

MONTE CARLO

It's the way you make me feel

GSTN : 03AAF7888Q1ZK
PAN - AAF7888Q
TAN - JLD04272C
CIN - L51494PB2008PLC032059

MONTE CARLO FASHIONS LIMITED

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

Tel.: 91-161-5048610, 5048620, 5048630, 5048640 Fax : 91-161-5048650

MCFL/CS/ 2022-23

August 4, 2022

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: Q1FY23 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, 2022.

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



MONTE CARLO FASHIONS LIMITED

Q1 FY23 INVESTOR PRESENTATION



MONTE CARLO 

It's the way you make me feel

“ It’s the way
you make me feel ”



DISCUSSION SUMMARY

#		Page No
01	Financial Highlights	03
02	Company Overview	13
03	Investment Rationale	18
04	Annexure	26

01

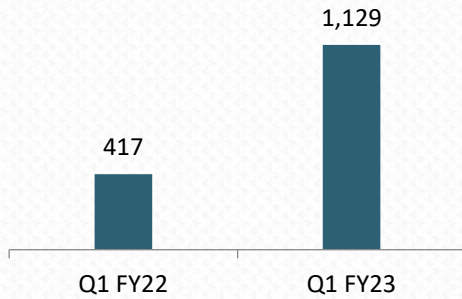
FINANCIAL HIGHLIGHTS



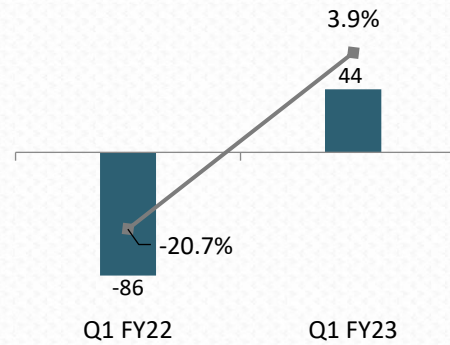
Q1 FY23: PERFORMANCE AT A GLANCE

- Revenue for Q1FY23 stood at ₹1,129 Mn up by 171% YoY and 88% over Pre-COVID(Q1FY 20) levels. The Company reported its Best ever sales for the quarter on the back of strong brand positioning, quality products aided by normalised macro environment.
- Reported an Operating EBITDA of ₹44 Mn for Q1FY23 and EBITDA Margin of 3.9% up by 2462 bps YoY
- Cash PAT stood at ₹52 Mn
- Business Update
 - Opened 11 new stores during Q1 FY23
 - Cotton segment contributed 68.8% to the total revenue
 - Online sales contributed ₹40 Mn i.e. 3% to the Revenue in Q1FY23
 - Online Sales through own portal is ₹4 Mn for Q1FY23

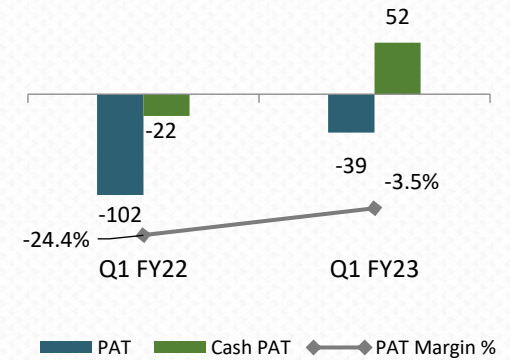
REVENUES



EBITDA* & EBITDA MARGIN%



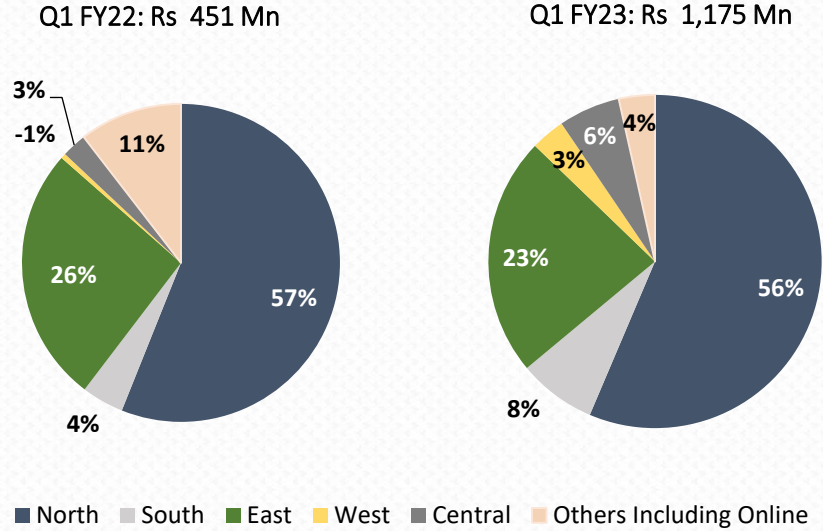
PAT, CASH PAT & PAT MARGIN%



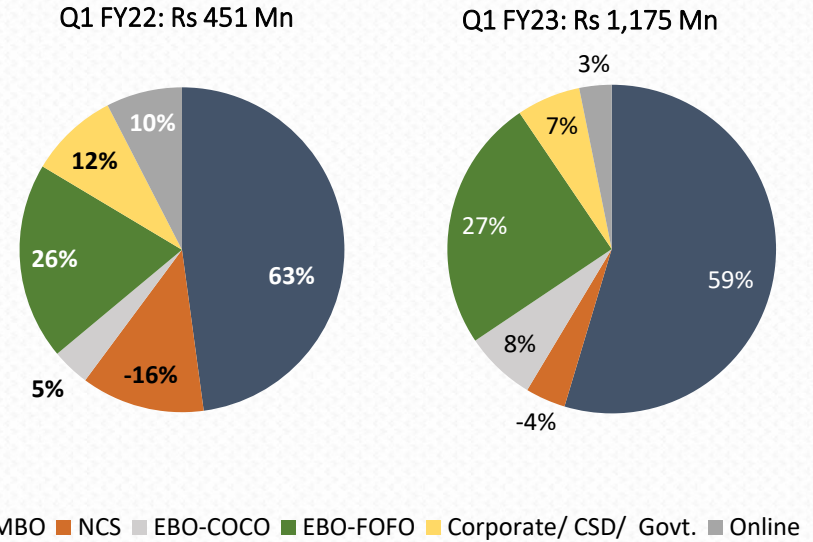
*EBITDA excludes other income

Q1 FY23: REVENUE DETAILS

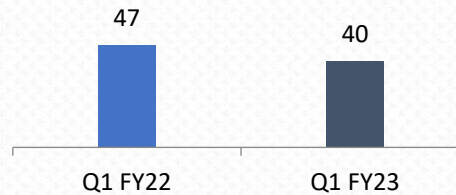
REVENUE BREAKUP- REGION WISE (Including Online Sales)



REVENUE BREAKUP – CHANNEL WISE



Online Sales (₹ Mn)



REVENUE BREAKUP - SEGMENT WISE

In ₹ Mn	Q1 FY22	Q1 FY23	FY21	FY22
Total Revenues*	451	1,175	6,126	9,239
Cotton Segment	90.3%	68.8%	51.4%	54.7%
Woollen Segment	-18.0%	-6.0%	27.7%	24.0%
Home Textiles	25.6%	32.9%	14.3%	13.8%
Kids	2.1%	4.3%	6.6%	7.5%

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

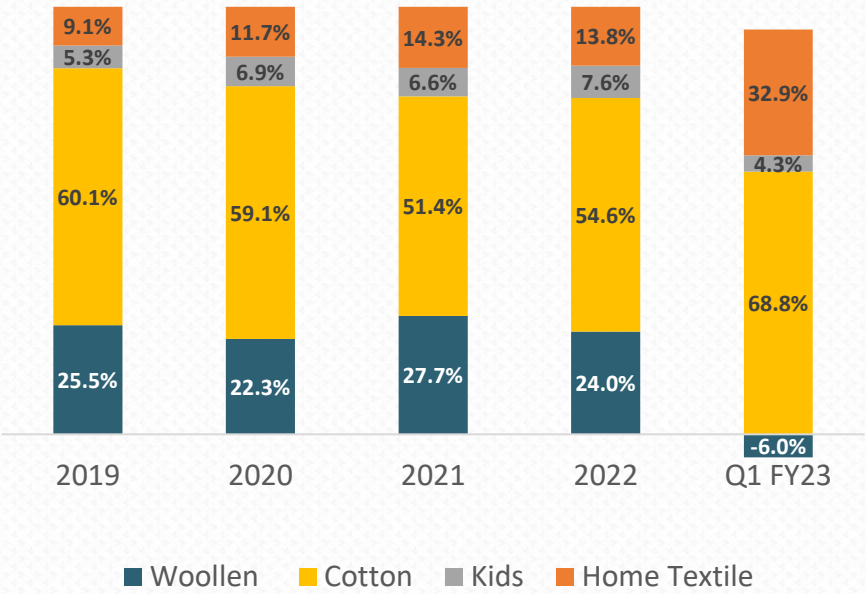
Q1 FY22 Sales of scrap and accessories was Rs.6.1 Mn, Other Operating revenue was Rs. 1.1 Mn & INDAS adj. was Rs. -41.2 Mn

Q1 FY23 Sales of scrap and accessories was Rs. 3.9 Mn, Other Operating revenue was Rs. 2.4 Mn & INDAS adj. was Rs. -52.3 Mn

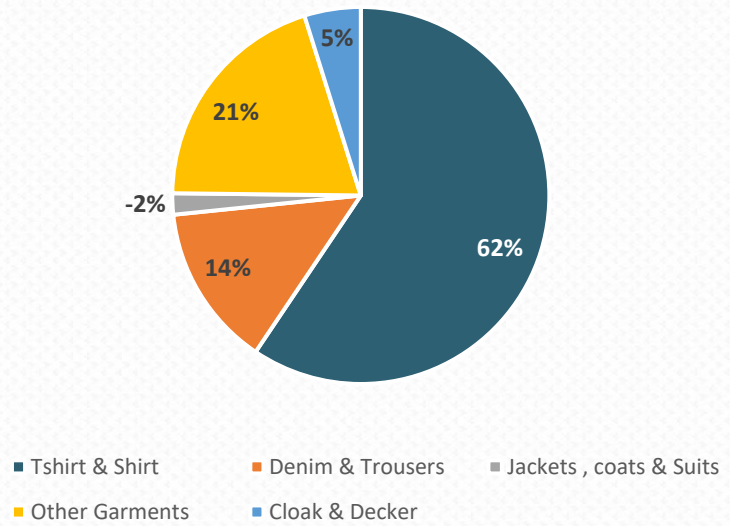
FY21 Sales of scrap and accessories was Rs.28.8 Mn, Other Operating revenue was Rs. 8.2 Mn & INDAS adj. was Rs. 57.2 Mn

FY22 Sales of scrap and accessories was Rs. 26.8 Mn, Other Operating revenue was Rs. 13.9 Mn & INDAS adj. was Rs. -236.6 Mn

SEGMENT COMPOSITION



COTTON SEGMENT BIFURCATION – Q1 FY23

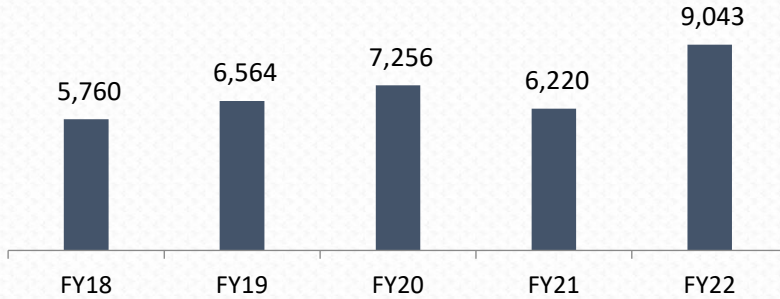


- The company is focusing on the diversification strategy, emphasising more on cotton segment
- Cotton share maintained above 50% of total FY22 revenue reflecting shift towards Cotton from Woollen segment

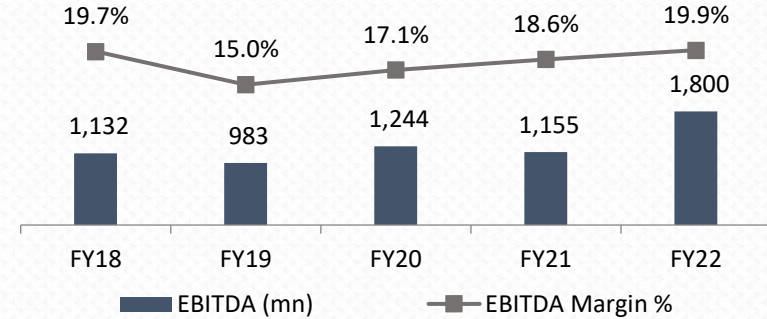
Q1 FY23: PROFIT AND LOSS STATEMENT

Particulars (In ₹ Mn)	Q1 FY23	Q1 FY22	YoY%	FY22	FY21	YoY%
Revenue From Operations	1129	417	171%	9043	6220	45%
Material Cost	464	64	624%	4677	3310	41%
Gross Margin	665	353	88%	4366	2910	50%
Gross Margin %	58.9%	84.6%	-	48.3%	46.8%	149bps
Personnel Expenses	209	168	24%	812	599	36%
Advertisement Expenses	46	25	84%	241	110	119%
Other Expenses	366	246	49%	1512	1046	45%
Operating EBITDA	44.4	-86.5	-	1801	1155	56%
EBITDA Margin %	3.9%	-20.7%	2467bps	19.9%	18.6%	133bps
Other Income	32	66	-51%	255	202	26%
Depreciation	91	79	15%	373	342	9%
Finance cost	38	29	33%	157	135	16%
PBT	-53	-128	-	1527	880	73%
Tax Expense	-14	-26	-	386	217	77%
PAT	-39	-102	-	1141	663	72%
PAT Margin %	-3.5%	-24.4%	-	12.6%	10.7%	195bps
EPS (Rs.)	-1.89	-4.91	-	55	31.98	72.0%

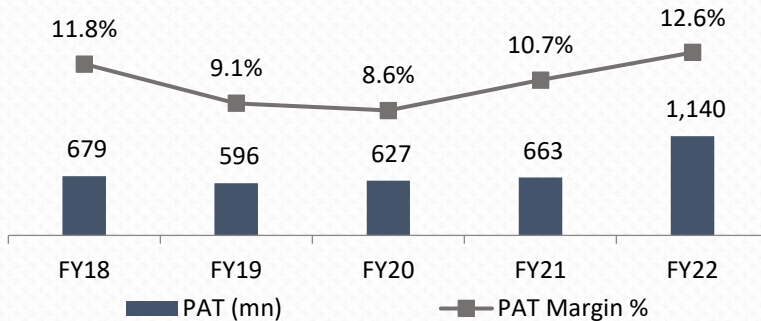
CONSISTENT REVENUES



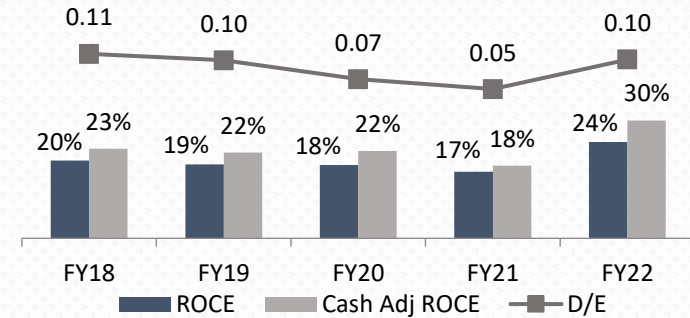
EBITDA & EBITDA MARGIN



PAT & PAT MARGIN



LEVERAGE & RETURN RATIOS



Note – EBITDA does not include other income

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

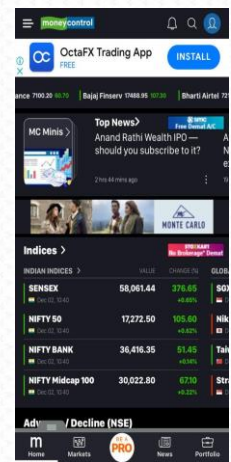
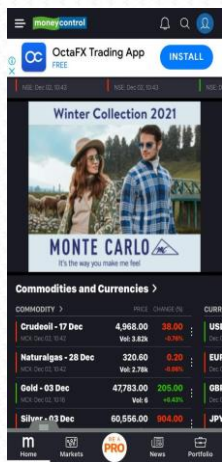
Inventory Data related to FY18 onwards is according to the cost method of valuation and the data related prior to FY18 is according to retail method of valuation

Q1 FY23 ADVERTISING CAMPAIGNS

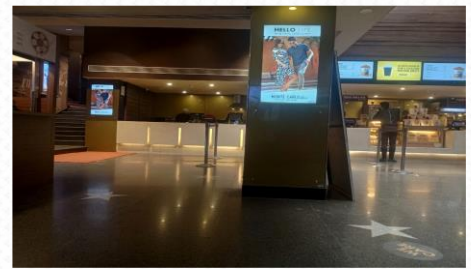
PRINT



DIGITAL



OTHERS



New Store Launches

RDC Raj Nagar Ghaziabad



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



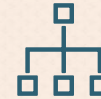
Manufacturing Plants

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

35+ professionals closely tracking the trending global fashion



Cash Balance

Cash balance of Rs. 2,756 Mn as on 30th June 2022

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



Low Debt

Long-Term borrowing at Rs. 75 Mn as on 30th June 2022

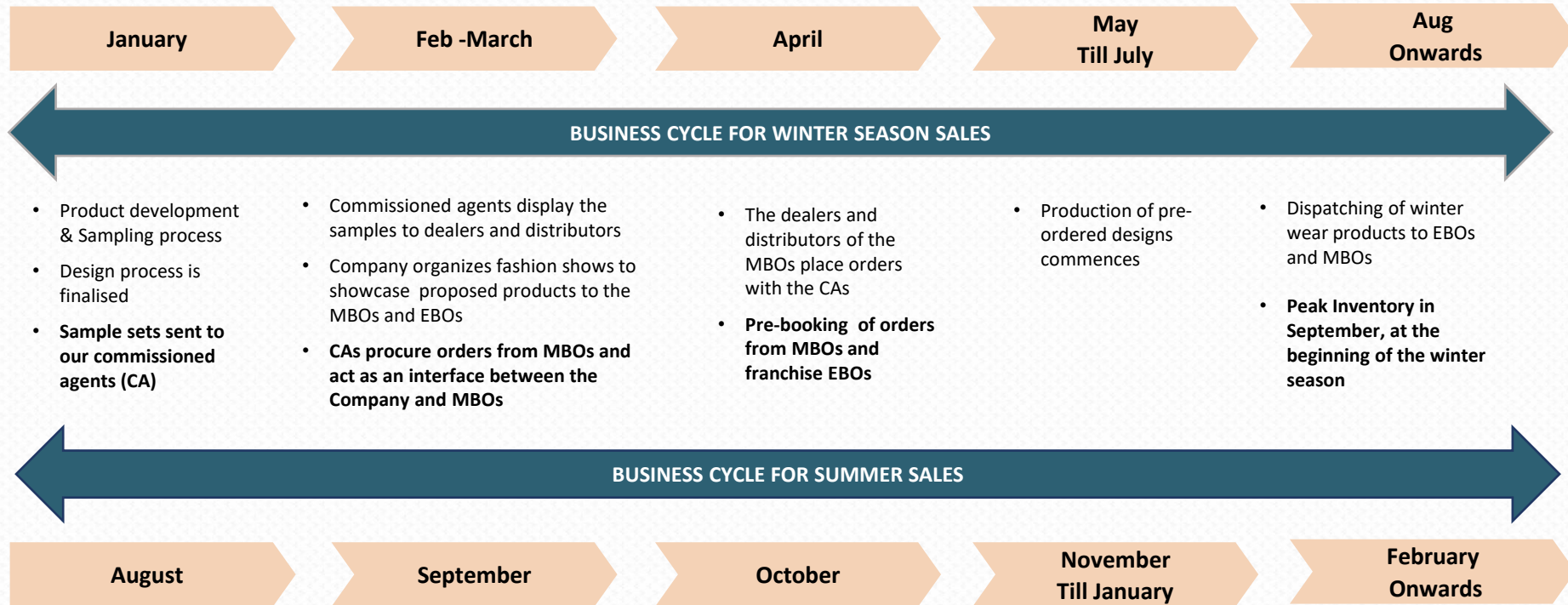
DIVERSIFIED PRODUCT PORTFOLIO

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

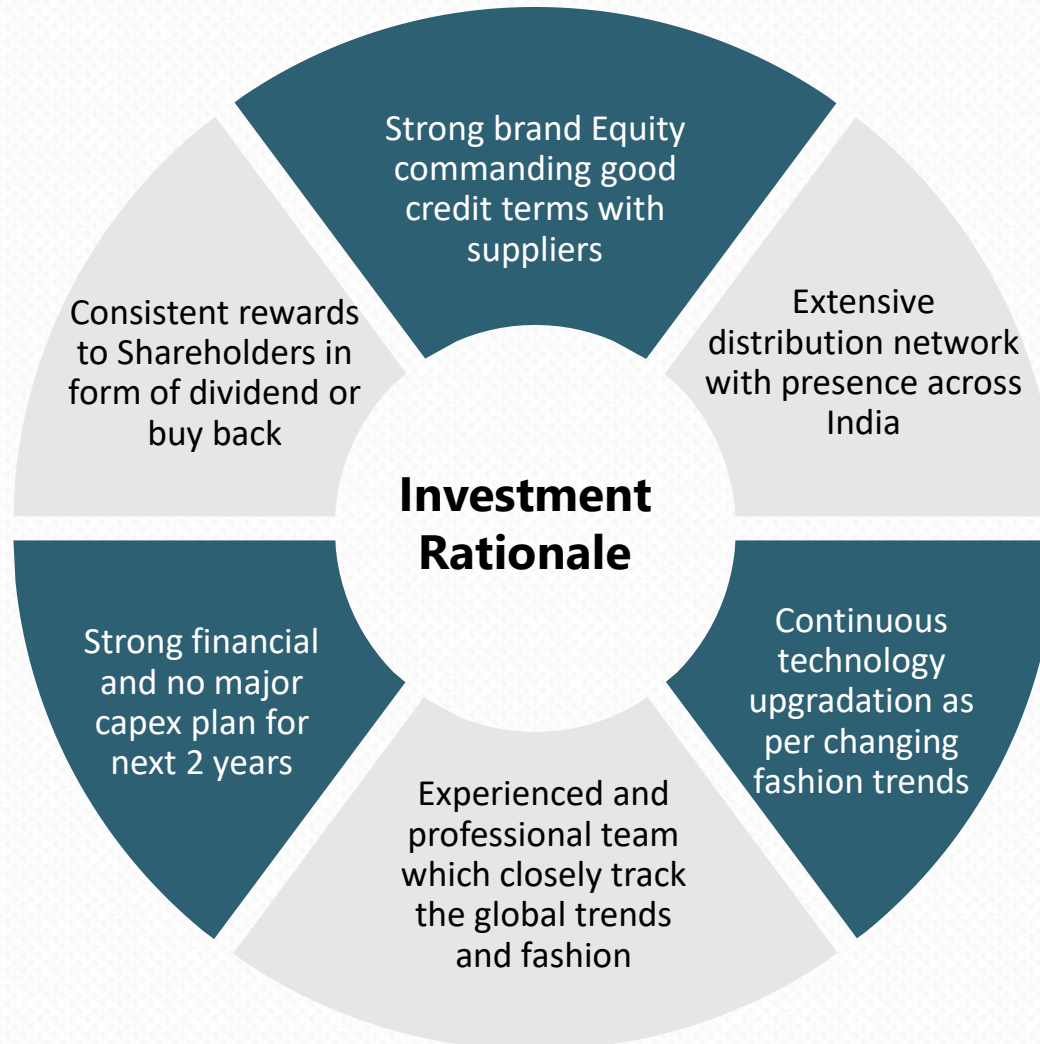
	MBO and Distributors	NCS	Shop In Shop	EBO-COCO	EBO –FOFO
Distribution Sale Model	Pre-Booking of orders Outright Sales	SOR – Sale or Return / Outright Sales	Pre-Booking of orders Outright Sales	Inventory owned by Company	Pre-Booking of orders Outright sale
Goods Return Risk	No	Yes	No	N.A	Minimal 5% - 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





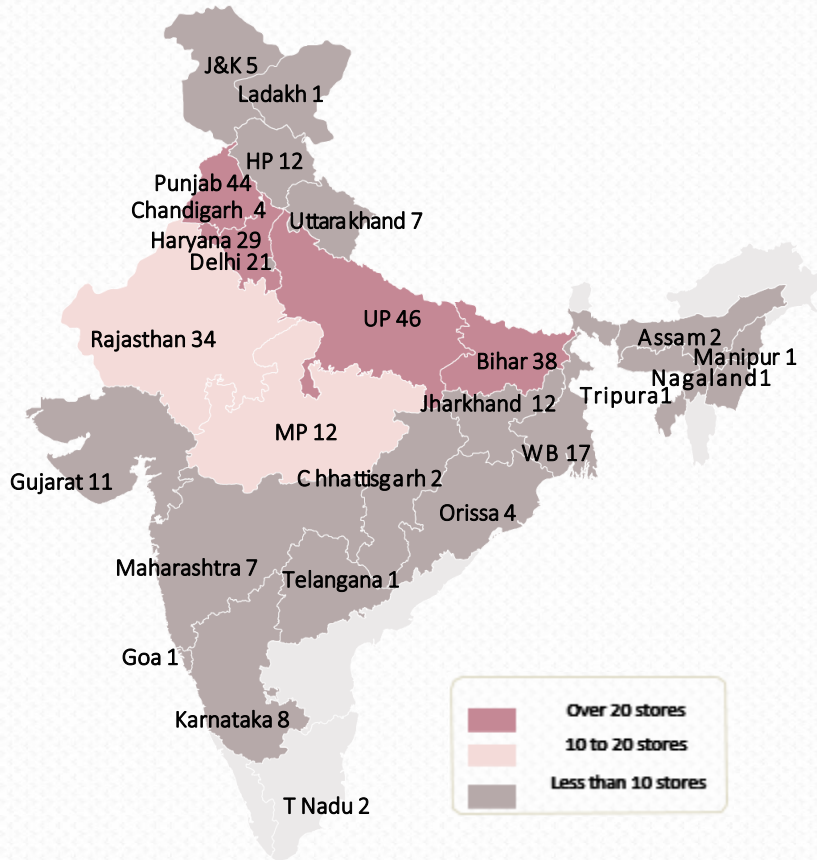
STRONG BRAND EQUITY ...

- ❖ “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	FY21	FY22	Q1FY23
EBO – COCO	43	55	58
EBO – FOFO	255	260	265
MBO and Distributors	1,777*	2,108	1363
NCS	622	740	268
SIS	153	287	273
E-Commerce	Ajo, Amazon, Flipkart, First Cry, Myntra, Jabong and Kapsons		

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

EBO – NET ADDITIONS

	FY21	FY22	Q1 FY23
Existing	278	298	315
New Opened	28	24	11
Closed	8	7	3
Total EBOs	298	315	323

NEW STORE LAUNCHES – Q1 FY23

FOFO: NORTH (3) CENTRAL (2) EAST (1)

COCO: NORTH (4) SOUTH (1)

... & REGULAR TECHNOLOGY UPGRADATION

Whole Garment Machine



3D KNIT

FASHION
ORIENTED



Cotton



Woollen



- 35+ 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 51 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 22 years of experience in the field of administration
- He is Bachelor's in Pharmacy, Diploma in Export Management and certified in wool from AWTA AUSTRALIA
- Prior to joining Monte Carlo he worked with Oswal Woollen Mills as its executive director and he was also past chairman CII Punjab

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 36 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 2,756 Mn (includes cash and bank balance along with current and non-current investments) as on 30th June 2022

NO MAJOR CAPEX

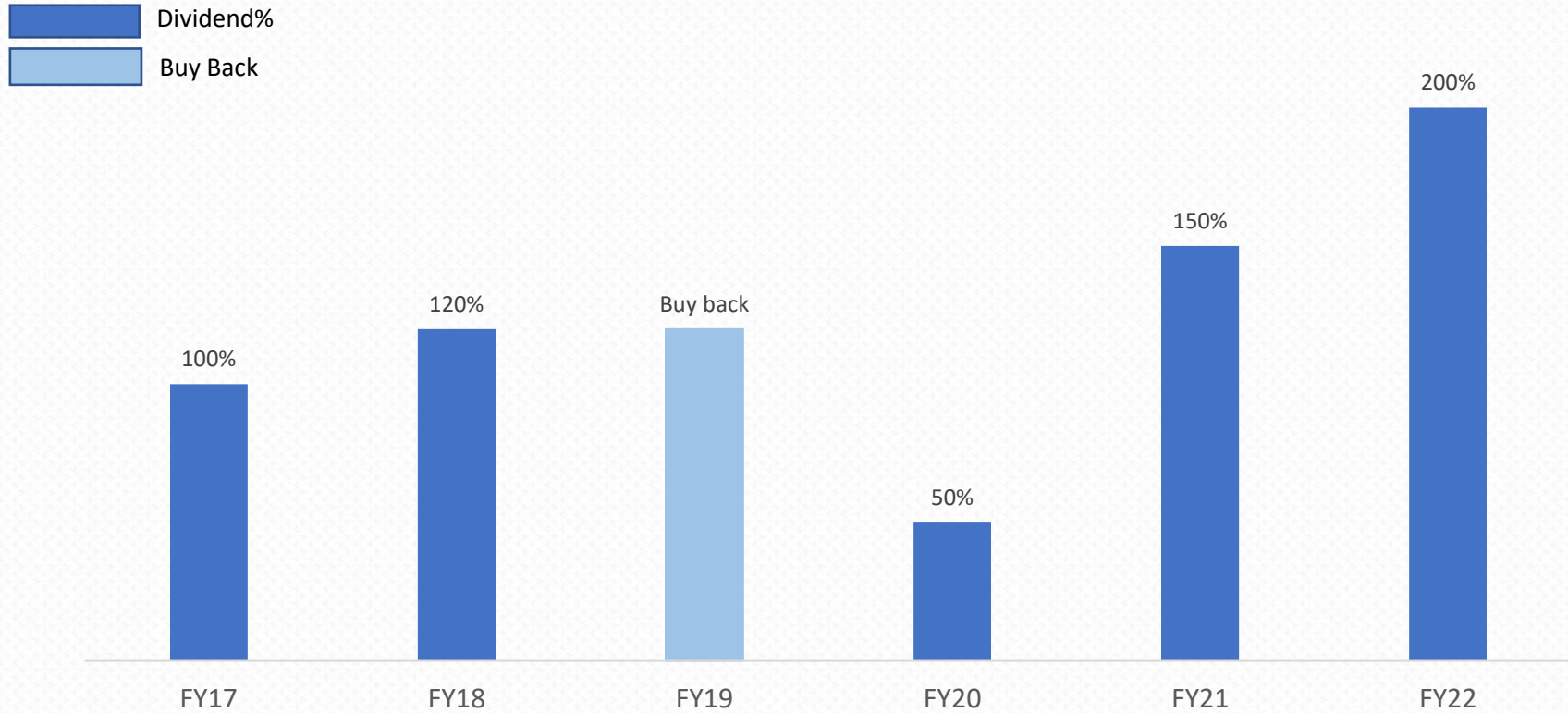
- ❖ Q1FY23 capex of Rs. 18 Mn for de-bottlenecking and modernization of existing facilities

LOWER DEBT

- ❖ Low overall debt; Long term borrowing at Rs. 75 Mn as on 30th June 2022



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**



TIE-UPS WITH NATIONAL CHAIN STORES



Monte Carlo Range Sequence at SIGA Garment Fair, Palace Grounds, Bangalore, July 27th 2022

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
- Cinapolis
- 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), Braille 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

Email:

investor@montecarlocorporate.com

DICKENSON

Mr. Chintan Mehta

Director

Ms. Jill Chandrani

Associate Analyst

Email:

monte.carlo@dickensonworld.com

Disclaimer:

This presentation and the following discussion may contain “forward looking statements” by Monte Carlo Fashions Ltd (“MCFL” or the Company) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of MCFL about the business, industry and markets in which MCFL operates. These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond MCFL’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of MCFL. In particular, such statements should not be regarded as a projection of future performance of MCFL. It should be noted that the actual performance or achievements of MCFL may vary significantly from such statements.