MONTE CARLO

Moderator: Ladies and gentlemen, good day, and welcome to Monte Carlo Fashions Limited Q1 FY '24 Earnings Conference Call hosted by Sunidhi Securities and Finance Limited. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rohit Sinha from Sunidhi Securities and Finance. Thank you, and over to you, sir. Thank you.

Rohit Sinha: Good afternoon, everyone. Thank you so much for joining on Monte Carlo's Fashions Q1 FY

Moderator: The first question is from the line of Dinesh Mistry from First Advisors.

Dinesh Mistry: I just had a couple of questions.

Sandeep Jain: Yes, as of now, because we are not aware of how much discount are going into this quarter. We stand by the guidance which we gave of EBITDA band of 20% to 22%, and we sustain -- we're definitely going to sustain that band.

Moderator: Next question is from the line of Dhiral Shah from PhillipCapital.

Dhiral Shah: Sir, our revenue from the textile dealer, if I compare it on a Y-o-Y basis, so last year, it was like 24% it came down to 20%. So any reason for the drop in the sales from the textile side because I believe it is specifically for the home textile side.

Sandeep Jain: The reason is same the discretionary spending was down, that's why the sale was down. So I think that is going to recover in this quarter and the next quarter.

Dhiral Shah: Okay. And on the online

Sandeep Jain: EBITDA, we have also like in the first – Q1 conference call we have said that the EBITDA

Sandeep Jain: Can you please put your question again?

Jayesh: Yes. So my question is on the capex front, overall capex on all segments like for the future? So what is the capex for the next 2 years down the line? And what kind of offset like asset turnover you are going to see I mean any target there, you have mentioned?

Sandeep Jain: So there are 2 kind of capex right now we have. Basically, one is the for existing business requirement. So that will remain as INR15 crores to INR20 crores per year depending upon different requirements regarding machines and warehouses. And second is the new plant capex, which is INR100 crores, as I mentioned earlier. So these are the 2 capex which is planned for next 2 years.

Jayesh: Okay. Sir, my last question is, how has been the marketing costs moving in the last 5 quarters,

Sandeep Jain: Yes.

Dinesh Mistry: Okay. All right. And is it the same as last year or better?

Sandeep Jain: No, no. We are getting raw material prices at least around 20% lower as compared to last year, and the market have not changed. It's going to benefit us in this financial.

Moderator: Next question is from the line of Kaustubh Das an individual investor.

Kaustubh Das: I just want to ask one question. So maybe like if you're going at the rate of suppose 20% for the next foreseeable future like, let's say, 3 to 4 years. Maybe a bit [illegible] higher than Monte Carlo. And that brand is also actually gaining acceptance in the market at various channels, it's sold at MBOS also, SIS also and EBOs also and that brand has also grown to approximately INR30 crores in this financial year. And it's gaining almost 30% CAGR of last 2 years.

Kaustubh Das: Okay. So it is increasing at a faster rate than the parent Monte Carlo brand, right?

we've done around INR4.5 crores. If I look at the total financial year as we do this year. This...

Sandeep Jain: Once again, thank you very much to Sunidhi Securities also for arranging this conference. Still, if there is any question which is unanswered or it's not like we are not ready. So you can always give all these questions to our IR manager at Valorem Advisors. Thank you very much.