

**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

MCFL/CS /2023-24

April 17, 2023

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. Symbol: MONTECARLO	BSE Limited. Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-400001. Scrip Code: 538836
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Sub: Business Update- Q4 &amp; FY 2022-23

Sir / Madam,

Please find attached herewith the Business Update for the Q4 and Year ended FY 2022-23.

You are requested to take the same on record.

Thanking You,

Yours faithfully,

For MONTE CARLO FASHIONS LIMITED

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Date: 2023.04.17  
11:14:23 +05'30'ANKUR GAUBA  
COMPANY SECRETARY & COMPLIANCE OFFICER  
ICSI Membership No. FCS 10577

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**Monte Carlo Fashions Limited  
Business Update – 31<sup>st</sup> March 2023****Monte Carlo Fashions Reports  
Yet Another Successful Q4FY23**

- Sales for the quarter grew by 36%\* over Q4 FY22 and 101%\* over Q4 FY20 (Pre-Covid)
- Yearly Sales grew by 22% \*over FY22 and 51%\*over FY20(Pre-Covid)

\*Provisional (unaudited)

**Monday, 17 April 2023:** Monte Carlo Fashions, a renowned company in the branded apparel industry, offering a wide range of woollen, cotton, cotton blend, knit and woven apparel for Men, Women and Kids under the umbrella brand "Monte Carlo", has released a business update concerning the quarter ending on March 31, 2023.

**Unstoppable Growth**

The Company continues to experience an upsurge in demand in all its business segments. Despite Q4FY22 being a robust quarter characterized by pent-up demand, the Company's revenue grew at an impressive rate. In Q4FY23, the Company recorded a robust revenue growth of 36% YoY, and by indicating a sustained high demand. This quarter's sales did not only surpass pre-covid levels but also represented the best ever for the Company. Monte Carlo Fashions has been benefiting from the dynamics of the Indian fashion industry, which is experiencing a strong consumption story. The Indian fashion industry has been witnessing a surge in demand, driven by the rising disposable income of the Indian middle class, the growing number of fashion-conscious millennials and Gen Z consumers, and the growth of e-commerce and online fashion retail. Monte Carlo Fashions' ability to identify early fashion trends, maintain attractive price points, and optimize its product mix has enabled it to capture a significant share of this growing demand.

**Strategic Navigation through a Unique Business Model**

Monte Carlo Fashions' unique business model that limits sales return has consistently fueled its high-quality growth. The Company's net revenue from franchises, EBOs, and MBOs sold on pre-order or outright has been a strategic move that has minimized its inventory risk, effectively shielding it from the hazardous sales common in the branded apparel business. Despite the volatility of raw material prices, Monte Carlo Fashions has remained resilient, strategically navigating the market by optimizing its product mix, passing on costs to consumers, and rationalizing overheads. Throughout Q4FY23, the Company continued to

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optimize its product mix based on emerging fashion trends and appealing price points, maintaining its market share in a fiercely competitive landscape. This tactical approach has positioned the Company for sustainable growth, reinforcing its status as a leader in the fashion industry.

### **Unveiling 10 New EBOs across India in Q4FY23**

Throughout Q4FY23, the Company executed its retail expansion strategy, robustly strengthening its foothold in India by opening 10 New EBOs. These included 1 EBO in the Northern Region, 3 EBOs in the Central Region, 1EBO in the Southern Region, 2 EBOs in the Western Region and 3 EBOs in the Eastern Region, strategically diversifying its presence across the country. The Company's relentless pursuit of excellence resulted in the opening of new stores in previously unexplored territories, consolidating its position as a market leader. With this, the total number of EBOs increased to an impressive 356, spread across 20 states and 4 union territories. The company has surpassed its yearly guidance of opening 40-45 new EBOs, by opening 47 new EBOs during the financial year 2022-23.

The Company's innovative approach to retail expansion and unparalleled presence continues to enhance its market penetration and dominance in the Indian retail landscape. The Company currently has approx. 2,500+ MBOs, 300+ SIS, 356 EBOs and approx. 800+ national chain stores. With its solid distribution network and more than three decades of expertise in the garment industry, Monte Carlo Fashions is well-positioned to leverage these dynamics and achieve sustainable and profitable growth in the long run.

### **Capturing the E-Commerce Wave by Keeping Up with Latest Trends**

The Company's core competency lies in understanding consumer demand trends, manufacturing superior quality products, and keeping up to date with the latest fashion. The Company has been smartly maximising e-commerce opportunity as it is not only selling its products through its own stores but also has a presence in Multi-Brand Outlets (MBOs) and distributors like NCS. Additionally, it's selling its products on popular online platforms like Ajo, Amazon, Flipkart, First Cry, Myntra, Tatacliq, NYKA and Kapsons, and even on its own website. The Company has been experiencing a positive trend in sales through its online channels, indicating that consumers are increasingly interested in buying its products online.

The above information for the period ended quarter ended 31<sup>st</sup> March 2023 is provisional and subject to audit by the Company's Statutory Auditors.

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Monte Carlo Fashions Limited is a well-known brand with diversified products, including Woollen, Knitted, Cotton, Cotton Blended, Kids and Home Furnishing product. Monte Carlo Fashions is recognized as a "Superbrand" for woollen knitted apparel in each edition of Consumer Superbrands India. The Company has a presence across India through a judicious mix of EBOs, MBOs and Shops in shops, distributors, and national chain stores and online. Located in 20 states & 4 union territories. It has a strong design team of over 35 professionals closely tracking the trending global fashion.

The diversification strategy in terms of product mix and geography helps cater to the apparel demands of various seasons across India. The Company's main objective is to stand up to the buyers' expectations with consistent quality backed by R&D equipped with the latest technology.

For more information, please visit <http://www.montecarlocorporate.com/>

**FOR MONTE CARLO FASHIONS LIMITED**

Raj Kapoor  
Sharma

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Raj Kapoor Sharma  
Date: 2023.04.17  
11:06:52 +05'30'

**RK Sharma**  
**Chief Financial Officer**