Monte Carlo Fashions Limited
Registered/Corporate Office : B-XXIX-106, G.T. Road, Sherpur, Ludhiana-141003, Punjab
Tel.: 91-161-5048610-40, Fax: 91-161-5048650, Email: info@montecarlo.in, Website: http://www.montecarlocorporate.com, CIN: L51494PB2008PLC032059
Statement of unaudited financial results for the quarter and six months ended 30 September 2020

(₹ in lakhs, unless otherwise stated)

Sr. No.	Particulars	For the quarter ended			For the six months ended		For the year ended
		3 months ended (30 September 2020)	Preceding 3 months ended (30 June 2020)	Corresponding 3 months ended in the previous year (30 September 2019)	Year to date figures for current period ended (30 September 2020)	Year to date figures for previous period ended (30 September 2019)	Previous year ended (31 March 2020)
	(refer notes below)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Income						
1	Revenue from operations	9,824.96	1,118.10	15,282.42	10,943.06	21,274.46	72,561.32
2	Other income	448.04	561.42	440.43	1,009.46	703.38	1,151.79
3	Total income (1+2)	**10,273.00**	**1,679.52**	**15,722.85**	**11,952.52**	**21,977.84**	**73,713.11**
4	**Expenses**						
	(a) Cost of materials consumed	6,290.71	2,527.27	6,637.55	8,817.98	10,912.99	17,426.51
	(b) Purchases of stock-in-trade	3,736.46	1,246.36	7,884.67	4,982.82	9,842.72	23,398.10
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(6,138.48)	(3,703.18)	(7,320.79)	(9,841.66)	(11,605.58)	(2,510.92)
	(d) Employee benefits expense	1,495.95	849.10	1,694.04	2,345.05	3,220.49	6,961.95
	(e) Finance costs	352.92	300.76	467.34	653.68	816.98	1,701.01
	(f) Depreciation and amortization expense	872.67	790.74	827.33	1,663.41	1,551.08	3,340.38
	(g) Other expenses						
	-Advertisement and business promotion	127.10	40.65	838.04	167.75	1,382.40	3,006.79
	-Corporate social responsibility expenditure	-	1.33	-	1.33	-	162.48
	-Others	2,815.39	1,589.75	3,527.04	4,405.14	5,736.95	11,673.89
	Total expenses	**9,552.72**	**3,642.78**	**14,555.22**	**13,195.50**	**21,858.03**	**65,160.19**
5	**Profit/(loss) before tax (3-4)**	**720.28**	**(1,963.26)**	**1,167.63**	**(1,242.98)**	**119.81**	**8,552.92**
6	Tax expense						
	-Current tax	29.60	82.62	25.61	112.22	30.53	2,337.82
	-Deferred tax expense/(credit)	190.91	(692.85)	463.16	(501.94)	24.36	(53.91)
	-Tax earlier years	57.19	-	-	57.19	-	-
7	**Profit/(loss) for the period (5-6)**	**442.57**	**(1,353.03)**	**678.86**	**(910.45)**	**64.92**	**6,269.01**
8	**Other comprehensive income**						
	(i) Items that will not be reclassified to profit or loss	(26.14)	(10.29)	(13.01)	(36.43)	(26.18)	(101.85)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	6.58	2.59	1.99	9.17	6.59	25.63
9	**Total comprehensive income for the period (7+8)**	**423.01**	**(1,360.73)**	**667.84**	**(937.71)**	**45.33**	**6,192.79**
10	Paid-up equity share capital (face value of ₹ 10 each)	2,073.21	2,073.21	2,073.21	2,073.21	2,073.21	2,073.21
11	Other equity						52,444.15
12	**Earnings/(loss) per share (face value of ₹ 10 each) (not annualised for the quarters)**						
	(a) Basic (in ₹)	2.13	(6.53)	3.27	(4.39)	0.31	30.24
	(b) Diluted (in ₹)	2.13	(6.53)	3.27	(4.39)	0.31	30.24

MONTE CARLO FASHIONS LTD. LUDHIANA B-XXIX-106, G.T. ROAD, SHERPUR

WALKER CHANDIOK & CO LLP

Notes:

1. Statement of Assets and Liabilities

(₹ in lakhs, unless otherwise stated)

Particulars	As at 30 September 2020 (Unaudited)	As at 31 March 2020 (Audited)
ASSETS		
Non-current assets		
a) Property, plant and equipment	15,309.10	15,178.03
b) Right-of-use assets	7,593.70	7,585.74
c) Capital work-in-progress	351.62	248.54
d) Other intangible assets	44.93	57.58
e) Financial assets		
i) Investments	3,726.57	3,571.39
ii) Loans	552.45	402.78
iii) Other financial assets	1,013.87	812.44
f) Income tax assets (net)	217.58	889.54
g) Deferred tax assets (net)	1,302.71	791.61
h) Other non-current assets	61.44	172.00
Total non-current assets	30,173.97	29,709.65
Current assets		
a) Inventories	31,253.51	21,618.21
b) Financial assets		
i) Investments	4,471.40	9,793.54
ii) Trade receivables	19,155.65	25,216.72
iii) Cash and cash equivalents	981.07	134.43
iv) Bank balances other than cash and cash equivalents	2,227.19	1,142.29
v) Loans	26.44	56.49
vi) Other financial assets	292.72	135.69
c) Other current assets	5,513.92	3,236.73
Total current assets	63,921.90	61,334.10
TOTAL ASSETS	94,095.87	91,043.75
EQUITY AND LIABILITIES		
a) Equity share capital	2,073.21	2,073.21
b) Other equity	51,506.26	52,444.15
Total equity	53,579.47	54,517.36
Non-current liabilities		
a) Financial liabilities		
i) Borrowings	1,401.99	1,630.74
ii) Others financial liabilities	1,754.92	1,685.49
iii) Lease liability	7,151.24	7,038.90
b) Other non-current liabilities	110.19	117.15
c) Provisions	220.08	193.25
Total non-current liabilities	10,638.42	10,665.53
Current liabilities		
a) Financial liabilities		
i) Borrowings	6,803.11	1,544.47
ii) Trade and other payables		
-total outstanding dues of micro enterprises and small enterprises; and	271.81	147.01
-total outstanding dues of creditors other than micro enterprises and small enterprises	14,533.96	16,589.05
iii) Other financial liabilities	4,658.45	5,437.78
iv) Lease liability	1,089.98	999.66
b) Other current liabilities	2,146.42	917.16
c) Provisions	374.25	225.73
Total current liabilities	29,877.98	25,860.86
TOTAL EQUITY AND LIABILITIES	94,095.87	91,043.75

MONTE CARLO FASHIONS LTD. LUDHIANA

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Notes:

2. Cash flow statement for the six months ended 30 September 2020
(prepared under indirect method)

(₹ in lakhs, unless otherwise stated)

Particulars	Six months ended 30 September 2020	Six months ended 30 September 2019
	Unaudited	Unaudited
A. Cash flow from operating activities:		
(Loss)/profit before tax expenses	(1,242.99)	119.81
Add: Adjustment for non-cash & non-operating items		
Depreciation and amortisation expense	1,663.41	1,551.08
Finance costs	653.68	816.98
Government grants income	(6.96)	(6.96)
Interest income-banks	(133.45)	(22.77)
Interest income-others	(64.59)	(169.82)
Loss/(profit) on sale of investments (net)	8.33	(41.92)
Profit on sale of property, plant and equipment (net)	(1.96)	(0.37)
Provisions no longer required, written back	(371.21)	-
Fair valuation of investments through profit and loss	(275.66)	(433.47)
Amounts written off	262.12	8.92
CST/VAT reversal	(88.35)	(25.37)
Operating profit before working capital changes	402.37	1,796.11
Adjustments for movement in:		
Changes in trade receivables and other receivables	5,798.95	(2,840.17)
Changes in inventories	(9,635.31)	(11,897.10)
Changes in long-term loans	(149.66)	(39.91)
Changes in short-term loans	30.05	35.82
Changes in other current assets	(2,188.84)	(1,154.23)
Changes in other financial assets	(24.88)	(31.30)
Changes in other non-current assets	114.87	21.70
Changes in trade and other payables	(1,930.28)	5,074.80
Changes in other financial liabilities	(706.63)	142.29
Changes in other current liabilities	1,229.26	2,382.53
Changes in short-term provisions	148.52	(31.62)
Changes in long-term provisions	(9.60)	35.57
Cash flow used in operating activities before taxes	(6,921.18)	(6,505.51)
Direct taxes refund/(paid) [net]	502.55	(1,563.93)
Net cash used in operating activities (A)	(6,418.64)	(8,069.44)
B. Cash flow from investing activities:		
Purchase of property, plant and equipment (including capital advances and creditors for capital goods)	(1,180.67)	(2,254.38)
Proceeds from sale of property, plant and equipment	3.83	7.01
Purchase of investments	(1,600.00)	(300.00)
Proceeds from sale of investments	7,034.12	1,365.09
Bank balances not considered as cash and cash equivalents (fixed deposits)		
-Placed	(2,428.62)	(1,044.25)
-Matured	1,142.29	225.36
Interest received	65.89	208.04
Net cash generated from/(used in) investing activities (B)	3,036.84	(1,793.13)
C. Cash flow from financing activities:		
Repayment of long-term borrowings	(228.74)	771.93
Changes in current borrowings	5,258.64	12,710.46
Payment of lease liabilities	(481.29)	(665.21)
Buy-back of equity shares	-	(5,500.00)
Buy-back related expenses	-	(46.16)
Finance cost paid	(320.18)	(528.12)
Net cash generated from financing activities (C)	4,228.44	6,742.90
Net increase/(decrease) in cash and cash equivalents (A+B+C)	846.64	(3,119.66)
Cash and cash equivalents at the beginning of the period	134.43	3,265.54
Closing cash and cash equivalents	981.07	145.88
Cash and cash equivalents include:		
Cash in hand (including stamps)	23.45	35.85
Balance with banks	43.32	39.16
Deposits with original maturity of less than three months	914.30	70.87
Cash and bank balances	981.07	145.88

MONTE CARLO FASHIONS LTD. LUDHIANA

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Notes:

3. The above financial results for the quarter and six months ended 30 September 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 6 November 2020. The statutory auditors have expressed an unmodified conclusion on these results.

4. The above financial results have been prepared in accordance with the recognition and measurement 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 and is in compliance with the presentation and disclosure 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.

5. 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 six months period 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.

6. 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.

For and on behalf of Board of Directors

Place: Ludhiana

Date: 6 November 2020

Jawahar Lal Oswal

Chairman and Managing Director

(DIN: 00463866)

MONTE CARLO FASHIONS LTD. LUDHIANA

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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 September 2020 and the year to date results for the period 1 April 2020 to 30 September 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 recognition and measurement 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 and is in compliance with the presentation and disclosure 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. 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.

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

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 recognition and measurement 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 5 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 Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Sandeep Mehta
Partner
Membership No. 099410
UDIN: 20099410AAAADJ6906

Place: Mohali
Date: 6 November 2020