

**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

February 7, 2023

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

**SUB: Q3FY23 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 Nine Months ended December 31, 2022.

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

Thanking You,

**FOR MONTE CARLO FASHIONS LIMITED**ANKUR  
GAUBADigitally signed by  
ANKUR GAUBA  
Date: 2023.02.07  
09:43:36 +05'30'**ANKUR GAUBA  
COMPANY SECRETARY & COMPLIANCE OFFICER**

Encl. As Above

**MONTE CARLO** 

It's the way you make me feel

# Investor Presentation

**Q3FY23 & 9M FY23**

**Monte Carlo Fashions Limited**







# Discussion Summary

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# 01

## Financial Highlights



Investor Presentation  
Q3FY23 & 9MFY23



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>>>>>





# 9M FY23: Performance at a Glance



**Investor Presentation**  
**Q3FY23 & 9MFY23**

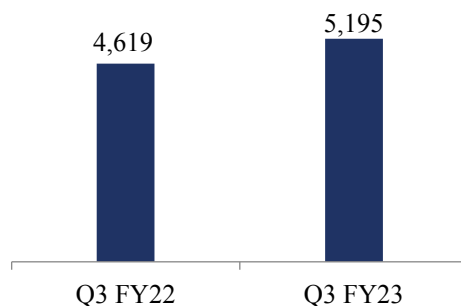
- Revenue for 9MFY23 stood at ₹ 8,810 Mn up by 19% YoY. The Company reported its good sales for 9M on the back of strong brand positioning, quality products aided by normalised macro environment.
- Reported an Operating EBITDA of ₹ 1,854 Mn for 9MFY23 up by 18% YoY and EBITDA Margin of 21%
- Cash PAT for 9MFY23 stood at ₹ 1,415 Mn
- Business Update:
  - Cotton segment contributed 51.4% to the total revenue
  - Online sales contributed ₹ 287.4 Mn in Q3 FY23, bringing it to ₹ 409.18 Mn for 9MFY23
  - Online Sales through our own portal stood at ₹27.5 Mn for 9MFY23

# Q3 & 9M FY23: Financial Highlights



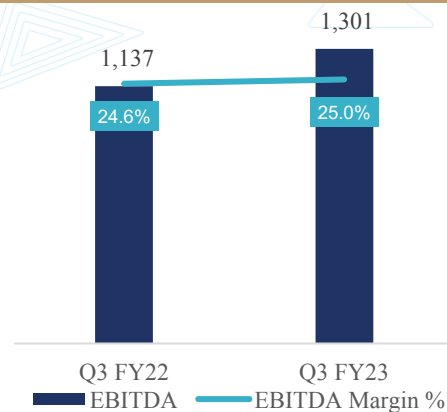
**Investor Presentation  
Q3FY23 & 9MFY23**

## REVENUES



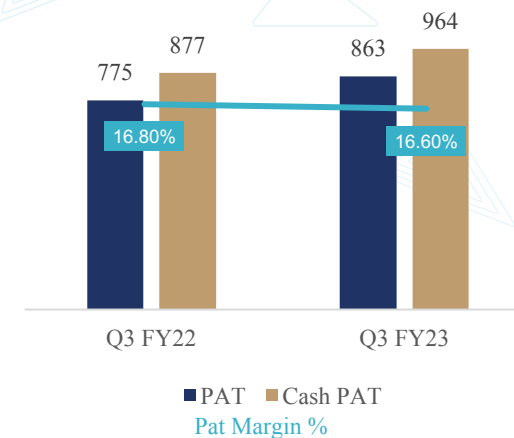
## Q3 FY23

## EBIDTA\* & EBITDA MARGIN%

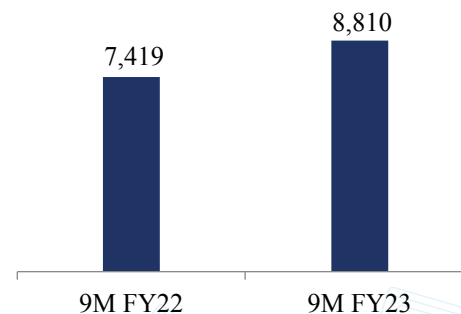


In ₹ Mn

## PAT, CASH PAT & PAT MARGIN%

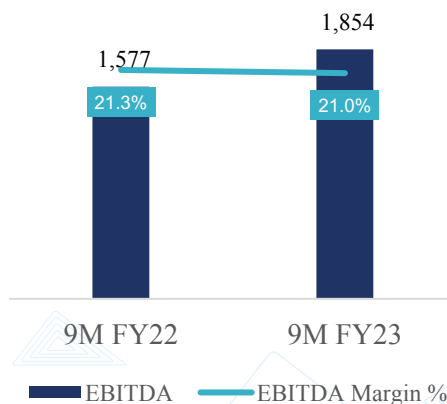


## REVENUES

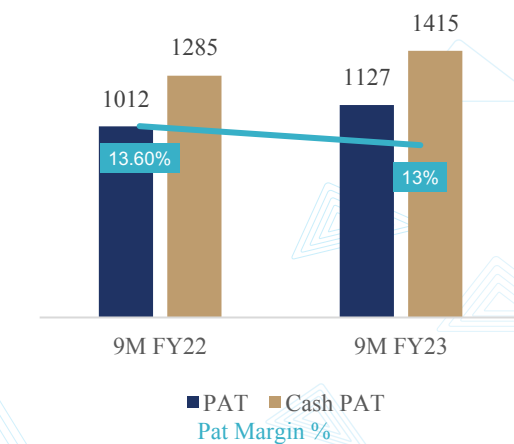


## 9M FY23

## EBIDTA\* & EBITDA MARGIN%



## PAT, CASH PAT & PAT MARGIN%



\*EBITDA excludes other income



# Q3 FY23: Revenue Details

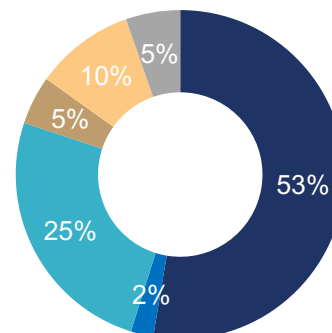
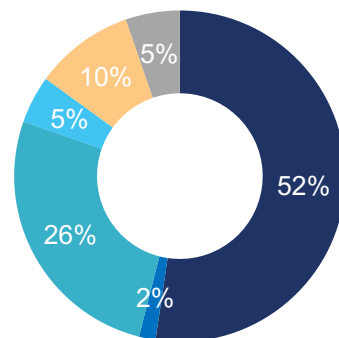


Investor Presentation  
Q3FY23 & 9MFY23

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

Q3 FY22: Rs 4,591 Mn

Q3 FY23: Rs 5,395 Mn

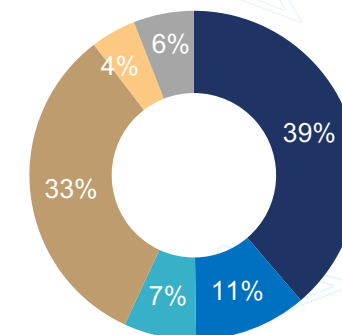
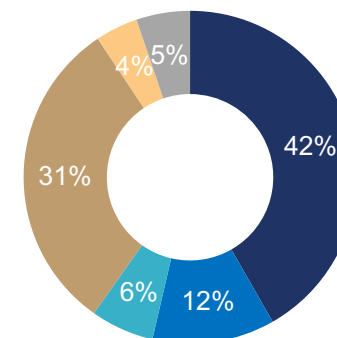


■ North ■ South ■ East ■ West ■ Central ■ Others Including Online

## REVENUE BREAKUP – CHANNEL WISE

Q3 FY22: Rs 4,591 Mn

Q3 FY23: Rs 5,395 Mn



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

## Online Sales (₹ Mn)

287

Q3 FY22

240

Q3 FY23





# 9M FY23: Revenue Details

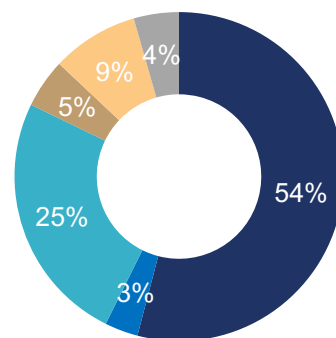
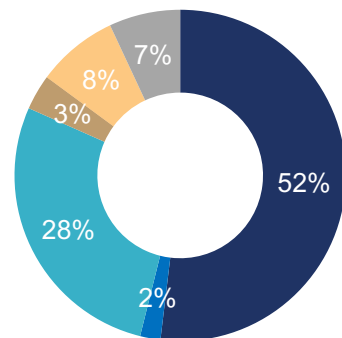


**Investor Presentation**  
**Q3FY23 & 9MFY23**

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

9M FY22: Rs 7,545 Mn

9M FY23: Rs 9,219 Mn

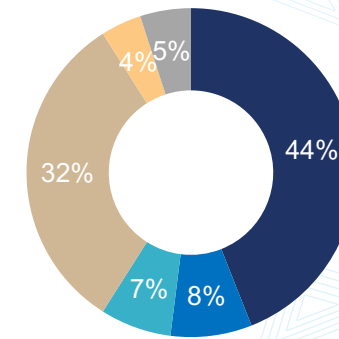
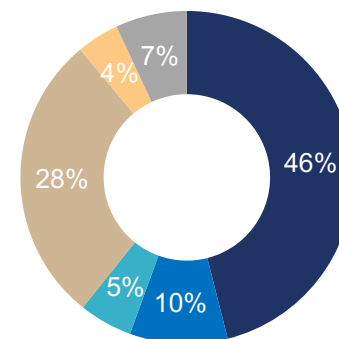


■ North ■ South ■ East ■ West ■ Central ■ Others Including Online

## REVENUE BREAKUP – CHANNEL WISE

9M FY22: Rs 7,545 Mn

9M FY23: Rs 9,219 Mn



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

## Online Sales (₹ Mn)

481

9M FY22

409

9M FY23





# Q3FY23 & 9MFY23: Revenue Analysis



**Investor Presentation**  
**Q3FY23 & 9MFY23**

## REVENUE BREAKUP - SEGMENT WISE

| In ₹ Mn                | Q3 FY22      | Q3 FY23      | 9M FY22      | 9M FY23      | FY22         |
|------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Total Revenues*</b> | <b>4,591</b> | <b>5,395</b> | <b>7,545</b> | <b>9,219</b> | <b>9,239</b> |
| Cotton Segment         | 47.8%        | 47.9%        | 50.3%        | 51.5%        | 54.7%        |
| Woollen Segment        | 33.1%        | 34.3%        | 26.6%        | 26.8%        | 24.0%        |
| Home Textiles          | 10.5%        | 9.9%         | 15.5%        | 14.3%        | 13.7%        |
| Kids                   | 8.6%         | 7.9%         | 7.6%         | 7.4%         | 7.6%         |

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

Q3 FY22 Sales of scrap and accessories was Rs. 6.19 Mn, Other Operating revenue was Rs. 5.52 Mn & INDAS adj. was Rs. 16.02 Mn

Q3 FY23 Sales of scrap and accessories was Rs. 25.62 Mn, Other Operating revenue was Rs. 6.86 Mn & INDAS adj. was Rs. -239.24 Mn

9M FY22 Sales of scrap and accessories was Rs. 20.41 Mn, Other Operating revenue was Rs. 9.67 Mn & INDAS adj. was Rs. -156.66 Mn

9M FY23 Sales of scrap and accessories was Rs. 36.57 Mn, Other Operating revenue was Rs. 13.53 Mn & INDAS adj. was Rs. - 459.5 Mn

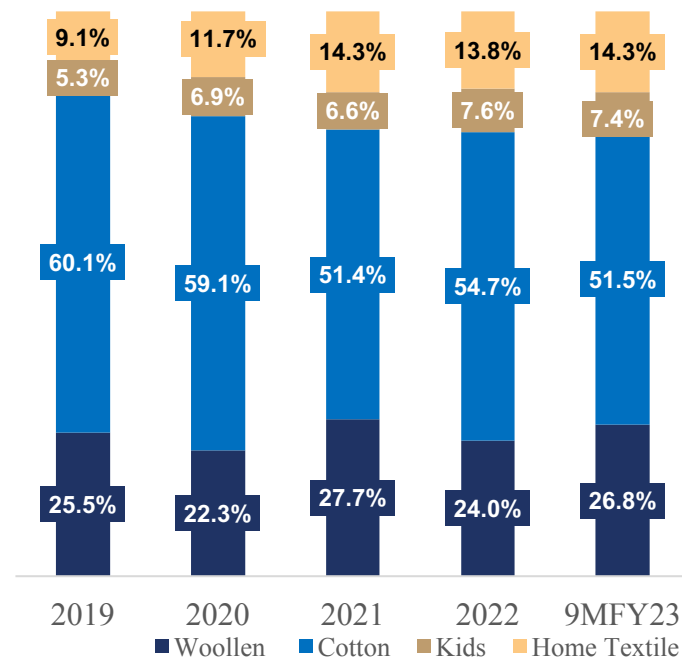
FY22 Sales of scrap and accessories was Rs. 26.76 Mn, Other Operating revenue was Rs. 13.87 Mn & INDAS adj. was Rs. -236.61 Mn

# Diversified Portfolio

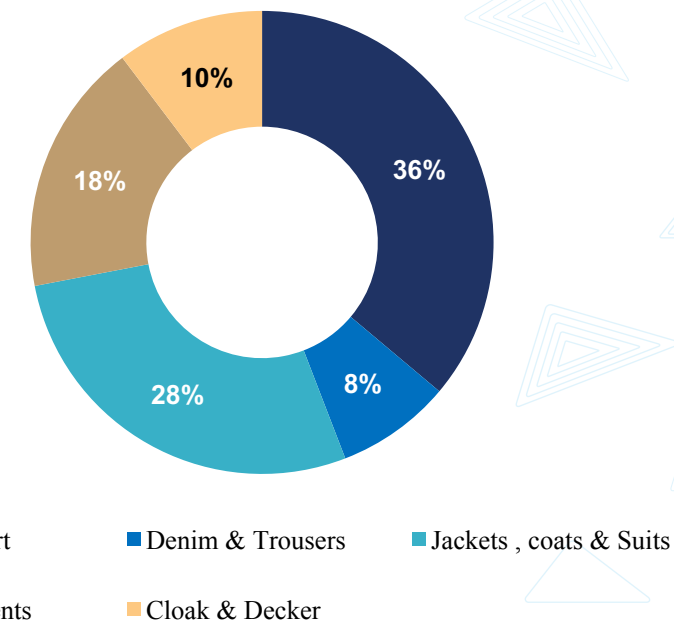


**Investor Presentation**  
**Q3FY23 & 9MFY23**

## SEGMENT COMPOSITION



## COTTON SEGMENT BIFURCATION – 9M FY23



- The company is focusing on the diversification strategy, emphasising more on cotton segment
- Cotton share maintained above 50% of total 9MFY23 revenue reflecting shift towards Cotton from Woollen segment

# Q3FY23 & 9MFY23: Profit and Loss Statement

(Standalone)



Investor Presentation  
Q3FY23 & 9MFY23

| Particulars (In ₹ Mn)          | Q3 FY23      | Q3 FY22       | YoY%          | 9M FY23     | 9M FY22       | YoY%          | FY22         |
|--------------------------------|--------------|---------------|---------------|-------------|---------------|---------------|--------------|
| <b>Revenue From Operations</b> | <b>5195</b>  | <b>4619</b>   | <b>12%</b>    | <b>8810</b> | <b>7,419</b>  | <b>19%</b>    | <b>9043</b>  |
| Material Cost                  | 2903         | 2678          | 8%            | 4494        | 3,914         | 15%           | 4677         |
| <b>Gross Margin</b>            | <b>2292</b>  | <b>1941</b>   | <b>18%</b>    | <b>4316</b> | <b>3505</b>   | <b>23%</b>    | <b>4366</b>  |
| <b>Gross Margin %</b>          | <b>44.1%</b> | <b>42.00%</b> | <b>212bps</b> | <b>49%</b>  | <b>47.20%</b> | <b>179bps</b> | <b>48.3%</b> |
| Personnel Expenses             | 276          | 251           | 10%           | 710         | 614           | 16%           | 812          |
| Advertisement Expenses         | 149          | 83            | 80%           | 325         | 145           | 124%          | 241          |
| Other Expenses                 | 566          | 470           | 25%           | 1427        | 1169          | 24%           | 1512         |
| <b>Operating EBITDA</b>        | <b>1301</b>  | <b>1137</b>   | <b>14%</b>    | <b>1854</b> | <b>1577</b>   | <b>18%</b>    | <b>1801</b>  |
| <b>EBITDA Margin %</b>         | <b>25.0%</b> | <b>24.60%</b> | <b>44bps</b>  | <b>21%</b>  | <b>21.30%</b> | <b>-26bps</b> | <b>19.9%</b> |
| Other Income                   | 59           | 49            | 20%           | 131         | 172           | -24%          | 255          |
| Depreciation                   | 101          | 102           | -1%           | 287         | 273           | 5%            | 373          |
| Finance cost                   | 98           | 43            | 128%          | 191         | 115           | 65%           | 157          |
| <b>PBT</b>                     | <b>1161</b>  | <b>1041</b>   | <b>12%</b>    | <b>1507</b> | <b>1361</b>   | <b>11%</b>    | <b>1526</b>  |
| Tax Expense                    | 298          | 266           | 12%           | 380         | 349           | 9%            | 386          |
| <b>PAT</b>                     | <b>863</b>   | <b>775</b>    | <b>11%</b>    | <b>1127</b> | <b>1012</b>   | <b>12%</b>    | <b>1140</b>  |
| <b>PAT Margin %</b>            | <b>16.6%</b> | <b>16.80%</b> | <b>-21bps</b> | <b>13%</b>  | <b>13.60%</b> | <b>-79bps</b> | <b>12.6%</b> |
| EPS (Rs.)                      | 41.63        | 37            | 13%           | 54          | 49            | 11%           | 55           |

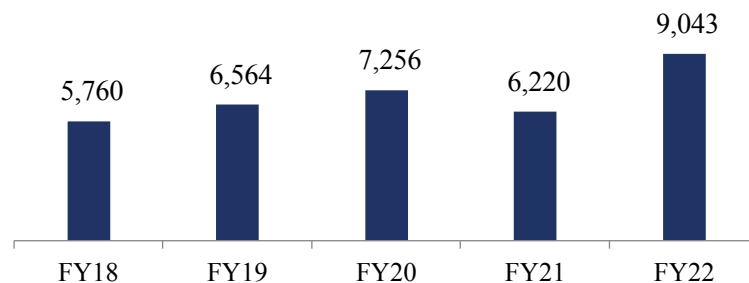


# Financial Performance

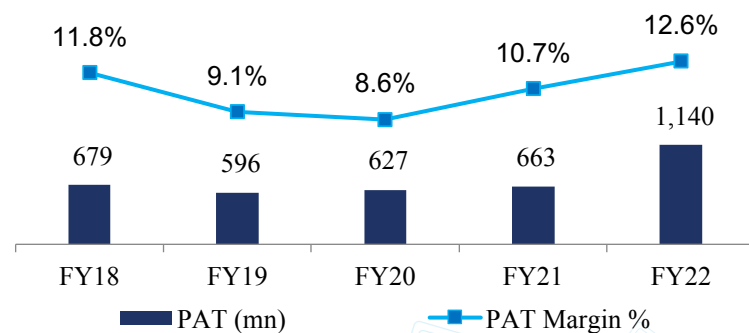


**Investor Presentation**  
**Q3FY23 & 9MFY23**

## CONSISTENT REVENUES



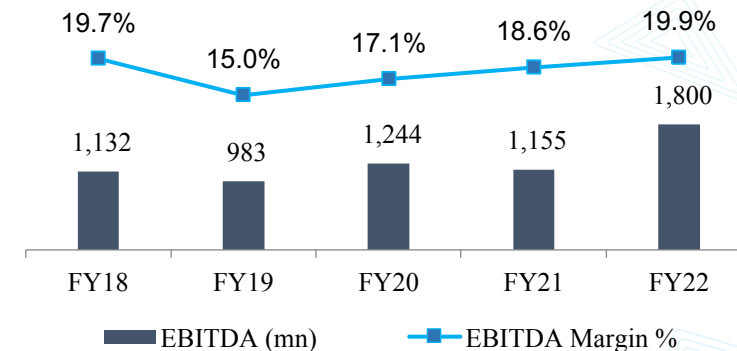
## PAT & PAT MARGIN



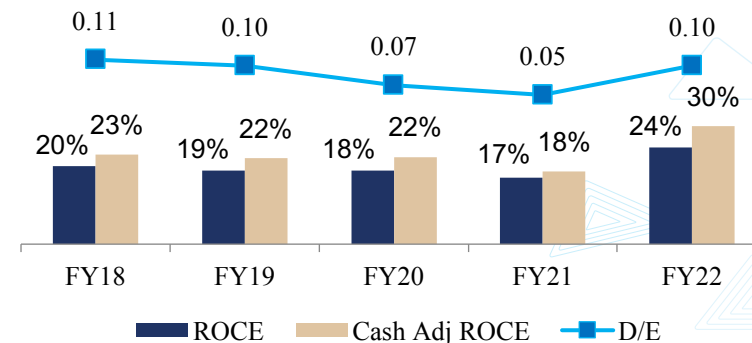
Note – EBITDA does not include other income  
Revenues exclude Raw Material Sales (Yarns, Fabrics & Trims)  
Inventory Data related to FY18 onwards is according to the cost method of valuation and the data related prior to FY18 is according to retail method of valuation

In ₹ Mn

## EBITDA & EBITDA MARGIN



## LEVERAGE & RETURN RATIOS

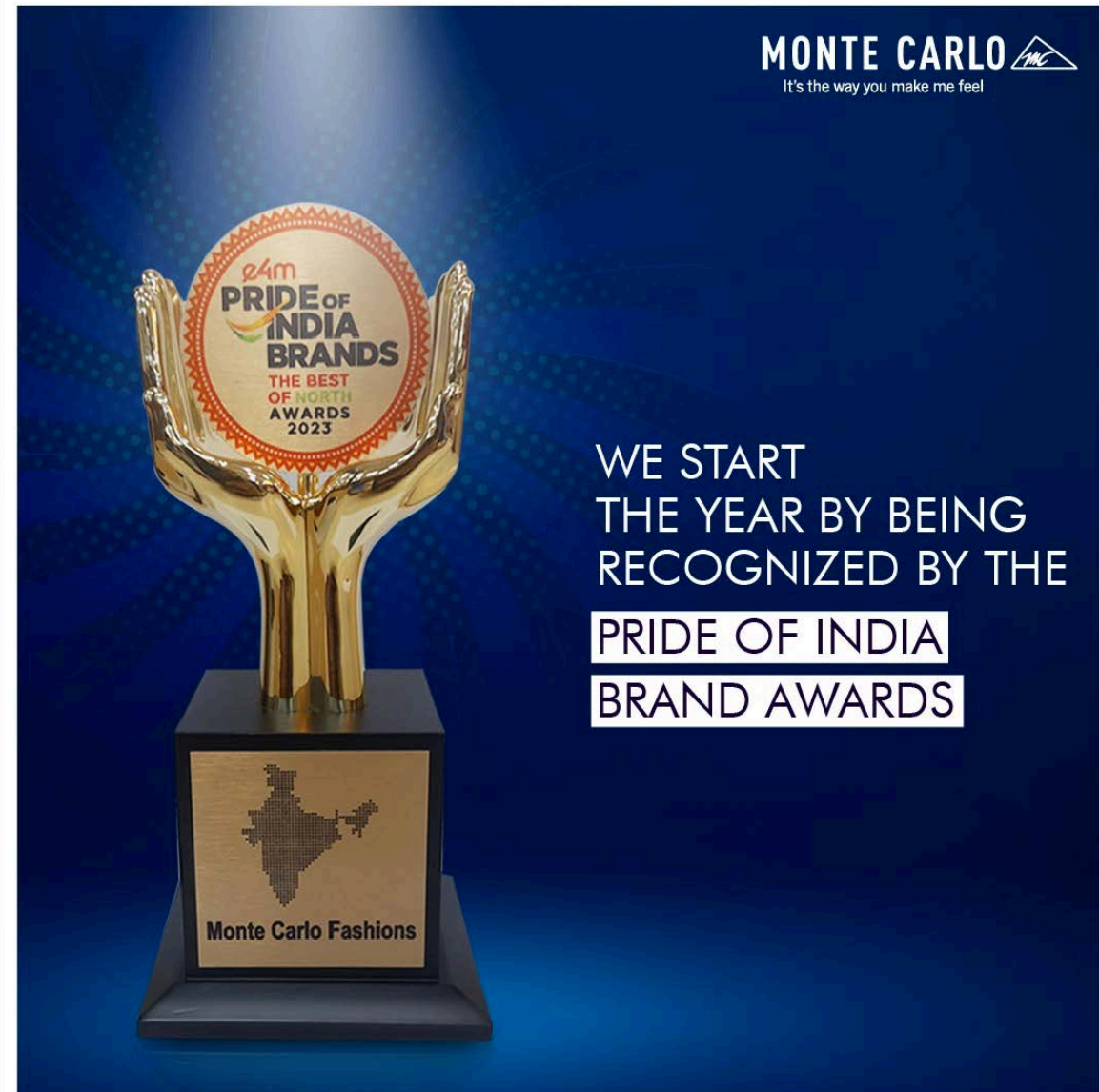


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**Q3FY23  
&  
9MFY23:  
Highlights**



**Investor Presentation  
Q3FY23 & 9MFY23**

RECOGNITION FOR EXCELLENCE



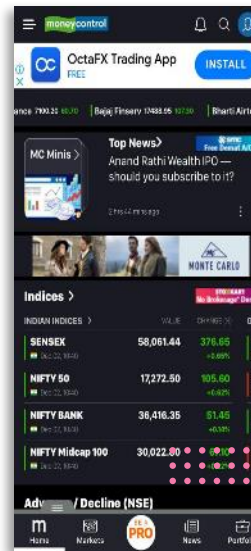
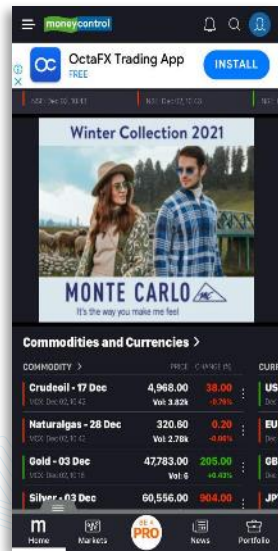


# 9M FY23 Advertising Campaigns



Investor Presentation  
Q3FY23 & 9MFY23

## DIGITAL



## PRINT



## OTHERS





# 02

## Company Overview



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Q3FY23 & 9MFY23



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# Monte Carlo:

## INDIA'S First Organised Lifestyle Apparel Brand



**Investor Presentation**  
Q3FY23 & 9MFY23



### Strong Pedigree

Leading Winter wear Brand, launched in 1984 promoted by Sh. Jawahar Lal Oswal ,CMD, Oswal woolen 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. 2,647 Mn as on 31<sup>st</sup> December 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. 59 Mn as on 31<sup>st</sup> December 2022

# Diversified Product Portfolio

  
**Investor Presentation**  
**Q3FY23 & 9MFY23**

## TRENDY AND PREMIUM QUALITY APPROACH TO CLOTHING

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



Alpha ♀



Luxuria  
A LUXURY COLLECTION FROM

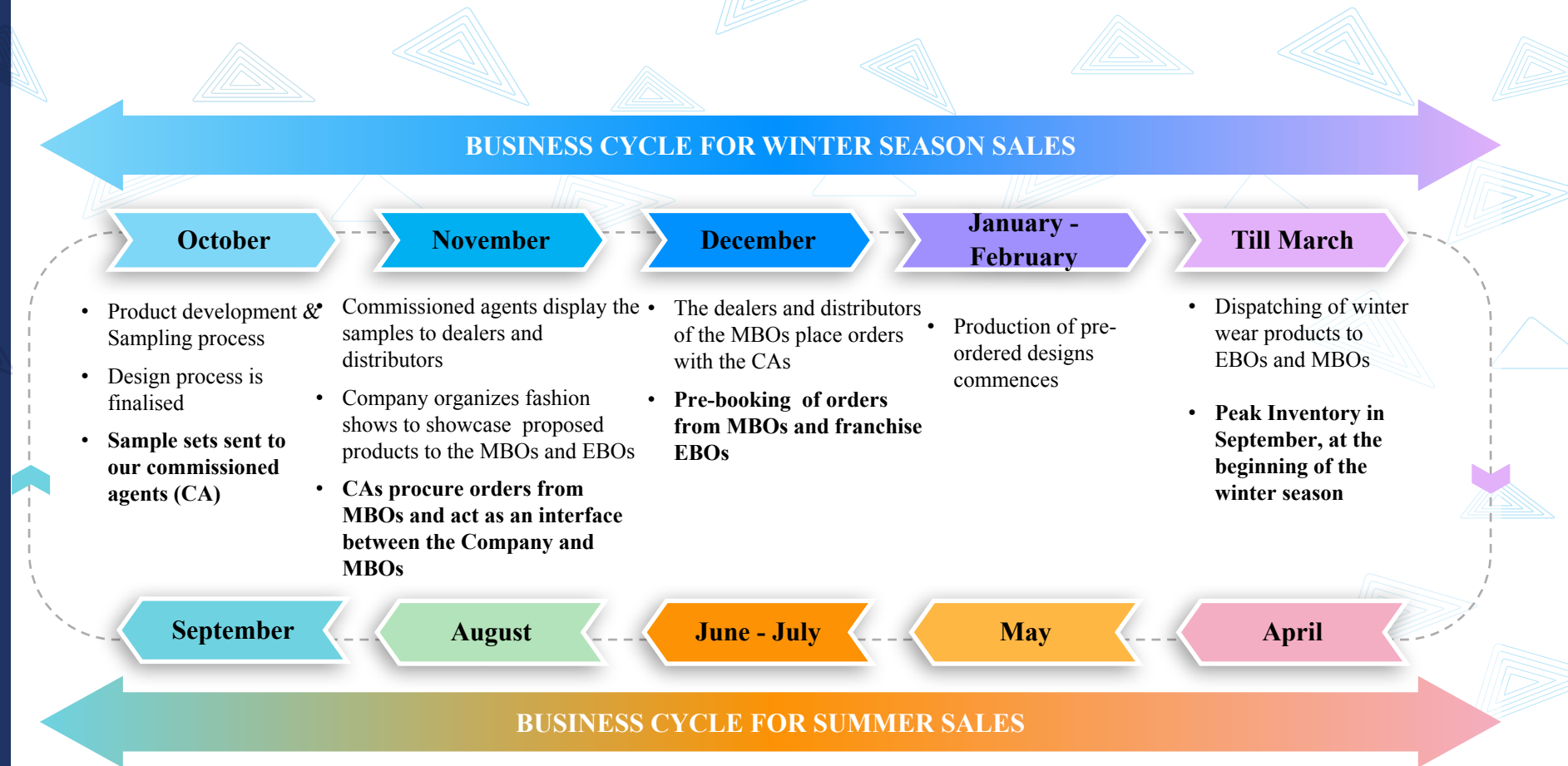




# Our Business Model



Investor Presentation  
Q3FY23 & 9MFY23



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<br>Outright Sales               | SOR – Sale or Return /<br>Outright Sales | Pre-Booking of orders<br>Outright Sales               | Inventory owned by<br>Company | Pre-Booking of orders<br>Outright sale              |
| <b>Goods Return Risk</b>              | No  | Yes                                      | No  | N.A                           | Minimal<br>5% - 10 % of Products<br>Return Allowed  |
| <b>Discount Sharing</b>               | No  | Yes                                      | Yes   | Yes                           | Yes<br>Range of 5% - 17.5%                          |
| <b>Payment Collection Credit Risk</b> | Exclusive<br>commissioned agents<br>are liable to pay | Reputed retail chains                    | Exclusive<br>commissioned agents<br>are liable to pay | -                             | Bank guarantee's and<br>PDC taken from<br>franchise |

# 03

## Investment Rationale

Investor Presentation  
Q3FY23 & 9MFY23



**MONTE CARLO**



It's the way you make me feel



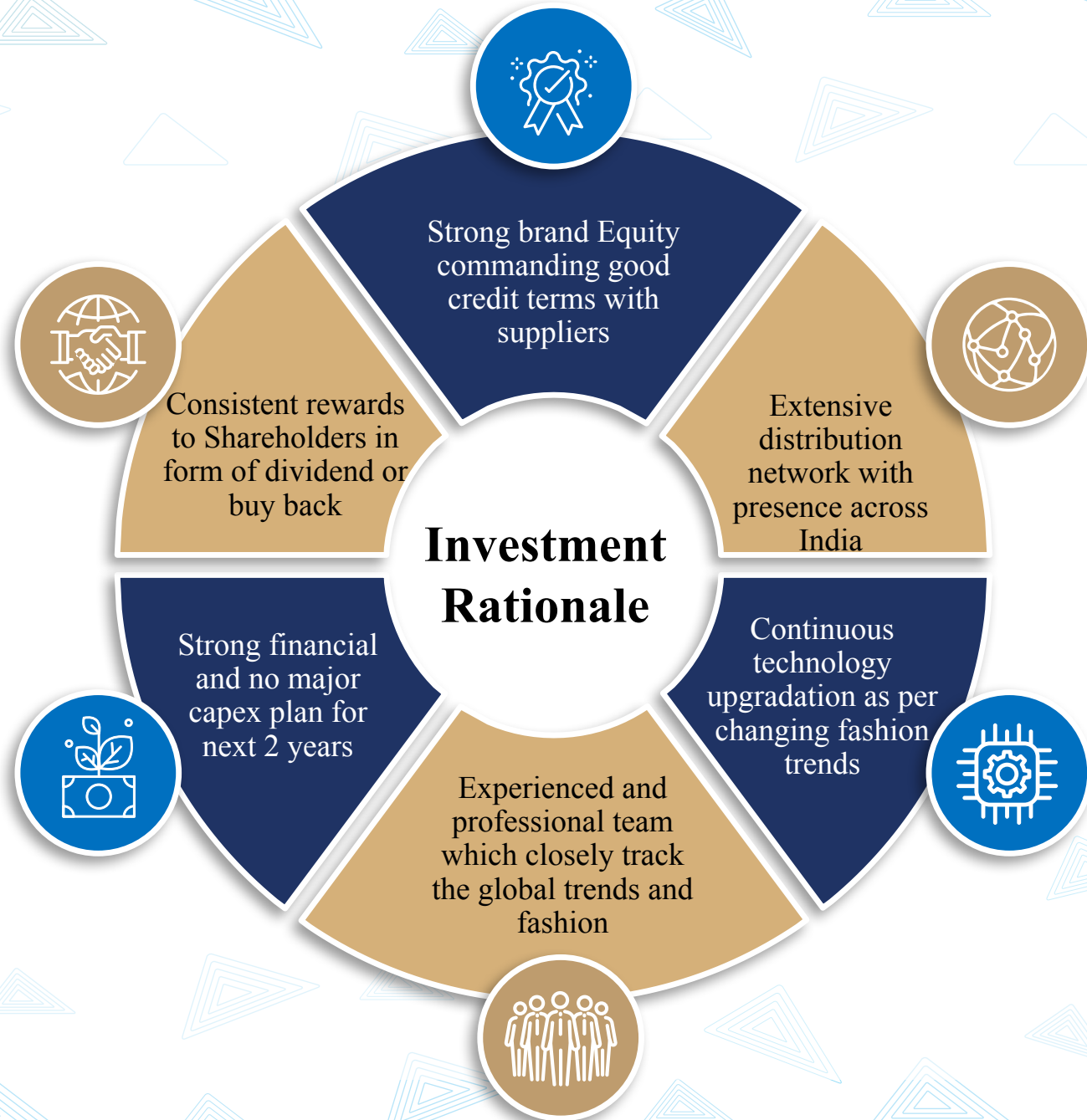




# Investment Rationale



**Investor Presentation**  
**Q3FY23 & 9MFY23**





# 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**  
**Q3FY23 & 9MFY23**

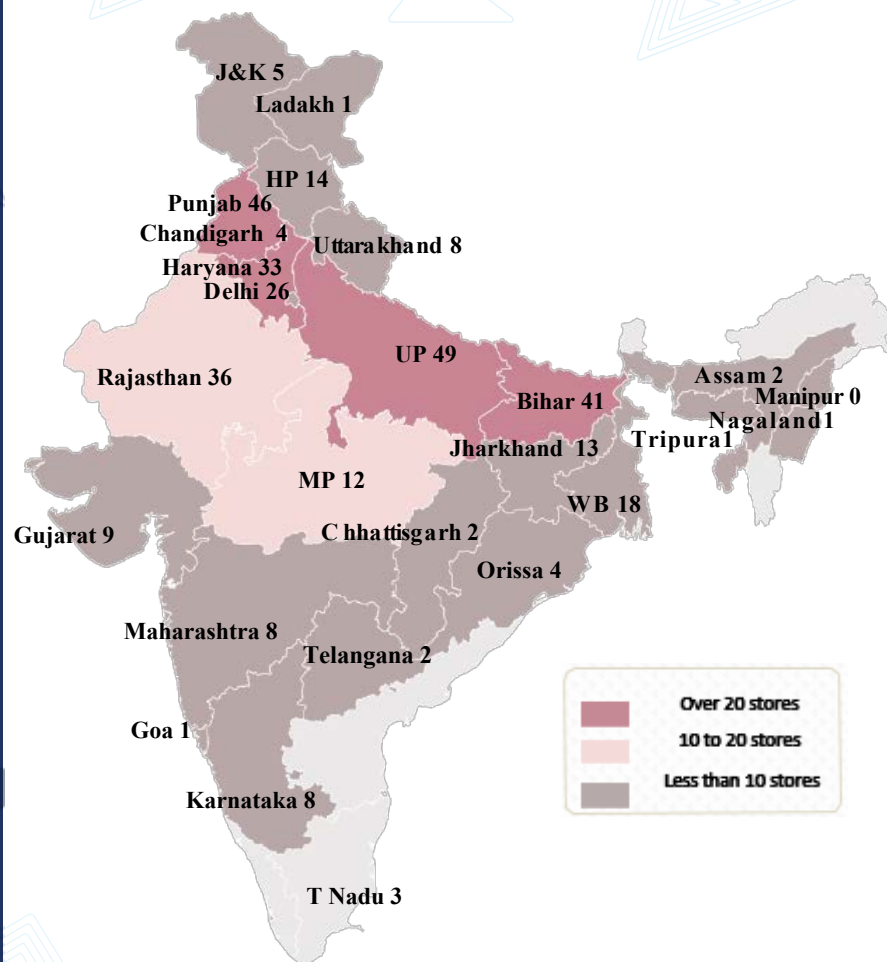


Aspire to service end to end wardrobe requirements of Indian consumers by further introducing exciting range of new products





# Our Pan-India Presence



## DISTRIBUTION NETWORK

### STORE NETWORK

| Type of Store        | FY21   | FY22  | 9MFY23 |
|----------------------|--------|-------|--------|
| EBO – COCO           | 43     | 55    | 69     |
| EBO – FOFO           | 256    | 260   | 278    |
| MBO and Distributors | 1,777* | 2,108 | 2364   |
| NCS                  | 622    | 740   | 788    |
| SIS                  | 153    | 287   | 306    |

**E-Commerce** Own sitesales and online channels.

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

### EBO – NET ADDITIONS

|            | FY21 | FY22 | 9M FY23 |
|------------|------|------|---------|
| Existing   | 278  | 298  | 315     |
| New Opened | 28   | 24   | 38      |
| Closed     | 8    | 7    | 6       |
| Total EBOs | 298  | 315  | 347     |



**Investor Presentation**  
Q3FY23 & 9MFY23

## NEW STORE LAUNCHES – Q3 FY23

FOFO: NORTH (5) EAST (4) CENTRAL (2)

COCO: NORTH (2)



# Continuously upgrading our technology



**Investor Presentation**  
**Q3FY23 & 9MFY23**

Whole Garment Machine



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.



# Led by Experienced Management Team



**Investor Presentation**  
**Q3FY23 & 9MFY23**



**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 Woolen 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



**Investor Presentation**  
**Q3FY23 & 9MFY23**



## 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 2,647 Mn (includes cash and bank balance along with current and non-current investments) as on 31<sup>st</sup> December 2022



## Lower Debt

Low overall debt; Long-term borrowing at Rs. 59 Mn as on 31<sup>st</sup> December 2022





# Consistent Reward to Shareholders

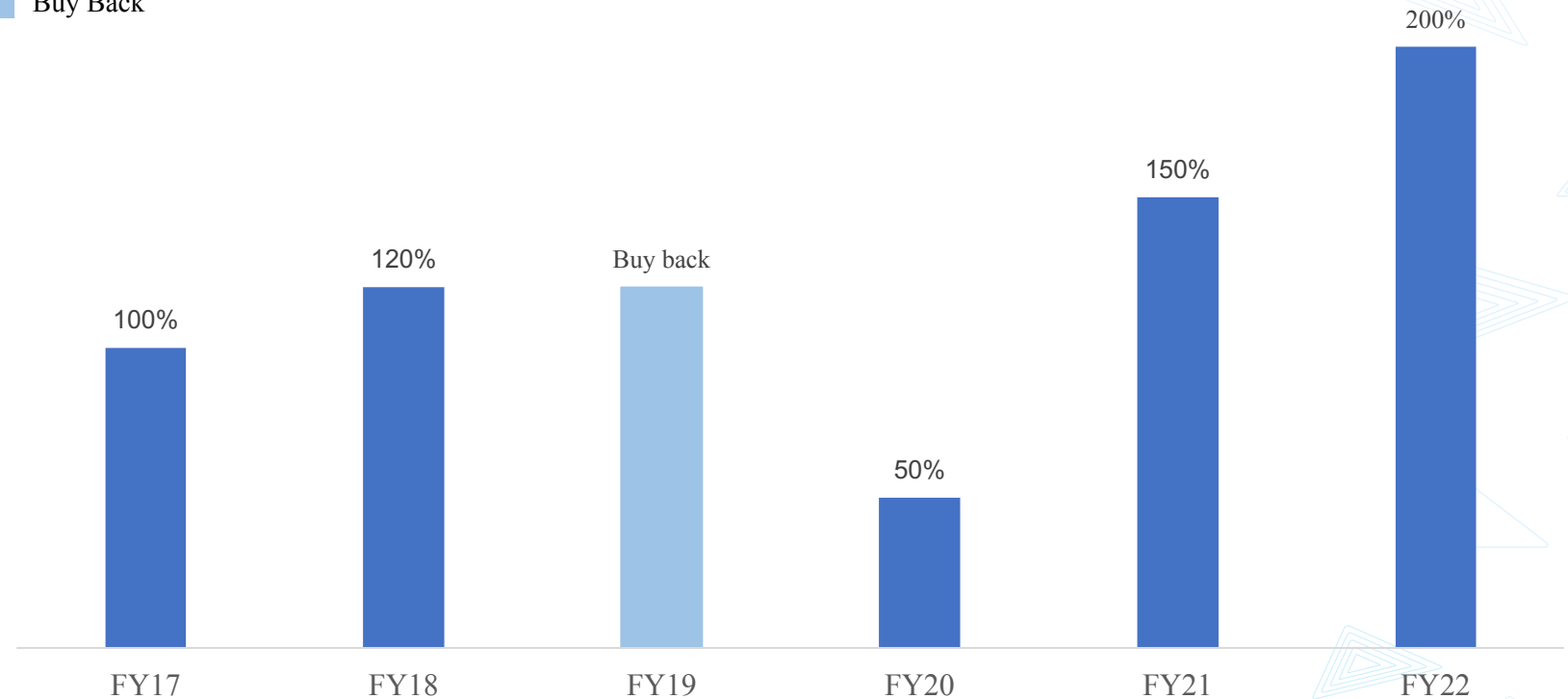


**Investor Presentation**  
**Q3FY23 & 9MFY23**

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  
Q3FY23 & 9MFY23



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It's the way you make me feel





# Branding Initiatives

Investor Presentation  
Q3FY23 & 9MFY23

## 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





# CSR Activities



Investor Presentation  
Q3FY23 & 9MFY23



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

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