

MONTE CARLO FASHIONS LIMITED

Regd. Office : B-XXIX-106, G.T. Road, Sherpur, Ludhiana - 141003 (Pb.) India.

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August 5, 2021

National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400051.	BSE Limited. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001.
Symbol: MONTECARLO	Scrip Code: 538836

SUB: Q1FY22 INVESTOR PRESENTATION

Dear Sir / Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Investor Presentation for the Quarter ended June 30, 2021.

You are requested to take the same on record and acknowledge the receipt.

Thanking You,

FOR MONTE CARLO FASHIONS LIMITED



ANKUR GAUBA
COMPANY SECRETARY & COMPLIANCE OFFICER



Encl. As Above

emkay connect

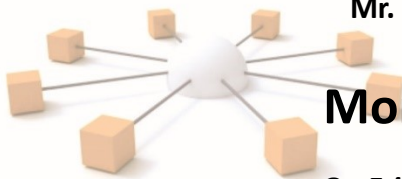
EMKAY GLOBAL FINANCIAL SERVICES LTD.

is pleased to invite you for a conference call to discuss the **Q1FY22** results with

Mr. Dinesh Gogna – Director

Mr. Sandeep Jain – Executive Director

Mr. Rishabh Oswal – Executive Director



Monte Carlo Fashions Ltd.

On Friday, August 6, 2021 at 11:00 AM (IST)

[Pre-register to avoid wait time and Express Join with DiamondPass™](#)

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Emkay[®]

Your success is our success



MONTE CARLO

It's the way you make me feel

MONTE CARLO FASHIONS LIMITED Q1 FY22 INVESTOR PRESENTATION



“ It’s the way
you make me feel ”



MONTE CARLO 
It's the way you make me feel

DISCUSSION SUMMARY

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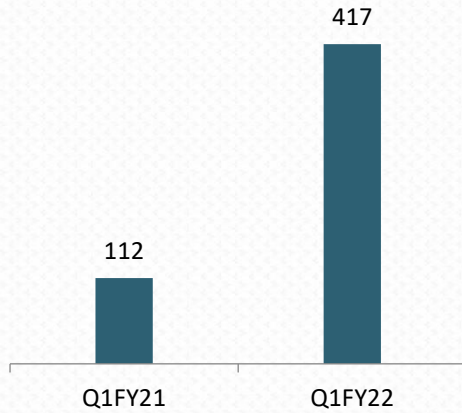
01

FINANCIAL HIGHLIGHTS

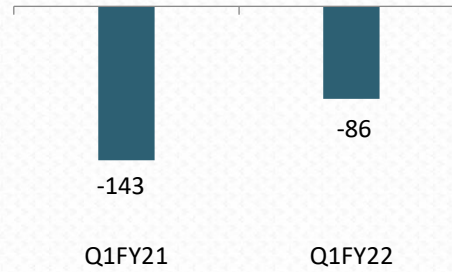


In Rs Mn

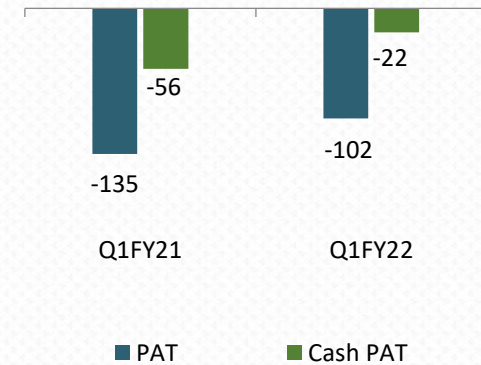
REVENUES



EBIDTA*



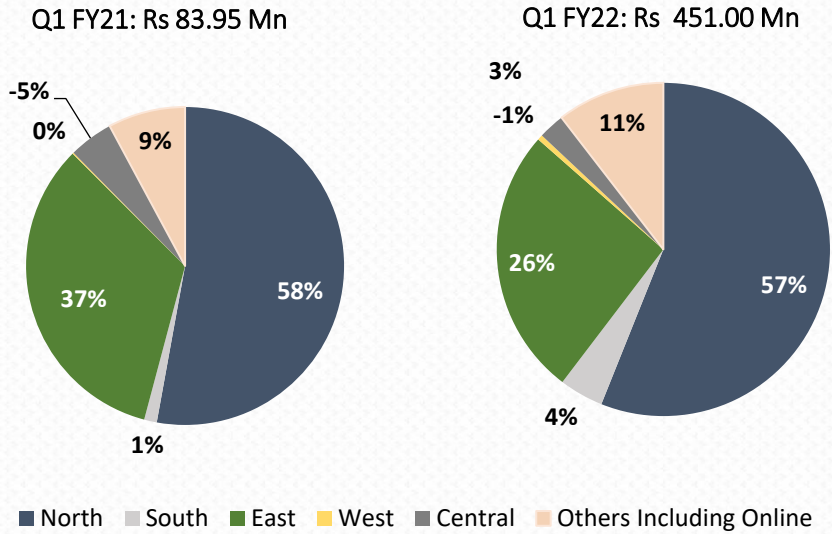
PAT & CASH PAT



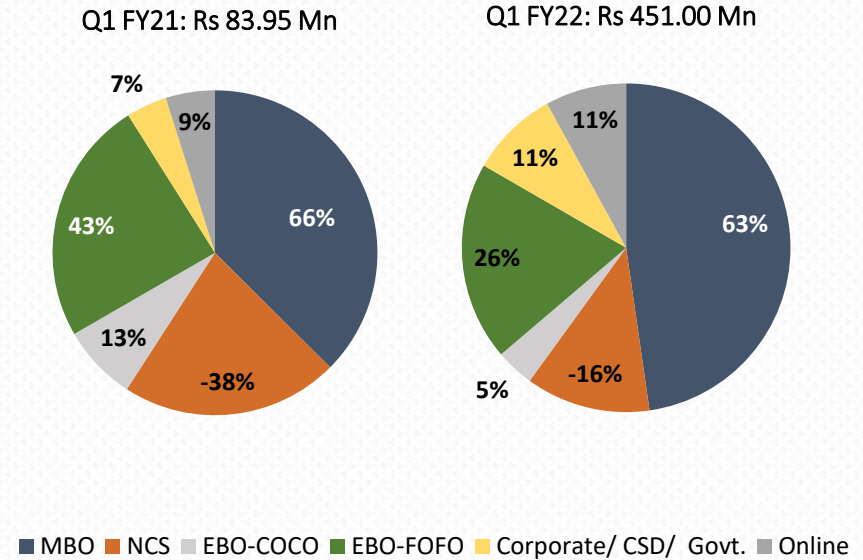
*EBITDA excludes other income

Q1 FY22: REVENUE DETAILS

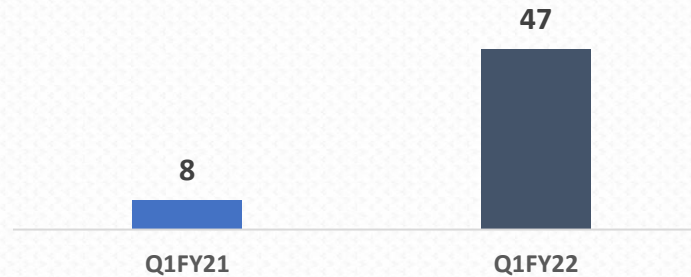
REVENUE BREAKUP- REGION WISE (Including Online Sales)



REVENUE BREAKUP – CHANNEL WISE



Online Sales Rs (Mn)



REVENUE BREAKUP - SEGMENT WISE

In Rs Mn	Q1 FY21	Q1 FY22	FY20	FY21
Total Revenues*	83.9	451.0	Rs. 7,235	Rs. 6,126
Cotton Segment	86.3%	90.3%	59.1%	51.4%
Woollen Segment	-36.8%	-18.0%	22.3%	27.7%
Home Textiles	53.8%	25.6%	11.7%	14.3%
Kids	-3.3%	2.1%	6.9%	6.6%

* Revenue from core products (Excluding Yarn, Fabrics & Miscellaneous sales)

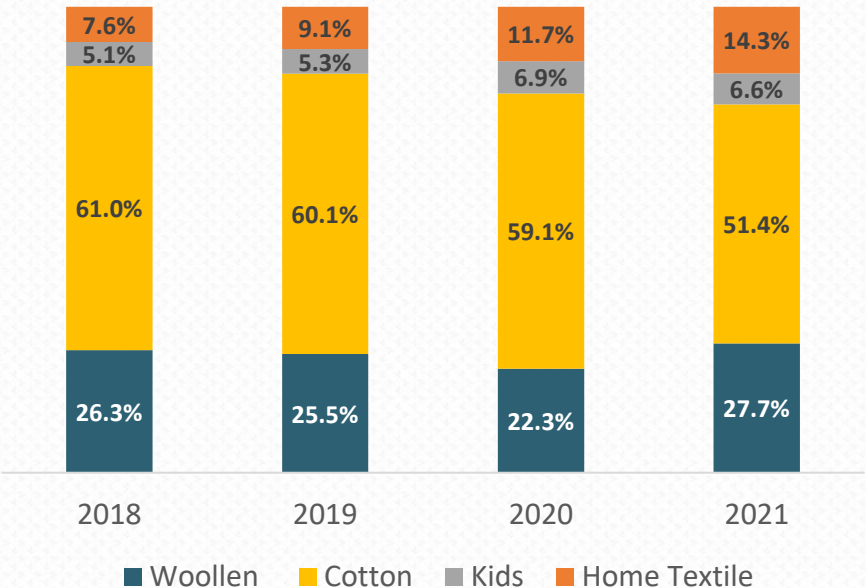
Q1 FY21 Sales of scrap and accessories was Rs.1.3 Mn, Other Operating revenue was Rs. 0.6 Mn & INDAS adj. was Rs. 26.0 Mn

Q1 FY22 Sales of scrap and accessories was Rs. 6.1 Mn, Other Operating revenue was Rs. 1.1 Mn & INDAS adj. was Rs. -41.2 Mn

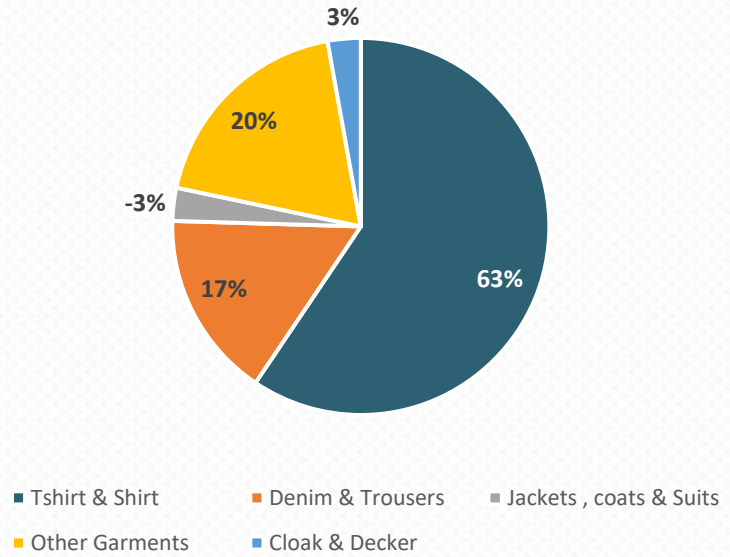
FY20 Sales of scrap and accessories was Rs.80.3Mn, Other Operating revenue was Rs.11.5 Mn & INDAS adj. was Rs.-70.7 Mn

FY21 Sales of scrap and accessories was Rs.28.8 Mn , Other Operating revenue was Rs.8.2 Mn & INDAS adj. was Rs.57.2 Mn

SEGMENT COMPOSITION



COTTON SEGMENT BIFURCATION - Q1FY22



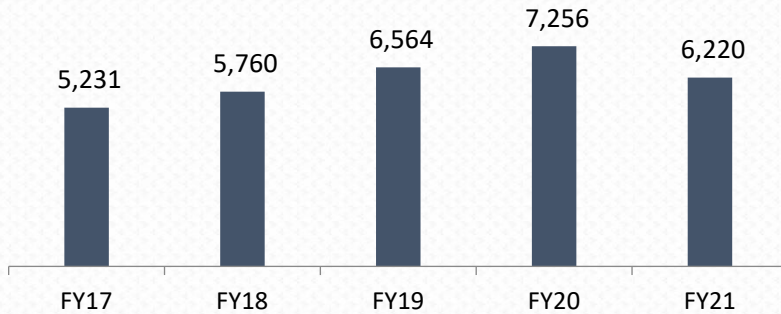
- The company is focusing on the diversification strategy, emphasising more on cotton segment
- Cotton share maintained above 50% of total FY21 revenue reflecting shift towards Cotton from Woollen segment

Q1FY22: PROFIT AND LOSS STATEMENT

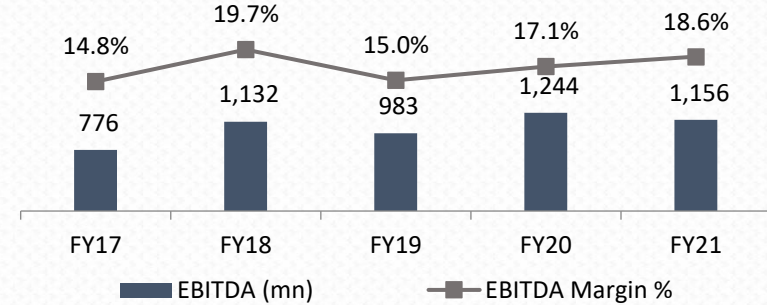
Particulars (In Rs Mn)	Q1 FY22	Q1 FY21	FY21	FY20
Revenue From Operations	417	112	6,220	7,256
Material Cost	64	7	3,310	3,831
Gross Margin	353	105	2,910	3,425
Gross Margin %	84.6%	93.7%	46.8%	47.2%
Personnel Expenses	168	85	599	696
Advertisement Expenses	25	4	110	301
Other Expenses	246	159	1,028	1,168
CSR Expenses	-	-	18	16
Operating EBITDA	-86	-143	1,155	1,244
EBITDA Margin %	-	-	18.6%	17.1%
Other Income	66	56	202	115
Depreciation	79	79	342	334
Finance cost	29	30	135	170
PBT	-128	-196	880	855
Tax Expense	-26	-61	217	228
PAT	-102	-135	663	627
PAT Margin %	-	-	10.7%	8.6%
EPS (Rs.)	-4.9	-6.5	32.0	30.2

In Rs Mn

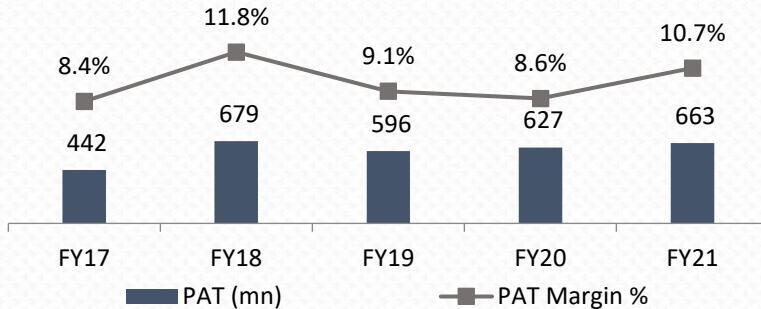
CONSISTENT REVENUES



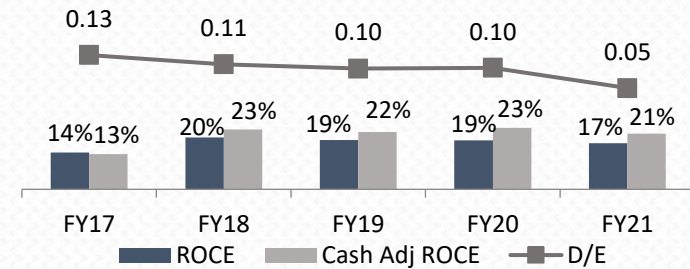
EBITDA & EBITDA MARGIN



PAT & PAT MARGIN



LEVERAGE & RETURN RATIOS



Note – EBITDA does not include other income

Revenues exclude Raw Material Sales (Yarns, Fabrics & Trims)

Inventory Data related to FY18 onwards is according to the cost method of valuation and the data related prior to FY18 is according to retail method of valuation

02

COMPANY OVERVIEW



MONTE CARLO: INDIA'S FIRST ORGANISED LIFESTYLE APPAREL BRAND



Strong Pedigree

Leading Winter wear Brand, launched in 1984 promoted by Sh. Jawahar Lal Oswal ,CMD, Oswal woollen Mills Ltd and Nahar Group



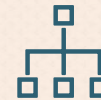
Manufacturing Plants

2 Manufacturing Plant located in Ludhiana



Super Brand

Recognized as Super brand for woollen knitted apparel in India



Diversified Product Portfolio

Successfully diversified brand across Woollen, Cotton, Kids & Home Furnishing



Wide Reach

Presence across India through various distribution channels



In House Designing Team

30 professionals closely tracking the trending global fashion



Cash Balance

Cash balance of Rs. 1,976 Mn as of June 2021

(includes cash and bank balance along with current and non-current investments)



Low Debt

Long-Term borrowing at Rs. 107 Mn as of June 2021

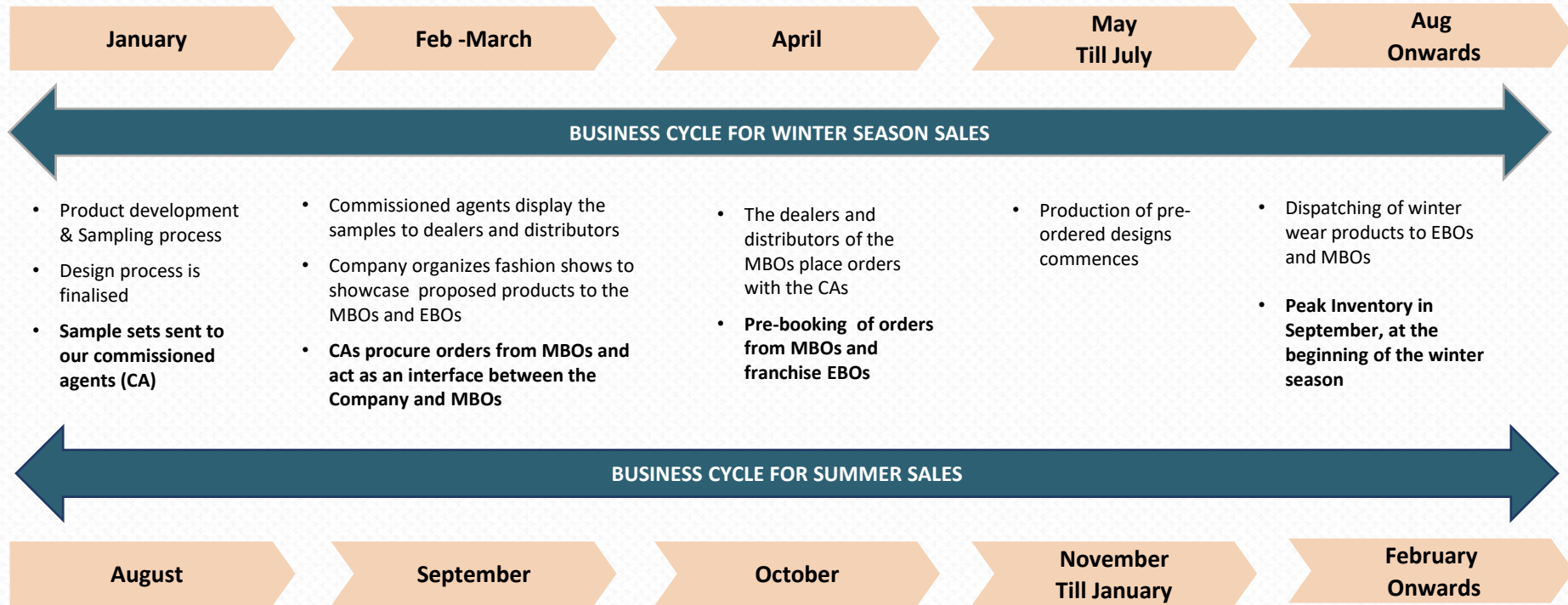
DIVERSIFIED PRODUCT PORTFOLIO

Range	Woollen	Cotton	Home Furnishing	Kids
Monte Carlo Mid Premium / Premium	Sweaters, Pullovers thermals, woollen accessories (caps, mufflers, shawls, stoles)	Shirts, trousers, t-shirts, track-suits and jackets	Mink blankets, bed sheets and quilts	-
Luxuria - Mid Premium / Premium	Cash wool sweaters , blazers ,coats	Cotton Shirts, trousers and t-shirts	-	-
Denim- Mid Premium / Premium	-	Denim Trouser (jeans) and Shirts	-	-
Alpha – Women wear	Sweaters , cardigans	Shirts, Tshirts, Trousers , jackets and sweat-shirts	-	Sweat - Shirts
Tweens – Kids wear (7-13 years)	-	-	-	Sweaters, Cardigans, Shirt , T-Shirts and Bottoms
Cloak & Decker– Men’s wear	Sweaters , cardigans	Cotton and cotton blended Tshirts	-	-
Rock It – Sports wear	-	Tank , Polo T-Shirt, Shorts, Track Pants	-	-



TRENDY AND PREMIUM QUALITY APPROACH TO CLOTHING

WHAT IS OUR BUSINESS MODEL



DESIGNING IS AN ONGOING PROCESS THROUGHOUT THE YEAR FOR BOTH COTTON AND WOOLLEN GARMENTS / PRODUCTION OF PLAIN AND BASIC DESIGNS CONTINUE THROUGHOUT THE YEAR FOR BOTH WOOLLEN AND COTTON GARMENTS

DISTRIBUTION MODEL



MINIMUM GOODS RETURNED



LOW CREDIT RISK



COMMANDS PRICING POWER



ORDER TO PRODUCE MODEL

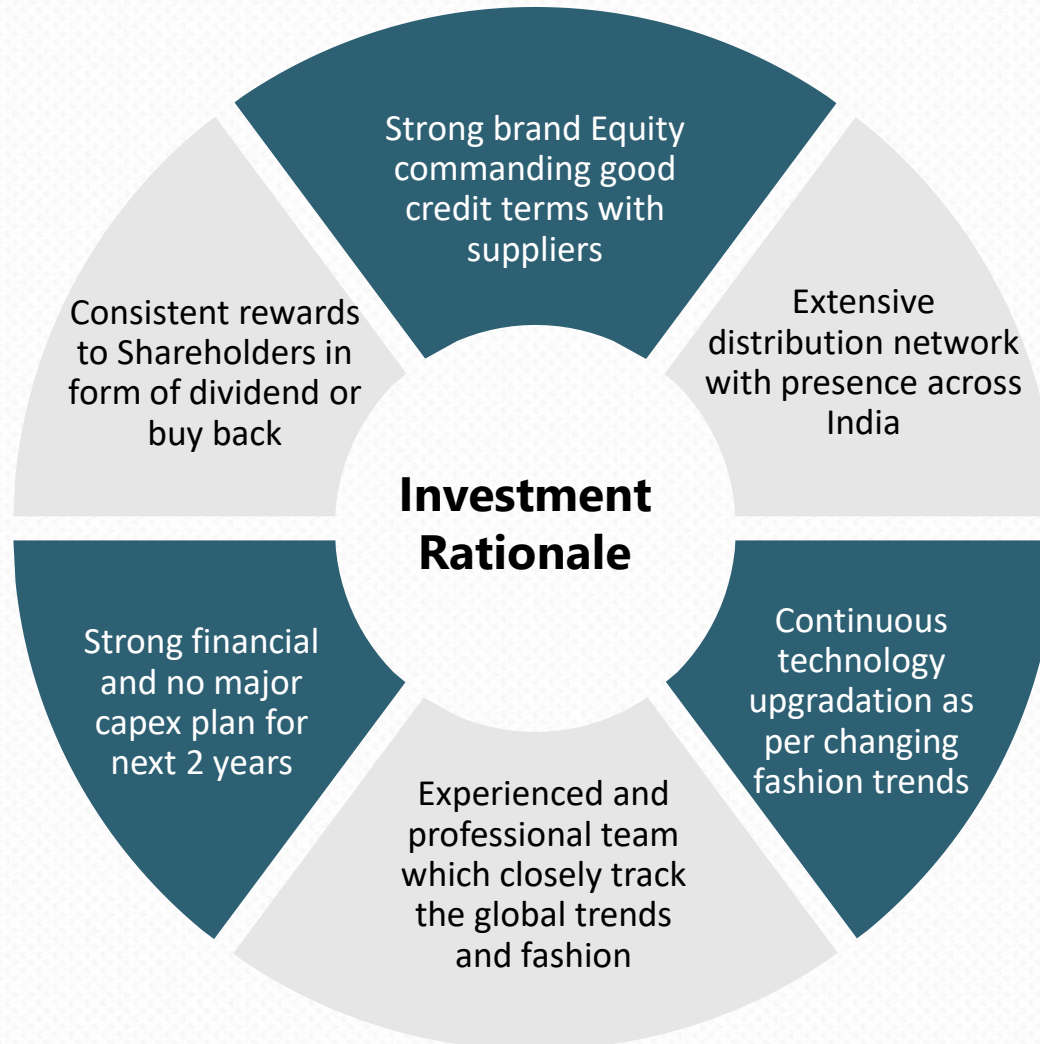
	MBO and Distributors	NCS	Shop In Shop	EBO-COCO	EBO –FOFO
Distribution Sale Model	Pre-Booking of orders Outright Sales	SOR – Sale or Return / Outright Sales	Pre-Booking of orders Outright Sales	Inventory owned by Company	Pre-Booking of orders Outright sale
Goods Return Risk	No	Yes	No	N.A	Minimal 5% - 10 % of Products Return Allowed
Discount Sharing	No	Yes	Yes	Yes	Yes Range of 5% - 17.5%
Payment Collection Credit Risk	Exclusive commissioned agents are liable to pay	Reputed retail chains	Exclusive commissioned agents are liable to pay	-	Bank guarantee's and PDC taken from franchise



03

Investment Rationale





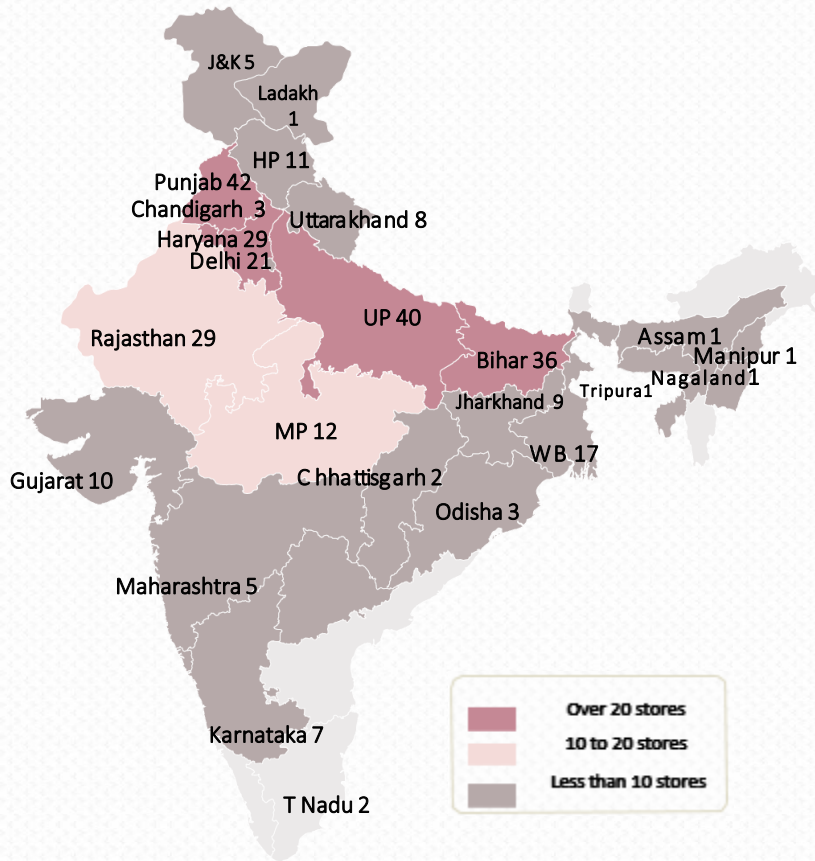
STRONG BRAND EQUITY ...

- ❖ “Monte Carlo”, has Strong Brand Equity
- ❖ Being a Premium Brand, Monte Carlo enjoys Pricing Power & Customer Loyalty
- ❖ Regular Investment in Brand Building & Marketing Initiatives



ASPIRE TO SERVICE END TO END WARDROBE REQUIREMENTS OF INDIAN CONSUMERS BY FURTHER INTRODUCING EXCITING RANGE OF NEW PRODUCTS

... HAVING PAN INDIA PRESENCE ...



DISTRIBUTION NETWORK

STORE NETWORK			
Type of Store	FY20	FY21	Q1 FY22
EBO – COCO	37	42	45
EBO – FOFO	241	256	251
MBO and Distributors	2,500+	1,777*	1,265*
NCS	566	622	224
SIS	126	153	153
E-Commerce	Amazon, Flipkart, Myntra, Jabong and Kapsons		

* MBO, SIS & Distributors count have been taken on the basis of Primary billing done during the period.

EBO – NET ADDITIONS			
	FY20	FY21	Q1 FY22
Existing	256	278	298
New Opened	31	28	3
Closed	9	8	5
Total EBOs	278	298	296

NEW STORE LAUNCHES

- **FOFO:** HRY (1), UP (1)
- **COCO:** HRY (1)

... & REGULAR TECHNOLOGY UPGRADATION

Whole Garment Machine



3D KNIT

FASHION
ORIENTED



Cotton



Woollen



- 30 professionals closely tracking the trending global fashion
- To meet the standards of technology upgradation and modernisation, Company has installed the automatic whole-garment state-of-art manufacturing facility, at the existing Ludhiana's unit.
- This technology, in knit is one entire piece which provides a seam-free fit and comfort, unmatched by any other knitwear. This helps in elimination of multiple manufacturing processes, thereby, reducing the wastage and increasing the efficiency.

Sh. Jawaharlal Oswal (Chairman & MD)

- Sh. Jawahar Lal has More than 50 years of experience in the textile and woollen industry
- Awarded the 'Udyog Ratna Award' by the PHD Chamber of Commerce and Industry, the 'LMA-Sat Paul Mittal Life Time Achievement Award' by the Ludhiana Management Association and the 'Achievers of the North' by the Economic Times

Sh. Sandeep Jain (Executive Director)

- Sh. Sandeep Jain has more than 21 years of experience in the field of administration
- He is Bachelor's degree in Pharmacy, Diploma in Export Management
- Prior to joining Monte Carlo in 2008, he has worked with Oswal Woollen Mills Limited

Sh. Rishabh Oswal (Executive Director)

- Rishabh Oswal is part of third generation of Oswal family
- He has completed his BA Hons in Management Studies from University of Nottingham, UK in 2013 and then went on to pursue an Executive MBA from the prestigious Indian School of Business, Hyderabad

Sh. Dinesh Gogna (Director)

- Sh. Dinesh Gogna has more than 35 years of experience in the field of Corporate Finance and Taxation
- He has Bachelor's Degree in Law, completed the United States Money and Capital Market Seminar conducted by New York Institute of Finance

... RESULTING IN STRONG FINANCIALS

HEALTHY RETURN RATIOS

- ❖ Ability to sustain Robust growth without any major capex; Return Ratios set to improve

STRONG BALANCE SHEET POSITION

- ❖ Cash balance of Rs 1,976 Mn (includes cash and bank balance along with current and non-current investments) as of June 2021

NO MAJOR CAPEX

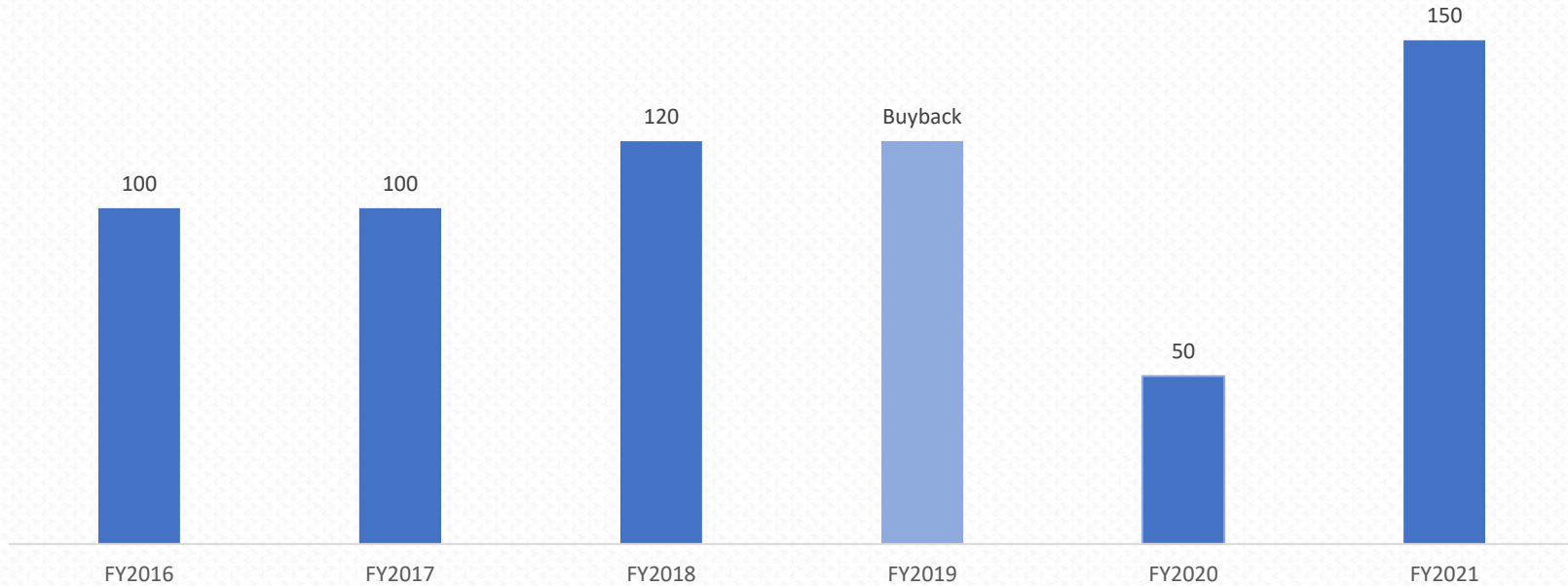
- ❖ Q1 FY22 capex of Rs. 3.3 Mn for de-bottlenecking and modernization of existing facilities
- ❖ Roust growth without any major capex; Return Ratios set to improve

LOWER DEBT

- ❖ Low overall debt; Long term borrowing at Rs.107 Mn as of June 2021



CONSISTENT REWARD TO SHAREHOLDERS



Company has done buy back of Rs. 550 Mn in FY19 to reward shareholders. Promoters have not participated in the buy back

Strong Track Record and Proven Expertise to Generate Healthy, Predictable and Sustainable Returns

04

ANNEXURE



BRANDING INITIATIVES

Proven track record in building brands in India

Clothing partner for the blockbuster Bollywood films **Saaho**, **Barfi**, **Mary Kom**, **Bhaag Milkha Bhaag**, and **Student of the Year**



Clothing Partner for reality Shows like Big boss, Khatron ke Khiladi



TIE-UPS WITH ONLINE PLATFORMS



STRATEGIC TIE-UPS

Airline Tie-ups

- Air Asia - Overhead Bins
- Go Air - Overhead Bins
- Air India - Seat Back Devices + Inflight Magazine
- Vistara - Inflight Magazine
- Indigo - Inflight Magazine

Theatres

- PVR
- Cinepolis
- Inox
- Carnival
- SRS
- **800 +** screens across India



WE BELIEVE IN “FULFILLING ASPIRATIONS AND TRANSFORMING LIVES “

Education



The organization has worked towards the betterment of various schools & institution at Dhandari Kalan Government Primary school , Govt School (Magra Lulu), Brailee Bhawan Ludhiana by providing them operational & Financial support

Environment



Oswal Foundation renovated fountain chowk in Ludhiana also planted numerous trees to promote greenery and to enhance the flora and fauna

Sports



Contributed in this field by organizing on open women Taekwood Championship at LETC, Katani Kalan, Ludhiana

Health



In this sector Oswal Foundation has done its bit by organizing eye camp & by providing medical support to those in need ,through various means

THANK YOU



MONTE CARLO 

It's the way you make me feel

Mr. Dinesh Gogna

Director

Mr. Sandeep Jain

Executive Director

Mr. Rishabh Oswal

Executive Director

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DICKENSON

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