

MONTE CARLO FASHIONS LIMITED

Press Release for the Quarter and Year ended March 31, 2015



Its the way you make me feel

FY15 Revenue up by 15.8% YoY at INR 582.6 crore

FY15 EBIDTA up by 32.8% YoY at INR 123.1 crore

FY15 PAT up by 9.9% YoY at INR 59.7 crore

FY15 Cash Profit up by 32.0% YoY at INR 93.2 crore

Board recommends Dividend of 100% (INR 10/- per Equity Share)

30th May 2015, Ludhiana – Monte Carlo Fashions (MCFL), the Ludhiana-based Branded (woollen and cotton) apparel manufacturer, announced its Fourth Quarter & Full Year FY15 Results today.

MCFL has reported Revenue growth of 15.8% YoY at INR 582.6 crore for the year ended March 31, 2015. During the same period, MCFL reported EBIDTA of INR 123.1 crore, up by 32.8% as compared to FY14. Profit after tax grew by 9.9% to INR 59.7 crore in FY15. MCFL reported healthy EBIDTA Margin in FY15 at 21.1%. The PAT mainly got affected due to higher depreciation as per the new Companies Act. On a Cash profit basis, Cash Profit before tax has grown by 26.7% to INR 124.84 crore in FY15.

The Board of Directors has declared the Final Dividend of 100% (INR 10/- per equity share of face value of Rs.10/- each fully paid up). The Dividend Payout is 36.36% of the Reported PAT.

The Growth in Revenue is on account of the persuasive brand positioning and the robust distribution network the Company has maintained.

The Company has also recently started its online e-commerce sale through our own portal www.montecarlo.in, and has also established tie-ups with several online portals. The e-Retail portal and online business completely belongs to the Company. On the Product side, the Company has also commenced its in-house production of socks, t-shirts and thermals.

About Monte Carlo Fashions Ltd (MCFL) :

Monte Carlo Fashions Ltd is a leading manufacturer and retailer of woollen products, including sweaters and cardigans, and cotton knitted garments such as t-shirts and track suits. It also supplies accessories including belts, ties, inner wears, thermal wears and socks. MCFL's manufacturing facilities are primarily located in Ludhiana, Punjab, and are fully backed by capabilities in product development, design studio and an efficient sampling infrastructure. It

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follows an asset-light model for its cotton knitted garments and woven garments by primarily outsourcing the production of its knitted and woven products.

The strength of its brand 'MONTE CARLO' has significantly contributed to the success of the business. 'MONTE CARLO' has been recognized as a 'Superbrand' for woollen hosiery garments since Fiscal 2003 by International Society for Superbrands.

The Company is listed on the Bombay Stock Exchange (BSE) (BSE: 538836) and the National Stock Exchange (NSE) (NSE: MONTECARLO, ISIN: INE950M01013), with a market capitalisation of Rs 1,252~ crore as on 29th May 2015



Its the way you make me feel



Q4 & FULL YEAR FY15 INVESTOR PRESENTATION
May 2015

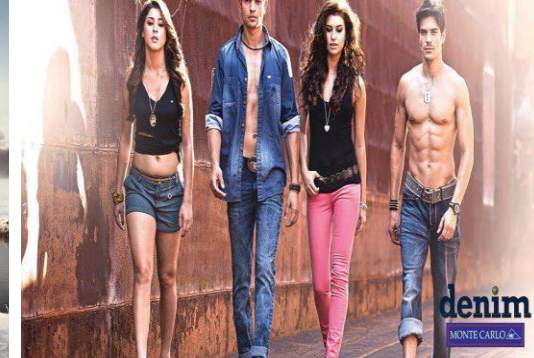
DIVIDEND PAYOUT FOR FY15

BOARD OF DIRECTORS HAVE RECOMMENDED A DIVIDEND OF RS. 10.0 PER EQUITY SHARE (100%) WHICH AMOUNTS TO A TOTAL DIVIDEND PAY OUT OF RS. 217.32 MN.

DIVIDEND PAY OUT IS 36.4% OF THE REPORTED PAT

DISCUSSION SUMMARY

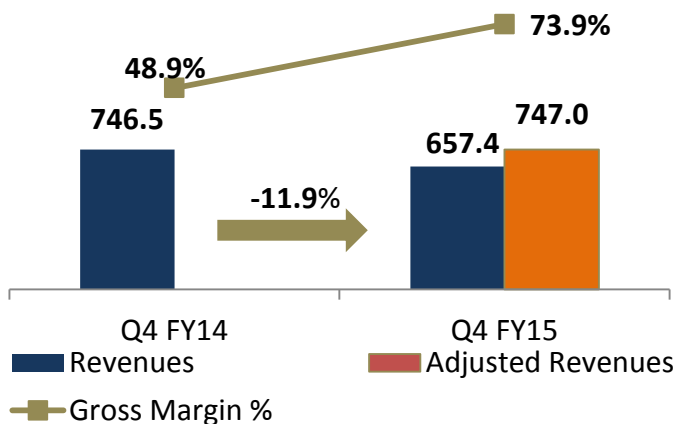
- Q4 & FULL YEAR FY15 RESULTS HIGHLIGHTS
- OPERATIONAL HIGHLIGHTS
- FINANCIALS
- COMPANY OVERVIEW – ABOUT US
- UNDERSTANDING OUR BUSINESS MODEL
- SUSTAINABLE COMPETITIVE ADVANTAGES
- FUTURE GROWTH STRATEGY
- ANNEXURE



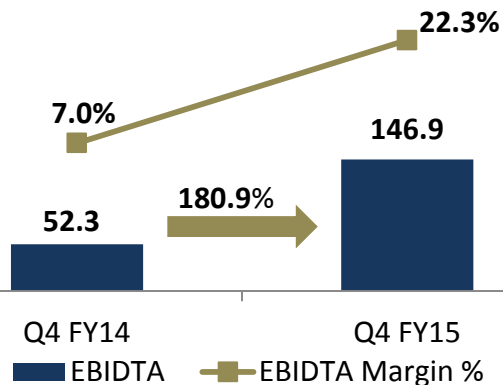
Q4 & FY15 – RESULTS HIGHLIGHTS

Q4 FY15 YoY ANALYSIS

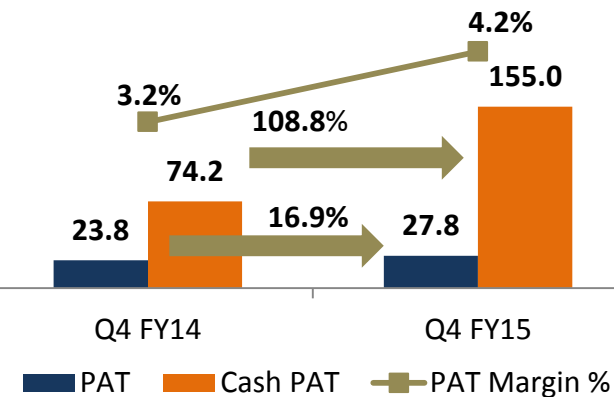
Revenues**



EBIDTA & EBIDTA %

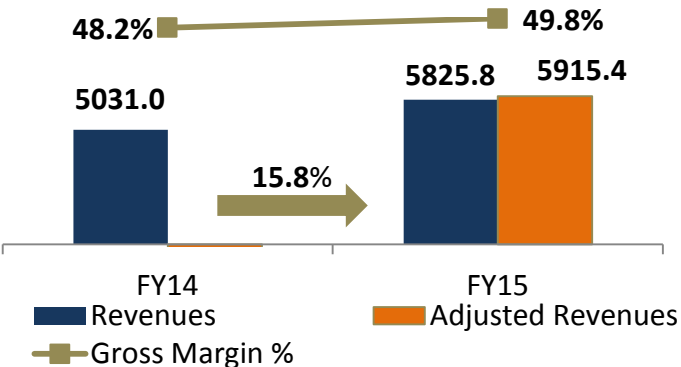


PAT & PAT %

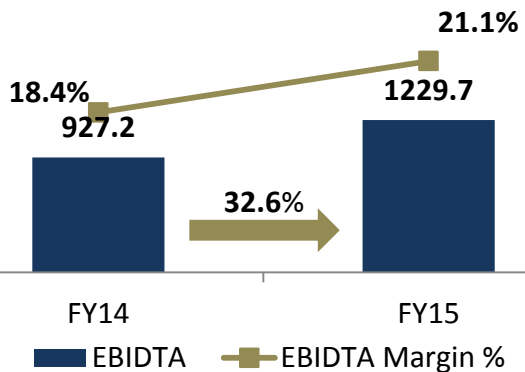


FY15 YoY ANALYSIS

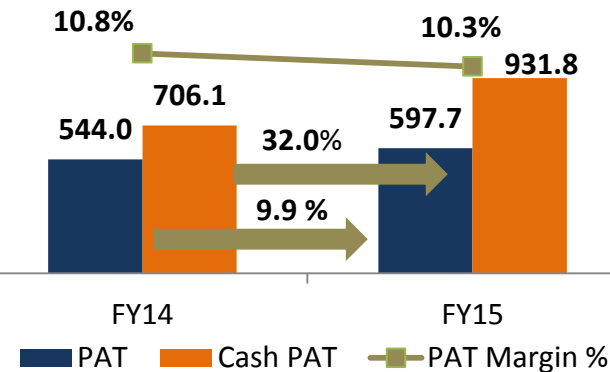
Revenues**



EBIDTA & EBIDTA %



PAT & PAT %



Note – EBIDTA W/O Other Income Gross Profit == Net Revenues – COGS

Note ** - Reported Revenues are not comparable on a YoY BASIS, As per New Accounting Policy, any Expenses incurred to Push Sales (Discount & Rebates) have to be deducted from Revenue Itself as compared to Earlier where it was part of Other Selling Expenses. Total Discounts amounting to ₹ 89,587,666 are netted off from the 'revenue from operations'.

Q4 & FULL YEAR FY15 – FINANCIAL HIGHLIGHTS

FINANCIAL UPDATE -

- FY15 Revenues from Operations increased by 15.8 % to Rs. 5825.8 mn, Q4 FY15 Total Revenues from Operations decreased by 11.9% YoY to Rs. 657.4 mn. **Revenues are not comparable on YoY basis, mainly due to change in an Accounting policy -**
 - As per the New accounting policy, any Expense incurred to Push Sales (Discounts & Rebates) need to be netted off against Revenue from Operations. Therefore, for FY15 Discounts worth Rs. 89.6 mn have been netted off against Revenues in Q4 FY15.
 - Adjusting for the same, Q4 FY15 and Full year FY15 Adjusted Revenues are Rs. 747.0 mn and Rs. 5915.4 mn respectively.
- FY15 EBIDTA w/o Other income increased by 32.6 % YoY to Rs. 1229.7 mn. EBIDTA Margin increased by 268 bps YoY to 21.1% from 18.4% in FY14 due to strong Brand positioning, better product mix and reduction in other expenses through operating leverage.
- FY15 PAT increased by 9.9 % YoY to Rs. 597.7 mn and Q4 FY15 PAT increased by 16.9% to Rs. 27.8 mn . PAT has been affected due to Higher Depreciation due to change in Depreciation policy as per the New Companies Act 2013.
 - Had the Company continued with the previously assessed useful lives, charge for depreciation for year ended 31 March 2015 would have been lower by Rs. 70.6 mn and the profit before tax would have been higher by such amount.
- **FY15 Cash Profit before Tax increased by 26.7 % to Rs. 1248.5 mn YoY and Q4 FY15 Cash Profit before Tax increased by 115.8% to Rs. 171.4 mn YoY.**
- **Board of directors have recommended dividend at 100% of Face value i.e. Rs. 10.00 per share subject to approval of shareholders at AGM.**

BUSINESS UPDATE

- On the Product side, the company has launched Branded Socks as a category. Also has commenced in-house production of socks, t-shirts and thermals.
- Recently started online e-commerce sale through our own portal www.montecarlo.in as well as tie-ups with several online portals. The e-Retail portal and online business completely belongs to the company.

OPERATIONAL HIGHLIGHTS

REVENUE ANALYSIS – SEGMENT WISE

Segment wise Revenues – Product Category wise (In Rs mn)

	FY15	FY14	FY13	FY12
Total Revenues **	5271.8	4566.7	3686.0	3346.9
% Revenue Share – Segment wise				
Woollen Segment	34.5%	33.1%	36.6%	38.3%
Cotton Segment	52.6%	56.2%	54.7%	61.7%
Home Furnishings	8.4%	6.9%	6.0%	0.0%
Kids	4.6%	3.9%	2.7%	0.0%

Segment wise Revenues – Channel wise (In Rs mn)

	FY15	FY14	FY13	FY12
Total Revenues**	5271.8	4566.7	3686.0	3346.9
% Revenue Share –Channel wise				
MBO including NCS / Institutional	63.5%	65.0%	59.6%	60.2%
Retail Outlets - EBO – COCO	5.5%	5.0%	1.8%	7.7%
Retail Outlets - EBO - FOFO	30.9%	30.0%	38.5%	32.1%

MBO – Multi Brand Outlet
EBO – Exclusive Brand Outlet
COCO – Company own Company operated
FOFO – Franchise own Franchise operated

Note ** - Revenues Excluding Fabric Sales

OPERATIONAL HIGHLIGHTS

REVENUE ANALYSIS – REGION WISE

Segment wise Revenues –Region wise

	FY15	FY14	FY13	FY12
% Revenue Share – Region wise				
North	51.3%	58.8%	57.1%	52.6%
East	27.1%	25.1%	22.0%	25.3%
Central	13.8%	9.0%	12.7%	11.5%
South	3.1%	2.7%	3.7%	4.4%
West	4.6%	4.3%	4.0%	6.3%
Overseas	0.1%	0.2%	0.5%	0.0%

OPERATIONAL HIGHLIGHTS

MARGIN ANALYSIS – CORE BUSINESS MARGINS

Segment wise Revenues – Product Category wise (In Rs mn)

	FY15	FY14
Branded Apparel Garment Revenues	5271.8	4566.7
Fabric & Yarn Sales (At cost Price)**	539.1	450.3
Net Sales (Revenues)	5810.9	5017.0
EBIDTA W/O Other Income	1229.7	927.2
EBIDTA Margin - % of Total Revenues	21.2%	18.5%
EBIDTA Margin - % of Garment Revenues	23.3%	20.3%

Note ** - Company supplies Raw material (Fabric and Yarn) to some of the Outsourced Garmenting vendors due to which it translates into Fabric sales. However these transactions are executed without any mark up at No profit basis.

OPERATIONAL HIGHLIGHTS

STORE NETWORK ANALYSIS

- Total Number of EBOs – 214, spread across Pan India. Major Presence in North, Central & East.
- Have strong Distribution presence across more than 1400 Multi-Brand Outlets pan India.
- Have presence in 89 National chain store Outlets
 - Presence through 6 National Retail chains such as – Reliance Retail, Shoppers stop, Pantaloons, Metro, Carrefour and Madura Outlets.

Total Network details

	As on Dec-14
No of Own EBO	20
No of Franchise EBO	194
No of MBO	1400+
No of NCS Presence	89
Institutional Buyers	60

Retail store - Exclusive Brand Outlets Network details (EBO)

	Mar-15	Dec-14	Mar-14	Mar-13	Mar-12
Existing - No of Stores	214	193	166	152	144
New Opened	6	28	28	20	12
Closed	6	7	1	6	4
Total Number of Retail outlets	214	214	193	166	152

FINANCIALS

P&L STATEMENT

Particulars (in million)	Q4 FY 15	Q4 FY 14	% Change	FY 15	FY 14	% Change
Net Sales	654.6	741.7	-11.7%	5810.8	5017.0	15.8%
Other Operating Income	2.8	4.7	-41.9%	15.0	14.0	6.7%
Total Income from Operations	657.4	746.5	-11.9%	5825.8	5031.0	15.8%
Cost of Goods Sold	171.3	381.5	-55.1%	2922.5	2603.8	12.2%
Gross Profit	486.0	365.0	33.2%	2903.2	2427.2	19.6%
Gross Margin	73.9%	48.9%	2504 bps	49.8%	48.2%	159 bps
Personnel Expenses	99.2	87.0	14.1%	418.8	270.4	54.9%
Other Expenses	239.9	225.7	6.3%	1254.7	1229.7	2.0%
EBITDA	146.9	52.3	180.8%	1229.7	927.2	32.6%
EBITDA Margin	22.3%	7.0%	1534 bps	21.1%	18.4%	268 bps
Other Income	59.6	41.9	42.2%	189.5	151.6	25.0%
EBITDA Margin (incl. Other Income)	31.4%	12.6%	1879 bps	24.4%	21.4%	292 bps
Depreciation	127.2	50.5	152.1%	334.0	162.1	106.1%
Interest Expense	35.1	14.8	136.8%	170.8	93.2	83.3%
PBT	44.2	28.9	52.6%	914.5	823.5	11.0%
Taxes	16.4	5.2	217.9%	316.8	279.5	13.4%
PAT	27.8	23.8	16.7%	597.7	544.0	9.9%
PAT Margin	4.2%	3.2%	104 bps	10.3%	10.8%	-55 bps
EPS	1.28	1.09	16.7%	27.50	25.03	9.9%

FINANCIALS

BALANCE SHEET

Particulars (in million)	FY 14	FY 15
Share Capital	217.3	217.3
Reserves & Surplus	3583.2	3916.4
Shareholder's Funds	3800.5	4133.8
Non-Current Liabilities		
Long-term borrowings	664.9	621.9
Deferred tax liabilities (net)	35.2	2.6
Other long - term liabilities	91.5	107.5
Total Non-Current Liabilities	791.7	732.1
Current liabilities		
Short-term borrowings	229.7	391.8
Trade payables	840.8	817.5
Other current liabilities	563.8	433.7
Short-term provisions	22.9	312.2
Total Current Liabilities	1657.2	1955.1
Total Equity & Liabilities	6249.4	6820.9

Particulars (in million)	FY 14	FY 15
Non-current assets		
Fixed assets	1875.1	1820.8
Non-current investments	140.0	249.6
Long-term loans and advances	118.3	56.8
Other non-current assets	450.1	0.0
Total Non-Current Assets	2583.6	2127.2
Current assets		
Current investments	360.0	230.0
Inventories	1398.5	1840.3
Trade receivables	886.5	1200.8
Cash and bank balances	821.5	1178.6
Short-term loans and advances	171.8	181.9
Other current assets	27.6	62.1
Total Current Assets	3665.9	4693.7
Total Assets	6249.4	6820.9

OUR PEDIGREE

- Launched in 1984 as an exclusive woollen brand by Oswal Woollen Mills Limited (“**OWML**”), “Monte Carlo” has emerged as one of the leading Indian apparel brands. Experienced management team led by Mr. Jawahar Lal Oswal who has over 50 years experience in the textile and woollen industry and with Mr. Sandeep Jain Executive Director .
- ‘Monte Carlo’ has been recognized as a ‘Superbrand’ for woollen knitted apparel in each edition of Consumer Superbrands India since its first edition in September 2004.
- Launched as an exclusive woollen brand, Company has successfully diversified with a comprehensive line of woollen, cotton & cotton blended, knitted and woven apparel and home furnishing under the ‘Monte Carlo’ brand

OUR BRAND & PRODUCT PORTFOLIO

- Branded apparel business was demerged into Monte Carlo Fashions Limited (MCFL) in 2011. Ownership of the brand ‘Monte Carlo’ is with the Company
- ‘Monte Carlo’ is the flagship brand with a portfolio of woollen apparel and cotton and cottonblended apparel
- Have Launched different ranges under the Umbrella Brand “Monte Carlo” - ‘Platine’ is our premium range for men, ‘Denim’ is our exclusive range for denim apparel, ‘Alpha’ is our exclusive range for women and ‘Tweens’ is our exclusive range for kids.

OUR REACH & PRESENCE

- Brands distributed through a network of Monte Carlo EBOs and MBOs including national chain store. Strong distribution network and wide presence across the country. In south & west the company has adopted distribution system through distributors.
- **MBOs** - Products are supplied through 21 exclusive commission agents to over 1400+ MBOs on outright basis.
- **EBOs – COCO - 20** stores are leased, managed by company personnel. Inventory is owned by MCFL
- **EBOs – FOFO – 194** EBOs are on Franchise basis. Products are supplied on Pre-order Outright basis.
- Also supplying through National Chain Stores for 6 Retail chains. E-commerce presence through own portal montecarlo.in and tie-ups with Digital platforms such as Flipkart, snapdeal etc

OUR FINANCIALS

- Consolidated Revenues, EBITDA and PAT were Rs. 5,810.8 mn, Rs. 1229.7 mn and Rs.597.7 mn in 2015
- Virtually debt-free balance sheet with Total Debt to Equity at 0.3 x as of Mar-15. Strong Cash Balance at Rs. 1408.6 mn as on Mar-15. (Excluding Non Current investments of Rs. 249.6 mn)
- Healthy Return Ratios: 2015 ROCE of 20.9%, Cash Adjusted ROCE of 30.0% and ROE of 15.1%.
- Virtually the business model has no Inventory risk and credit risk, thus protected from normal hazards of Branded Apparel Business

COMPANY OVERVIEW – ABOUT US

SHAREHOLDING STRUCTURE

Market Data	As on 29.05.2015 (BSE)
Market Capitalization (Rs Mn)	12,528
No. of shares outstanding (Mn)	21.73
Face Value (Rs.)	10.00
52 week High-Low (Rs.)	645.00-460.65

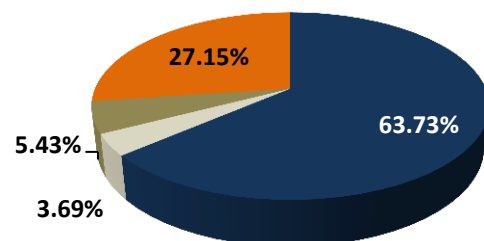
Source – BSE

Key Institutional Investors	% Holding
Kanchi Investments Ltd (Samara Capital) *	10.94
Birla Sun Life Trustee Co.	4.60
Aditya Birla Pvt Ltd	2.49
Goldman Sachs India	1.74
DB International (Asia) Ltd	1.30
ICICI Prudential Life Insurance	1.25

Source – Company / BSE

Note - * - Lock in for 1 year along with Promoter Holding

Mar-15 Shareholding



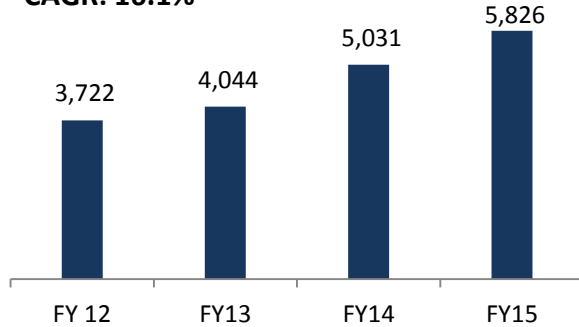
■ Promoter ■ FII ■ DII ■ Public

COMPANY OVERVIEW – ABOUT US

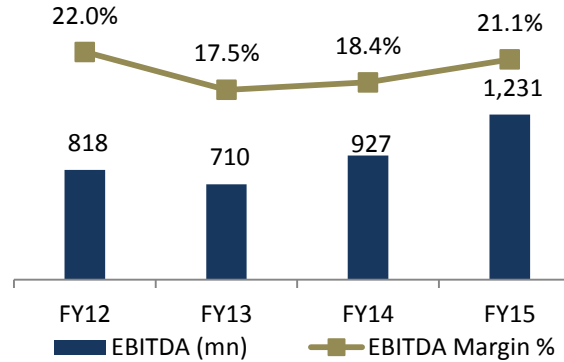
FINANCIAL HIGHLIGHTS

REVENUES

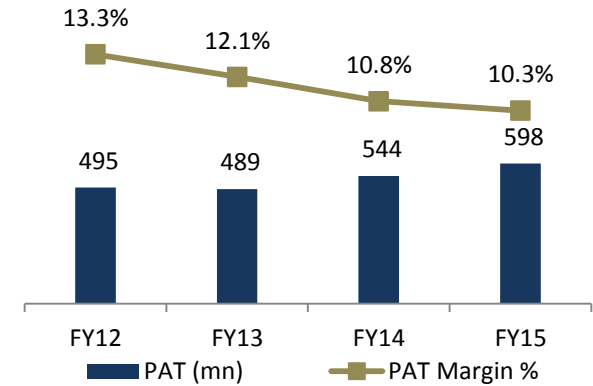
CAGR: 16.1%



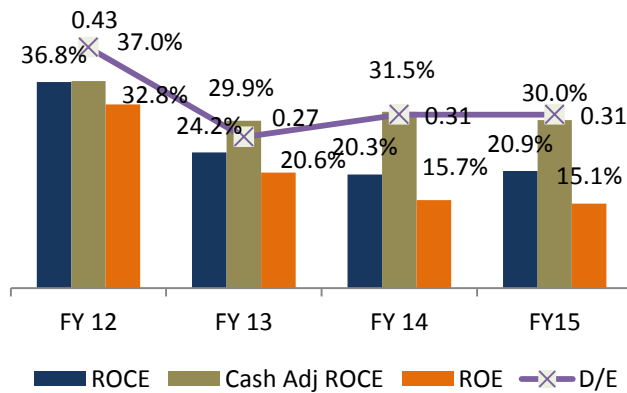
EBITDA & EBITDA Margin



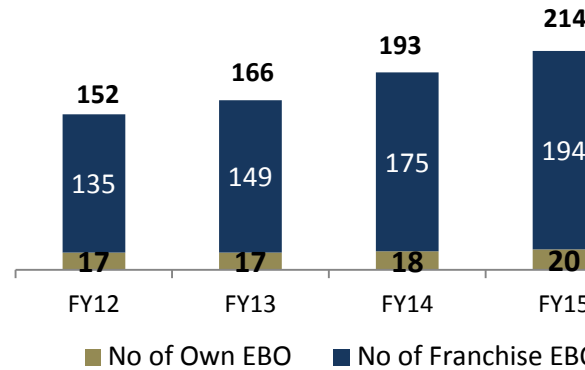
PAT & PAT Margin



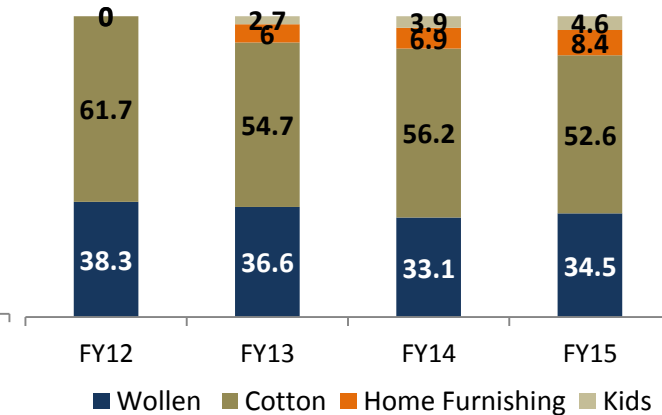
LEVERAGE & RETURN RATIOS



EBO – STORE GROWTH



REVENUE – SEGMENT WISE















Source - RGP
 Note – ROE: PAT/Avg. Equity, ROCE: EBIT/Avg. Capital Employed [(Capital Employed = Equity + Total Debt), (Cash Adj. Capital Employed = Equity + Total Debt – C&E)]

COMPANY OVERVIEW – ABOUT US

OUR PRODUCT PORTFOLIO

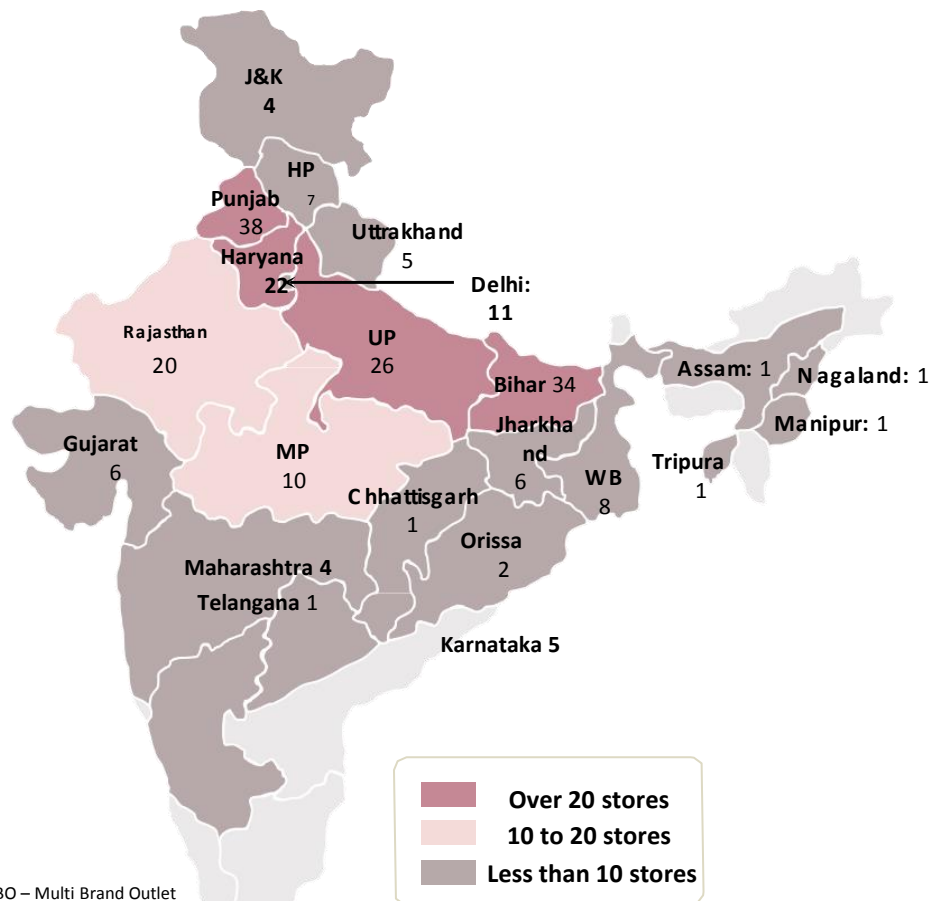


<p>Woollens</p>		<p>Sweaters Jackets, Shawls</p>	
<p>Cottons</p>	  	<p>T-shirt, Shirts, Trousers</p>	
<p>Kids</p>		<p>Sweaters Jackets, T-shirt, Sweat Shirts</p>	
<p>Economy range</p>		<p>T-Shirts, Sweatshirts, Thermal-wear</p>	
<p>Home Furnishing Range</p>		<p>Mink Blankets, Bed Sheets, Quilts</p>	

COMPANY OVERVIEW – ABOUT US

OUR RETAIL PRESENCE & RETAIL NETWORK

Monte Carlo exclusive brand outlets (EBO)[#] -Total 214 EBOs with presence across India. Mainly into North, East & Central



Over 20 stores
10 to 20 stores
Less than 10 stores

MBO – Multi Brand Outlet
EBO – Exclusive Brand Outlet
COCO – Company own Company operated
FOFO – Franchise own Franchise operated

- Brands distributed through a network of Monte Carlo EBOs and MBOs including national chain stores
- MBOs - Products were supplied by 21 exclusive commission agents to over 1,400 MBOs on outright basis
- EBOs – Company-Owned-Company-Operated
 - With a focus to develop brand equity by opening stores at High streets at Premium Retail Locations and showcasing an extensive range of products.
 - 20 stores are leased and managed by company personnel. Inventory is owned by MCFL
- EBOs – Franchisee-Owned-Franchisee-Operated
 - Fit-outs layout and fixtures defined by MCFL. But franchisees lease premises for stores and bear staff and operational costs
 - With no major capex from the company side, the format is highly scalable
- NCS – Products are also supplied to 89 National chain stores (NCS) on Consignment / Outright basis. Supply to 6 Retail chains such as Reliance retail, Shopper stop, Madura, Pantaloons, Metro & Carrefour.
- Entered into distribution agreements with online sales through digital commerce platforms

COMPANY OVERVIEW – ABOUT US

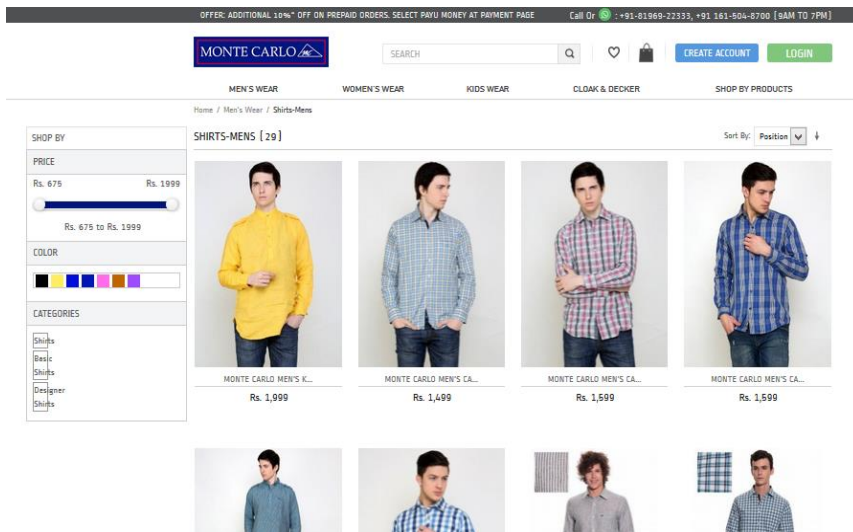
OUR RETAIL PRESENCE THROUGH E-COMMERCE



RETAIL PRESENCE THROUGH E-COMMERCE -

- Recently started online e-commerce sale through our own portal www.montecarlo.in as well as tie-ups with several online portals. The e-Retail portal and online business completely belongs to the company.
- Have Entered into distribution agreements with some of the leading Indian digital commerce platforms for sale of our products online.

OWN PORTAL – WWW.MONTECARLO.IN



TIE-UPS WITH ONLINE PLATFORMS



COMPANY OVERVIEW – ABOUT US

IN-HOUSE DESIGN & PRODUCTION CAPABILITIES



IN-HOUSE DESIGN & PRODUCT DEVELOPMENT

- In-House dedicated design team of over 30 professionals which travels and follows the emerging global fashion trends for creation of the designs for our new collections.
- Focus on developing new products, improving existing ones and forecasting fashion trends.
- In addition, our Exclusive Commissioned Agents have direct access to the dealers, distributors and retailers in India and they conduct regular market surveys to understand consumer demand and feedback.

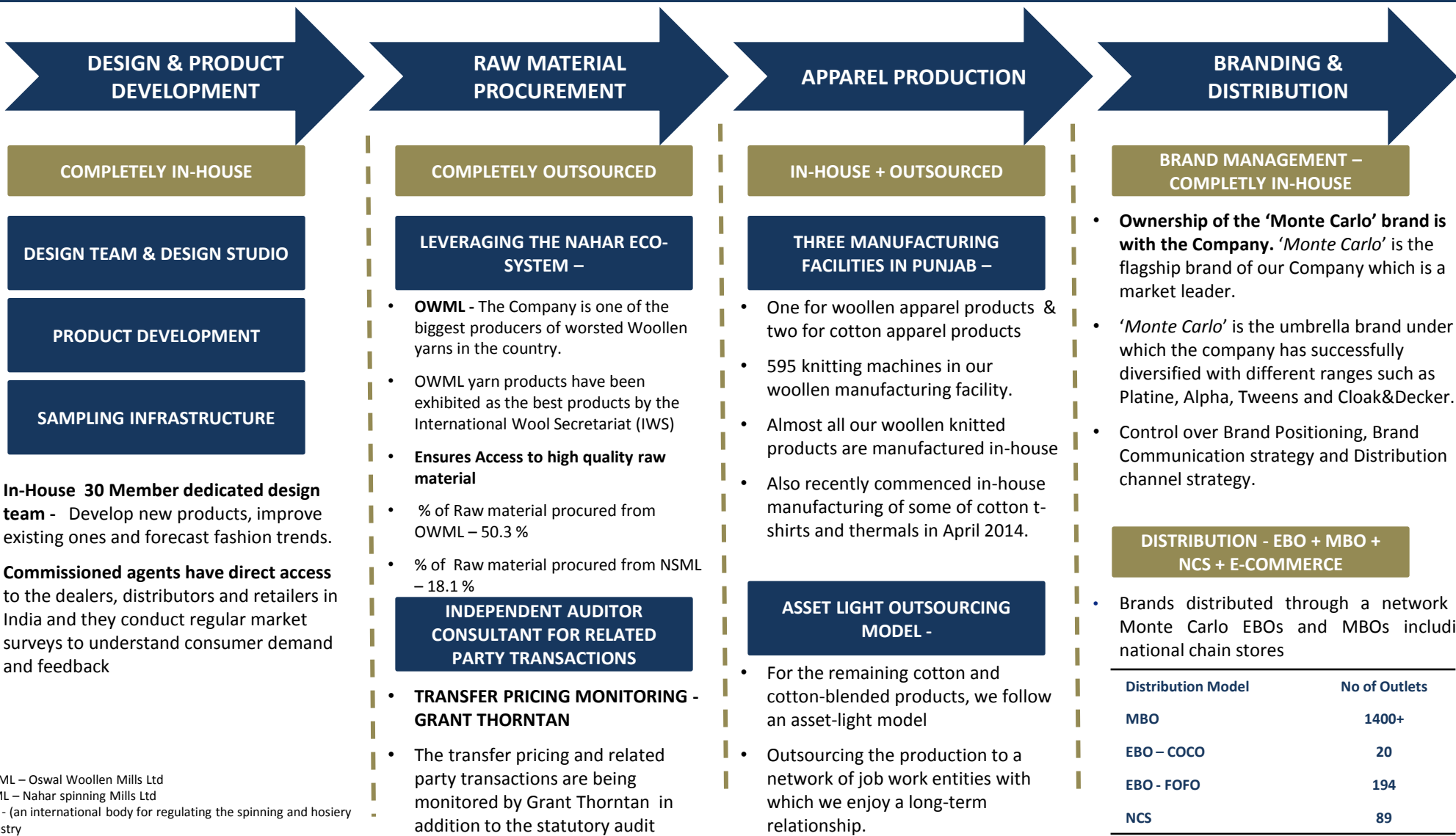
MANUFACTURING CAPABILITIES –

- Three manufacturing facilities in Ludhiana, Punjab :-
 - One for woollen apparel products
 - Two for cotton apparel products.
 - The manufacturing facilities include facilities for product development, a design studio and sampling infrastructure.
- Almost all woollen knitted products are manufactured in-house. Recently also commenced in-house manufacturing of some of our cotton t-shirts and thermals in April 2014.
- For the remaining cotton and cotton-blended products, we follow an asset-light model by outsourcing the production to a network of job work entities with which we enjoy a long-term relationship.



COMPANY OVERVIEW

UNDERSTANDING OUR BUSINESS MODEL



OWML – Oswal Woollen Mills Ltd
 NSML – Nahar spinning Mills Ltd
 IWS - (an international body for regulating the spinning and hosiery industry)

COMPANY OVERVIEW

UNDERSTANDING OUR BUSINESS MODEL



UNDERSTANDING WOOLLEN SEGMENT

JANUARY

FEBRUARY - MARCH

APRIL

MAY TILL JULY

AUGUST ONWARDS

- Product Development & Sampling Process
- **Design process is finalised. Sample sets sent to our Commissioned Agents. (CA)**
- Commissioned Agents take these sample sets to various cities for display and invite the dealers and distributors
- Company Organizes fashion shows to showcase proposed products to the MBOs.
- **CA procure orders from the MBOs and act as an interface between us and the MBOs. These CA are Exclusive to the Company.**
- The dealers and distributors of the MBOs place orders for our products with the CA
- **Pre Booking of Orders from MBOs and Franchise EBOs**
- Production for these specific designs for which orders are placed, commences from the month of May.
- Start dispatching our winter wear products to the 'Monte Carlo Exclusive Brand Outlets' and MBOs from August onwards.
- **Peak Inventory in September,**

UNDERSTANDING COTTON SEGMENT

AUGUST

SEPTEMBER- OCTOBER

OCTOBER

NOVEMBER TILL JANUARY

FEBRUARY ONWARDS

- **Separate Dedicated Design team for non-winter products**
- **Design process is finalised. Sample sets sent to our Commissioned Agents. (CA)**
- Commissioned Agents take these sample sets to various cities for display and invite the dealers and distributors
- Company Organizes fashion shows to showcase proposed products to the MBOs.
- **CA procure orders from the MBOs and act as an interface between us and the MBOs. These CA are Exclusive to the Company.**
- The dealers and distributors of the MBOs place orders for our products with the CA
- **Pre Booking of Orders from MBOs and Franchise EBOs**
- Production for these specific designs for which orders are placed, commences from the month of November.
- Start dispatching our non-winter wear products to the 'Monte Carlo Exclusive Brand Outlets' and MBOs from August onwards.

Designing is an ongoing process throughout the year for both cotton and woollen garments.
Production of plain and basic designs continue through out the year for both Woollen and cotton segments

	Total Revenues (Rs. Mn)	% of Revenues in Third Quarter		Avg. Ticket price (Rs.)
FY 2012	3,722	53.6 %	Winter wear - Sweater, Jackets & Cardigans	~2000
FY 2013	4,044	59.9 %	Shirts	~1000
FY 2014	5,037	53.4 %	Denim	~900
			Trouser	~900
			T-shirt	~600

Winter clothing usually comprises of high-ticket products, with approximately 4 months of winter revenues comparable to 8 months of summer business

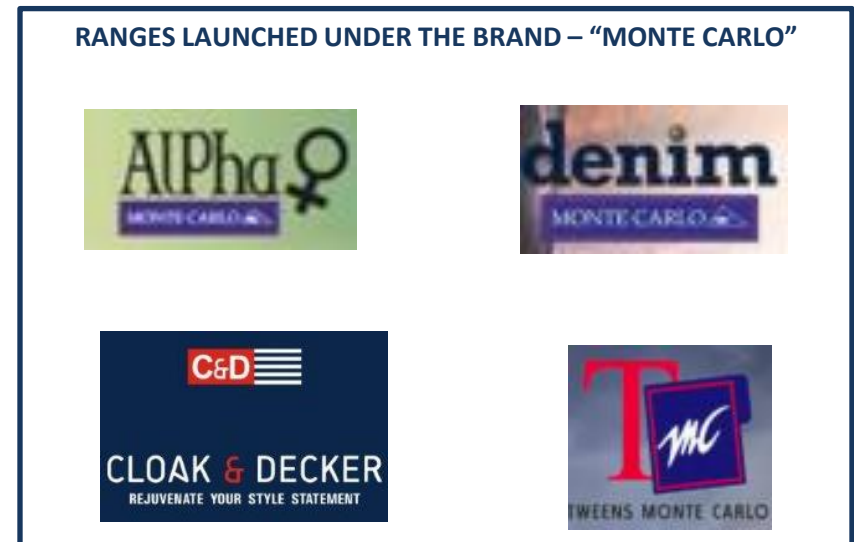
- Significant amount of revenue generated primarily during the third quarter of each fiscal year.
- The seasonality is primarily because the sales of our winter products which includes sweaters, jackets, cardigans and sale of certain cotton and cotton-blended products such as cotton jackets, suits, sweat shirts, full sleeve t-shirts and shirts in the winter mainly occurs between October and January.
- Winter products are typically higher in value in terms of production cost as well as sales revenue, and accordingly generate higher revenue, in comparison with the non-winter products.

SUSTAINABLE COMPETITIVE ADVANTAGE

STRONG BRAND & BRAND RECALL



- The strength of our brand 'MONTE CARLO' has significantly contributed to the success of our business.
- **The Ownership of the 'Monte Carlo' brand as well as all the sub-brand ranges are the registered trademarks and belong to the Company.**
- Monte Carlo enjoys significant premium and brand recall on a pan-India basis
- **Leading Indian Apparel brand by revenue** – as per Technopak report 2014
- As per the Technopak Report, 2014, we are the leading woollen knitted apparel brand in India in the premium and mid-premium segment.
- **In 2014, Monte Carlo was honored as one of ASIA'S BEST MARKETING BRANDS by World Consulting & Research Corporation (WCRC)**
- **MONTE CARLO' has been recognized as a 'Superbrand' for woollen hosiery garments since September 2004 by International Society for Superbrands.**
- Introduced successfully a number of ranges under the umbrella brand and seek to build its brand-equity based on new products
- **Showcases our ability to anticipate, identify and respond to changing fashion trends in a timely manner.**
- Scale of our business provides us the ability to increasingly focus on branding and promotion to further increase our visibility and market share across India



SUSTAINABLE COMPETITIVE ADVANTAGE

WELL DIVERSIFIED PRODUCT MIX



- Launched as an exclusive woollen brand, the Company now offers a comprehensive line of woollen, cotton & cotton blended, knitted and woven apparel and home furnishing under the 'Monte Carlo' brand.
- The woollen and woollen blended product category contribute 33 % of revenues in FY14.**
- Over last 3 years, New ranges have been successfully launched under the Umbrella Brand – "Monte Carlo":
 - An exclusive women's wear range 'Alpha'
 - Kids wear range 'Tweens' - for age group 7-13'
 - Premium men's range of woollen sweaters under 'Platine' and
 - Economy range for men under 'Cloak and Decker'
- Also Introduced its range of home furnishing products like mink blankets, quilts and sheets

Segment wise Revenues	FY15	FY14	FY13	FY12
Total Revenues (Rs. Mn)	5271.8	4566.7	3686.0	3346.9
% Revenues - Woollen Segment	34.5%	33.1%	36.6%	38.3%
% Revenues - Cotton Segment	52.6%	56.2%	54.7%	61.7%
% Revenues – Home Furnishing Segment	8.4%	6.9%	6.0%	0.0%
% Revenues - Kids Segment	4.6%	3.9%	2.7%	0.0%

Range, positioning and products offered

Range	Woollens & Woollen-blended	Cottons & Cotton-blended	Home Furnishing	Kids
Monte Carlo - Premium and mid-premium segments for men	Sweaters, jackets, thermals, woollen accessories (caps, mufflers, Shawls, stoles)	Shirts, trousers, t-shirts, track-suits	Mink blankets, bed sheets and quilts	
Platine - Premium range for Men	Cashmere and cash-wool sweaters, blazers, coats	Cotton shirts, trousers and t-shirts		
Denim - mid-premium Range		Denim trousers (jeans) and shirts		
Alpha - Exclusive range for Women	Sweaters, cardigans	Shirts, t-shirts, tops and trousers		
Tweens - Exclusive Kids wear Collection				Sweaters, Cardigans, Shirts, t-shirts and Bottoms
Cloak & Decker - Economy range for men		Cotton and cotton-blended t-shirts		

SUSTAINABLE COMPETITIVE ADVANTAGE

ROBUST DISTRIBUTION MODEL

	MBO	NCS	EBO-COCO	EBO –FOFO
Total Number of Outlets	1400+	89	20	194
% of Revenue Contribution – FY14	58.3 % (NCS Contribute less than 10%)		31.3 %	
Distribution Sale Model	Pre-Booking of Orders Outright Sale	SOR – Sale or Return / Outright Sale	Inventory owned by MCFL	Pre-Booking of Orders Outright sale
Inventory Risk	No	Yes	Yes	Minimal – 5-15 % of Products Return Allowed
Discount Sharing	No	No	Yes	Yes, Range from 5% to 17.5%
Payment Collection – Credit Risk	Exclusive Commission Agents are Liable to pay	Reputed Retail Chains	-	Bank Guarantee's and PDC taken from Franchise

ROBUST DISTRIBUTION MODEL ASSURES MINIMAL INVENTORY RISK AND CREDIT RISK.

TILL DATE, THERE HAS BEEN NO BAD DEBTS OR RECEIVABLES WRITE OFF FOR THE COMPANY

FUTURE GROWTH STRATEGY

FOCUS ON BRAND & PRODUCT PORTFOLIO EXPANSION

- Focus on branding and promotion to further increase our visibility and market share across India
- Focus on a comprehensive range of cotton and cotton-blended products which cater to all seasons in-order to expand our all-season product range and strengthen our pan-India operations.

FOCUS ON RETAIL NETWORK EXPANSION

- Target to open 275 EBOs by the end of Financial Year 2016-17 mainly through the franchise route.
- Plan to diversify our pan-India presence by penetrating into the southern and western regions of India.
- Focus on Online sales through own portal as well as Tie-ups with e-commerce portals such as Flipkart, Jabong, Snapdeal and India Shopping.

FOCUS ON RETURN RATIOS EXPANSION

- No major capex requirement for over next 2 years. Have already built the Manufacturing building facility, need to install additional machinery to expand production facility.
- Ability to sustain Robust growth for next 2-3 years without any major capex. Therefore Return ratios set to improve.

DISCLAIMER

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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.

THANK YOU



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MONTE CARLO FASHIONS

STORE IMAGES



MONTE CARLO FASHIONS

OUR CAMPAIGNS & COLLECTIONS

