

**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

November 8, 2022

National Stock Exchange of India Limited Exchange Plaza, 5 <sup>th</sup> 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: Q2 & H1 FY23 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 and Half Year ended September 30, 2022.

You are requested to take the same on record.

Thanking You,

**FOR MONTE CARLO FASHIONS LIMITED**ANKUR  
GAUBADigitally signed by  
ANKUR GAUBA  
Date: 2022.11.08  
18:07:58 +05'30'**ANKUR GAUBA  
COMPANY SECRETARY & COMPLIANCE OFFICER  
ICSI MEMBERSHIP NO. : F10577**

Encl. As Above

**MONTE CARLO** 

It's the way you make me feel

# Investor Presentation

H1 & Q2 FY23

Monte Carlo Fashions Limited



**MONTE CARLO** 

It's the way you make me feel



# Discussion Summary



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# 01

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## Financial Highlights

Investor Presentation  
H1 & Q2 FY23



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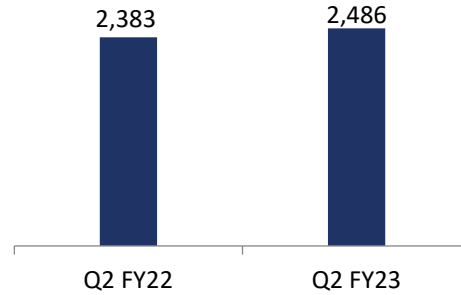
# H1 FY23: Performance at a Glance

- Revenue for H1FY23 stood at ₹3,615 Mn up by 29% YoY. The Company reported its good sales for half year on the back of strong brand positioning, quality products aided by normalised macro environment.
- Reported an Operating EBITDA of ₹552 Mn for H1FY23 up by 25% YoY and EBITDA Margin of 15.3%
- Cash PAT stood at ₹450 Mn
- Business Update:
  - Opened 14 new stores during Q2 FY23
  - Cotton segment contributed 59.6% to the total revenue
  - Online sales contributed ₹122 Mn
  - Online Sales through own portal is ₹15 Mn for H1FY23

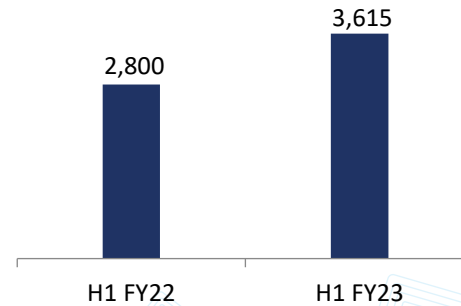
# Q2 & H1 FY23: Financial Highlights

Investor Presentation  
H1 & Q2 FY23

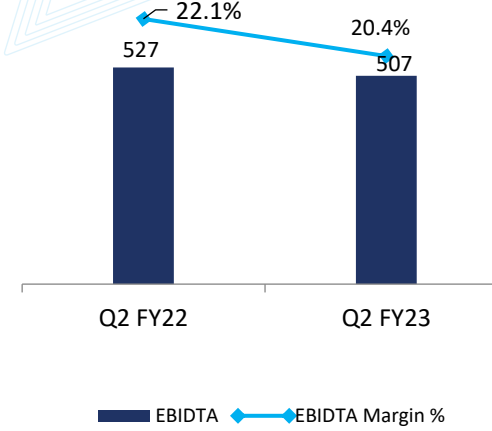
## REVENUES



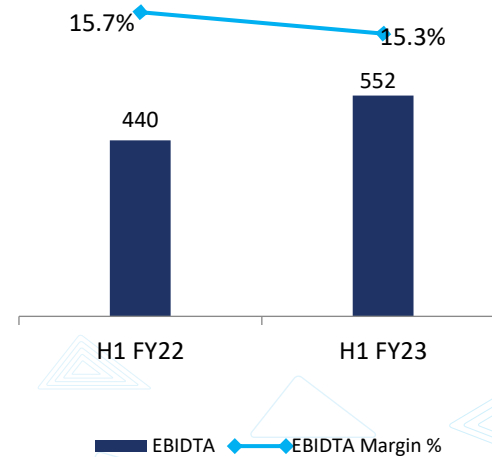
## REVENUES



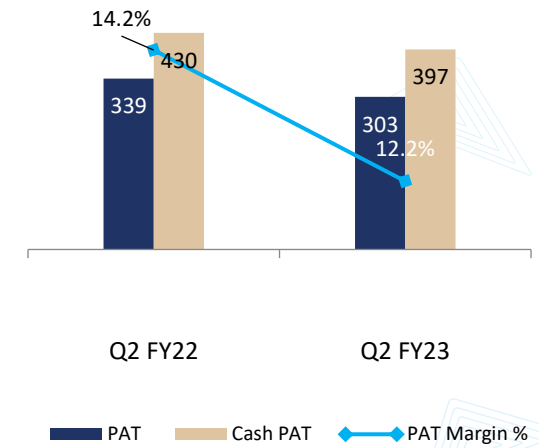
## EBIDTA\* & EBITDA MARGIN%



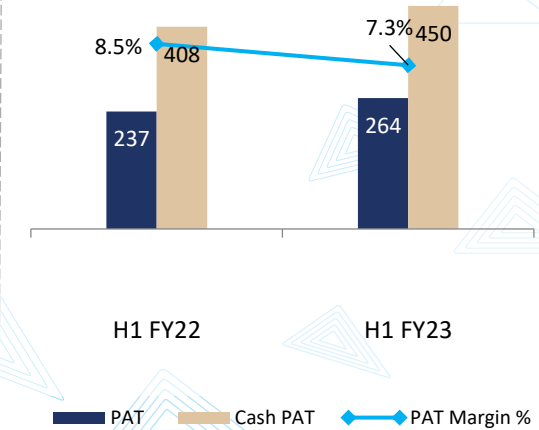
## EBIDTA\* & EBITDA MARGIN%



## PAT , CASH PAT & PAT MARGIN%



## PAT , CASH PAT & PAT MARGIN%



\*EBITDA excludes other income

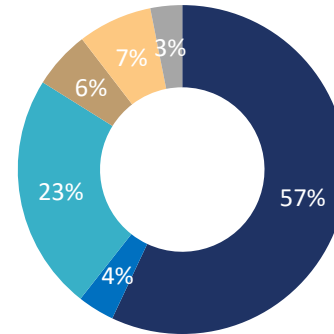
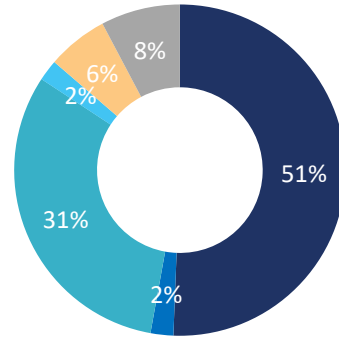
In ₹ Mn

# Q2 FY23: Revenue Details

REVENUE BREAKUP— REGION WISE (Including Online Sales)

Q2 FY22: Rs 2,503 Mn

Q2 FY23: Rs 2,649 Mn

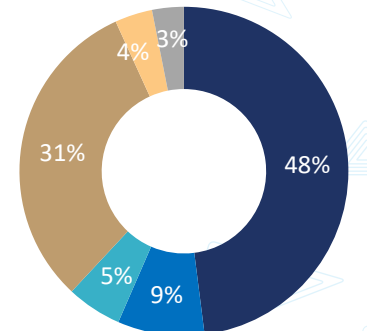
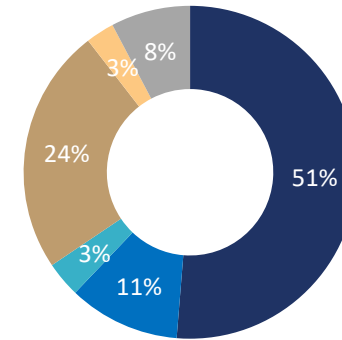


■ North ■ South ■ East ■ West ■ Central ■ Others Including Online

REVENUE BREAKUP – CHANNEL WISE

Q2 FY22: Rs 2,503 Mn

Q2 FY23: Rs 2,649 Mn



■ MBO ■ NCS ■ EBO-COCO ■ EBO-FOFO ■ Corporate/CSD/ Govt. ■ Online

Online Sales (₹ Mn)

194

Q2 FY22

82

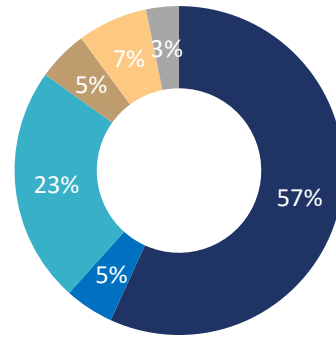
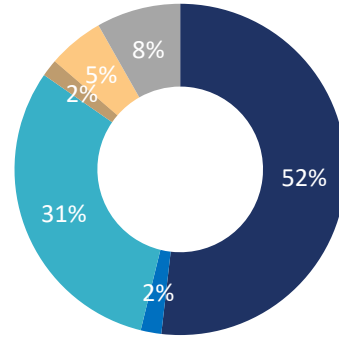
Q2 FY23

# H1 FY23: Revenue Details

## REVENUE BREAKUP – REGION WISE (Including Online Sales)

H1 FY22: Rs 2,954 Mn

H1 FY23: Rs 3,824 Mn

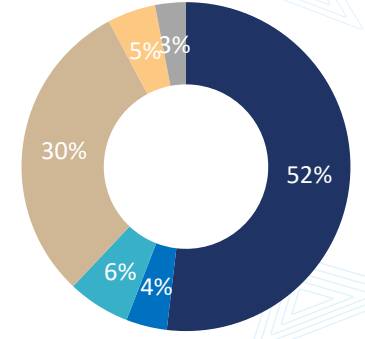
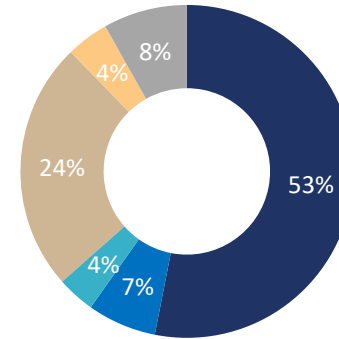


■ North ■ South ■ East ■ West ■ Central ■ Others Including Online

## REVENUE BREAKUP – CHANNEL WISE

H1 FY22: Rs 2,954 Mn

H1 FY23: Rs 3,824 Mn



■ MBO ■ NCS ■ EBO-COCO ■ EBO-FOFO ■ Corporate/CSD/ Govt. ■ Online

## Online Sales (₹ Mn)

241

H1 FY22

122

H1 FY23



● ● ●  
**Q2 & H1 FY23:**  
**Revenue**  
**Analysis**

**REVENUE BREAKUP - SEGMENT WISE**

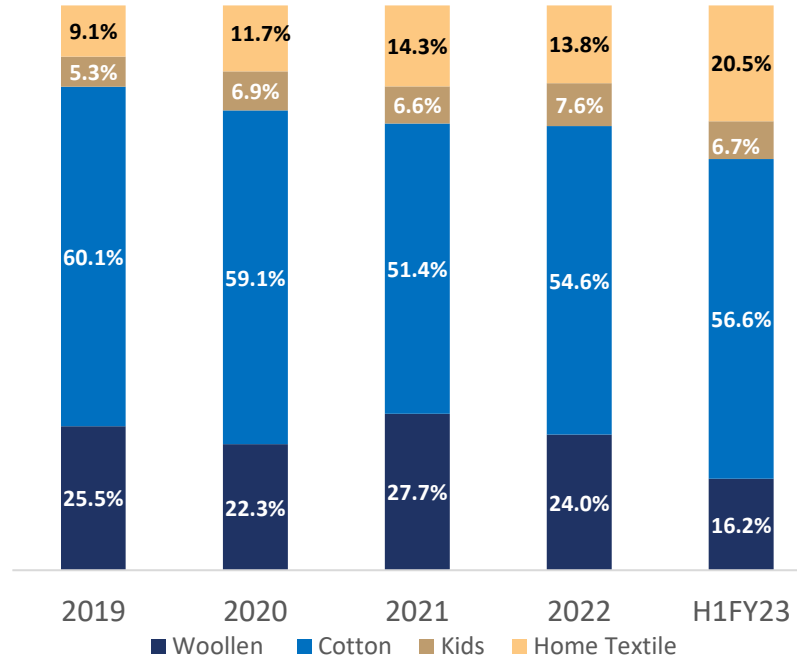
In ₹ Mn	Q2 FY22	Q2 FY23	H1 FY22	H1 FY23	FY22
<b>Total Revenues*</b>	<b>2,503</b>	<b>2,649</b>	<b>2,954</b>	<b>3,824</b>	<b>9,239</b>
Cotton Segment	47.7%	51.1%	54.1%	56.6%	54.7%
Woollen Segment	22.7%	26.1%	16.5%	16.2%	24.0%
Home Textiles	22.8%	15.0%	23.2%	20.5%	13.8%
Kids	6.8%	7.8%	6.2%	6.7%	7.5%

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

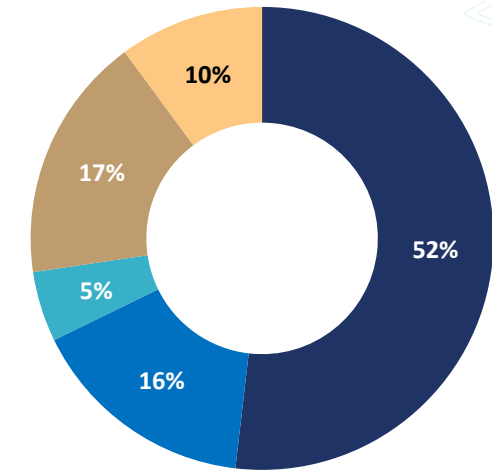
Q2 FY22 Sales of scrap and accessories was Rs.8.1 Mn, Other Operating revenue was Rs. 3.0 Mn & INDAS adj. was Rs. -131.4 Mn  
 Q2 FY23 Sales of scrap and accessories was Rs. 6.8 Mn, Other Operating revenue was Rs. 4.3 Mn & INDAS adj. was Rs. -174.6 Mn  
 H1FY22 Sales of scrap and accessories was Rs.14.2 Mn, Other Operating revenue was Rs. 4.2 Mn & INDAS adj. was Rs. -172.7 Mn  
 H1FY23 Sales of scrap and accessories was Rs. 10.9 Mn, Other Operating revenue was Rs. 6.7 Mn & INDAS adj. was Rs. -227.2 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

# Diversified Portfolio

## SEGMENT COMPOSITION



## COTTON SEGMENT BIFURCATION – H1 FY23



■ T-shirt & Shirt     
 ■ Denim & Trousers     
 ■ Jackets, coats & Suits  
■ Other Garments     
 ■ Cloak & Decker

- The company is focusing on the diversification strategy, emphasising more on cotton segment
- Cotton share maintained above 50% of total H1FY23 revenue reflecting shift towards Cotton from Woollen segment

# Q2 & H1 FY23: Profit and Loss Statement

Particulars (In ₹ Mn)	Q2 FY23	Q2 FY22	YoY%	H1 FY23	H1 FY22	YoY%	FY22
<b>Revenue From Operations</b>	<b>2486</b>	<b>2383</b>	<b>4%</b>	<b>3615</b>	<b>2800</b>	<b>29%</b>	<b>9043</b>
Material Cost	1128	1172	-4%	1592	1236	29%	4678
<b>Gross Margin</b>	<b>1358</b>	<b>1211</b>	<b>12%</b>	<b>2023</b>	<b>1564</b>	<b>29%</b>	<b>4365</b>
<b>Gross Margin %</b>	<b>54.6%</b>	<b>50.8%</b>	<b>381bps</b>	<b>56.0%</b>	<b>55.9%</b>	<b>10bps</b>	<b>48.3%</b>
Personnel Expenses	226	195	16%	434	363	20%	812
Advertisement Expenses	130	37	251%	176	62	183%	241
Other Expenses	495	453	9%	861	699	23%	1512
<b>Operating EBITDA</b>	<b>507</b>	<b>526</b>	<b>-4%</b>	<b>552</b>	<b>440</b>	<b>25%</b>	<b>1800</b>
<b>EBITDA Margin %</b>	<b>20.4%</b>	<b>22.1%</b>	<b>-</b>	<b>15.3%</b>	<b>15.7%</b>	<b>-47bps</b>	<b>19.9%</b>
Other Income	40	56	-	72	122	-	255
Depreciation	94	91	3%	186	171	9%	373
Finance cost	55	43	28%	93	72	29%	157
<b>PBT</b>	<b>399</b>	<b>448</b>	<b>-</b>	<b>346</b>	<b>319</b>	<b>8%</b>	<b>1526</b>
Tax Expense	96	110	-	82	83	-1%	385
<b>PAT</b>	<b>303</b>	<b>338</b>	<b>-10%</b>	<b>264</b>	<b>237</b>	<b>11%</b>	<b>1140</b>
<b>PAT Margin %</b>	<b>12.1%</b>	<b>14.2%</b>	<b>-</b>	<b>7.3%</b>	<b>8.4%</b>	<b>-</b>	<b>12.6%</b>
EPS (Rs.)	14.63	16.36	-	12.73	11.45	11.2%	55

# Consolidated Balance Sheet

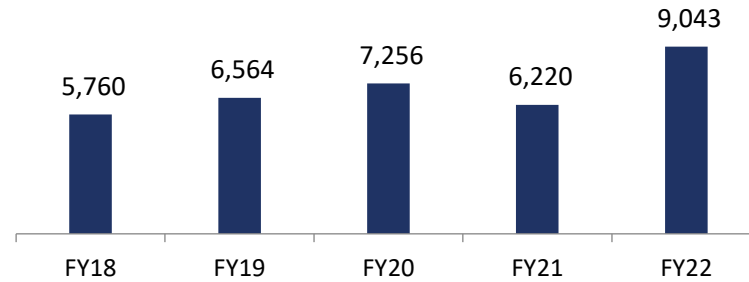
Particulars (Rs Million)	Sep-22	Mar-22
<b>Equities &amp; Liabilities</b>		
Equity Share Capital	207	207
Other Equity	6,518	6,667
<b>Total Shareholder's Funds</b>	<b>6,725</b>	<b>6,874</b>
<b>Non-Current Liabilities</b>		
Long-term Borrowings	67	83
Other Financial Liabilities	245	229
Lease Liability	857	741
Other Non-Current Liabilities	46	27
<b>Total of Non-current liabilities</b>	<b>1,215</b>	<b>1,080</b>
<b>Current Liabilities</b>		
Short-term Borrowings	2,609	601
Trade Payables	2,712	1,423
Lease Liability	158	132
Other Financial Liabilities	193	163
Other Current Liabilities	1,037	708
Income Tax Liabilities	-	118
Short-term Provisions	346	67
<b>Total of Current liabilities</b>	<b>7,055</b>	<b>3,212</b>
<b>Total Liabilities</b>	<b>14,995</b>	<b>11,166</b>

Particulars (Rs Million)	Sep-22	Mar-22
<b>Non-Current Asset</b>		
Property, Plant and equipment	1465	1532
Right-of-use assets	906	782
Capital work in progress	127	13
Intangible Assets	4	4
Intangible Assets under development	28	18
<b>Financial Assets</b>		
Investments	538	544
Other Financial Assets	111	74
Income Tax Assets	118	25
Deffered Tax Assets	135	129
Other Non-Current Assets	15	32
<b>Total non-current assets</b>	<b>3,447</b>	<b>3,153</b>
<b>Current Assets</b>		
Inventories	4,792	2,891
<b>Financial Assets</b>		
Investments	1,832	1,630
Trade Receivables	3,751	2,599
Cash & Bank Balance	376	479
Loans	3	4
Other Financial Assets	48	41
Other Current Assets	746	369
<b>Total current assets</b>	<b>11,548</b>	<b>8,013</b>
<b>Total Assets</b>	<b>14,995</b>	<b>11,166</b>

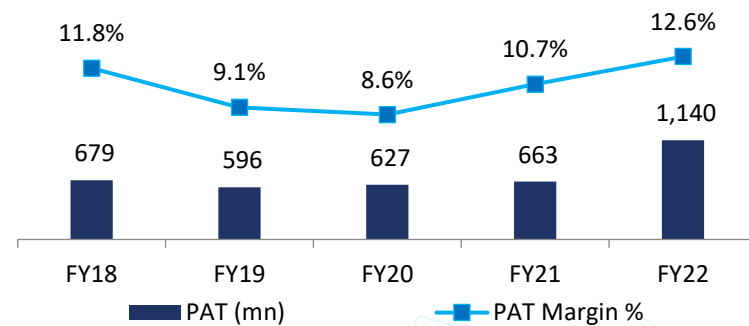
# Financial Performance

Investor Presentation  
H1 & Q2 FY23

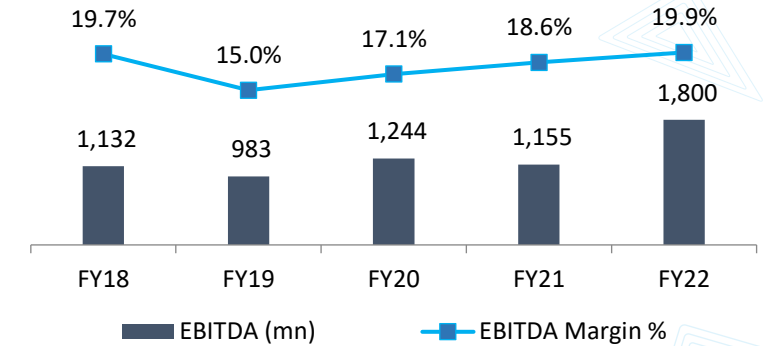
## CONSISTENT REVENUES



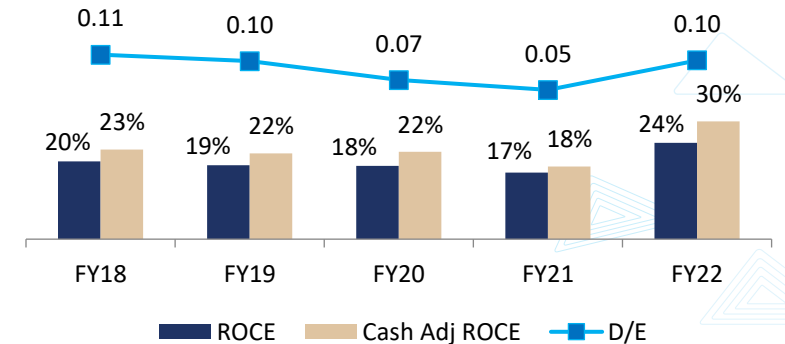
## PAT & PAT MARGIN



## EBITDA & EBITDA 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

**Q2 & H1 FY23**  
**New Store**  
**Launches**

New store at Dehradun



New store at Meerut



# Q2 & H1 FY23 Highlights

**Investor Presentation**  
H1 & Q2 FY23

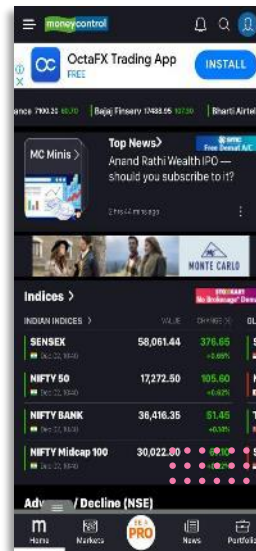
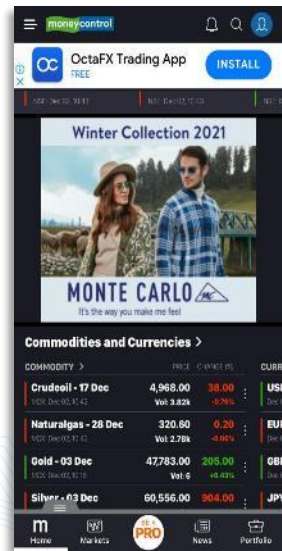
## Staff Training Session



# Q2 & H1 FY23 Advertising Campaigns

Investor Presentation  
H1 & Q2 FY23

## DIGITAL



## PRINT



## OTHERS





# 02



## Company Overview



Investor Presentation  
H1 & Q2 FY23



**MONTE CARLO**   
It's the way you make me feel



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# Monte Carlo: INDIA'S First Organised Lifestyle Apparel Brand

  
**Investor Presentation**  
H1 & Q2 FY23



### Strong Pedigree

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



### Super Brand

Recognized as Super brand for woolen knitted apparel in India



### Wide Reach

Presence across India through various distribution channels



### Cash Balance

Cash balance of Rs. 2,772 Mn as on 30<sup>th</sup> September 2022

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



### Manufacturing Plants

2 Manufacturing Plant located in Ludhiana



### Diversified Product Portfolio

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



### In House Designing Team

35+ professionals closely tracking the trending global fashion



### Low Debt

Long-Term borrowing at Rs. 67 Mn as on 30<sup>th</sup> September 2022

# Diversified Product Portfolio

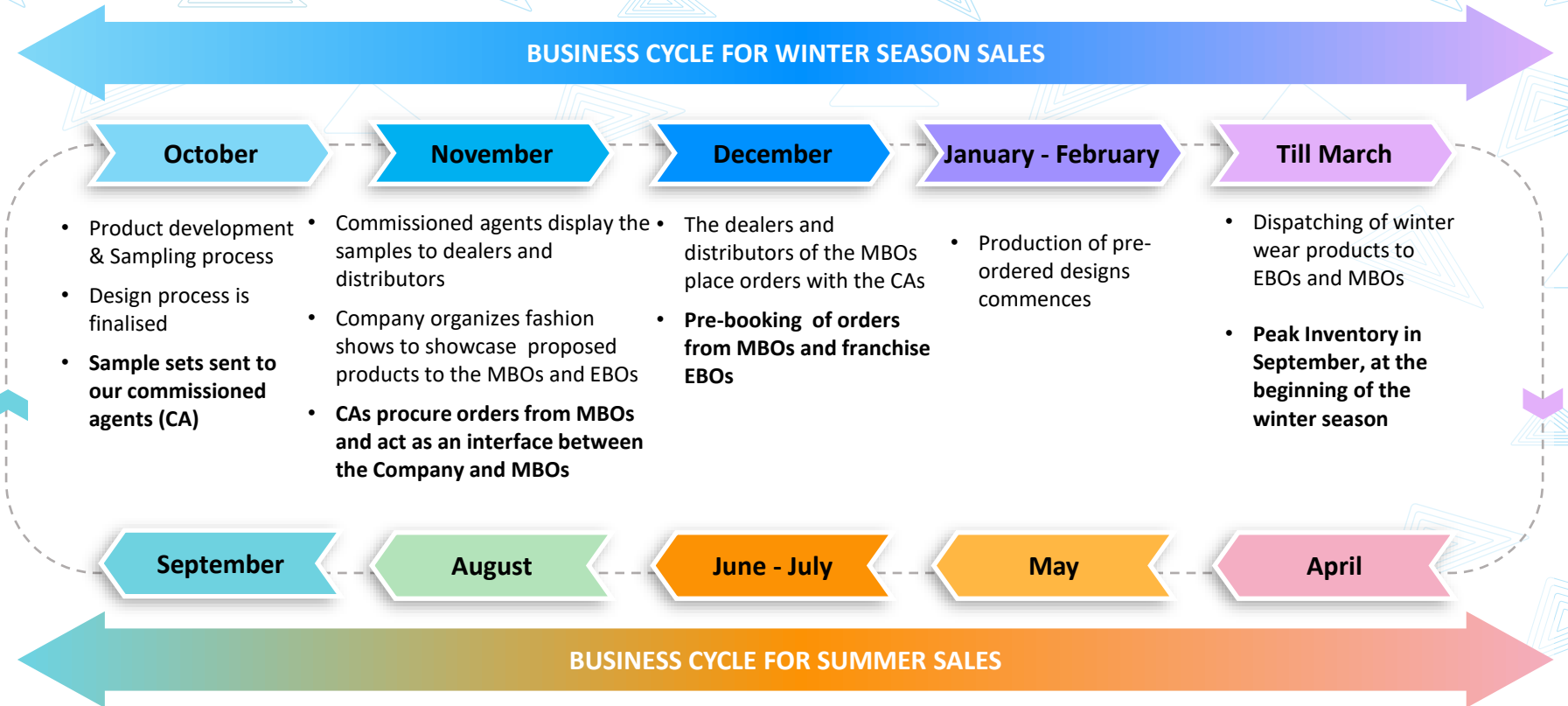
Investor Presentation  
H1 & Q2 FY23

## TRENDY AND PREMIUM QUALITY APPROACH TO CLOTHING

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	-	-



# 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



	MBO and Distributors	NCS	Shop In Shop	EBO-COCO	EBO –FOFO
<b>Distribution Sale Model</b>	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
<b>Goods Return Risk</b>	No	Yes	No	N.A	Minimal 5% - 10 % of Products Return Allowed
<b>Discount Sharing</b>	No	Yes	Yes	Yes	Yes Range of 5% - 17.5%
<b>Payment Collection Credit Risk</b>	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



Investor Presentation  
H1 & Q2 FY23

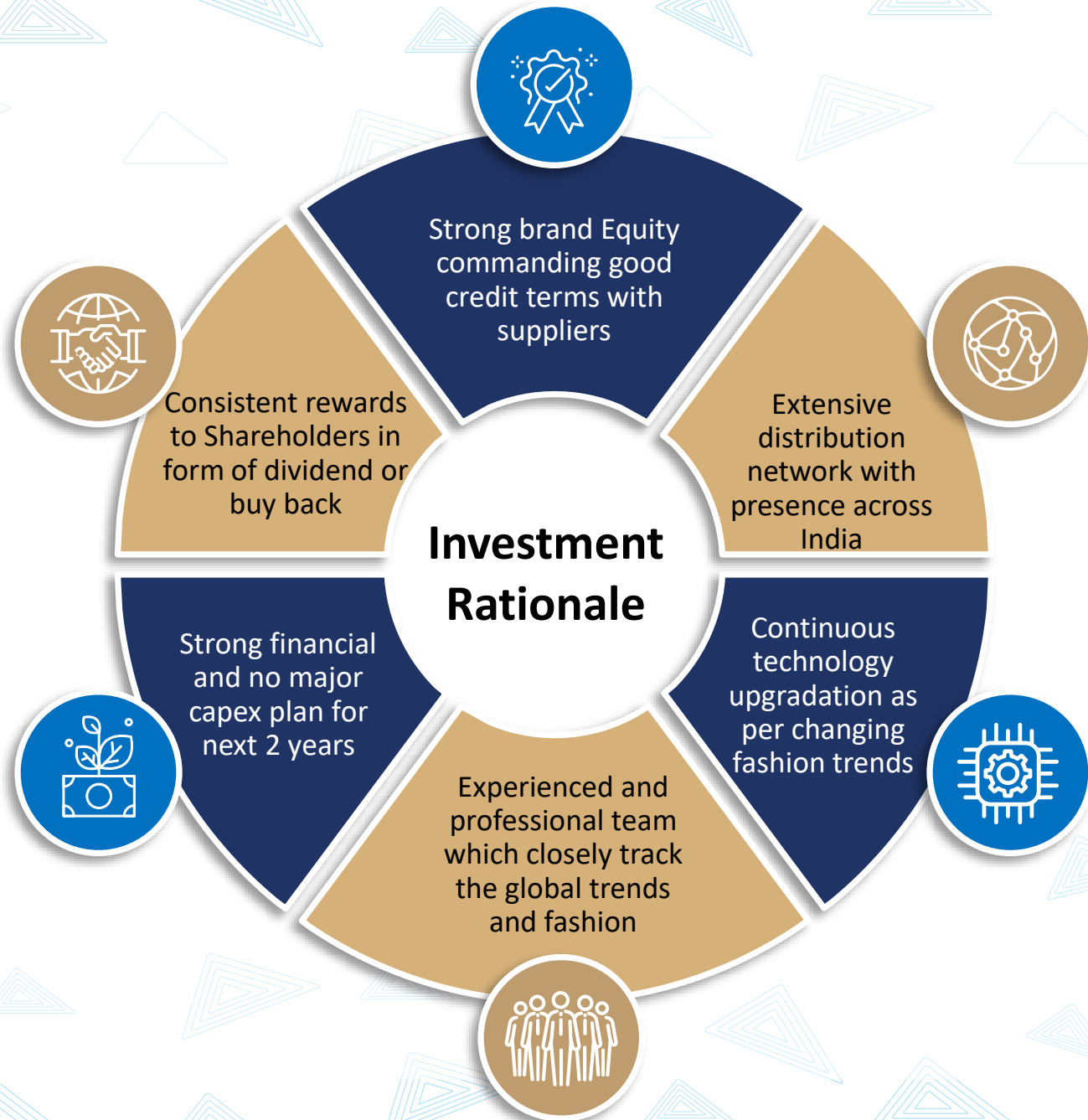


**MONTE CARLO** 

It's the way you make me feel



# 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

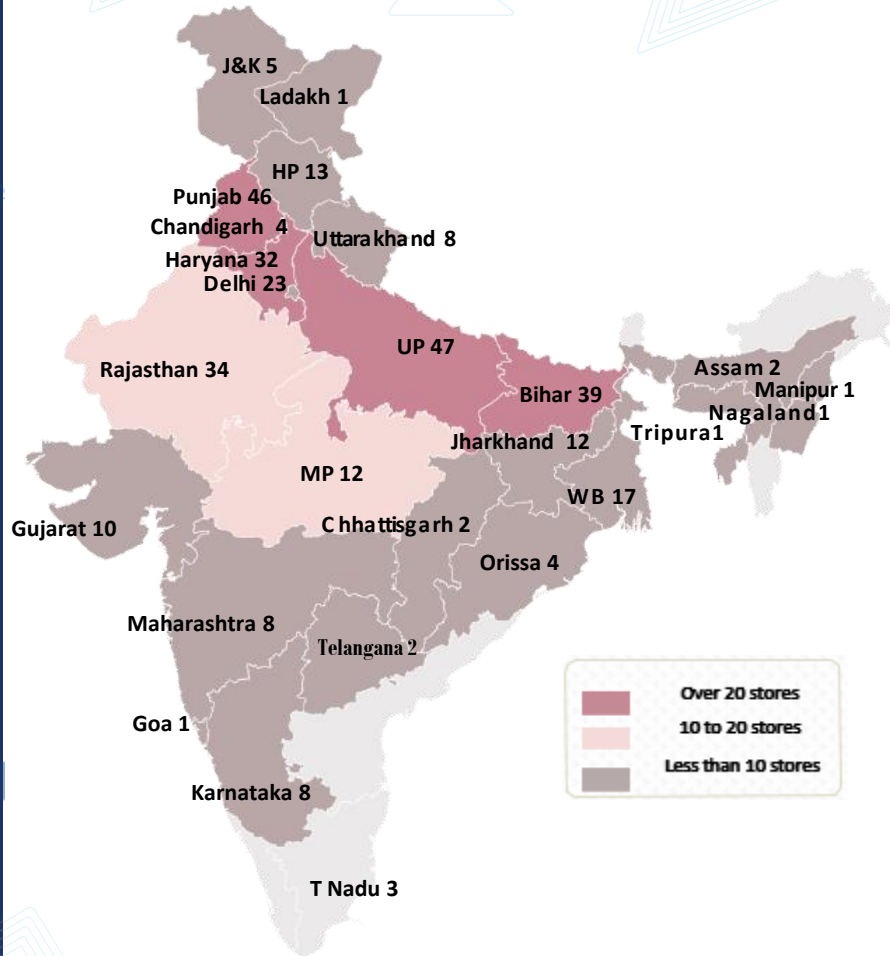
  
**Investor Presentation**  
H1 & Q2 FY23



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	H1FY23
EBO – COCO	43	55	65
EBO – FOFO	256	260	271
MBO and Distributors	1,777*	2,108	1927
NCS	622	740	687
SIS	153	287	325
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	H1 FY23
Existing	278	298	315
New Opened	28	24	25
Closed	8	7	4
<b>Total EBOs</b>	<b>298</b>	<b>315</b>	<b>336</b>

## NEW STORE LAUNCHES – Q2 FY23

FOFO: NORTH (7) EAST (1)

COCO: NORTH (3) SOUTH (2) WEST (1)

# Regular Technology Upgradation



- 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.

● ● ●  
**Led by  
Experienced  
Management  
Team**



**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 2,772 Mn (includes cash and bank balance along with current and non-current investments) as on 30<sup>st</sup> September 2022



### No Major CAPEX

H1 FY23 capex of Rs. 30.8 Mn for de-bottlenecking and modernization of existing facilities



### Lower Debt

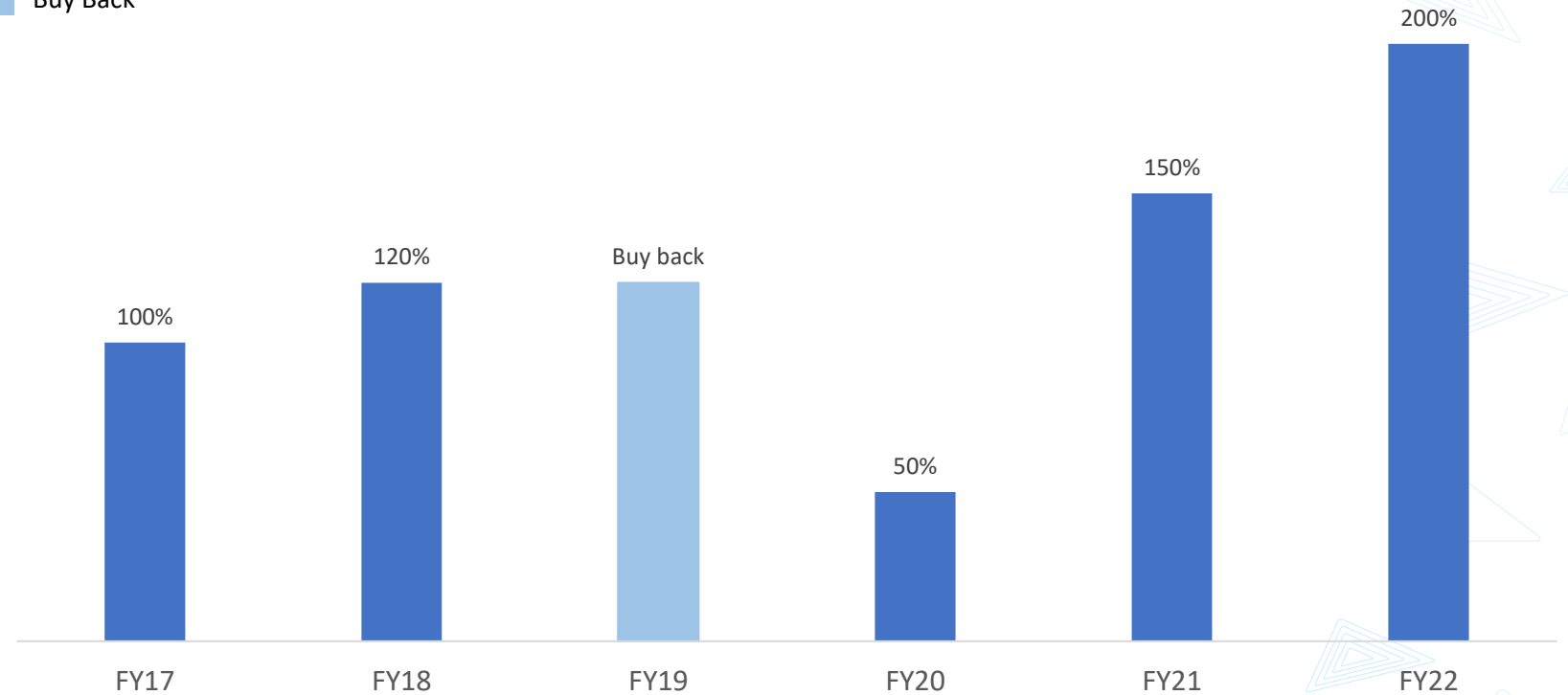
Low overall debt; Long-term borrowing at Rs. 67 Mn as on 30th September 2022

# Consistent Reward to Shareholders

Investor Presentation  
H1 & Q2 FY23

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

■ Dividend%  
■ Buy Back



COMPANY HAS DONE BUY BACK OF Rs. 550 Mn IN FY19 TO REWARD SHAREHOLDERS. PROMOTERS HAVE NOT PARTICIPATED IN THE BUY BACK

# 04



## Annexure



Investor Presentation  
H1 & Q2 FY23



**MONTE CARLO**   
It's the way you make me feel



# 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 ONLINE PLATFORMS



## TIE-UPS WITH NATIONAL CHAIN STORES



## STRATEGIC TIE-UPS with Theatres, Air Lines & Digital Platforms



● ● ●  
**CSR**  
**Activities**



WE BELIEVE IN “FULFILLING ASPIRATIONS AND TRANSFORMING LIVES”

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



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



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



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](mailto:investor@montecarlocorporate.com)

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**DICKENSON**

**Ms. Jill Chandrani**  
Associate Analyst

**Ms. Kinneri Saha**  
Associate Director

**Mr. Chintan Mehta**  
Director

Email: [monte.carlo@dickensonworld.com](mailto:monte.carlo@dickensonworld.com)

