August 05, 2026

BSE Limited Scrip Code: **543401**	**National Stock Exchange of India Ltd.** Trading Symbol: **GOCOLORS**

Dear Sir / Madam,

Subject: Transcript of Earnings call – Q1 FY 27

We hereby enclose the transcript of earnings call for the financial results for the quarter ended 30th June, 2026.

This is for your information and records.

Thanking You,
For **Go Fashion (India) Limited**

GAYATHRI KETHAR
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Gayathri Kethar
Company Secretary & Compliance Officer

"Go Fashion (India) Limited

Q1 FY27 Earnings Conference Call"

July 30, 2026

MANAGEMENT: **MR. GAUTAM SARAOGI –CHIEF EXECUTIVE OFFICER –GO FASHION (INDIA) LIMITED**
MR. R. MOHAN – CHIEF FINANCIAL OFFICER –GO FASHION (INDIA) LIMITED
SGA - INVESTOR RELATIONS ADVISORS–GO FASHION (INDIA) LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to the Go Fashion India Limited Q1 FY27 Earnings Conference Call. 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. Gautam Saraogi, CEO, Go Fashion India Limited. Thank you, and over to you, sir.

Gautam Saraogi: Yes. Good evening, and warm welcome to everyone present on the call. Along with me, I have Mr. R. Mohan, our Chief Financial Officer; and SGA, our Investor Relations advisors. I hope you have all received our investor deck by now.

For those who have not, you can view them on the stock exchange and the company website. On the last call, we laid five clear principles and priorities for FY27. I want to spend a few minutes giving you a sense of where we stand on each of these one quarter in.

Priority one was turning SSSG positive. This was our single most important commitment for the year, and I'm pleased to share that we have started FY27 on the right note. Same-store sales growth for our EBO channel turned positive this quarter at 0.6% and same cluster sales growth was at 1.2%.

This was the first positive SSSG in several quarters. It's still early to call this as a firm trend after just one quarter, but it's moving in the right direction we wanted, and it keeps us optimistic for the coming quarters.

Priority two was to migrate to larger sized stores. We continue to make progress here. Despite the quarter, during the quarter, we closed 66 stores in the catchments where we already have or we are going to be opening a larger format store nearby.

As a result, our total retail space reduced by 7,000 square feet in this quarter, even as we continue to add larger stores elsewhere in the network. Based on our current review, we will continue `this transaction over the rest of FY27.

Larger stores can hold a full range and give customers a much better premium experience as far as shopping is concerned. We are also continuing to upgrade the look and feel of our existing stores through the year.

Our store expansion strategy will continue to remain calibrated and selective with a clear focus on entering high potential locations across Tier 1, Tier 2 and Tier 3 cities. Over the next five years, we aim to significantly expand our footprint with potential to double the square feet deployed in the business. This new business strategy will lead to revenue maximization and cost optimization.

Priority 3, refreshing the product portfolio. We continue to refresh our product portfolio with new additions, and we will add new styles aimed at a younger trend-conscious customer. Over

FY27, we plan to add 10 to 12 new refreshing products for our customers, not just like extension, but genuinely new format that will open up new purchase occasions and consumer cohorts.

Our aspiration is clear to be a definitive one-stop destination for women's bottom wear in India. We have onboarded Shraddha Kapoor as our brand ambassador from July. This is intended to strengthen the brand resilience and bring us to a wider younger audience. You'll see this reflected more visibly across our marketing and stores over the next coming months.

The Priority 4 was expanding our new pilot daily wear concept. We currently have 15 stores of the new daily wear concept. We remain committed to our target of scaling our daily wear stores to about 25 stores to 30 stores by the end of FY27. The unit economics continue to hold up well in the stores where we have gone live.

Our Priority 5 is LFS channel recovery. This is another area where we saw genuine progress. Our LFS channel grew 2% on a year-on-year basis to INR50 crores, a clear signal of returning to some sort of normalcy after a difficult FY26 that included operational disruptions with a key LFS partner.

We continue to work closely with our LFS partners on assortment, placement and sell-through to ensure channel contributes meaningful to the growth for the balance of the year. So across all five priorities, Q1 has given us an encouraging set of data points.

Coming to financial performance. Our revenue and gross margins remained stable compared to Q1 last year. I want to flag one specific item in the P&L this quarter, an exceptional expense of INR6.5 crores relating to the write-off of capital expenditure on account of the store closures we did during the quarter. This is a direct consequence of network consolidation strategy and is a one-off item.

EBITDA before exceptional items stood at INR67.4 crores, a 2% degrowth. The moderation was largely on account of incremental marketing investment we took during this quarter, including the brand ambassador partnership. Our advertising spend as a percentage of revenue stood at 2.3% for Q1 FY27, and we expect it to remain in the same range between 2% and 3% in FY27.

Full price sales for the quarter stood at a strong 94% and our average selling price came to about INR863. Our working capital days stood at 139 days with inventory days at 100 days. We believe there is room to optimize this further by a few more days, which will contribute to a strong balance sheet and support long-term sustainable growth.

To sum up, Quarter 1 FY27 was a quarter where we began to see some progress against each of the five priorities we set out for the year. SSSG turned positive, our store transition, our product and brand initiatives, including getting our brand ambassador partnership underway, our daily wear concept and LFS showing some genuine signs of recovery.

We are very conscious that one quarter does not make a trend, and we intend to stay disciplined and measured as we build on this momentum through the rest of the year. But we are encouraged by the direction and we remain confident that in the underlying strength of the business, Go Colors continues to be one of the most recognized and trusted names in women's bottom wear in India, operating in a category where organized players still have a long runway ahead given low penetration levels that persist.

With this, I would like to hand over the call to our CFO, Mr. R. Mohan, for update on Quarter 1 FY27 results and financials. Thank you.

Mohan: Thank you, Gautam, and good evening, everyone. I'll give you the financial highlights for Q4 FY26. Revenue stood at INR223 crores, flat year-on-year. Gross profit stood at INR140 crores with a GP margin of 62.9%. EBITDA before exceptional expense stood at INR67 crores. EBITDA margin stood at 30.3%. PAT stood at INR16 crores. ROCE and ROE excluding Ind AS impact stood at 10.8% and 7.9%, respectively. Cash and cash equivalents stood at INR202 crores as on 30th June 2026. With this, now we open the floor for question-and-answers.

Moderator: Thank you very much. Now we'll begin the question-and-answer session. The first question is from the line of Sameer Gupta from India Infoline. Please proceed.

Sameer Gupta: Hi, good evening everyone and thanks for taking my question. Gautam, I heard your opening remarks, and you mentioned that the exercise to close a small store and open a larger one will continue over the rest of FY27. So in this context, what kind of net retail area growth are you looking at for this particular year?

Gautam Saraogi: Firstly, I think from an area deployed in the business, from a square feet deployed in the business on a year through basis, Sameer, we should be at around, we should add about 8% to 10% of square feet space. But that will be on a year through basis. To measure that on a quarterly basis will be tough, like even in this quarter, if you see actually 7,000 square feet has reduced. But on a year through basis, 12-month basis, I think 8% to 10%, should result in our square feet increase in the business.

Sameer Gupta: So suffice to say that, it will happen over the course of the year and back ended.

Gautam Saraogi: Yes, yes, correct.

Sameer Gupta: Got it. Fair. And on the same-store sales growth, so I understand this quarter is 0.6%. But let's say you remove all the stores that have been closed over the past one year, this quarter including, and you also remove all the stores that you intend to close in the coming quarters, then what would does this SSSG number look like? And how has that number trended over the last few quarters?

Gautam Saraogi: No, this number, SSSG, what we have reported, Sameer, this excludes the stores which have closed in Q1. Because those stores would have closed over Q1. So, we won't be able to compare those numbers with them with Q1 last year. So we have excluded the stores which have closed in Q1 out of the SSSG calculation.

Sameer Gupta: Yes. But the stores that you intend to close and have not yet been closed, those won't be included, right?.

Gautam Saraogi: No, those won't be excluded. But for us to exclude that, I mean, I've not checked that percentage, but in the number what we have reported, we have not excluded any future stores.

Sameer Gupta: Got it. No, no, I understand that.

Gautam Saraogi: I've not done the calculation. I've not done the calculation, if you ask me, yes.

Sameer Gupta: No worries. But then, so the other question then is that one would assume that if you were to remove all the smaller stores from the system, the SSSG then would look healthy. But 0.6%, when there could be a natural improvement that has happened over the quarters. So we should be...

Gautam Saraogi: You are saying, how do I attribute, see I'll tell you...

Sameer Gupta: No, no.

Gautam Saraogi: No, I understood what your question is. I'll tell you, see, the 0.6% would have many reasons., I'll tell you the three reasons which I think. A, it also can be because of a favourable base, maybe because Q1 last year was very weak. So this year it's showing 0.6%. That is one possibility.

The other possibility is that the smaller stores, what we have closed over a period of time, some business of those stores would have moved to another stores, which could have improved the SSSG.

The third reason could be also that Q1 in general saw better footfalls and demand compared to the earlier quarters. So I think your question is right. It's very difficult to attribute the 0.6% to what is the reason why we have seen an improvement. That is why in my commentary, I very clearly said that this does not set a trend.

We have to wait and watch how this positive SSSG unfolds over the next few quarters. I mean, even as management, we can't get very excited looking at the 0.6% thinking that this is the new reality. We are also taking it with a pinch of salt saying that this can be a one quarterly trend, and we are vary of it. So we are being very careful and we will look to build on this and so positive SSSG in quarter 2, quarter 3. This definitely the 0.6% does not mean it's a trend.

Sameer Gupta: No, no. So I was actually asking the other thing. Basically, what I was basically saying is that even if we remove the stores which are small, the SSSG is not, I understand it's an improvement, but it's not a very exciting number, right, 0.6% SSSG. So how are we able to then confidently see that it’s the small stores that are the problem?

Gautam Saraogi: So Sameer, see, the 0.6% is a blended number of stores which are already small in the ecosystem, which today also are small in the ecosystem and a combination of large stores. Even today, we have 100 plus, yes see, if I look at my larger stores SSSG today, they are much better than what my smaller store SSSG are.

If I take my SSSG only for stores which are greater than 700 square feet, they are obviously much better than what it is for my smaller stores. That is the reason why we began this transition to begin with. That was the proof in the putting for a, yes so the SSSG growth for 700-plus square feet for quarter 1 was in the range of 2.5% to 3%.

Sameer Gupta: And the number of these stores which are 700 square feet in the system would be 700 square feet plus?

Gautam Saraogi: It would be more than 130 stores in the ecosystem.

Sameer Gupta: Got it. Thanks. Thanks, I'll come back in the queue.

Gautam Saraogi: Okay, thank you.

Moderator: Thank you. The next question is from the line of Avinash Karumanchi from MOSL. Please proceed.

Avinash Karumanchi: Good evening sir. So I just want to check how far through are we in this store closures currently? How many stores are we going to expect for the closure in FY27?

Gautam Saraogi: Yes. So, Avinash, see, it's very difficult to give a guidance on either on store openings or closures. It's very difficult to give a guidance because both are interlinked, right? Because we are, when we are opening larger stores, we're also closing smaller stores. So it all depends on the opportunity of the larger stores available as well.

So it's very difficult for me to bridge and say that how many stores we are going to close. But I feel it's definitely not going to be as intense or higher number as what we have seen in the last few quarters. It will definitely be a much lower number. But to give a number of stores guidance is very tough for me because it's directly linked with what large store opportunity we get during the year.

Avinash Karumanchi: Got it. Got it. And just lapping up on Sameer's question. So last quarter, you said that you are having somewhere around 200 stores, 250-odd stores, which are doing 10% SSSG. Now you said that these other larger format stores are doing only 2% to 3% kind of SSSG. Is this a deceleration or am I looking at a different base altogether?

Gautam Saraogi: No. See, last year, the statement I made in the last call, I just have to go back and see what, why I made that statement. I'm not able to recollect it. But to Sameer's specific question, if I take a blended average of all the bottom wear stores which are greater than 700 square feet, in quarter 1, we have given about 2.5%, 3%.

But the statement why I made in the last call in which context, I just, I'll have to go back and just see it and maybe I can answer this question after the call through SGA, I can send the clarification.

Avinash Karumanchi: So basically, what we are trying to look at it is like is there any kind of a difference in the SSSG between stores of vintage or stores of what you say, malls and the high speed. That's what we are trying to look at it.

Gautam Saraogi: See malls and high street, malls and high street, there's no real outlier between the two. As far as vintage is concerned, Avinash, when I checked the 700 square feet plus stores where they were delivering 2%, 3%, I could see that trend even in the older 700 square feet stores. See, we've had stores of 700 square feet also historically taken. So when I see it across vintage, it was showing similar trend.

Avinash Karumanchi: Okay. Okay. Got it. And the next question would be like regarding the RM cost. So what kind of inflation are you looking at the current RM levels?

Gautam Saraogi: See, right now, we have seen inflation as far as fabric cost is concerned. We have seen it go up in the last few months because of the entire Middle East situation, which caused the situation where RM prices have gone up.

Right now, we are not looking at price hikes, honestly. We will have to wait and watch. We are waiting, we are hopeful that these prices will stabilize and fall. So right now, we are not taking a price hike. But having said that, these inflated RM prices would impact the gross margins in the coming quarter.

It's difficult to quantify how much it will impact because we are also having older inventory in the system, we are also adding new inventory in the system. So on a blended level, how much is going to impact the GM is difficult to say. But as how much it's increased now, we feel that in the coming quarters, it will stabilize and it will fall.

Avinash Karumanchi: Okay. Okay. What about gross margin impact?

Gautam Saraogi: The RM prices will stabilize and will fall is what I'm saying, not the gross margin.

Avinash Karumanchi: Okay. Okay. It's not about the gross margin impact. Could you quantify how much fabric cost increase have you seen?

Gautam Saraogi: From what we have seen, I think fabric cost has increased anywhere from 7% to 10% is what we have seen.

Avinash Karumanchi: Okay, okay. Understood sir. I'll join the queue.

Gautam Saraogi: Thank you Avinash.

Moderator: Thank you. The next question is from the line of Shreyansh Jain from Svan Investments. Please proceed.

Shreyansh Jain: Hi, thank you for the opportunity sir. Sir, I have one question. Can you help us understand, say, what would be the SSSG for, say, stores which are more than three years old, stores which are less than three years old and stores which are less than a year old? If you can break that up into these three buckets, it will help us understand the SSSG trend, sir.

Gautam Saraogi: Yes. Actually, I'm not having that data right now with me handy. I will, once I have that data because I'm not able to remember, it's not immediately and I'm not remembering because of these three buckets what you just mentioned. I'll send it across through SGA.

Shreyansh Jain: Any sense you can give us, sir, on what the SSSG would be for our mature stores, if not these buckets, just the mature stores.

Gautam Saraogi: No, see, yes, yes I can give you a general idea. When I had a look at our SSSG of different store sizes and all, I could see that the store, even our older stores, which have opened in FY20 or FY19, even they are showing good positive growth. So I think it was, for us, what we have seen this positive SSSG for the stores, which have been positive, it has been across all vintage and financial years.

Now how many stores that exact number, I don't have, which I'll obviously send it to SGA. But to your question, the answer is, yes, we have seen the growth even in our vintage stores and older stores as well.

Shreyansh Jain: And this growth would be what, low single digits or mid- to high single digits, sir?

Gautam Saraogi: It varies. It varies. It varies. See, there are some stores which are like FY18, which are growing at 10%. There are some stores in FY which have opened as early as FY24 also could have been in degrowth. So it's a mixed bag. There is no direct correlation with vintage here. It also comes down and depends on how the mall or the high street is doing.

Shreyansh Jain: Got it. Got it. And sir, what is the inventory number at the end of Q1?

Gautam Saraogi: Inventory number at the end of Q1, I'll just tell you. Just give me one second. It is INR245 crores including RM, it is INR245 crores.

Shreyansh Jain: Got it. And just the last question. Can you help us understand the newer stores that you're going to open, what would be the turns there and the unit economics inventory plus capex?

Gautam Saraogi: See, very similar to the shorter, the smaller stores. I mean, we've seen that the unit economics are very similar. Our larger stores obviously do a much better revenue number than our smaller stores.

Payback period could range in that range of 15 months to 20 months will be the payback period. The inventory turns would be about, inventory in larger stores would be around, if I'm not wrong, about 45 days to 60 days on sales. And what you call your ROI, like I mentioned, would be anywhere from 15 months to 20 months roughly.

Shreyansh Jain: Got it, got it. That helps. Thank you and all the best.

Gautam Saraogi: Thank you so much.

Moderator: The next question is from the line of Siddharth from NAFA. Please proceed.

Siddharth: Hello team, there. So my set of question is that how is the new everyday wear concept stores performing? I'd like to get some clue on that in terms of the average store size across the, because from what I could see, the average store size that's disclosed on investor presentation has a broad range.

If you look at the new everyday wear stores from what I could have my store citations from it's in the range of 3,000 square feet to 4,000 square feet in average. So I'd just like to know how that cluster of new everyday wear is performing. And I would have my next set of questions based on that.

Gautam Saraogi: Yes. Thank you, Siddharth. So see, Siddharth, see, actually, in the new concept, in the everyday wear concept, our size requirement actually is 1,500 square feet to 1,600 square feet. In high street, sometimes we end up getting more space by virtue of availability because whatever stores we have converted into everyday wear, in the same building, we have taken additional space.

And when we have taken additional space, some stores could have been in the range of 3,000 square feet. But our requirement of size is actually anywhere starting from 1,500 square feet going up to maybe 2,000 square feet, not more.

Now how are these stores doing? These stores are doing well. Currently, based on the size, the stores deployed, we are generating about INR1,000 of sales per square feet per month. And all the stores, I would say, out of the 15 stores operational today, 12 stores to 13 stores are already profitable and doing well. And we have seen decent inventory turns also in this business.

So as a starting step, I think it's a good start. And I think it will strengthen in the coming quarters. I think in festive quarter, we'll get a fair idea of how these stores are doing. But right now, the response has been very, very encouraging INR1,000 sales per square feet. And out of the 15 stores, about 12 stores are double-digit EBITDA positive.

Siddharth: Okay. Understood. So and the next set of questions would be, I'd like to get some light on how your LFS spaces would pan out to be because there are some industrial issues that's being said relating to Reliance AZORTE is pushing their own brand into that business that's affecting our LFS segment that's I'm not conclusively saying it, but that is some speculation that I have been, I mean going through about.

So I'd just like to get some light on what the LFS long-term story is going to be and how do you think it's going to pan out?

Gautam Saraogi: Yes, yes sure, Siddharth. See, Siddharth, so I'll tell you we are not present in AZORTE. We are present in Reliance Trends. So Reliance Trends is a combination of external brands and private brands. Maybe what Reliance has done in the past is that they've converted their Reliance Trends store to AZORTE stores and when they convert that into, yes, so when they convert into AZORTE stores, all the external brands exit and private label brands of AZORTE takes over.

Siddharth: Correct, correct.

Gautam Saraogi: Now for us to, it's difficult to visualize how many such conversions any of our LFS partners would be doing. So right now, the one thing I can tell you is that what supply chain disruptions we had with our LFS partners over Q3 and Q4 last year has normalized significantly, and that's also reflecting in our Q1 numbers.

But the one thing I won't be able to guide or speculate is, if there are stores which are getting converted in a different format of theirs. That is very difficult for me to know. But from a supply chain issues, disruption issue what we had with one of our key LFS partners over Q3 and Q4, to a very large extent, it's normalized in quarter 1.

Siddharth: Okay. Okay. Understood. And my last question would be that considering the new stores that's being opened and there's also going to some inventory releases from the closed stores as well. So if you could just give me a good light on what the inventory increase could be or guidance number for FY27, considering you're also opening new stores and the inventory is released from the closed ones as well.

Gautam Saraogi: See, currently, our inventory days is at about 100 days I think by the end of the year, we'll be in the range of 90 days to 100 days of inventory is what I see. Because this inventory is also carrying our daily wear concept, right?

Siddharth: Correct, correct.

Gautam Saraogi: So this 90 days to 100 days is actually including our daily wear concept. So our bottom wear inventory days is actually lower. So, but all put together, I think at a company level, we'll be at around 90 days to 100 days. Difficult to give an exact number, but we should be in that range.

Siddharth: Understood. Understood. And since you guys have a good level of cash, the entire spending is going to be financed through your internal accruals, right?

Gautam Saraogi: Yes, yes. We feel our operating cash flow will be strong enough to take care of all the capex.

Siddharth: Understood, understood. Thank you and wish you all the best.

Gautam Saraogi: Thank you Siddharth.

Moderator: Thank you. The next question is from the line of Ankit Kanodia from Zen Nivesh Advisors. Please proceed.

Ankit Kanodia: Thank you for taking my question. So my first question is related to the footfall. I'm sure you would be tracking footfalls and their conversion. I know for some reason, you might not be able to share it in numbers, but any qualitative colour how it has been going, that would be very helpful. That is my first question.

Gautam Saraogi: Yes. So Ankit, I think at an overall level, see, we track footfalls by bill cuts. So I think our footfall has been, we've not seen a drop in footfall. We would have maybe seen a 1%, 1.5% increase in footfalls on an overall basis compared to last year Q1. And this I'm talking from an EBO level.

Ankit Kanodia: Okay. Yes, got it.

Gautam Saraogi: It's been very, I would say very similar to what numbers we had. We've not seen drop in footfalls for sure.

Ankit Kanodia: Got it. So coming to the SSSG thing, which has been mentioned multiple times, I just wanted to make it clear that in the last call, you clearly said that if you add only the stores which have reported positive SSSG and they were about 275 stores and then that SSSG comes to 10% to 12% that is the exact line you mentioned.

Gautam Saraogi: Okay. No. So yes, so maybe I would have mentioned this. I will just clarify this point because I need to look at a set of data before I make another statement of that, I will clarify this through SGA. I've given this point, and I will definitely release a clarification note on this through SGA on this point.

Ankit Kanodia: Sure. And my last question is, since we are increasingly looking at daily wear, do we have any plan to explore lingerie as well?

Gautam Saraogi: See, definitely, it is there in one of our contention list because lingerie and ladies innerwear is a very important part of our everyday wear concept of women's what we have just launched, right, our daily wear product, daily wear concept. So we are evaluating it. And whenever there is an update on that, we will definitely pass on to everyone.

Ankit Kanodia: Thank you so much. That was all from my side and all the best.

Gautam Saraogi: Yes.

Moderator: Thank you. As there are no further questions, I would now like to hand the conference over to the management for the closing comments. Over to you, sir.

Gautam Saraogi: I would like to thank everyone for being part of this call. We hope we've answered your questions. We are undertaking a comprehensive transformation in our store format strategy, our product portfolio, our brand investments and our new business initiatives. This transformation will take time to fully manifest into our financial numbers, but the early signs are encouraging.

If you need any more information, please feel free to contact Mr. Deven Dhruva from SGA, our Investor Relations Advisors. Thank you.

Moderator: On behalf of Go Fashion India Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your line.