

## MONTE CARLO FASHIONS LTD BUY- BACK 01-Dec-18

INDUSTRY - Other Apparels & Accessories  
BSE Code - 538836  
NSE Code - MONTECARLO  
NIFTY - 10,876.75

### Company Data

CMP(Rs.) 388

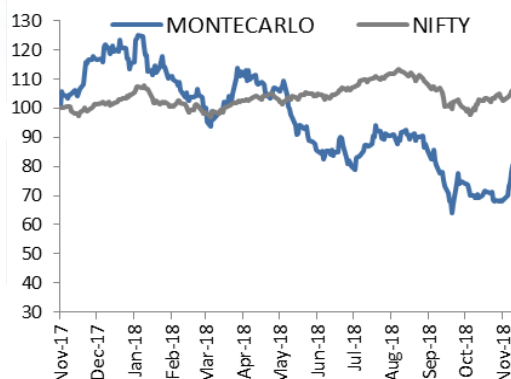
52wk Range H/L 664/328  
Mkt Capital (Rs Cr) 843.31  
Av. Volume (,000)

### Shareholding pattern %

	2QFY19	1QFY19	4QFY18
Promoters	64.77	64.69	64.69
Public	35.23	35.31	35.31
Total	100.0	100.0	100.0

### Stock Performance %

	1Mn	3Mn	1Yr
Absolute	10.7	4.5	-25.8
Rel.to Nifty	3.4	2.6	6.4



### BUYBACK OF EQUITY SHARES

Board Meeting Date	30-Nov-18
Buy Back Size	10,00,000 Equity Shares (4.60% of total outstanding share capital)
Buy Back Size (Amount in Rs.)	55 crs
Buy Back Price/Share in Rs.	550
Buy Back Route	Tender Route
Promoters Tendering their shares	No

Reservation for Retail Shareholders	15%
No of shares reserved for Retail Shareholders	150000
Retail Share Holders	2038733

### View:

- In our base case scenario, we assume that 20% of the retail shareholders may tender their shares in buyback and the acceptance ratio is expected to be 37%. This will generate 7.8% returns for the investors, assuming post buyback target price of Rs 350.
- We dont have fundamental coverage on the stock. However, risk return looks favorable considering the premium of 42% offered from current levels of Rs 388, the stock is attractive for the purpose of the buyback.

### Target Case Scenario

No. of shares tendered (20% of total retail shares)	407747	Reserved for Retail	150000
CMP ( Rs)	388	Acceptance Ratio	37.00%
Buy-Back Price (Rs)	550	Potential Upside	7.8%

TABLE SHOWING EXPECTED RETURN POTENTIAL IN DIFFERENT SCENARIOS

Scenario	Shares tendered as a % to total retail shareholders	Calculated Acceptance Ratio	Expected Market Price post Buy-Back	Expected Return to Investors (Tax Adjusted)
1	20%	37%	426	18.3%
2	35%	21%	426	14.0%
3	65%	11%	426	11.4%
4	100%	7%	426	10.3%
5	20%	37%	388	13.1%
6	35%	21%	388	7.5%
7	65%	11%	388	4.0%
8	100%	7%	388	2.6%
9	20%	37%	350	7.8%
10	35%	21%	350	0.9%
11	65%	11%	350	-4.0%
12	100%	7%	350	-6.0%

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