

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 10, 2021

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: Q2 & H1 FY22 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, 2021.

You are requested to take the same on record.

Thanking You,

FOR MONTE CARLO FASHIONS LIMITED**ANKUR GAUBA**
COMPANY SECRETARY & COMPLIANCE OFFICER
ICSI MEMBERSHIP NO. : F10577

Encl. As Above



MONTE CARLO 

It's the way you make me feel

MONTE CARLO FASHIONS LIMITED
Q2 & H1 FY22 INVESTOR PRESENTATION



“ It’s the way
you make me feel ”



MONTE CARLO
It's the way you make me feel

DISCUSSION SUMMARY

#		Page No
01	Financial Highlights	03
02	Company Overview	12
03	Investment Rationale	17
04	Annexure	26

01

FINANCIAL HIGHLIGHTS

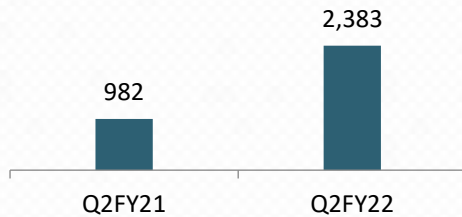


In Rs Mn

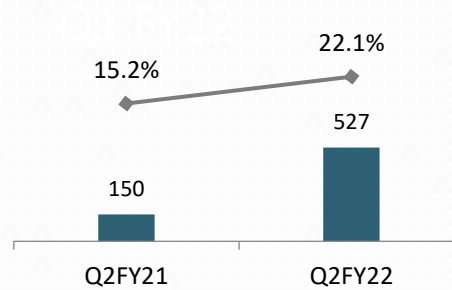
Q2 & H1 FY22: FINANCIAL HIGHLIGHTS

Q2 FY22

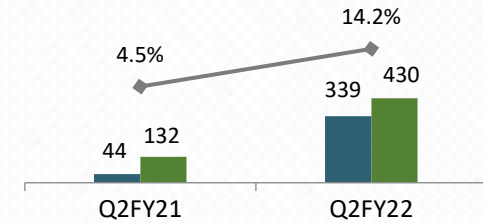
REVENUES



EBIDTA* & EBIDTA MARGIN%

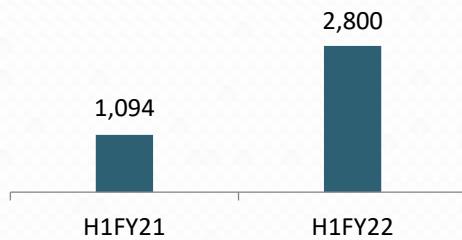


PAT & CASH PAT & PAT MARGIN%

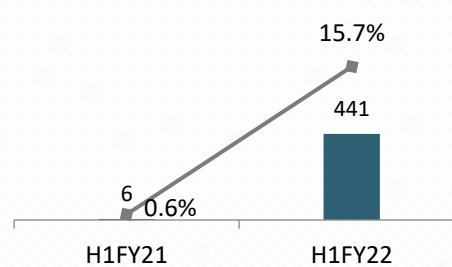


H1 FY22

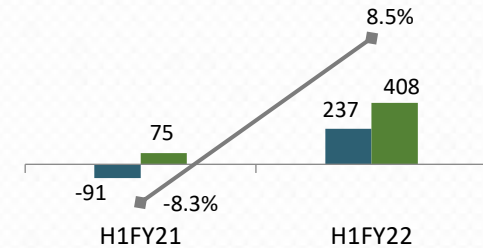
REVENUES



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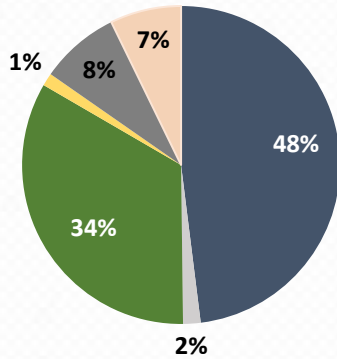


*EBITDA excludes other income

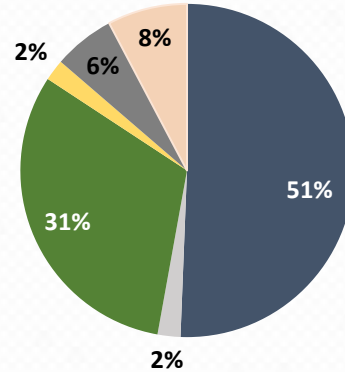
Q2 FY22: REVENUE DETAILS

REVENUE BREAKUP– REGION WISE (Including Online Sales)

Q2 FY21: Rs 973 Mn



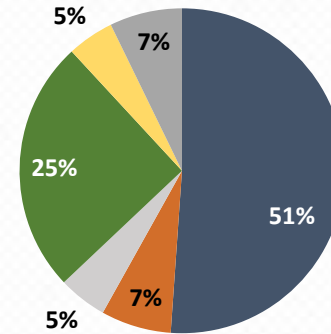
Q2 FY22: Rs 2,503 Mn



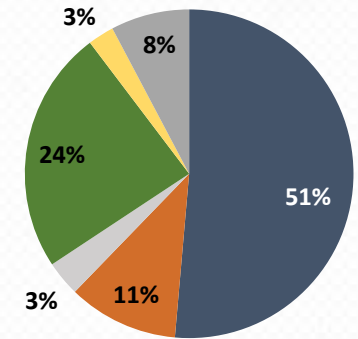
■ North ■ South ■ East ■ West ■ Central ■ Others Including Online

REVENUE BREAKUP – CHANNEL WISE

Q2 FY21: Rs 973 Mn



Q2 FY22: Rs 2,503 Mn



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

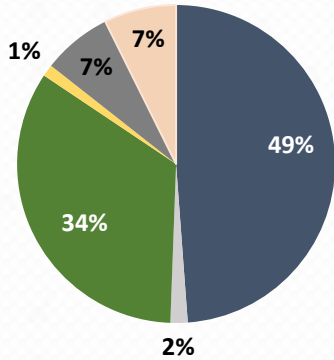
Online Sales Rs (Mn)



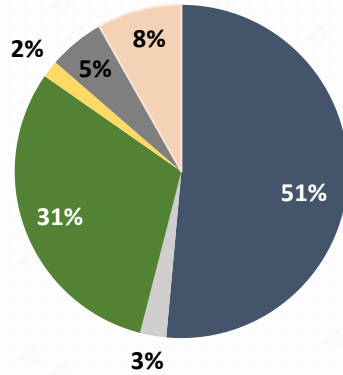
H1 FY22: REVENUE DETAILS

REVENUE BREAKUP- REGION WISE (Including Online Sales)

H1 FY21: Rs 1,057 Mn



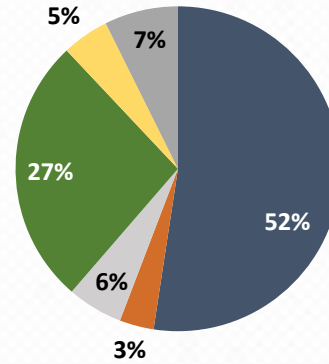
H1 FY22: Rs 2,954 Mn



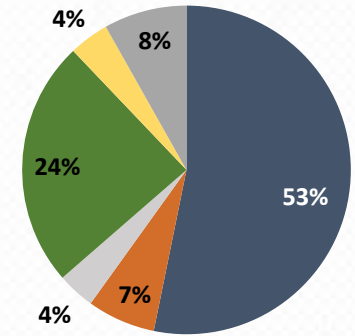
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REVENUE BREAKUP – CHANNEL WISE

H1 FY21: Rs 1,057 Mn

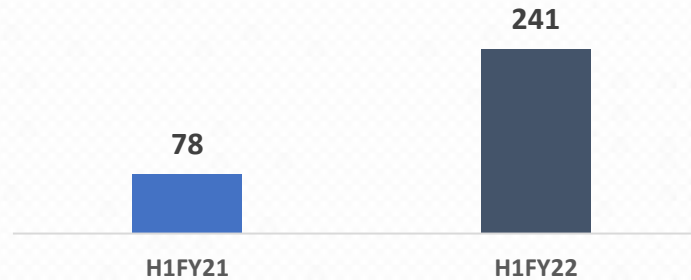


H1 FY22: Rs 2,954 Mn



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

Online Sales Rs (Mn)



Q2 & H1 FY22: REVENUE ANALYSIS

REVENUE BREAKUP - SEGMENT WISE

In Rs Mn	Q2 FY21	Q2 FY22	H1 FY21	H1 FY22	FY20	FY21
Total Revenues*	973	2,503	1,057	2,954	Rs. 7,235	Rs. 6,126
Cotton Segment	43.9%	47.7%	47.3%	54.1%	59.1%	51.4%
Woollen Segment	16.1%	22.7%	11.9%	16.5%	22.3%	27.7%
Home Textiles	35.2%	22.8%	36.7%	23.3%	11.7%	14.3%
Kids	4.8%	6.8%	4.1%	6.1%	6.9%	6.6%

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

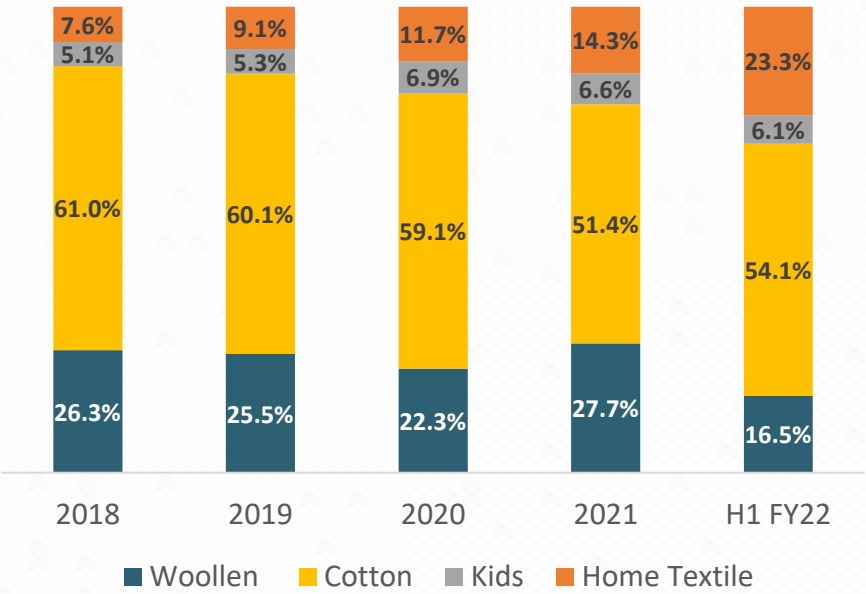
H1 FY21 Sales of scrap and accessories was Rs.8.0 Mn, Other Operating revenue was Rs. 1.9 Mn & INDAS adj. was Rs. 27.5 Mn

H1 FY22 Sales of scrap and accessories was Rs. 14.2 Mn, Other Operating revenue was Rs. 4.1 Mn & INDAS adj. was Rs. -172.7 Mn

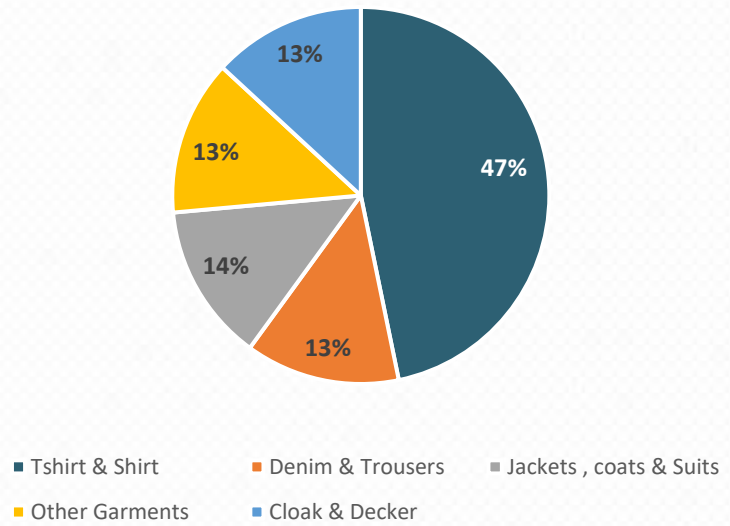
FY20 Sales of scrap and accessories was Rs.80.3Mn, Other Operating revenue was Rs.11.5 Mn & INDAS adj. was Rs.-70.7 Mn

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

SEGMENT COMPOSITION



COTTON SEGMENT BIFURCATION – H1FY22



- The company is focusing on the diversification strategy, emphasising more on cotton segment
- Cotton share maintained above 50% of total FY21 revenue reflecting shift towards Cotton from Woollen segment

Q2 & H1FY22: PROFIT AND LOSS STATEMENT

Particulars (In Rs Mn)	Q2 FY22	Q2 FY21	YoY%	H1 FY22	H1 FY21	YoY%	FY21
Revenue From Operations	2,383	982	143%	2,800	1,094	156%	6,220
Material Cost	1,172	389	201%	1,236	396	212%	3,310
Gross Margin	1,211	594	104%	1,564	698	124%	2910
Gross Margin %	50.8%	60.4%	-960bps	55.9%	63.8%	-796bps	46.8%
Personnel Expenses	194	150	30%	362	235	55%	599
Advertisement Expenses	37	13	188%	62	17	268%	110
Other Expenses	453	282	61%	699	441	59%	1,028
CSR Expenses	-	-	-	-	-	-	18
Operating EBITDA	527	150	252%	441	6	6711%	1155
EBITDA Margin %	22.1%	15.2%	686bps	15.7%	0.6%	1514bps	18.6%
Other Income	56	45	26%	122	101	21%	202
Depreciation	91	87	4%	171	166	3%	342
Finance cost	43	35	23%	72	65	10%	135
PBT	449	72	523%	320	-124	-358%	880
Tax Expense	110	28	295%	83	-33	-349%	217
PAT	339	44	666%	237	-91	-361%	663
PAT Margin %	14.2%	4.5%	973bps	8.5%	-8.3%	1680bps	10.7%
EPS (Rs.)	16.36	2.13	668%	11.45	-4.39	-361%	32

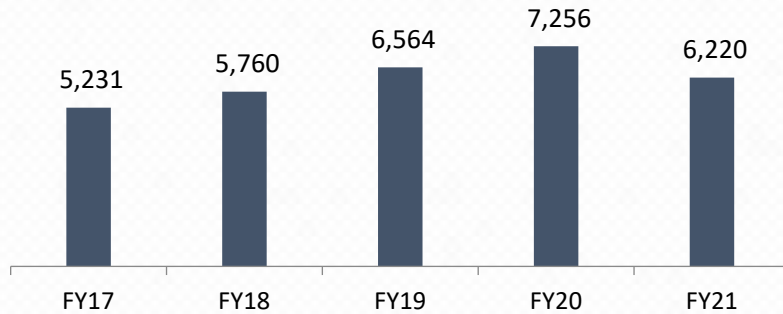
BALANCE SHEET HIGHLIGHT

Particulars (Rs. in Mn)	Sep-21	Mar-21
Equities & Liabilities		
Equity Share Capital	207	207
Other Equity	5,781	5,834
Total Equity	5,988	6,041
Non Current Liabilities		
Long-term Borrowings	95	117
Other Financial Liabilities	198	186
Lease Liability	752	720
Other Long Term Liabilities	11	10
Total of Non Current Liabilities	1,056	1,033
Current Liabilities		
Short Term Borrowings	1,580	231
Trade Payables	2,084	1,387
Lease Liability	131	116
Other Financial Liabilities	772	427
Other Current Liabilities	233	116
Income Tax Liability	18	6
Short-Term Provisions	125	9
Total Current Liabilities	4,943	2,292
Total Equity & Liabilities	11,987	9,366

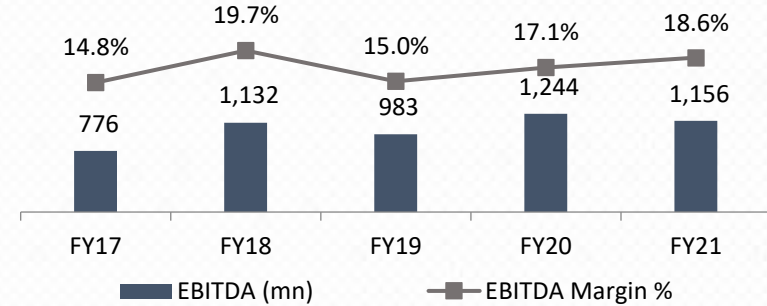
Particulars (Rs. in Mn)	Sep-21	Mar-21
Non-Current Assets		
Property, Plant and Equipment	1,561	1,493
Right of use assets	784	752
Capital Work in Progress	26	12
Other Intangible assets	3	4
Financial Assets		
Investments	205	39
Other Financial Assets	64	158
Deffered Tax Assets	122	91
Other Non-Current Assets	24	25
Total Non-Current Assets	2,789	2,574
Current Assets		
Inventories	3,588	2,015
Financial Assets		
Investments	1,385	1,736
Trade Receivables	3,293	2,295
Cash & Bank Balance	388	409
Loans	3	4
Other Financial Assets	39	36
Other Current Assets	502	297
Total Current Assets	9,198	6,792
Total Assets	11,987	9,366

In Rs Mn

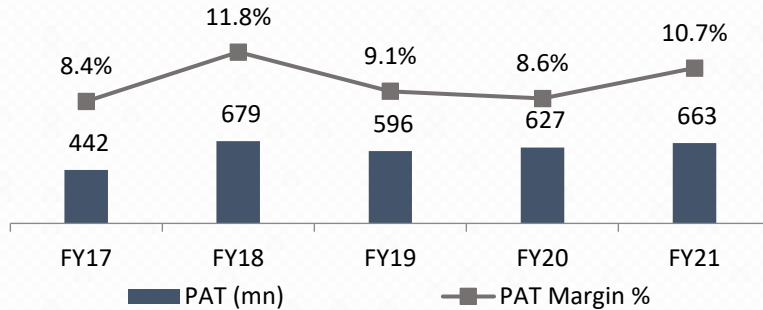
CONSISTENT REVENUES



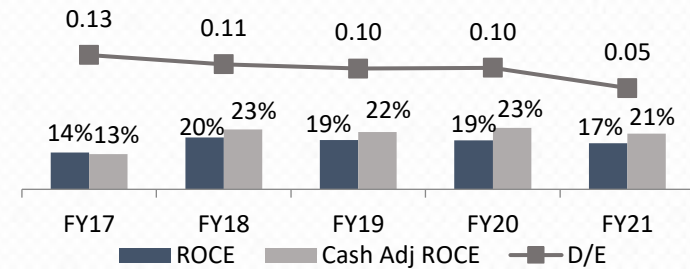
EBITDA & EBITDA MARGIN



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

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



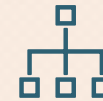
Manufacturing Plants

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

30 professionals closely tracking the trending global fashion



Cash Balance

Cash balance of Rs. 1,978 Mn as of September 2021

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



Low Debt

Long-Term borrowing at Rs. 95 Mn as of September 2021

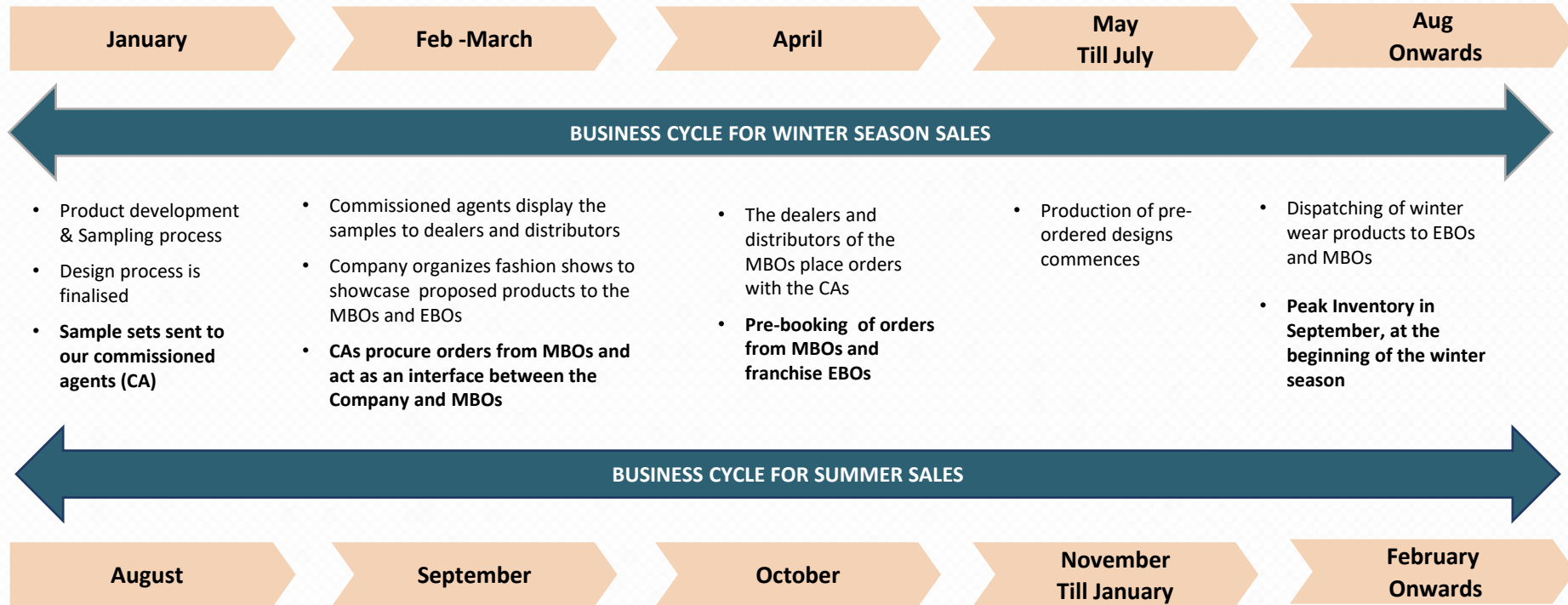
DIVERSIFIED PRODUCT PORTFOLIO

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

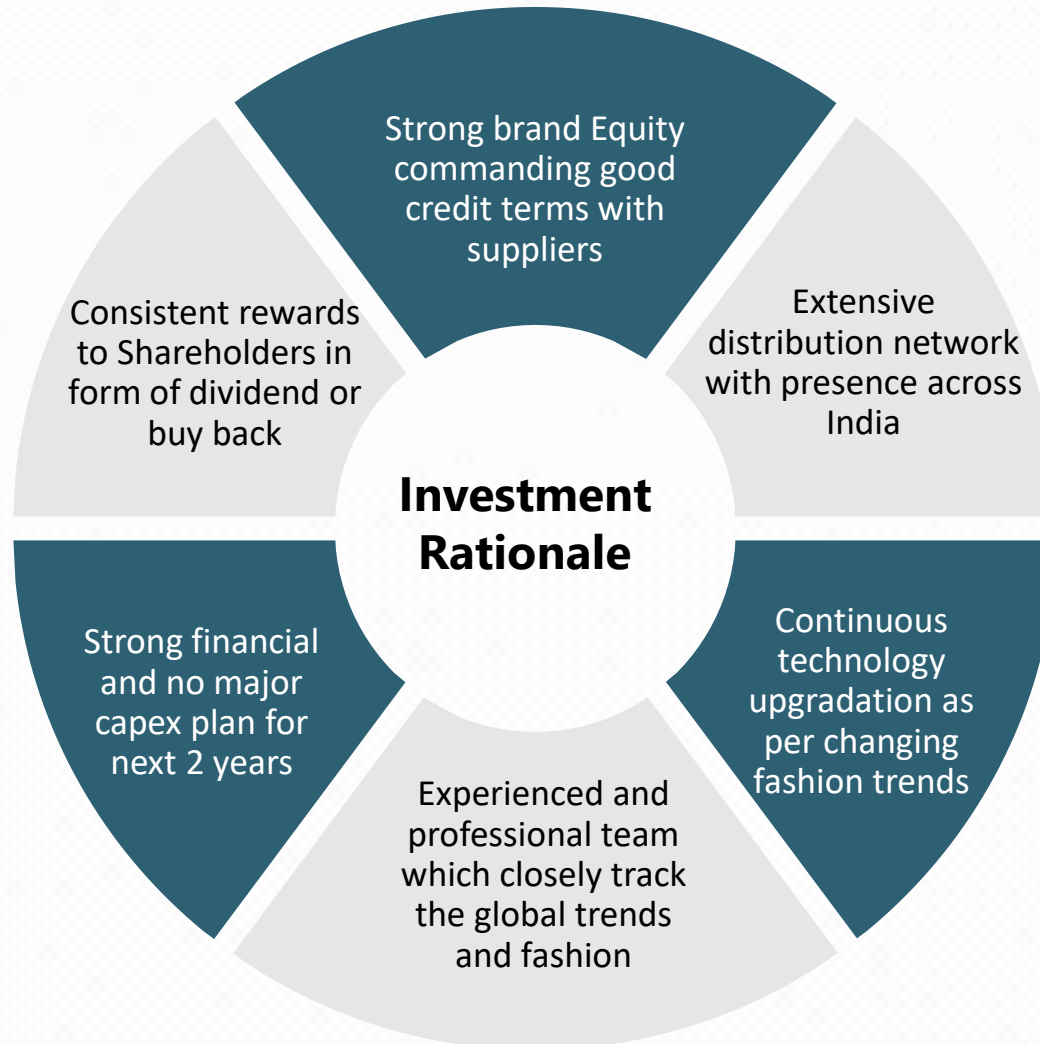
	MBO and Distributors	NCS	Shop In Shop	EBO-COCO	EBO –FOFO
Distribution Sale Model	Pre-Booking of orders Outright Sales	SOR – Sale or Return / Outright Sales	Pre-Booking of orders Outright Sales	Inventory owned by Company	Pre-Booking of orders Outright sale
Goods Return Risk	No	Yes	No	N.A	Minimal 5% -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





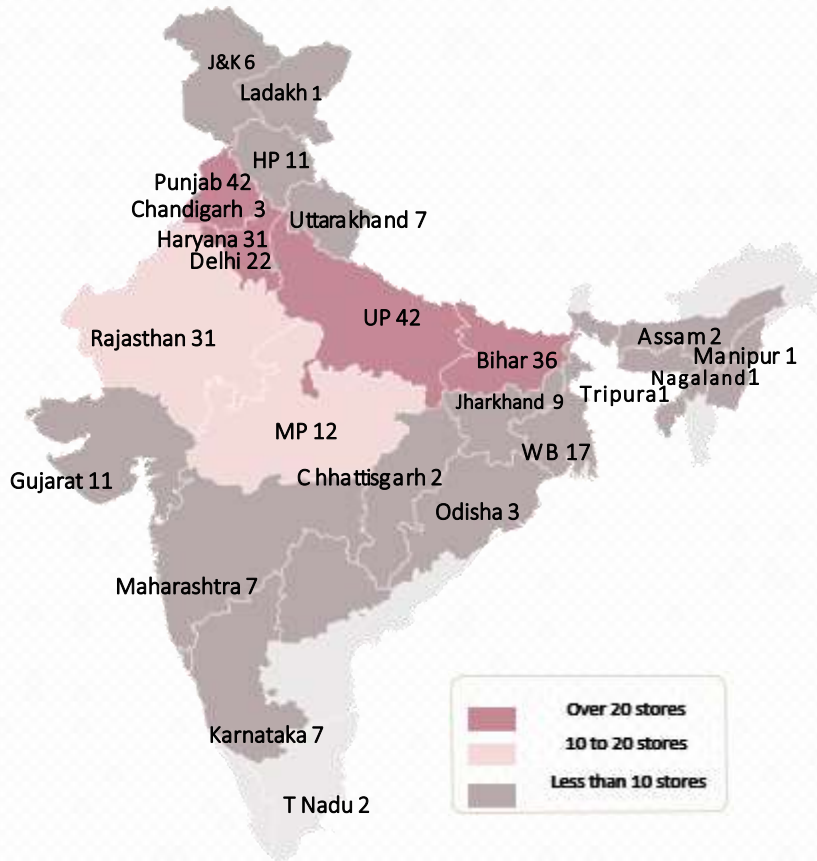
STRONG BRAND EQUITY ...

- ❖ “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	FY20	FY21	Q1 FY22	Q2 FY22
EBO – COCO	37	42	45	48
EBO – FOFO	241	256	251	259
MBO and Distributors	2,500+	1,777*	1,265*	1,411*
NCS	566	622	224	581
SIS	126	153	153	227
E-Commerce	Amazon, Flipkart, Myntra, Jabong and Kapsons			

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

EBO – NET ADDITIONS				
	FY20	FY21	Q1 FY22	Q2 FY22
Existing	256	278	298	296
New Opened	31	28	3	14
Closed	9	8	5	3
Total EBOs	278	298	296	307

NEW STORE LAUNCHES

FOFO: NORTH (6) CENTRAL (2) EAST (3) WEST (2)

COCO: NORTH (2) EAST (2)

... & REGULAR TECHNOLOGY UPGRADATION

Whole Garment Machine



3D KNIT

FASHION
ORIENTED



Cotton



Woollen



- 30 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.

GEARED TO REAP PLI BENEFITS IN HOME TEXTILES

Production Linked Incentive (PLI)

- Budgetary Outlay of approx. **Rs. 11,000 Crores** to **promote production of manmade fabrics, garments and technical textiles in India**
- **Annual incentives for 5 years to large scale projects** linked with turnover of identified categories

Monte Carlo Home Textiles Limited

- **Proposed subsidiary company** to manufacture Home Textiles Products
 - **Rugs : 13 mn. sq. m. per annum**
 - **Mink Blanket fabric : 20 tons per day**
- Total **Investment** outlay ~ **Rs. 355 crores over a period of 5 years**
- Will **leverage the growth opportunities in the “Home Textiles”**
- **Availing part 2 of the PLI scheme**

Key growth drivers of Home Textiles

- **Growth in end-user segments** – hospitality, corporate, retail, entertainment, aviation, etc
- **Individuals spending more time at home** - focus on redecorating and upgrading
- **Rapid urbanization & increasing purchasing power** in the developing economies
- **Lifestyle change** - Recognition of carpet as a necessary product instead of luxury

LED BY EXPERIENCED MANAGEMENT ...

Sh. Jawaharlal Oswal (Chairman & MD)

- Sh. Jawahar Lal has More than 50 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 21 years of experience in the field of administration
- He is Bachelor's degree in Pharmacy, Diploma in Export Management
- Prior to joining Monte Carlo in 2008, he has worked with Oswal Woollen Mills Limited

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 35 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 1,978 Mn (includes cash and bank balance along with current and non-current investments) as of September 2021

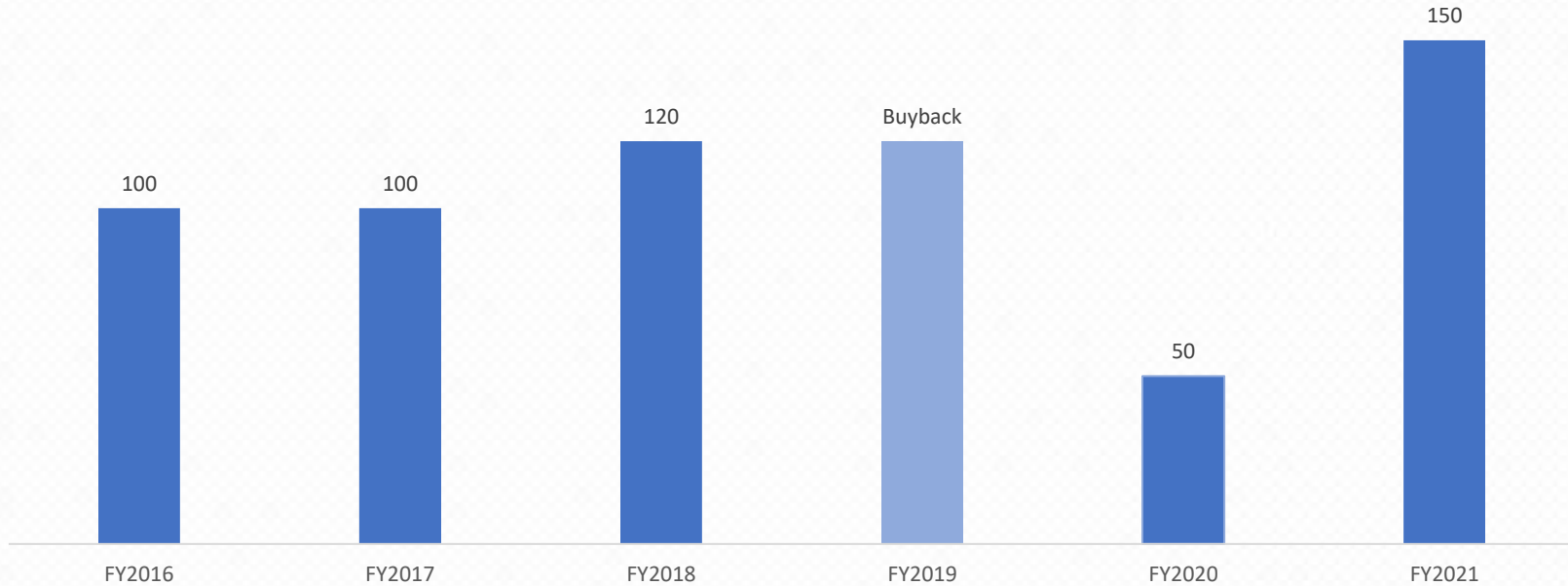
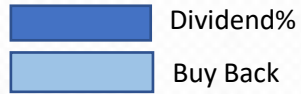
NO MAJOR CAPEX

- ❖ H1 FY22 capex of Rs. 171 Mn for de-bottlenecking and modernization of existing facilities
- ❖ Roust growth without any major capex; Return Ratios set to improve

LOWER DEBT

- ❖ Low overall debt; Long term borrowing at Rs.95 Mn as of September 2021

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 ONLINE PLATFORMS



Clothing Partner for reality Shows like Big boss, Khatron ke Khiladi



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
- Cinepolis
- 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), Brailee 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

Ms. Pushpa Mani
Senior Consultant

Mr. Chintan Mehta
Director

Email:
monte.carlo@dickensonworld.com

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