

MONTE CARLO 

It's the way you make me feel

GSTN : 03AAFCM7888Q1ZK
PAN - AAFCM7888Q
TAN - JLDM04272C
CIN - L51494PB2008PLC032059

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 /2022-23

January 11, 2023

National Stock Exchange of India Limited Exchange Plaza, 5 th 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: Quarterly Update- Q3 FY 2022-23

Sir / Madam,

Please find attached herewith the Quarterly Update for Q3 of 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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by ANKUR GAUBA
Date: 2023.01.11
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ANKUR GAUBA
COMPANY SECRETARY & COMPLIANCE OFFICER
ICSI Membership No. FCS 10577

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BUSINESS UPDATE

ANOTHER SUCCESSFUL WINTER SEASON FOR Q3FY23

***SALES FOR THE Q3 FY23 GREW BY 12% OVER Q3 FY22**

***SALES FOR THE 9M FY23 GREW BY 19% OVER 9M FY22**

We are pleased to announce that the company continue to witness strong demand across all its verticals. Company revenue grew at a decent rate despite Q3FY22 being a solid quarter on the back of pent-up demand. The company has recorded strong sales with revenue growth of 12% approx. in Q3 FY23 and 19% approx. for 9MFY23. The quarterly sales have been the best for the company on the back of substantial brand equity among consumers, the latest fashion products and superior quality aided by solid end-of-season sales and encouraging festive season across India. The company maintains its yearly growth guidance of 20%-25% as informed earlier.

As most of its net revenue from franchises, EBOs and MBOs are sold on pre-order or outright, inventory risk is minimised, consequently helping MCFL remain insulated from hazard sales in the branded apparel business. The company's limiting sales return strategy has aided more qualitative growth. The company has been continuously focussing on all-inclusive growth. Despite the higher raw material prices, the company has strategically tackled the volatility by optimising the product mix, passing on the costs to consumers and rationalising overheads. The company has consistently improved its product mix based on early fashion trends and attractive price points. This has been garnering fair market share by the company.

The trade show for Summer 23, conducted in Sept 2022, witnessed healthy traction; this has helped build a robust order book. The company continues to strengthen both its cotton and woollen portfolio simultaneously thus building resilience and strength in its operations

During the quarter, the Company continued with its strategy of strengthening its retail presence in India by opening 13 new EBOs during Q3FY23, out of which 7 EBOs were opened in the Northern Region, 2 EBOs in the Central region and 4 EBOs opened in Eastern Region. With this, the total number of EBOs has reached approximately 347 across 20 states and four union territories. The company maintains its yearly growth guidance of opening 40-45 new EBOs as informed earlier.

We are also pleased to share that in line with our digital focus to build robust processes and to enhance customer experience, the company is in final stage of implementing SAP S/4HANA solution - Fashion and Vertical Business and will be implemented by first week of February, 2023. This is an intelligent ERP providing real-time insights in all areas of the business and predictive consumer trend insights. This will enhance our flexibility and agility to deliver end-to-end customer experiences and at the same time achieve significant bottom-line cost savings. Monte Carlo maintains its first mover's streak to implement such kind of digital solutions in the industry.

*The Sales have been computed after providing adequate provisions for expected returns and expected discounts.

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The Company also has a presence through MBOs and distributors, NCS, and is on most major online platforms like Ajoio, Amazon, Flipkart, First Cry, Myntra and Kapsons, as well as its own website. The Company continues to witness encouraging trends through its online channels.

The Company's core competency lies in understanding consumer demand trends, manufacturing superior quality products, and keeping up to date with the latest fashion. With these strengths, the Company can effectively leverage the benefits of having a solid distribution network and more than three decades of expertise in the garment industry. The Company is confident of its long-term sustainable and profitable growth, which will benefit all its stakeholders and lead to long-term value creation.

The above information for the period ended quarter ended 31st December 2022 is provisional and subject to Limited Review by the Company's Statutory Auditors.

About Monte Carlo Fashions Limited:

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 www.montecarlocorporate.com.

For MONTE CARLO FASHIONS LIMITED

Raj Kapoor
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Raj Kapoor Sharma
Date: 2023.01.11
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RK Sharma
Chief Financial Officer