

Monte Carlo Fashions Limited

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Statement of unaudited financial results for the quarter ended 30 June 2020

		(₹ in lakhs, unless otherwise stated)			
Sr. No.	Particulars	3 months ended (30 June 2020)	Preceding 3 months ended (31 March 2020)	Corresponding 3 months ended in the previous year (30 June 2019)	Previous year ended (31 March 2020)
	(refer notes below)	(Unaudited)	(Audited) (refer note 5)	(Unaudited)	(Audited)
1	Income				
2	Revenue from operations	1,118.10	10,946.65	5,992.04	72,561.32
3	Other income	561.42	101.52	262.95	1,151.79
4	Total income (1+2)	1,679.52	11,048.17	6,254.99	73,713.11
5	Expenses				
6	(a) Cost of materials consumed	2,527.27	2,883.75	4,275.44	17,426.51
7	(b) Purchases of stock-in-trade	1,246.36	4,746.24	1,958.05	23,398.10
8	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(3,703.18)	(1,723.93)	(4,284.79)	(2,510.92)
9	(d) Employee benefits expense	849.10	1,858.47	1,526.45	6,961.95
10	(e) Finance costs	300.76	330.99	349.64	1,701.01
11	(f) Depreciation and amortization expense	790.74	895.26	723.75	3,340.38
12	(g) Other expenses				
13	-Advertisement and business promotion	40.65	764.77	544.36	3,006.79
14	-Corporate social responsibility expenditure	1.33	11.43	-	162.48
15	-Others	1,589.75	2,398.15	2,209.91	11,673.89
16	Total expenses	3,642.78	12,165.13	7,302.81	65,160.19
17	(Loss)/profit before tax (3-4)	(1,963.26)	(1,116.96)	(1,047.82)	8,552.92
18	Tax expense				
19	-Current tax	82.62	(1,069.69)	4.92	2,337.82
20	-Deferred tax (credit)/expense	(692.85)	974.75	(438.80)	(53.91)
21	(Loss)/profit for the period (5-6)	(1,353.03)	(1,022.02)	(613.94)	6,269.01
22	Other comprehensive income				
23	(i) Items that will not be reclassified to profit or loss				
24	(ii) Income tax relating to items that will not be reclassified to profit or loss	(10.29)	(51.26)	(13.17)	(101.85)
25	Total comprehensive (loss)/income for the period (7+8)	(1,360.73)	(1,060.38)	(622.51)	6,192.79
26	Paid-up equity share capital (face value of ₹ 10 each)	2,073.21	2,073.21	2,073.21	2,073.21
27	Other equity				
28	Earnings/(loss) per share (face value of ₹ 10 each) (not annualised for the quarters)				
29	(a) Basic (in ₹)	(6.53)	(4.93)	(2.96)	30.24
30	(b) Diluted (in ₹)	(6.53)	(4.93)	(2.96)	30.24



(Signature)

Notes:

1. The above financial results for the quarter ended 30 June 2020 have been reviewed by the statutory auditors of the Company and by the Audit Committee and taken on record by the Board of Directors in its meeting held on 7 August 2020. The statutory auditors have expressed an unmodified conclusion on these results.
2. The above financial results have been prepared in accordance with the recognition and measurement principles of the Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standard) Rules, 2016 as specified under section 133 of the Companies Act, 2013.
3. In March 2020, World Health Organization (WHO) had declared the outbreak of Novel Coronavirus "Covid-19" as a pandemic. This pandemic has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operations. Complying with the directives of Government, the plant and offices of the Company had been under lock-down, resulting thereto, the operations for the current quarter have been impacted. The Company is monitoring the situation closely and the overall impact on the business of the Company will depend on future developments which cannot be reliably predicted.
Given the uncertainty of quick turnaround to normalcy, post lifting of the lock down, the Company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Company does not foresee any significant incremental risk to the recoverability of its assets or in its ability to meet its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure.
Pursuant to the relaxed guidelines, the Company has now resumed its manufacturing operations as allowed in keeping with Government advisories. Since the situations are continuously evolving, the impact assessed may be different from the estimates made as at the date of approval of these financial results and management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.
The auditors have given an emphasis on this matter in their review report.
4. The Company's primary business segment is reflected based on principal business activities carried on by the Company. Chairman and Managing Director has been identified as being the Chief Operating Decision Maker (CODM) and evaluates the Company's performance and allocates resources based on analysis of the various performance indicators of the Company as a single unit. Therefore, there are no separate reportable business segments as per Ind AS 108- Operating Segments. The Company operates in one reportable business segment i.e., manufacturing and trading of textile garments and is primarily operating in India and hence, considered as single geographical segment. The sale of Company's products is seasonal.
5. Figures for the quarter ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the financial year. Also, the figures upto the end of the third quarter were only reviewed and not subjected to audit.

Place: Ludhiana

Date: 7 August 2020

For and on behalf of Board of Directors



Jawahar Lal Oswal
Chairman and Managing Director
(DIN: 00463866)



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Independent Auditor's Review Report on Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Monte Carlo Fashions Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Monte Carlo Fashions Limited ('the Company') for the quarter ended 30 June 2020 and the year to date results for the period 1 April 2020 to 30 June 2020, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the accounting principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the accounting principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter – Uncertainties related to Covid-19

5. We draw attention to Note 3 to the accompanying financial results, which describes the uncertainties due to the outbreak of Covid-19 pandemic and management's assessment of the impact on the financial results of the Company as at the date of these financial results. The impact of these uncertainties on the Company's operations is significantly dependent on future developments. Our conclusion is not modified in respect of this matter.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013



Sandeep Mehta
Partner
Membership No. 099410
UDIN 20099410AAAACB8277



Place: Mohali
Date: 7 August 2020