
Avendus Capital advises TCNS Clothing Co. (“W”) on a USD 140 Mn secondary transaction with TA Associates acquiring a minority stake from Matrix Partners and other shareholders

Mumbai, Aug 19, 2016

TCNS Clothing Co. Pvt. Ltd. has completed a USD 140 Mn secondary transaction. Matrix Partners, the existing fund invested in TCNS, has exited as part of the transaction and TA Associates, a Boston based private equity firm, has acquired a minority stake in the company from Matrix Partners and other shareholders.

Avendus Capital was the exclusive financial advisor for this transaction.

Headquartered in New Delhi, TCNS Clothing designs, manufactures and sells contemporary ethnic wear, targeting women between the ages of 25 and 40. Through its three brands – W, Aurelia and Wishful – TCNS operates across the value chain from economy to premium segments. The brands are present in more than 1,600 points of sale across India, Mauritius, Sri Lanka and the Middle East, and in over 300 exclusive stores in more than 100 cities. In addition to the physical stores, the three brands have a strong presence across large multi-brand retailers and online portals.

“TCNS has enjoyed great success over the last five years and we are proud to have become India’s leading women’s apparel company,” said **Mr. O.S. Pasricha, Founder and Chairman, TCNS Clothing Company Pvt. Ltd.** “We are pleased to have TA Associates as our partner for the next phase of our growth, and are delighted to welcome TA to our company and to our Board. We look forward to a close, long-term collaboration.”

“We are in an exciting phase of our journey, and despite TCNS being the leading branded womenswear player in India, we believe there are infinitely bigger opportunities ahead. Apart from organic growth, we see significant avenues for expansion through the possible introduction of additional womenswear brands and complementary offerings, as well as expansion into additional international markets.” said **Anant Daga, CEO, TCNS Clothing Company Pvt. Ltd.**

Branded women’s apparel is expected to grow at 20% in the next 10 years with the proportion of branded apparel moving from 17% currently to about 38% of the total \$30Bn women apparel market in 2025 (ratio of women’s branded apparel market to men’s in India is significantly lower than global markets). This trend is catapulted by an increasing number of working women who have a more varied number of occasions to dress for, higher frequency of purchase by the younger population given artificial obsolescence; and changing preferences

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of the middle aged consumers (major shift away from saree) – which has led to an overall increase in the average size of a women's wardrobe.

Commenting on the transaction, **Gaurav Deepak, Managing Director at Avendus Capital** said, "We believe the team at TCNS led by Anant has created a leadership position in its segment through innovation and has consistently delivered new designs & products to the Indian woman consumer. It has been great working with them and learning how innovation as a culture can be used to create tremendous value for all stakeholders."

About TCNS:

TCNS Clothing Company Pvt. Ltd. (TCNS) is the name behind the evolution of the most fashionable contemporary wear brand for women - W. Pioneers in scientific sizing with 7 sizes, introduction of iconic knit churidar and smaller width stoles, the company has made functional fashion available for everyday woman. The three TCNS Clothing brands - W, Aurelia and Wishful breathe different fashion sensibilities altogether – ranging from ethnic to contemporary fashion.

W is the first Indian women's brand to have 200+ stores and Aurelia is available through 100+ stores. The brands are also available through 1600 points of sale across 100 cities in India, Mauritius, Srilanka and Middle East.

For more information, please visit www.wforwoman.com

About Avendus Capital

The Avendus Group (Avendus) is a leading provider of financial services with an emphasis on customized solutions in the areas of financial advisory, structured credit solutions, wealth management and alternative asset management. Avendus relies on its extensive experience, in-depth domain understanding and knowledge of the regulatory environment, to offer customized solutions that enable clients to meet their strategic aspirations. Avendus has been consistently ranked among the leading financial advisors by overall number of deals. In CY2015, the firm was amongst the top three financial advisors by overall number of deals in India (as per Mergermarket). It has a strong track record of cross-border transactions and has helped multiple clients benefit from opportunities across geographies. Avendus's wide range of clients is testimony to its ability to serve its corporate clients throughout their life cycle – from growth stage funding to complex, large sized transactions later in the cycle.

Avendus Wealth Management Pvt. Ltd. caters to investment advisory and portfolio management needs of Family offices, Large Corporates and Ultra High Net worth Individuals spanning all asset classes. Avendus Capital Inc. and Avendus Capital (UK) Pvt. Ltd. located in New York and London respectively are wholly owned subsidiaries offering M&A and Private Equity syndication services to clients in the respective regions.

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