

12.02.2021

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

BSE Scrip Code: 539216

Dear Sir/Madam

Sub: Pursuant to regulation 30 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015

This is to inform you pursuant to the captioned 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

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

February 2021

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** and is migrated on **BSE Main board** in **October, 2020**.
- 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.

Facilities at Tirupur



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

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

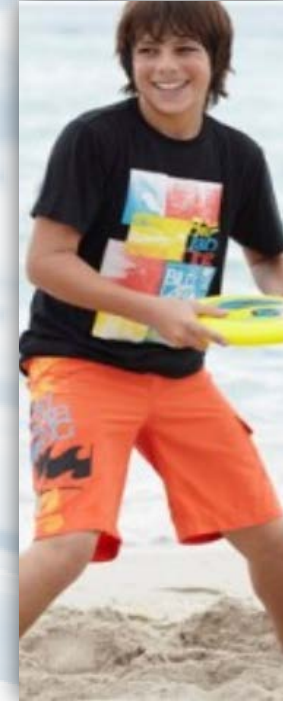
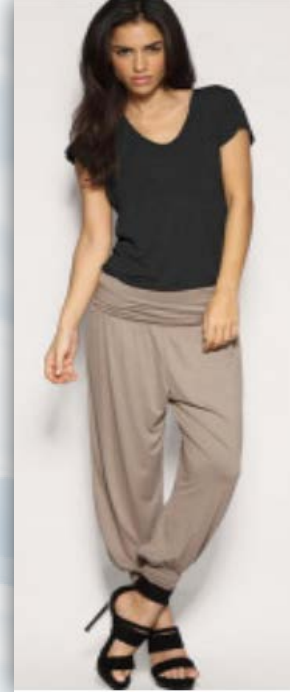
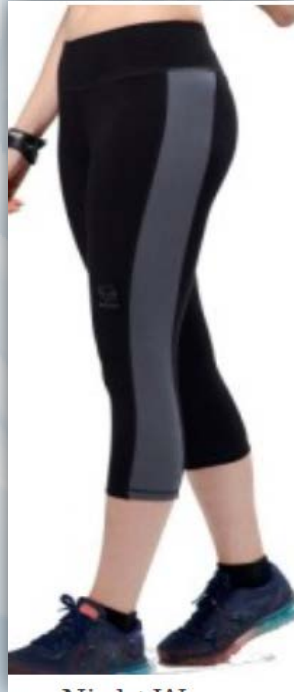


The company has computerized multi head embroidery machines. Hand embroidery designs with sequence work, beads. Stone fixing, rhinestones, heat transfer photo & flock prints.

Product Portfolio

GARMENT
मंत्र

The company has its own in-house brands:



GARMENT MANTRA
मंत्र



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



Garment Mantra Integrates Group Textile operations by acquiring majority stake in two of its Group Textile arms



- With the approval of the Board, Garment Mantra has successfully acquired majority stake in two of its Group Textile arms - Jannat Fabrics and Apparels Private Limited and Twenty Twenty Trading LLP “Price Mantra”.

Jannat Fabrics & Apparels Private Limited:

- Jannat Fabrics being major supplier for Garment Mantra carries vast network of other business ancillary and support service houses all over the knit city which will support Garment Mantra from backend.

Twenty Twenty Trading LLP:

- Twenty Twenty Trading LLP “Price Mantra” which operates an unique and niche retail model for mass Indian population will give more strength to Garment Mantra in fulfilling the brand aspirations of the Mass Indian Population by offering them products across categories at highly competitive price.

Garment Mantra is all set to expand the market reach of its Retail venture - “Price Mantra”



- It sources returned, seconds or outdated Branded Apparels and Accessories from National and International Brands in bulk quantity at steep discount to their MRPs.
- With the expansion plans in place, the Company has diversified its product range by adding electronics, home appliances as well as fashion accessories to its portfolio.

B2C Model

B2B Model

Price Mantra Stores

- successfully started running 7 ‘Price Mantra’ stores in different cities till the date by implementing two models - own stores and through Franchisee.
- Plans to open about 110 new stores in the coming year.
- Aim of providing employment to various groups such as retired persons as well as House wives.
- With this, the Company endeavors to become a Pan India player by opening stores in various cities in near future to expand its market reach.
- Also working on - Exhibition cum sale model across India to provide branded products at attractive rates.

Wholesale store ‘Poorti’

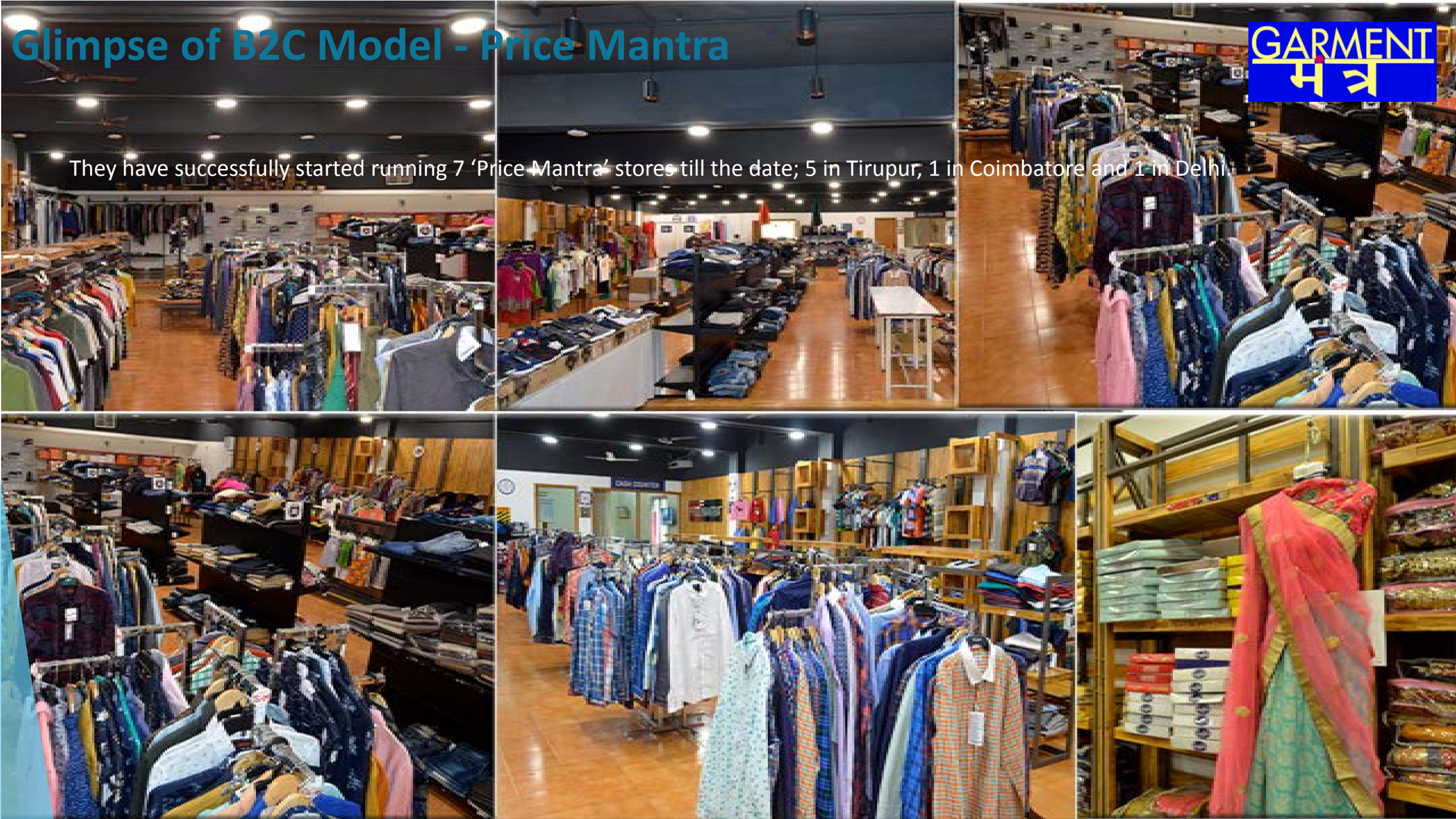
- The Company has opened up wholesale store called ‘Poorti’ in Tirupur.
- Tirupur being one of the largest sourcing markets for huge number of wholesalers and retailers across the country and also from international markets will help the company to source their products.

This unique Business Model is one of its kind in the organized segment, which is highly scalable

Glimpse of B2C Model - Price Mantra

GARMENT
मंत्र

They have successfully started running 7 'Price Mantra' stores till the date; 5 in Tirupur, 1 in Coimbatore and 1 in Delhi.



Poorti
SURPLUS STOCK - A WHOLESALE HUB

**Brands
from
All Over India
In Surplus
Stocks**

Poorti
A WHOLESALE HUB

Achievements:

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

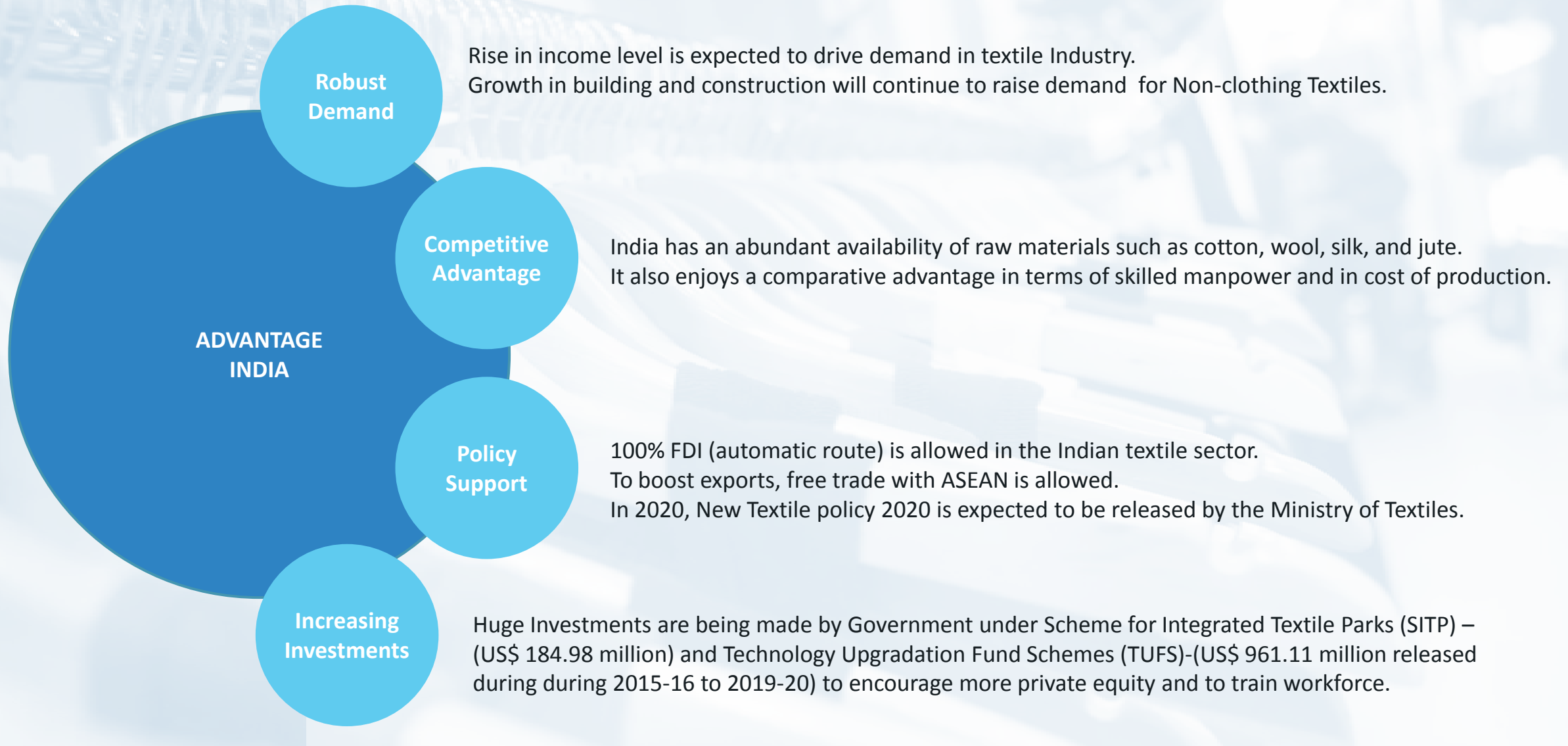
Naming a few:

- 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



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%*

28%	2.30%	12%	45 mn
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



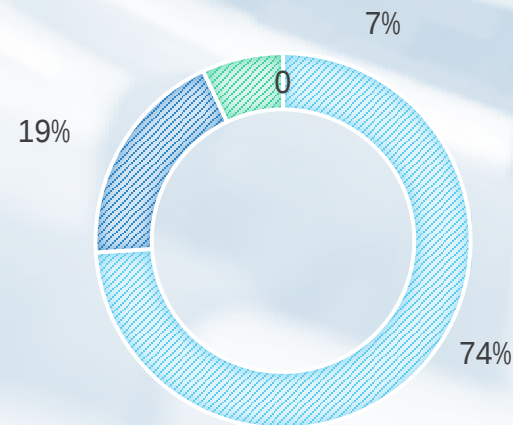
Second largest employment provider in India after agriculture

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

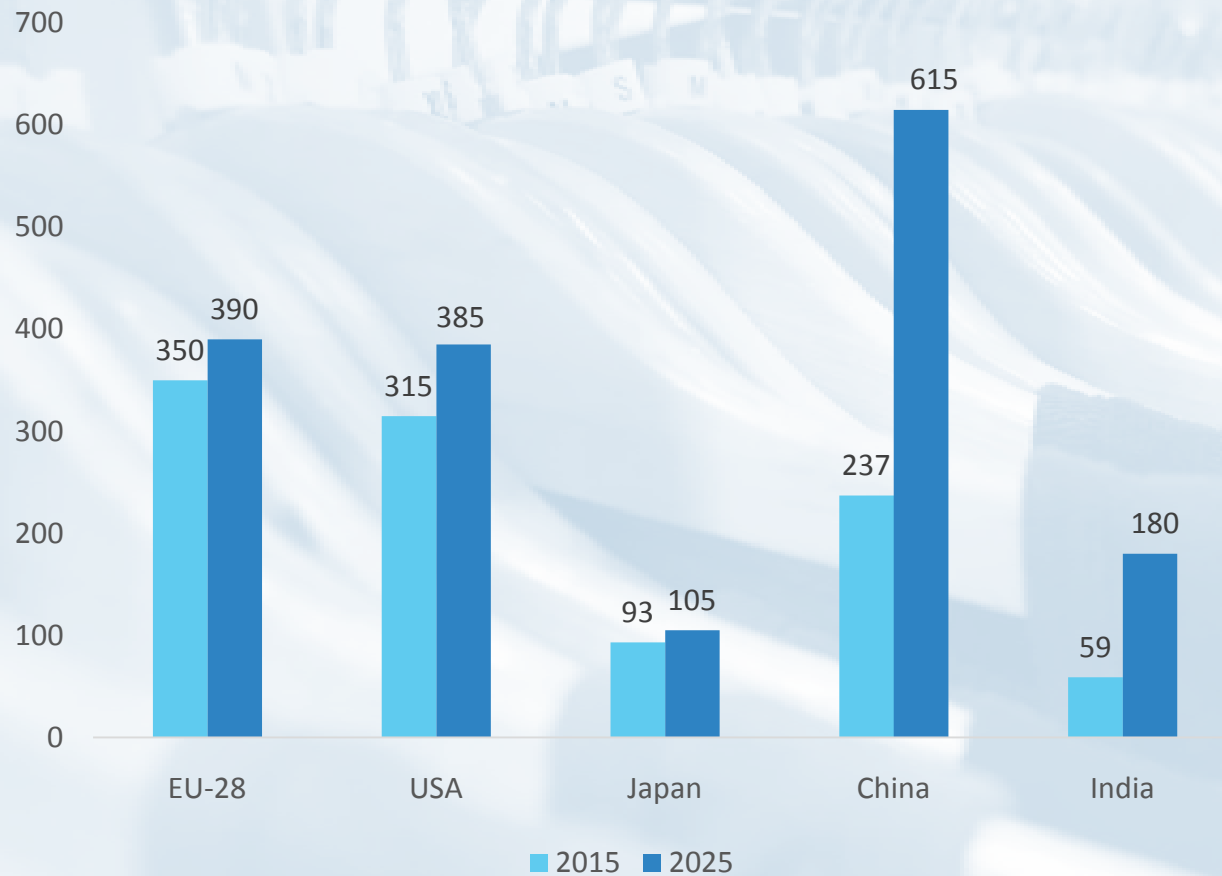


Growth Drivers

- 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.)

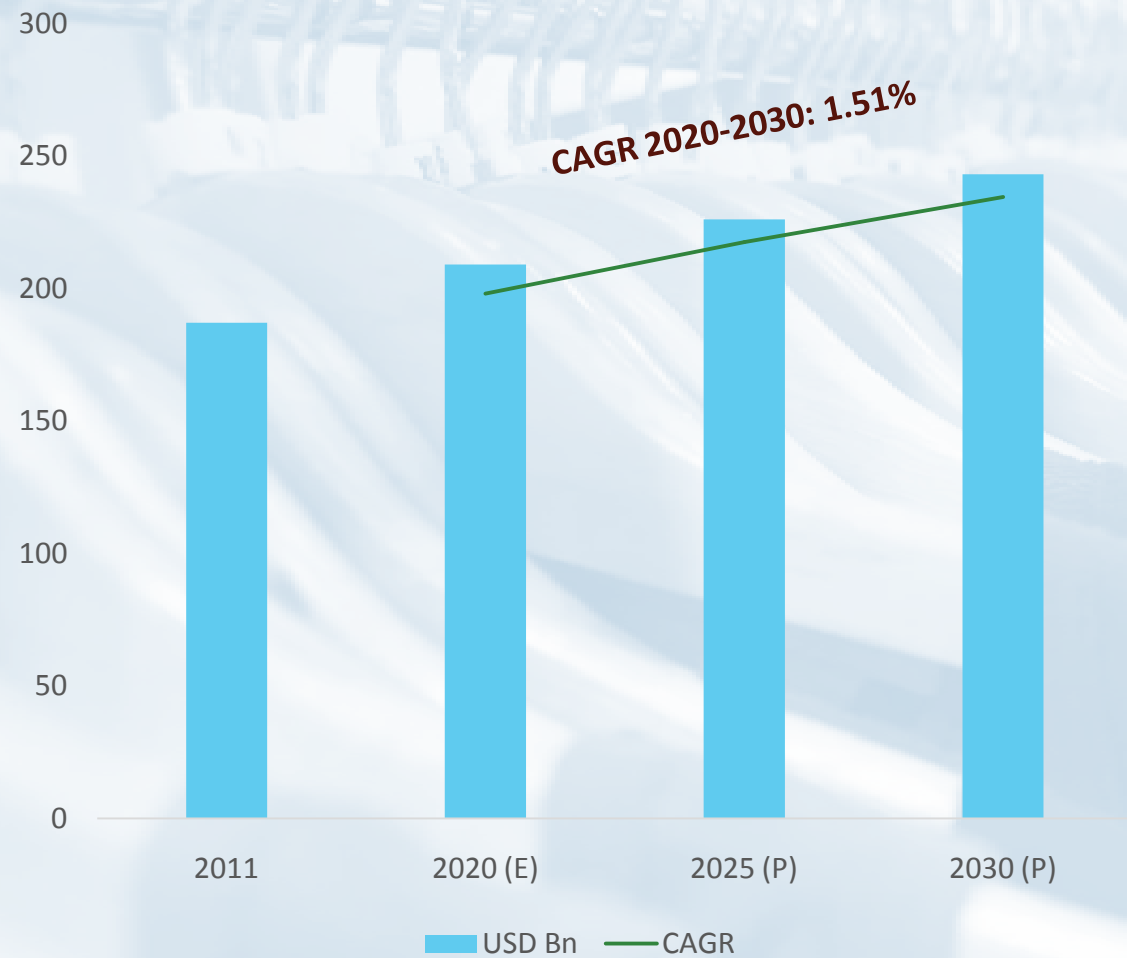


- The global apparel market size is expected to reach US\$ 2.6 trillion in 2025 growing by a projected rate of 4%.
- EU, USA & China are the world's largest apparel markets with a combined share of approximately 54%.
- The growth in Key markets is almost stagnant in volume terms.
- The largest growth 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.

Global Opportunities for Indian Textiles & Apparel Sector



Global Cotton Apparel Trade (USD Bn)



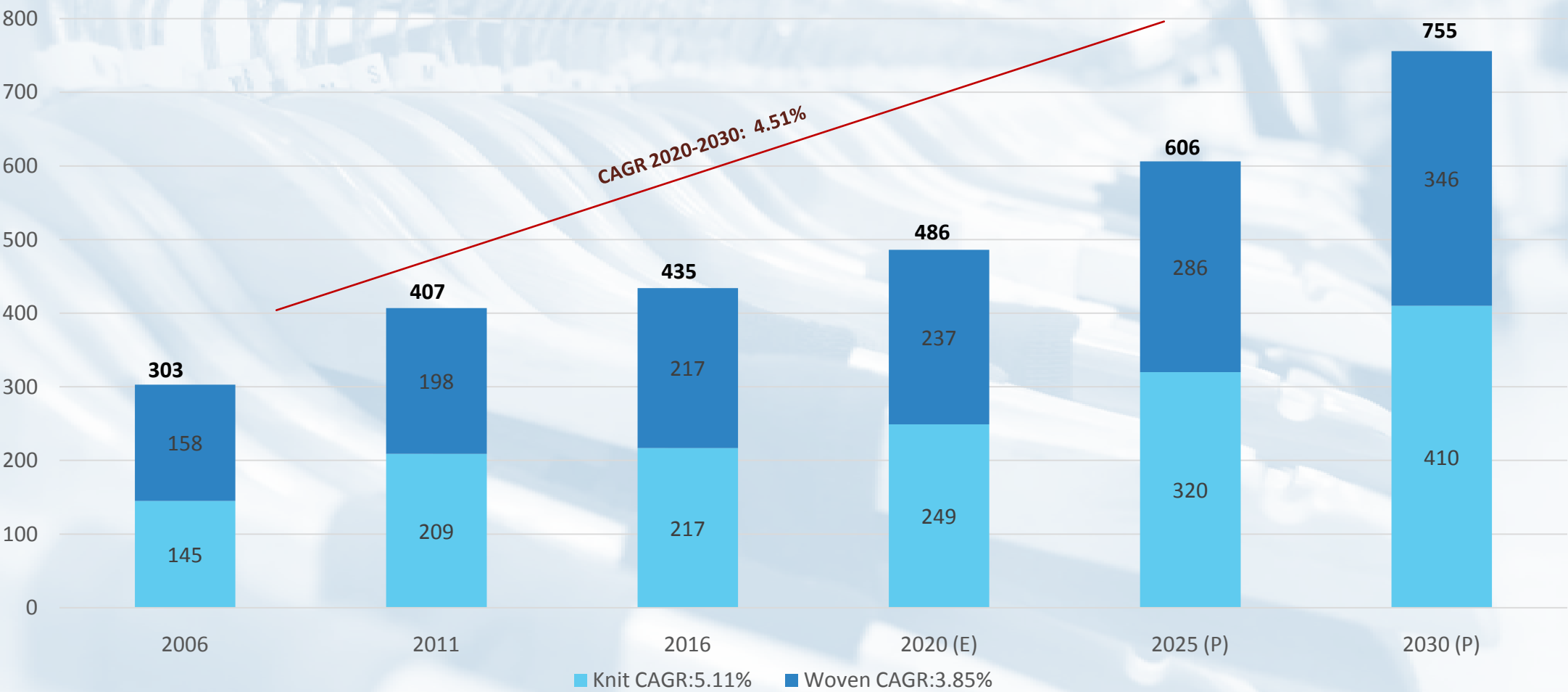
Global Synthetic Apparel Trade (USD Bn)



Global Opportunities for Indian Textiles & Apparel Sector



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



Financial Highlights



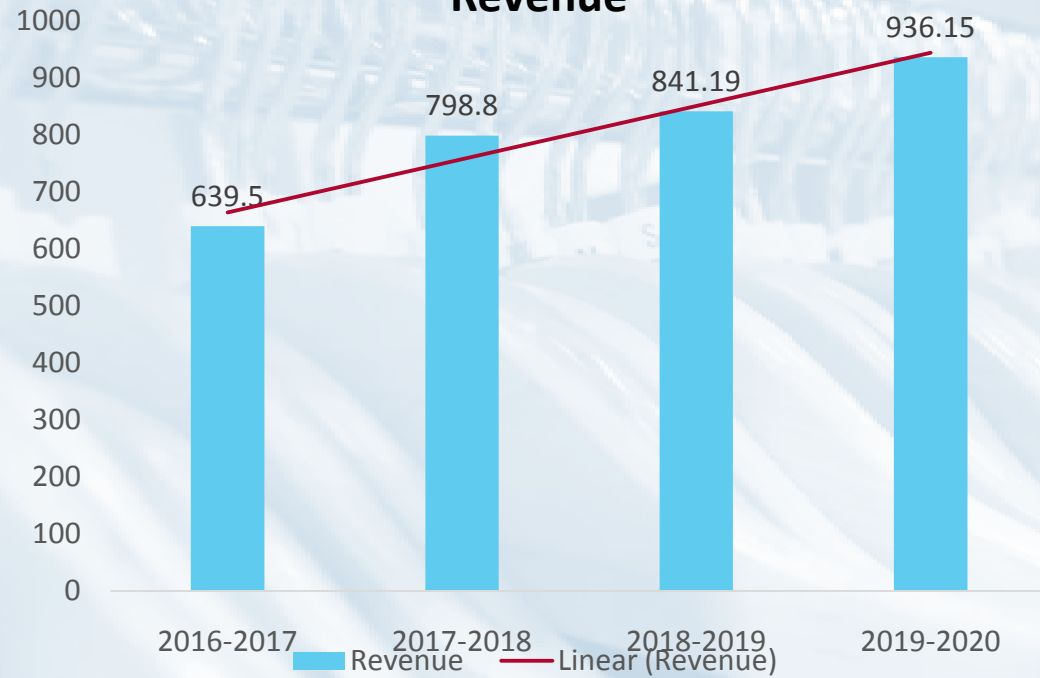
Q3FY2021 Performance (Standalone)



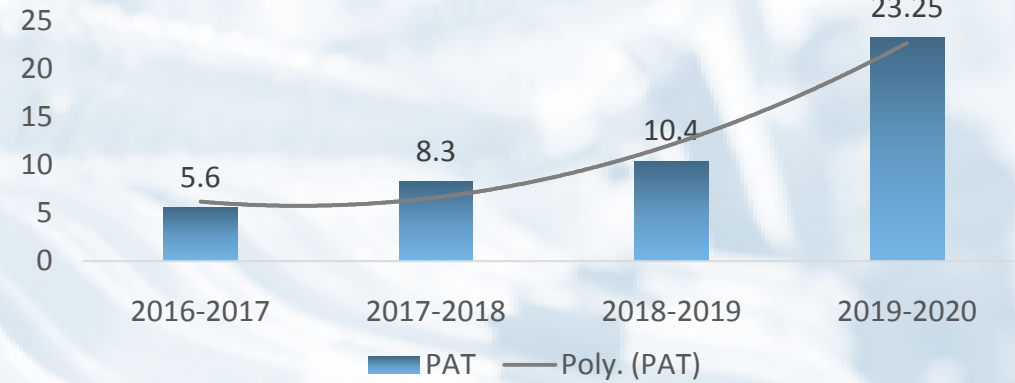
Rs. In Mn	Q3FY2021	Q2FY2021	QOQ%	9MFY2021	FY2020
Total Revenue	208.56	236.48	(11.81)	595.95	936.15
Raw Material Cost	168.64	191.14	(11.77)	496.32	802.80
Employee Benefits Expense	8.20	4.29	91.19	16.00	11.71
Other Expense	9.23	21.31	(56.68)	33.19	68.89
EBITDA	22.48	19.75	13.85	50.44	52.76
EBITDA Margin (%)	10.78%	8.35%		8.46%	5.64%
Depreciation And Amortization	0.001	1.23	(99.92)	1.85	2.47
Finance Cost	5.16	4.26	21.22	12.71	17.28
Profit Before Tax	17.32	14.26	21.46	35.88	33.01
Tax	4.50	4.28		8.78	9.77
Profit After Tax	12.82	9.98	28.42	27.10	23.25
PAT Margin (%)	6.15%	4.22%		4.55%	2.48%
Basic EPS (Rs)	1.47	1.14		3.10	8.64
Diluted EPS (Rs)	1.47	1.14		3.10	8.64

Improving Scales of Operations

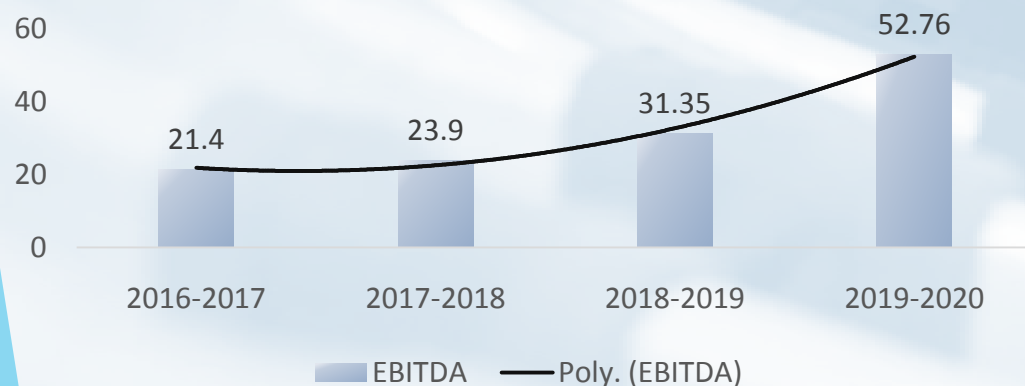
Revenue



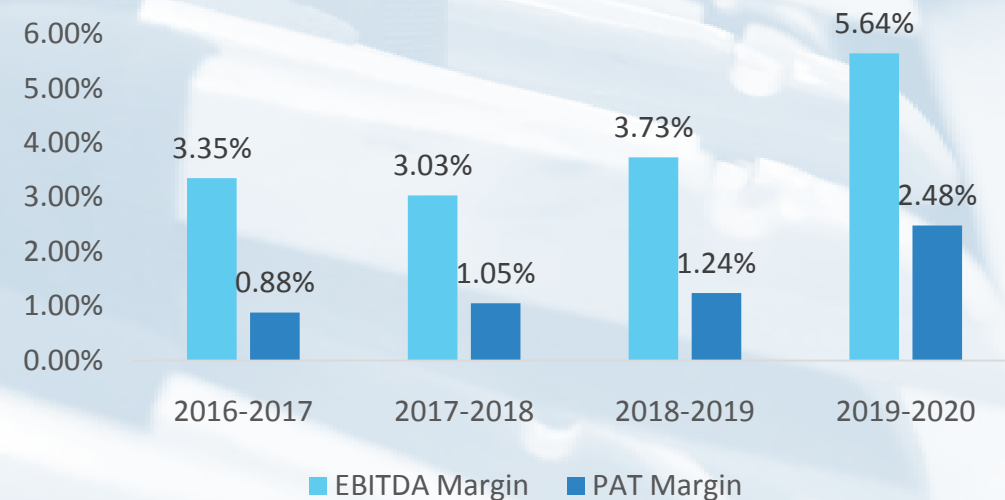
PAT



EBITDA



Yearly Margins



Balance Sheet (Standalone)

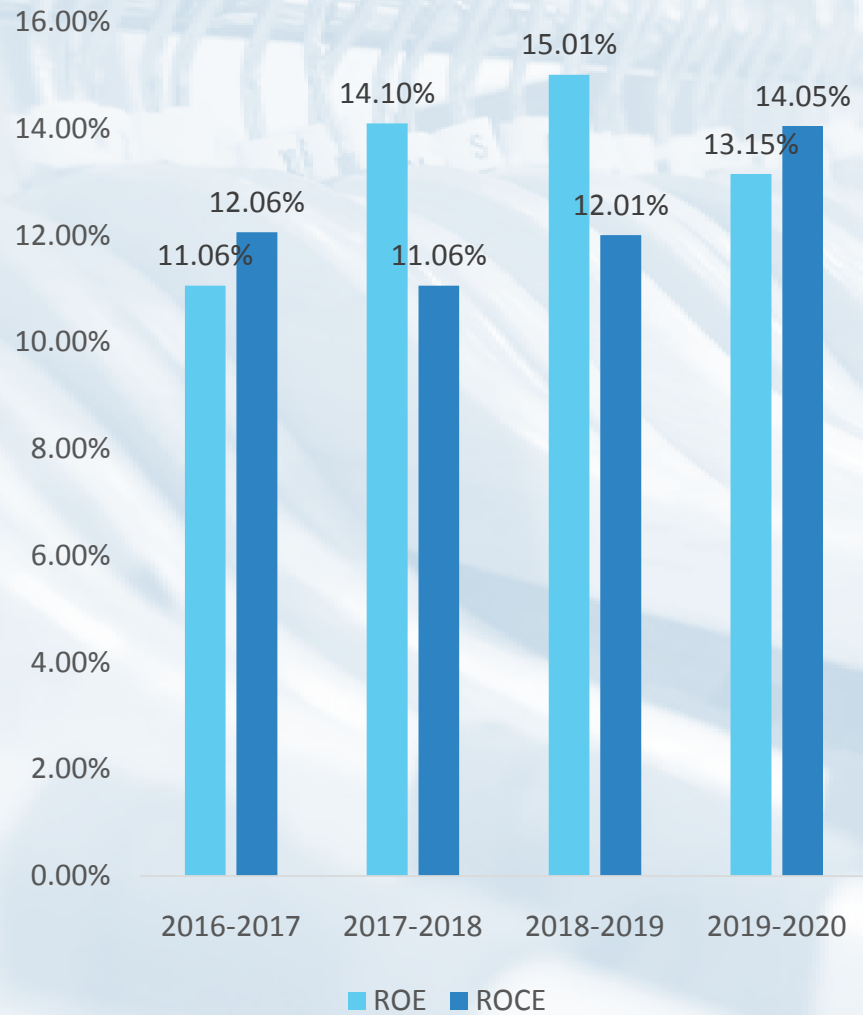


Rs. In Mn	2016-2017	2017-2018	2018-2019	2019-2020
Share Capital	26.92	26.92	26.92	26.92
Reserves & Surplus	23.69	31.94	42.34	65.59
Money received against share warrants				84.21
Networth	50.61	58.87	69.26	176.73
Long Term Borrowings	24.47	17.35	44.12	26.80
Deferred Tax Liabilities	0.91	0.64	0.54	0.27
Non Current Liabilities	25.38	18.00	44.66	27.08
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
Current Liabilities	164.65	235.12	193.42	291.55
Total Liabilities	240.64	311.98	307.35	495.35

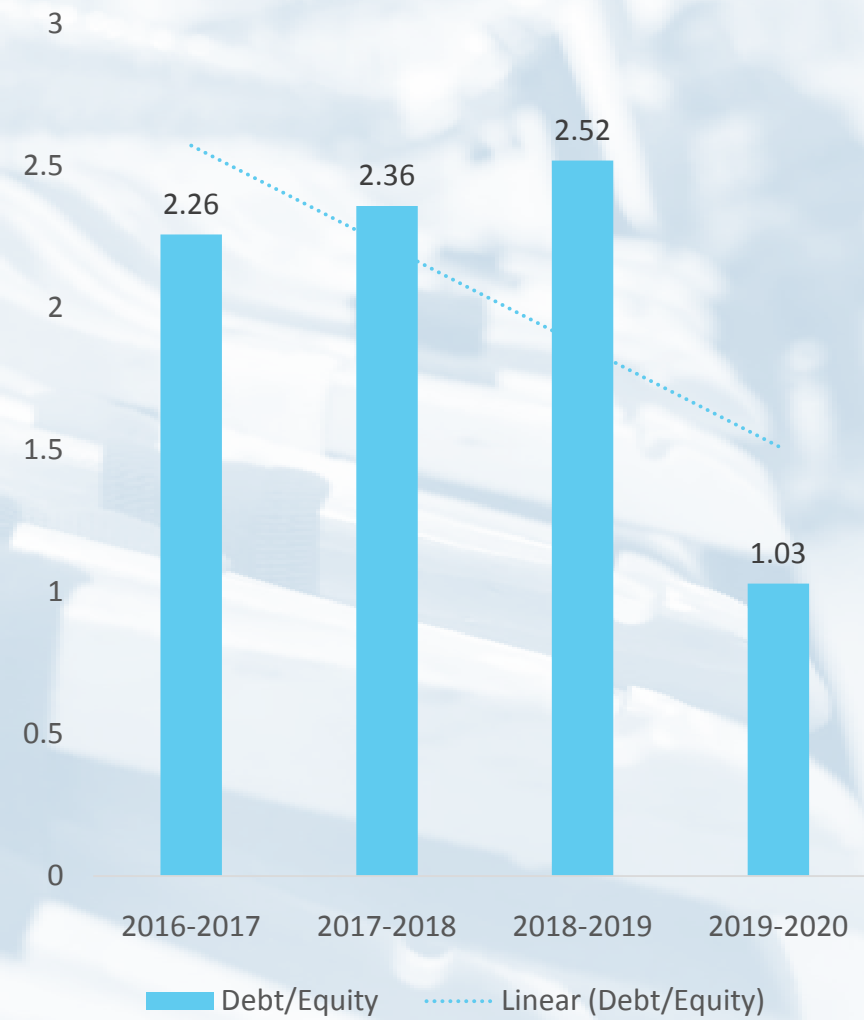
Rs. In Mn	2016-2017	2017-2018	2018-2019	2019-2020
Net Block	21.42	21.24	21.57	33.21
Capital Work-In-Progress	0.00	0.00	0.00	0.00
Non-Current Investment	3.51	3.51	3.51	3.51
Long-Term Loans And Advances	4.15	2.63	4.92	4.89
Other Non-Current Assets	3.79	2.08	0.98	0.06
Non Current Assets	32.87	29.46	30.97	41.66
Inventories	93.15	196.67	175.66	257.39
Trade Receivables	109.97	72.16	88.27	180.45
Cash and Cash Equivalents	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
Current Assets	207.77	282.52	276.37	453.68
Total Assets	240.64	311.98	307.35	495.35

Return Ratios

Return Ratios



Debt/Equity



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Thank You

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