

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

May 15, 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: Q4FY21 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 Financial Year ended March 31, 2021.

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

Thanking You,

FOR MONTE CARLO FASHIONS LIMITED

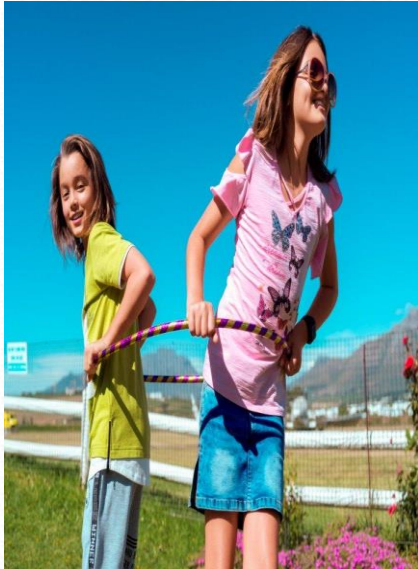

ANKUR GAUBA
COMPANY SECRETARY & COMPLIANCE OFFICER



Encl. As Above

MONTE CARLO

It's the way you make me feel



MONTE CARLO FASHIONS LIMITED
Q4 & FY21 INVESTOR PRESENTATION

“ It’s the way
you make me feel ”



DISCUSSION SUMMARY

#		Page No
01	Financial Highlights	03
02	Company Overview	13
03	Investment Rationale	18
04	Annexure	26

01

FINANCIAL HIGHLIGHTS



FY21: PERFORMANCE AT A GLANCE

- Revenue for the FY21 stood at ₹6,220 Mn despite disruption due to Covid-19, which reflects our strong business model and execution skills.
- Reported an EBITDA of ₹1,156 Mn for the Financial Year
- Cash PAT stood at ₹1,005 Mn
- Business Update
 - Opened 28 new stores during FY21
 - Cotton segment contributed 51% to the total revenue
 - Online sales contributed ₹372 Mn i.e. 6% to the FY21 Revenue
 - Online Sales through own portal is ₹71.7 Mn for FY21 compared to ₹54.7 Mn in FY20
 - Company declared a dividend of 150% i.e. ₹15 per share



₹6,220 Mn
Revenue



18.6%
EBITDA Margin



₹663 Mn
PAT



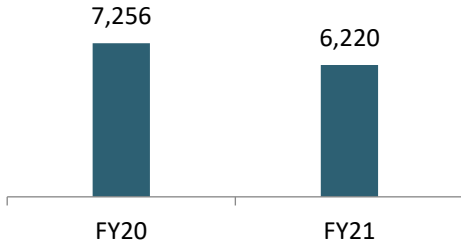
₹15 per share
Dividend

In Rs Mn

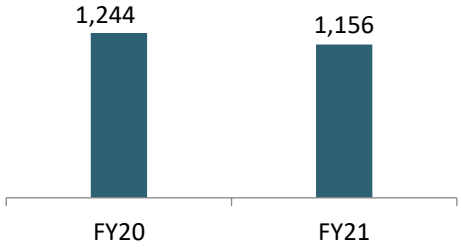
Q4 & FY21: FINANCIAL HIGHLIGHTS

FY21

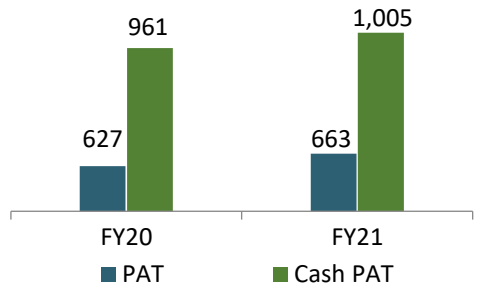
REVENUES



EBIDTA

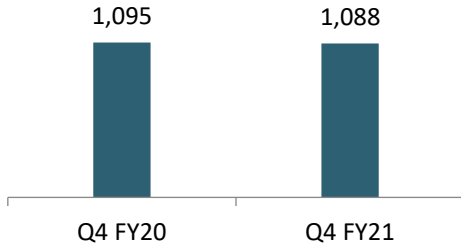


PAT & CASH PAT

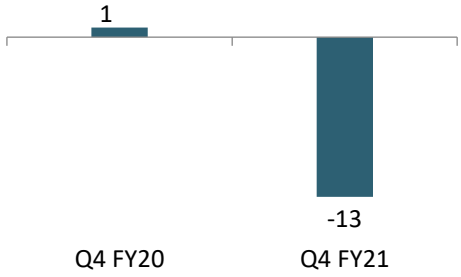


Q4 FY21

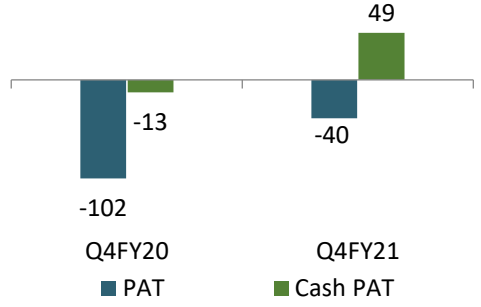
REVENUES



EBIDTA

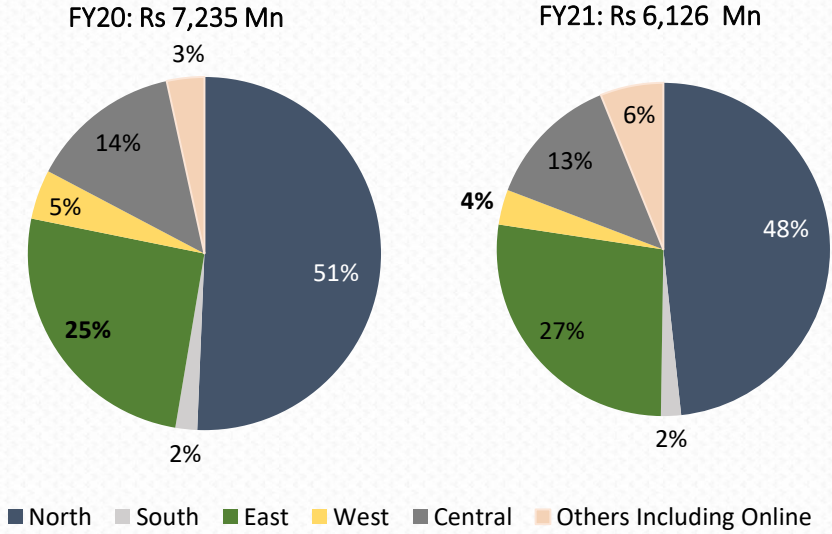


PAT & CASH PAT

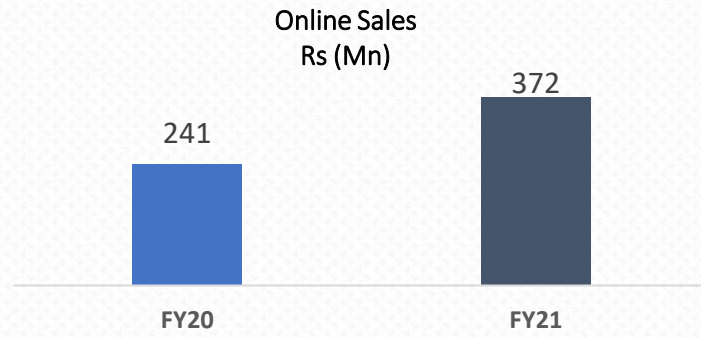
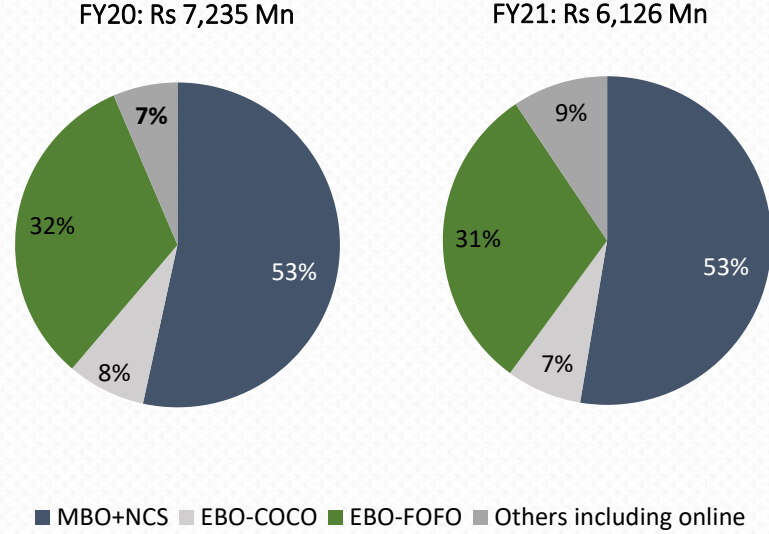


FY21: REVENUE DETAILS

REVENUE BREAKUP- REGION WISE (Including Online Sales)



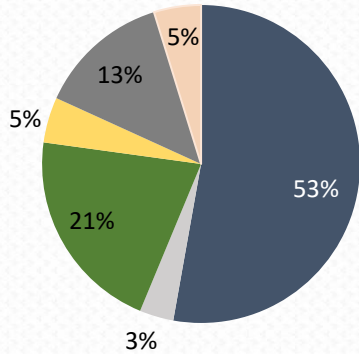
REVENUE BREAKUP - CHANNEL WISE



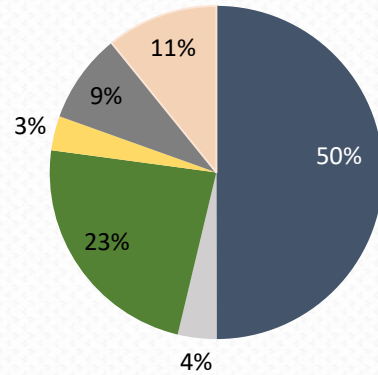
Q4 FY21: REVENUE DETAILS

REVENUE BREAKUP- REGION WISE (Including Online Sales)

Q4 FY20: Rs 1,109 Mn



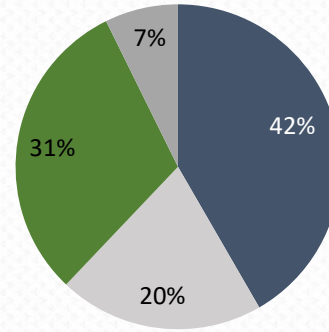
Q4 FY21: Rs 1,072 Mn



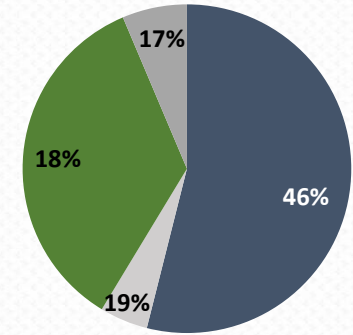
■ North ■ South ■ East ■ West ■ Central ■ Others Including Online

REVENUE BREAKUP – CHANNEL WISE

Q4 FY20: Rs 1,109 Mn

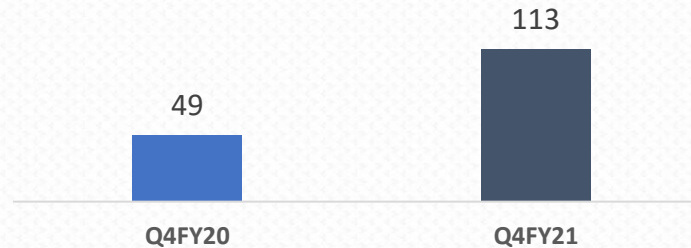


Q4 FY21: Rs 1,072 Mn



■ MBO+NCS ■ EBO-COCO ■ EBO-FOFO ■ Others including online

Online Sales
Rs (Mn)



REVENUE BREAKUP - SEGMENT WISE

In Rs Mn	Q4 FY20	Q4 FY21	FY20	FY21
Total Revenues*	Rs. 1,109	Rs. 1,072	Rs. 7,235	Rs. 6,126
Cotton Segment	74.9%	74.2%	59.1%	51.4%
Woollen Segment	12.5%	15.1%	22.3%	27.7%
Home Textiles	6.5%	6.3%	11.7%	14.3%
Kids	6.1%	4.4%	6.9%	6.6%

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

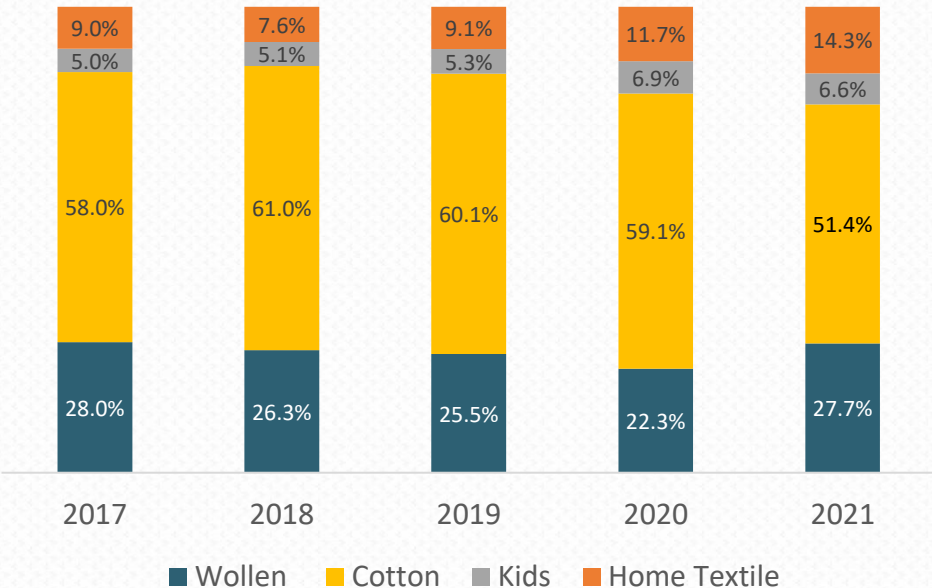
Q4 FY20 Sales of scrap and accessories was Rs.18.2 Mn, Other Operating revenue was Rs.1.9Mn & INDAS adj. was Rs.-34.7 Mn

Q4 FY21 Sales of scrap and accessories was Rs.14.4Mn, Other Operating revenue was Rs.1.8 Mn & INDAS adj. was Rs.-0.8 Mn

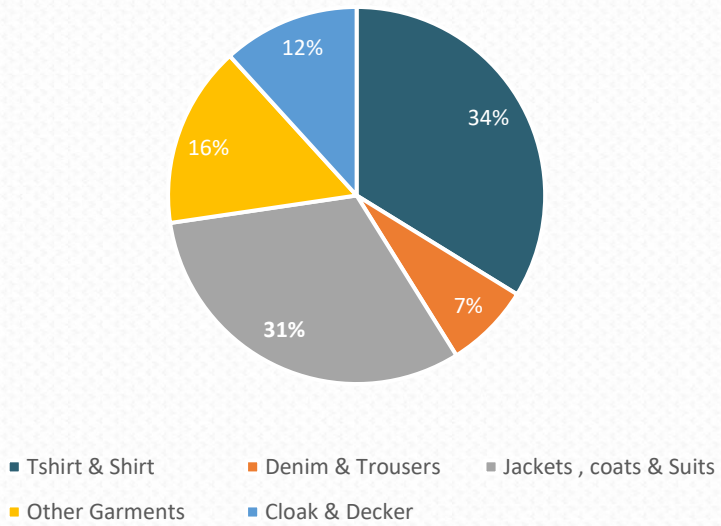
FY20 Sales of scrap and accessories was Rs.80.3Mn, Other Operating revenue was Rs.11.5 Mn & INDAS adj. was Rs.-70.7 Mn

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- FY21



- 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

Q4 & FY21: PROFIT AND LOSS STATEMENT

Particulars (In Rs Mn)	Q4 FY21	Q4 FY20	FY21	FY20
Revenue From Operations	1,088	1,095	6,220	7,256
Material Cost	565	591	3,310	3,831
Gross Margin	523	504	2,910	3,425
Gross Margin %	48.1%	46.0%	46.8%	47.2%
Personnel Expenses	195	186	599	696
Advertisement Expenses	64	76	110	301
Other Expenses	276	240	1,028	1,168
CSR Expenses	1	1	18	16
Operating EBITDA	-13	1	1,155	1,244
EBITDA Margin %	-1.2%	0.1%	18.6%	17.1%
Other Income	62	10	202	115
Depreciation	89	90	342	334
Finance cost	34	33	135	170
PBT	-74	-112	880	855
Tax Expense	-34	-10	217	228
PAT	-40	-102	663	627
PAT Margin %	-3.6%	-9.3%	10.7%	8.6%
EPS (Rs.)	-1.9	-4.9	32.0	30.2

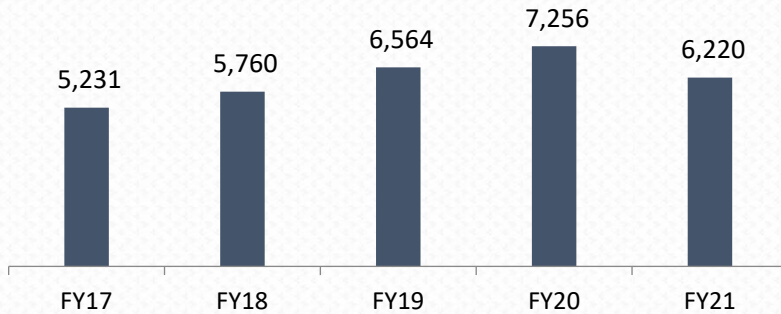
BALANCE SHEET

Particulars (Rs In Mn)	Mar-21	Mar-20
Equities & Liabilities		
Equity Share Capital	207	207
Other Equity	5,834	5,244
Total Equity	6,041	5,451
Non-Current Liabilities		
Long-term Borrowings	117	163
Other financial Liabilities	186	169
Lease Liability	720	704
Other Long-term Liabilities	10	12
Provisions	0	19
Total of Non-current liabilities	1,033	1,067
Current Liabilities		
Short-term Borrowings	185	154
Trade Payables	1,387	1,674
Lease Liability	116	100
Other financial Liabilities	473	544
Other Current Liabilities	116	92
Income tax liabilities	6	0
Short-term Provisions	9	23
Total Current Liabilities	2,292	2,586
Total Equity & Liabilities	9,366	9,104

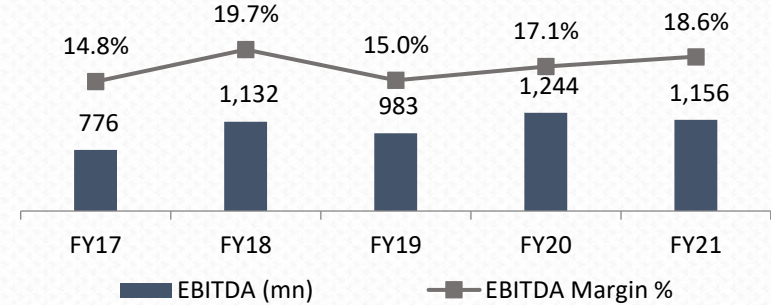
Particulars (Rs In Mn)	Mar-21	Mar-20
Non-Current Assets		
Property, Plant and equipment	1,492	1,518
Right-of-use assets	752	759
Capital work in progress	12	25
Other Intangible Assets	4	6
Financial Assets		
Investments	39	357
Loans	58	40
Other financial assets	101	81
Income Tax Assets	0	89
Deferred tax assets	91	79
Other non-current assets	25	17
Total non-current assets	2,574	2,971
Current Assets		
Inventories	2,015	2,161
Financial Assets		
Investments	1,736	979
Trade Receivables	2,295	2,521
Cash & Bank Balance	409	128
Loans	6	6
Other financial assets	35	14
Other Current Assets	296	324
Total Current Assets	6,792	6,133
Total Assets	9,366	9,104

In Rs Mn

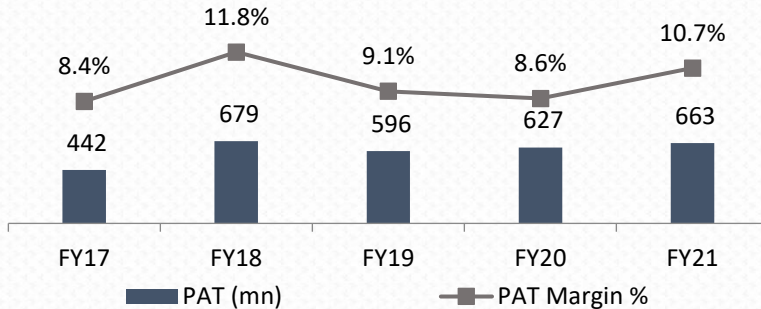
CONSISTENT REVENUES



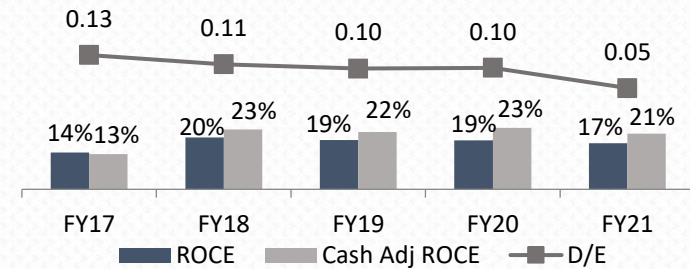
EBITDA & EBITDA MARGIN



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



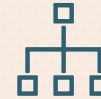
Manufacturing Plants

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
- Located in 20 states & 4 union territory



In House Designing Team

30 professionals closely tracking the trending global fashion



Cash Balance

Cash balance of Rs 2,284 Mn as of Mar 2021

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



Low Debt

Long term borrowing at Rs.117 Mn as of Mar 2021

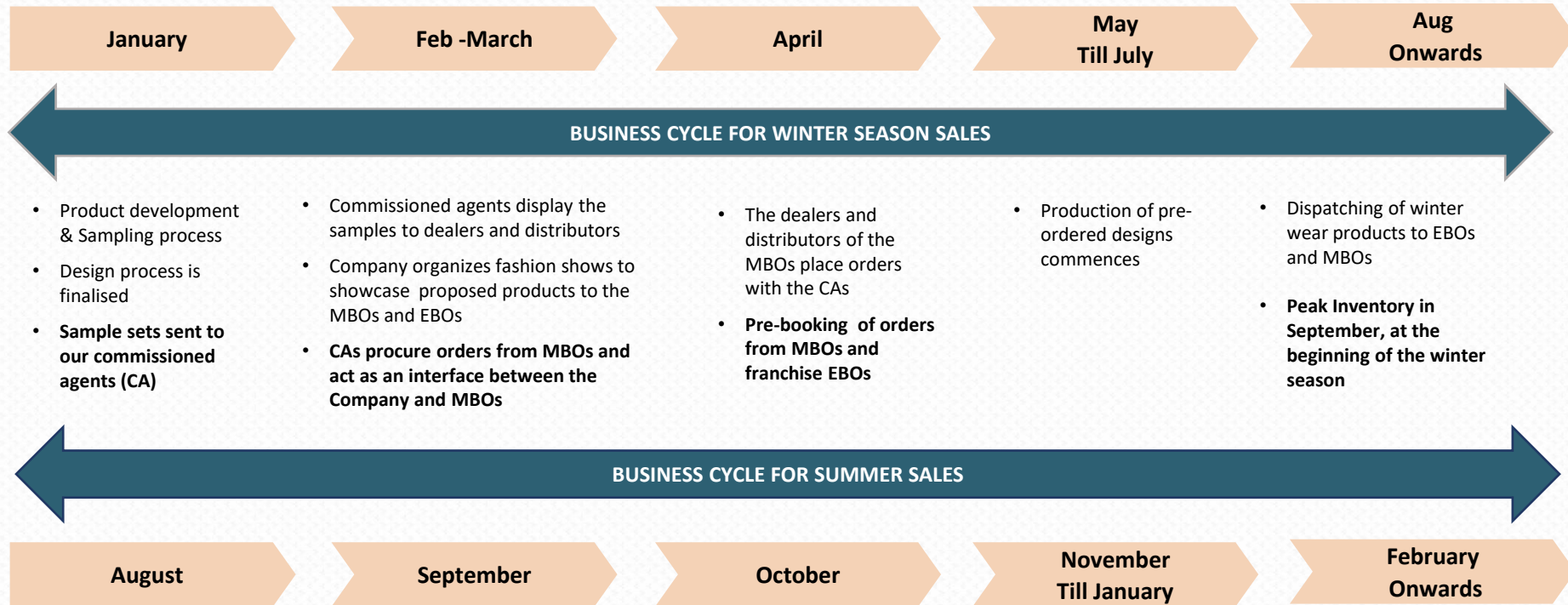
DIVERSIFIED PRODUCT PORTFOLIO

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

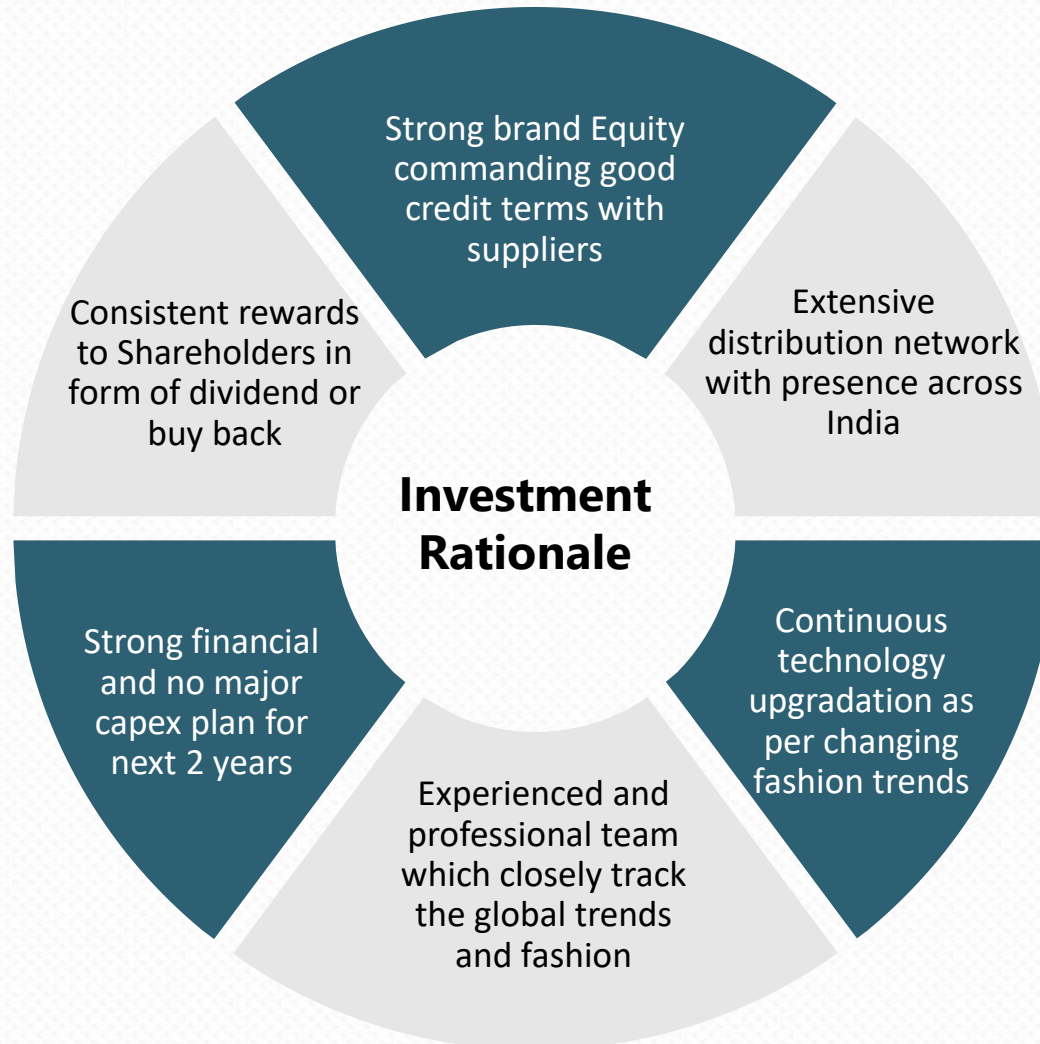
	MBO and Distributors	NCS	Shop In Shop	EBO-COCO	EBO –FOFO
Distribution Sale Model	Pre-Booking of orders Outright Sales	SOR – Sale or Return / Outright Sales	Pre-Booking of orders Outright Sales	Inventory owned by Company	Pre-Booking of orders Outright sale
Goods Return Risk	No	Yes	No	N.A	Minimal 5% -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





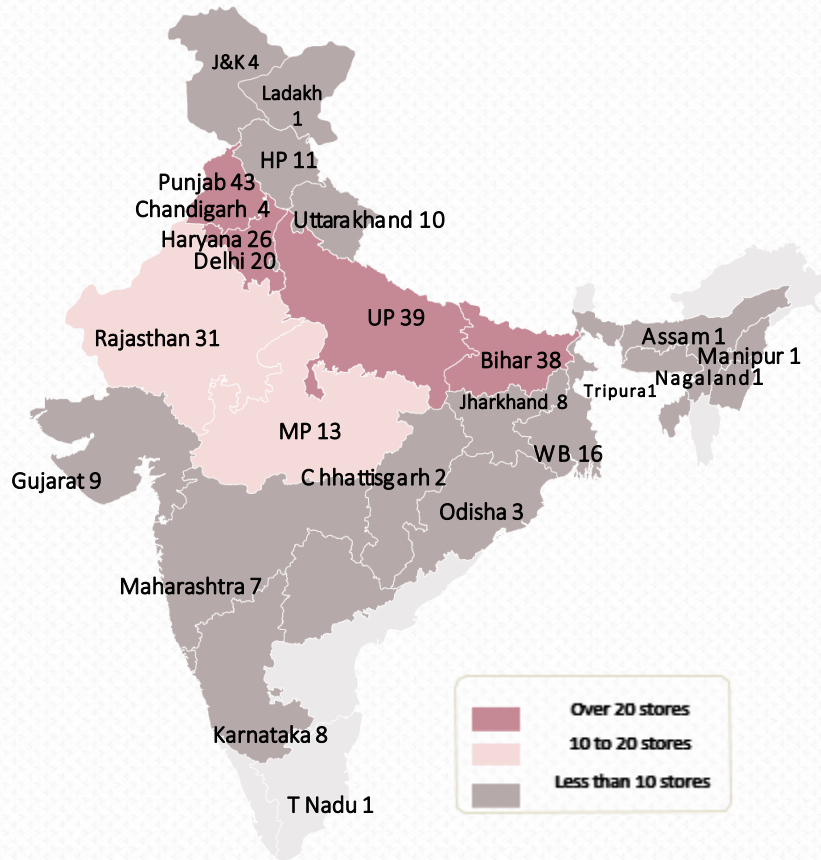
STRONG BRAND EQUITY ...

- ❖ “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	FY19	FY20	FY21
EBO – COCO	27	37	42
EBO – FOFO	229	241	256
MBO and Distributors	2,500+	2,500+	1,777*
NCS	306	566	622
SIS	85	126	153
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			
	FY19	FY20	FY21
Existing	235	256	278
New Opened	27	31	28
Closed	6	9	8
Total EBOs	256	278	298

NEW STORE LAUNCHES

- **FOFO:** BIHAR (1), DELHI (1), GUJ (1), HRY (4), HP (1), J&K (2), MH (1), MP (2), ODISHA (1), PB (1), RAJ (3), UP (4), WB (1)
- **COCO:** CHD (1), UP (1), PB (1), WB (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.

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 is 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
- He was past chairman of CII Punjab and executive member of Ludhiana management association

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 2,284 Mn (includes cash and bank balance along with current and non-current investments) as of Mar 2021

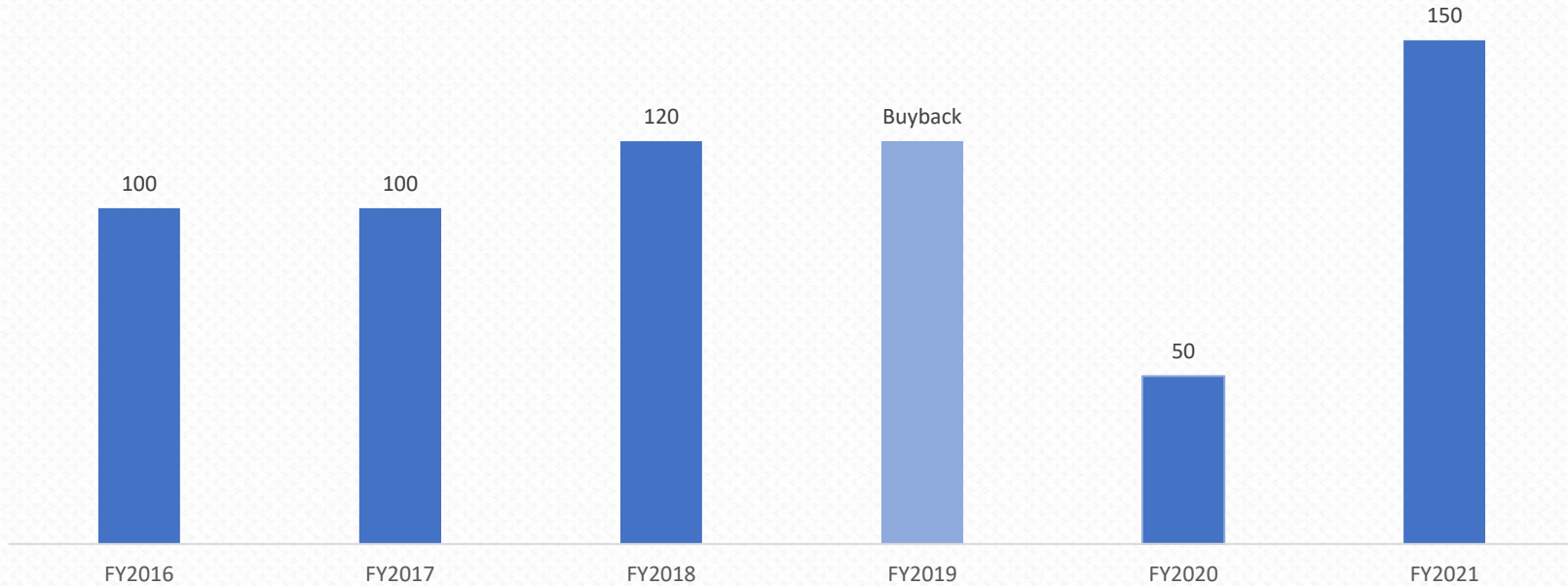
NO MAJOR CAPEX

- ❖ FY21 capex of ₹174mn 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.117 Mn as of Mar 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**



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



TIE-UPS WITH ONLINE PLATFORMS



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. Dikshita Jain

Consultant

Mr. Vikash Verma

Director

Email:

monte.carlo@dickensonworld.com

Disclaimer:

This presentation and the following discussion may contain "forward looking statements" by Monte Carlo Fashions Ltd ("MCFL" or the Company) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of MCFL about the business, industry and markets in which MCFL operates. These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond MCFL's control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of MCFL. In particular, such statements should not be regarded as a projection of future performance of MCFL. It should be noted that the actual performance or achievements of MCFL may vary significantly from such statements.