50.61</b>	<b>58.87</b>	<b>69.26</b>	<b>176.73</b>
Long Term Borrowings	24.47	17.35	44.12	26.80
Deferred Tax Liabilities	0.91	0.64	0.54	0.27
<b>Non Current Liabilities</b>	<b>25.38</b>	<b>18.00</b>	<b>44.66</b>	<b>27.08</b>
Short Term Borrowings	88.28	120.59	121.65	137.94
Trade Payables	67.91	105.06	54.90	122.83
Other Current Liabilities	4.34	3.05	10.13	17.29
Short Term Provisions	4.11	6.42	6.75	13.49
<b>Current Liabilities</b>	<b>164.65</b>	<b>235.12</b>	<b>193.42</b>	<b>291.55</b>
<b>Total Liabilities</b>	<b>240.64</b>	<b>311.98</b>	<b>307.35</b>	<b>495.35</b>

Rs. In Mn	2016-2017	2017-2018	2018-2019	2019-2020
Net Block	21.42	21.24	21.57	33.21
Capital Work-In-Progress	0.00	0.00	0.00	0.00
Non-Current Investment	3.51	3.51	3.51	3.51
Long-Term Loans And Advances	4.15	2.63	4.92	4.89
Other Non-Current Assets	3.79	2.08	0.98	0.06
<b>Non Current Assets</b>	<b>32.87</b>	<b>29.46</b>	<b>30.97</b>	<b>41.66</b>
Inventories	93.15	196.67	175.66	257.39
Trade Receivables	109.97	72.16	88.27	180.45
Cash and Cash Equivalentents	1.70	0.57	0.96	3.85
Short Term Loans And Advances	2.95	4.78	4.59	3.07
Other Current Assets	0.00	8.34	6.88	8.92
<b>Current Assets</b>	<b>207.77</b>	<b>282.52</b>	<b>276.37</b>	<b>453.68</b>
<b>Total Assets</b>	<b>240.64</b>	<b>311.98</b>	<b>307.35</b>	<b>495.35</b>

# Return Ratios

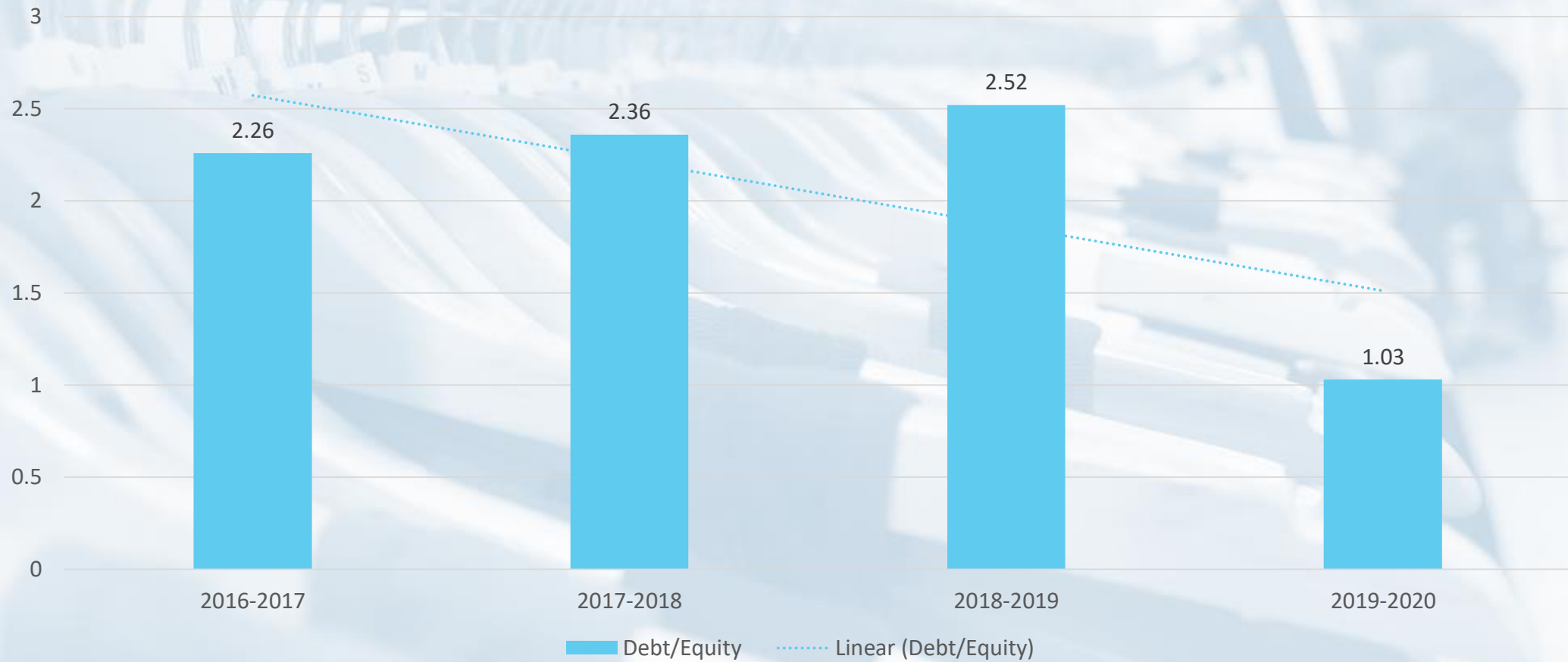
## Return Ratios





# Debt/Equity Ratios

Debt/Equity



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# Thank You

For Further Information - contact:



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[research@bluestonefidelis.in](mailto:research@bluestonefidelis.in)