



BSL/SEC/23

14<sup>th</sup> August, 2023

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001  
(Maharashtra)

**Scrip Code: 503722**

**National Stock Exchange of India Ltd**  
Exchange Plaza Bandra–Kurla,  
Bandra (East), Mumbai–400051  
(Maharashtra)

**Symbol :BANSWRAS**

**Sub: Transcript of Q1 FY24 Earnings Call held on 8<sup>th</sup> August, 2023.**

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are hereby enclosed herewith a transcript of the Q1FY24 Earnings Call held on Tuesday, 8<sup>th</sup> August, 2023. The same is also available on the website of the Company i.e. [www.banswarasyntex.com](http://www.banswarasyntex.com) .

Please take the same on record.

**Thanking You,  
Yours faithfully  
For BANSWARA SYNTEX LIMITED**

**(H.P. KHARWAL)**  
**Company Secretary & Compliance Officer**  
Membership No. ACS 28614  
**Encl: a/a**

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“Banswara Syntex Limited  
Q1 FY '24 Earnings Conference Call”

August 08, 2023

Disclaimer: E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the website of the company on 8<sup>th</sup> August 2023 will prevail.



**MANAGEMENT: MR. RAVI TOSHNIWAL – PROMOTER AND MANAGING  
DIRECTOR – BANSWARA SYNTEX LIMITED  
MS. KAVITA GANDHI – CHIEF FINANCIAL OFFICER –  
BANSWARA SYNTEX LIMITED**

**Moderator:** Ladies and gentlemen, good day and welcome to Banswara Syntex Limited Q1 FY24 Earnings Conference Call. This conference call may contain forward-looking statements about the company which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

As a reminder, all participant lines will be in the listen-only mode. And there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star, then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Ravi Toshniwal, Promoter and Managing Director. Thank you and over to you sir.

**Ravi Toshniwal:** Thank you. Hello everyone. Good afternoon. I welcome you all to our quarter one FY24 earnings conference call. Along with me we have on this call our CFO, Ms. Kavita Gandhi, and SGA, our Investor Relations Advisors. I hope all of you have been able to go through our investor presentation uploaded on the exchange and our company website. As we all know, India is right now in a good position in the global economy with a relatively better growth rate of 4% and inflation moderating up to 4.8%.

And the economy is expected to rebound with even a higher growth rate in the second half of FY24. Having said that, quarter one FY24 has been relatively muted for us. This was due to several factors such as a decline in global demand due to high inflation and recessionary pressures in North America and Europe, increased energy and supply chain costs, and our profitability was impacted on account of the lower contribution due to this recessionary trend. However, there is a positive outlook as many global customers are transitioning from destocking mode to placing new orders.

This whole process of the pandemic led to everyone assuming that the demand would be very robust and mostly people overstocked. And now, you know, the first quarter was low in demand because of this overstocking. But with the approach of the festive season, domestic demand is expected to gain further momentum. This provides us with confidence that we will achieve better results in the second half of FY24. We view the challenges in the first two quarters as temporary disruptions, and while there is a subdued growth projection for the overall year, the overarching growth narrative remains unchanged.

Each of our divisions continues to advance in a positive trajectory, instilling us with confidence in the attainment of our established objectives. We are revising our earnings guidance to a revenue of 1,400 to 1,450 crores for FY24 on the back of above-mentioned factors. How about now coming to the standalone financial and operational performance of the company, total income for quarter 1 FY24 declined by 14.6% from INR358.5 crores in quarter 1 FY23 to INR306 crores in quarter 1 FY24. Because of the muted demand for textiles this quarter, contribution of commodity-based yarn and fabrics formed most of our revenue.

The proportion of our high margin value-added business across all three segments is expected to increase post the first half of FY24. So that is after quarter 1, quarter 2, quarter 3, quarter 4, I expect it to be much better. As global and domestic demand picks up on account of upcoming festive season. The proportion of exports stood at 41% of total sales in Q1 FY24 as compared to 52% in Q4 FY 23. Yarn exports remained flat while fabric exports reported a 49% decline while garment exports reported a 54% decline. Major reason for decline in exports remain the seasonal variations in demand in the Western markets and the overstocking by customers.

Yarn division reported a revenue of 134 crores, a 7% rise, compared to 126 crores in Q4 FY23, with a 30% rise in sales volume to 63 lakh kilograms this quarter. The capacity utilization of the yarn division stood at 84%. Fabric division reported a revenue of 103 crores, a 27% decline as compared to 141 crores in quarter four FY23, that is the last quarter, with an 11% decline in sales volume to 52 lakh meters this quarter. The capacity utilization in the fabric division stood at 76%.

And the garment division reported a revenue of INR62 crores, a 36% decline as compared to INR97 crores in quarter 4. FY23, with 25% decline from the last quarter in sales volume to 8,00,000 pieces this quarter. Capacity utilization in the fabric division stood at 47%. Fabric and garment divisions reported a decline in revenues due to the factors such as a decline in global demand due to inventory de-stocking by global retailers, high inflation and recessionary pressures in North America and Europe, and increased energy and supply chain costs. It must be said that we are comparing quarter 4 with quarter 1 and seasonal variations do impact this.

Quarter 4 is usually our best quarter. The EBITDA for quarter 1 FY24 decreased by 35% on a year-on-year basis. The profit before depreciation tax for quarter 1 FY23 decreased by 40% year-on-year to INR24 crores and the profit after tax for quarter 1 FY24 decreased by 49% to INR10 crores.

With the material capex already completed, most textile players including ourselves are poised to leverage the expanded capacities. Moreover, falling cotton and crude prices are expected to bolster margins with reduced raw material costs and enhance India's competitiveness in export markets.

The Indian textile sector is well positioned to overcome challenges and we look forward to riding the next up cycle. Overall, we remain confident of achieving our long-term growth targets despite a subdued quarter one. With this, I'd like to open the floor for questions. Thank you very much.

**Moderator:**

Thank you very much, sir. We will now begin the question-and-answer session. We have the first question from the line of Karan Mehra from Mehta Investments. Please go ahead.

**Karan Mehra:**

Yeah, hi sir. Good afternoon and thank you for the opportunity. So my question is like what is the demand scenario like across the textile industry you are seeing as of now? Will Banswara be able to maintain their growth guidance for this fiscal year of FY'24 and given the soft demand outlook for the second half of this fiscal?

**Ravi Toshniwal:** Right. Thanks, Karan. Well, I mean, the overall demand in quarter one and quarter two has been lower, but based on our samplings and whatever our customers are telling us, the extra inventory that they were carrying has almost run out and now they are beginning to place orders which will get executed in quarter three, quarter four.

So, we are seeing the demand picking up in quarter three, quarter four. It's like the beginning of the first 50 overs, the first 25, the run rate is low, but in the next 25 you can catch up and make up. And we have that opportunity, and I think that there is every chance that we can make up quite a bit. However, we have revised our overall estimate to be conservative. And that has been revised to INR1,450 crores, but we may hit INR1,550, who knows. Does that answer your question?

**Karan Mehra:** Yeah, yeah, sure, that answers my question. So, I have just one more question and then I can join back the queue. Sir, can you throw some light on the fabric brand the company is planning to acquire from Italy like how will this acquisition integrate into our business?

**Ravi Toshniwal:** Right. This is an interesting question and I would like to elaborate on it. So, thank you for asking. You see, the Indian market domestically is driven by the tailors. And this market is dominated by Raymond's, which exploits most of the demand that comes from the tailor networks, through a distribution channel, which includes stockists and wholesalers and dealers. And we are planning to address this with a different mix of how we will go direct to the tailors, plus a combination of dealers with this new brand that we are talking about, Italy.

The brand was started in 1875, and it's a very old brand which has a lot of history and the Italian gentleman will come to our launch and we are planning the launch sometime around February of next year. This is going to have a product mix where we will use all our experience of the last 40 years in developing different products for many customers all over the world, bring a basket of products that will cater to all of the Indian consumers in a good way, in wool, worsted wool, in linens, in cottons, and in synthetics.

So, we are very excited about this. We are also re-engineering our whole warehouse management to be able to cater to the demand for sending small packages and small parcels to different dealers in a direct way. And this is also something which is a very interesting way to give speed to customers who will be in the domestic market of service, almost like an e-commerce, but B2B e-commerce. So, this is something where we think we can grow the business to INR100 crores, INR200 crores gradually, but the first year's estimate is not as high. Maybe we will hit about INR100 crores in the first year after launch.

**Karan Mehra:** Sure, sir. Thank you for elaborating my questions in detail. For further questions, I will join back the queue. Thank you.

**Ravi Toshniwal:** Thank you.

**Moderator:** Thank you. We'll take the next question from the line of Rishabh Shah from Alpha Wealth Advisors. Please go ahead.

- Rishabh Shah:** So just a few questions. First, would be what are our segmental revenues and margin for each segment, if you could just help me with that?
- Ravi Toshniwal:** Yeah, Rishabh, hi. Thanks for your question. You're asking for segmental revenues and the margins in each segmental revenue.
- Rishabh Shah:** Correct.
- Ravi Toshniwal:** Okay, I'll let Kavita answer this question.
- Kavita Gandhi:** So Rishabh, hi, Kavita here. On the segmental revenue we have put it in our presentation also. So, on a segmental revenue right now we are on the yarn is having a like a 44% of contribution to the total sales. Fabric is 34% and garment is 21%. Going forward, it will change the composition because as Mr. Ravi said sometime back, second half is going to be a much better in demand. So that composition will change and we will be increasing the garment to something around 23%-24% and yarn will come down to 37% and maybe the fabric will also be in that range.
- Rishabh Shah:** Yeah, one more question was on the debt. So what is our gross and net debt as of Q1? And what are our plans for bringing this debt down going forward?
- Kavita Gandhi:** So right now on the gross rate on the Q1, we are at 309. And the net is 297. Going forward, we will be in a similar range, or maybe a little higher if we go for a higher expansion on the capex. So we will be trying to keep the net debt in a similar range, in the range of around 320 to 325.
- Moderator:** Thank you. We will take the next question from the line of Dipti Kothari from Kothari Securities. Please go ahead.
- Dipti Kothari:** Good afternoon, sir. Thank you for the opportunity. So my first question was regarding capex. So what is the capex incurred in Q1 FY '24 and what is the capex to be incurred in FY '24 division wise?
- Ravi Toshniwal:** Right, thanks Ritu. I'm going to let Kavita answer your question again.
- Kavita Gandhi:** So Ritu, thanks for your question again. See in a quarter one we have capex already implemented around INR28 crores and in a division wise if you look at the yarn has been 21, fabric we have done INR2 crores, garment INR3 crores and some common capex around both.
- For the year we have kept a plan of another INR90 crores to INR92 crores, but we will see how the market scenario helps us out and then how do we increase our capacity and modernization plans what we have. But the plans are yarn will be in the range of INR35 crores, fabric another INR10 crores to INR15 crores, garment will be another INR2 crores, INR3 crores and in common we will be having a little larger pile and that is how this entire capex has been planned out.
- Ravi Toshniwal:** I would just like to say here that the major plan for the rest of the year was INR35 crores in yarn and that has been put on hold at the moment, looking to this subdued demand that we

have. And we have seen that our profitability this particular quarter was lower because the extent of business that we got in the fabric and garment business dropped as compared to a ratio of the total business.

And it is our endeavor to increase these businesses more than what we want to increase in the yarn business because the yarn business margins do appear to be under pressure going forward since it is more of a commodity. We may divert some of the capex towards fabric and garment rather than towards the yarn business expansion.

**Dipti Kothari:** Correct. And so then what are the current capacity utilizations in each segment and are these levels expected to improve as the demand increases from Q3?

**Ravi Toshniwal:** Yes, so definitely. Right now we have already said that our – in our note and in my introductory speech I said that the capacity utilization for yarn was at 76%, for – no, for fabric was at – for yarn division at 84%, fabric division at 76% and garment at 47%. And these are very low historically for us.

In fact, one of the lowest we've achieved in a long time. So there's no way to go but up. And we have made a conscious decision that at levels of 76% utilization fabric we have a lot of scope to improve this by another 10% by expecting many different orders that we weren't expecting earlier, hoping that better orders would come and keeping the capacity idle would help us to service the customers and give better orders with a better lead time. But given the scenario now, we are using all our analytics to ensure that the capacity utilization goes up, both in the fabric and garment division. Garment was particularly low.

**Moderator:** Thank you. We'll take the next question from the line of Vishal Bagadia from Roha Asset Managers. Please go ahead.

**Vishal Bagadia:** Thank you, sir, for the opportunity. So I just wanted to understand what is this special fuel charges that were levied to us and in addition to this only, will we be seeing these charges coming in the further quarters ahead, that is the Q2 and the year ahead?

**Kavita Gandhi:** Hi, Vishal. So this was levied by the electricity department at Rajasthan. In the COVID time, they had given some concession. So now they have started doing their analysis and they have started levying these charges. In a quarter one they have charged, for the quarter two they have not yet come back to us. We did inquire, but if they do levy, then we don't have a choice. So it may hit our Q2 also. But right now, they have not yet come back on what will be the trend going forward.

**Vishal Bagadia:** So if they levy these charges and go ahead with the same, so what could be the impact on us if there is some estimate we must have taken?

**Kavita Gandhi:** So impact will be, there will be an increase of around INR0.70 to INR0.75 paisa prices per unit, what we concern.

**Ravi Toshniwal:** Electricity cost.

- Kavita Gandhi:** Electricity cost.
- Vishal Bagadia:** Yes, got it. Ravi sir, now coming to you. So given all the situation with the market industry, we have been studying for a while now. We see that the entire industry is hoping that the second half of the year should be the recovery phase that should start in and we should see good demand coming in. So, for the time being, for the current quarter, that is the Q2 that is going on how do we see that and what is the ground situation as of now how do we see the markets?
- Ravi Toshniwal:** So Q2 will continue to be subdued because most of the orders for Q2 should have already come in we have like, 2.5 months left for Q2 And most of our cycle time for garments is about 120 days, for fabric is around 90 days, and for yarn it's about 30 days. So we're seeing the yarn pick up, but the fabric and the garment, whatever orders have come in, are lesser than what they were in Q2 of last year. So we are seeing that Q2 is not going to play out as well. But the sampling and the inquiries about Q3 that have begun for Garments and Fabric seem to be very encouraging.
- Vishal Bagadia:** Okay, and just to add on over here, this is what we're talking about, the near-term story and the medium-term story. In the long run, how do you see the markets to be two years to three years down the line? And also just to add on a small question, what is the current working capital we've been going through? What is the working capital days?
- Ravi Toshniwal:** Okay, so let Kavita answer the working capital and I'll answer your question.
- Kavita Gandhi:** So right now, the working capital is in the range of around INR150 crores. So and if the demand goes and if we have to service that, it will be slightly higher going forward. But the endeavor is that to keep it in the range of INR 150 crores to INR 160 crores going forward.
- Ravi Toshniwal:** Okay. Right. Now, to stimulate the demand, basically, we are seeing that the whole China Plus One story is real, and the Europe Plus One is also real. And we are getting a lot of interest from both of the markets for India, the India story is going to play out. We are waiting for a couple of boosters which may happen when we get an agreement with Canada which is expected quite currently to happen as well as with the UK FTA.
- But let's see, as these things play out, and India's role in the world is enhanced, where we are getting definitely positive feedback from the customers who want to do this, the challenge is only that the customers don't have enough local orders, and they're overstocked. So as soon as they run out of their stocks, I don't see why, the continued goodwill towards India will not play out.
- Vishal Bagadia:** Okay, so just one question if I could squeeze-in. How has been FTA with Australia beneficial for us as a company? And are we seeing some gain from the FTA with Australia?
- Ravi Toshniwal:** Indeed we are. In fact, our business with Australia is more than doubled and we continue to have a lot of customers who want to now come and visit us from Australia. All the big stores like, Target and many other chain stores from Australia. So I think that's going to help for sure.



**Vishal Bagadia:** Okay, sir. Thank you so much, sir. That's what I was from my side.

**Ravi Toshniwal:** You're welcome.

**Moderator:** Thank you. The next question is from the line of Rahil Shah from Crown Capital. Please go ahead.

**Rahil Shah:** Hello, sir. Good afternoon. My question was regarding the separate division. So you mentioned in fabric, you can easily, you have a scope of increasing utilization by 10%, correct? So what would you say with the same situation for garment? So what is the scope there and what are you expecting from that division this year?

**Ravi Toshniwal:** Right. So, thanks Rahil. I think in the Garment division, we were at a real low utilization of only 47% and traditionally we've been at about 75%. So we will definitely try and increase that by another 20%, 30% for sure. And it might even be better because we have actually enhanced capacities in the garment industry.

And one of the reasons why this drop is so significant in capacity utilization being low is because the enhanced -- the working is being now done on the enhanced capacity for capacity utilization. So therefore, you're seeing a bigger drop. And so we have planned and we are already to take the bigger orders as soon as the customers can accept it. And we think that the market is moving towards a direction where the customers will be able to accept it.

**Rahil Shah:** And you expect these big orders to come in like from this quarter?

**Ravi Toshniwal:** Q3, Q4. And already started. I mean like for garments they would already start in the next 10 days, 15 days, 20 days and all the conclusions will start to begin even in this quarter. Acceptance of the orders but the deliveries will happen in Q3 too.

**Rahil Shah:** All right. And secondly, on the overall operating margin level, so any outlook there? What are your expectations where you can end this year?

**Ravi Toshniwal:** Right. So this is an interesting question because, we are wanting to increase the value addition by boosting our fabric and garment division sales and as that happens of course the overall value-addition improves because the kind of yarn we use for our own fabric and for the garmenting, those yarns are basically of a higher value than what we sell in the markets. So the overall profit from yarn to fabric improves when we boost our fabric and garment production. So that is one effort where we think that because most customers want to reduce cycle time and will want to use India as a base for garments, we will experience better margins in quarter 3, quarter 4.

So I think that the margins will come even on, because of the brand part of fabric, where the margins are substantially better. And all of the investments we've made with a lot of Italian machines and a lot of technology that we have taken from Italy, plus a lot of people whom we are getting, technically skilled people coming and living in our factory. We have a bit of an Italian mafia here.

So it's something where we are all putting these efforts towards improving the margin. I guess it will improve for sure, but it won't be a year which closes like last year. And I think this is true for most industry all over the country and the world, that last year was exceptional and everybody did brilliantly. So did we. So if we close at INR114 crores, we're going to be lower than that. But let's hope we can be reasonably close enough.

**Rahil Shah:** Yes. Thank you. All the best. Thank you.

**Ravi Toshniwal:** Okay. Thank you.

**Moderator:** Thank you, sir. We'll take the next question from the line of Jigar Shah from AK Securities. Please go ahead.

**Jigar Shah:** Yeah, thank you sir, for taking my question. I just had a question on the macro front. Like, how does the demand -- how does the domestic and global demand for fabrics and garments look like? Is the domestic demand expected to pick-up faster than export demand for our products?

**Ravi Toshniwal:** Right, Jigar. Well, I think that both export and domestic overstocked and demand fell for both in quarter 1, quarter 2, and both will pick-up. Relatively speaking, I think that the demand is difficult to say right now which would be better and which would be worse. But I feel that the demand domestically will definitely be good and the export demand could surprise us and be even better. So I mean, there's really very difficult to say right now.

**Jigar Shah:** Got it, sir. Thanks. Thank you, sir.

**Ravi Toshniwal:** Okay.

**Moderator:** Thank you. The next question is from the line of Karthik Shah from Point Investments. Please go ahead.

**Karthik Shah:** Good afternoon, sir. I have a couple of questions.

**Ravi Toshniwal:** Good afternoon, Karthik.

**Karthik Shah:** I have a couple of questions. My first question is, in this quarter, what is our geographic revenue distribution for the company in exports?

**Ravi Toshniwal:** Right. We have this. If you look at it, our exports was 41% in this quarter, the domestic was 59%, and if you look at divisionally, it was yarn 47%, fabric 34%, and garments 19%. And in that export market, so I was just saying that if you look at a breakup export-wise, the US market is the largest. And then we have Europe and we have Turkey and many other markets. So I don't have the full break-up, but if you're interested, then Kavita can give you the break up later on the export bifurcation geography wise.

**Karthik Shah:** Percentage-wise, is okay, sir. But what about the demand scenario outlook for exports?

- Ravi Toshniwal:** Yeah, so like I was saying to Rahul, and explaining to a number of people who asked this question, In a way, the demand is there and the willingness to buy is there, but there is overstocking, which customers have. So they are wanting to shift more towards us, but were unable to do so because of the fact that they already had stock. Now that sales are coming and stocks are depleting, we expect that this demand should be back.
- Karthik Shah:** Okay. Also, one other thing, like, is company planning to operationalize the unit in Daman, the K1 unit? And is there any plan of starting operations there anytime soon?
- Ravi Toshniwal:** The which unit in Daman?
- Karthik Shah:** The K1 unit sir.
- Ravi Toshniwal:** K1, K1 yeah. So it is already started K1 and that is why you are seeing that we got only a utilization of 47% because we are figuring that capacity in our total available capacity.
- Karthik Shah:** Okay, so when did -- any idea like, when did it started the operations?
- Ravi Toshniwal:** If Rahul is there he can say or we'll I will give it give you that answer Kavita will give you back a while later.
- Karthik Shah:** Yeah, I will stay in queue.
- Ravi Toshniwal:** I think we started quite a few months ago, we are ready. You should go and visit K1 in fact. It's just a train ride away from Bombay.
- Karthik Shah:** Sure, sir, if invited we could do, definitely.
- Ravi Toshniwal:** Okay, thank you.
- Moderator:** Thank you. We'll take the next question from the line of Dipti Kothari from Kothari Securities. Please go ahead.
- Dipti Kothari:** So, sir, I just had a follow-up question. So you have revised the profit before depreciation and tax target from 12% to 9% to 10% for FY '24. So I just wanted to know that what will it take for us to get back to a double-digit range?
- Kavita Gandhi:** In a quarter 3 and quarter 4, this is a very optimistic as in the beginning we said that this is the target what we have revised. But if quarter 3 and quarter 4 really goes high and if our exports goes high, then in that case we will be touching to the double digit. But otherwise, we should be very near to the double digit.
- Dipti Kothari:** Okay. Thank you so much. That answers my question.
- Moderator:** Thank you. The next question is from the line of Nirbhay Mahawar from N Square Capital. Please go ahead.

- Nirbhay Mahawar:** Yeah, good afternoon, sir. I just wanted to understand apart from these near-term demand issues, our longer-term growth objectives, you do not see any major changes which we had talked, like doubling our revenues in four years?
- Ravi Toshniwal:** Yeah, Nirbhay, I mean, we are very optimistic about the long-term, and I mean, like I said, even in the opening speech, the positive outlook remains, and we are more than bullish about the fact that retailers globally also are looking to India and we will be part of part of and in fact one of the leading textile companies to take advantage of this drift towards India. So long term there is no concerns.
- Nirbhay Mahawar:** Okay and sir, looking at the whole dynamic and value chain moving more in favor of fabric and garment, you think with these kind of revenues scale up 15% kind of operating margin in longer term looks reasonable or this is an aggressive?
- Ravi Toshniwal:** Yeah, so I mean 15% EBITDA margin is easily achievable and we'll be back to that I'm sure. We have no doubt that that will come back. The big challenge was that because there was overstocking everywhere and everybody's exports also dropped, everybody started selling in the domestic market, the pressure of the oversupply caused a price drop of yarn. And once yarn prices drop, then for us the overall margin gets impacted much more seriously. And the yarn consumption into our own fabric also dropped, into our own fabric and garments.
- So once this factor is changed and our aggression towards capturing the fabric and garment business that comes our way is already there, we are aggressive about this growth, we will get back the margins because this is just a temporary aberration I would say.
- Nirbhay Mahawar:** Fair. And just to follow up on the net debt side, is it 297 right now, current net debt number? It's sub 300?
- Kavita Gandhi:** Yeah. Yeah, sub 300 on the June quarter.
- Nirbhay Mahawar:** Fair. And we do not expect any meaningful increase in this case?
- Kavita Gandhi:** Not much. A little variation will happen since we are getting into the growth in the H2. So some amount of working capital will require. But it should be not a very drastic change in that. It will be marginal increase.
- Nirbhay Mahawar:** And you also mentioned that working capital is around INR150 crores. So our term loan would be largely roughly around like longer term loan would be around INR150 crores and INR150 crores.
- Kavita Gandhi:** Yeah exactly absolutely.
- Nirbhay Mahawar:** Fair enough. Thank you.
- Moderator:** Thank you. Ladies and gentlemen as there are no further questions. I would now like to hand the conference over to Mr. Ravi Toshniwal for closing comments. Over to you, sir.

**Ravi Toshniwal:**

Yes. Thank you, everyone, for listening in and for your questions, which always help us to really reflect and think about how we can improve our own performance. We remain optimistic about what the second half of the year will bring. And we are very, very happy about the India growth story and want to be a part of it and be able to contribute towards it. Hoping that Banswara will be defined to be a place on the textile map of the world and looking forward to your support. Thank you everyone and look forward to meet you again next quarter. Bye-bye.

**Moderator:**

Thank you members of the management. Ladies and gentlemen on behalf of Banswara Syntex Limited, that concludes this conference. We thank you for joining us and you may now disconnect your lines. Thank you.