



GO FASHION (INDIA) LIMITED

CIN: L17291TN2010PLC077303

July 31, 2023

<b>BSE Limited</b> Scrip Code: <b>543401</b>	<b>National Stock Exchange of India Ltd.</b> Trading Symbol: <b>GOCOLORS</b>
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Dear Sir/Madam,

**Sub: Investor Presentation for Q1 FY 2024 - Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

With reference to the above captioned subject, please find enclosed Investor Presentation for Q1 FY 24.

The aforesaid Investor Presentation is also being disseminated on company's website at <https://www.gocolors.com/investor-relations>.

This is for your information and record.

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

**Gayathri Venkatesan**  
**Company Secretary & Compliance Officer**

Encl: As above

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**Go Fashion (India) Limited**

*(Formerly Known as Go Fashion (India) Private Limited)*

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www.gocolors.co.in





# GO COLORS!

Go Fashion (India) Limited



Investor Presentation

August 2023



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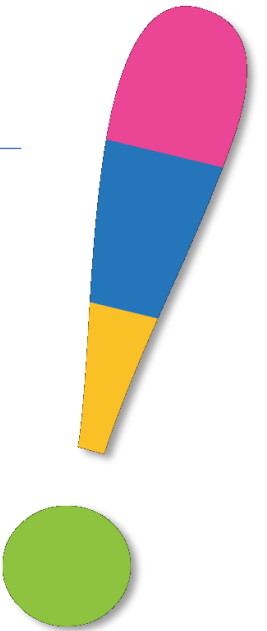
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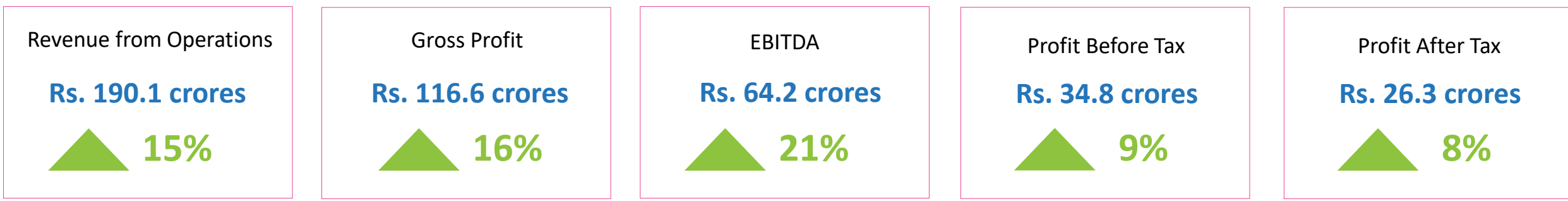


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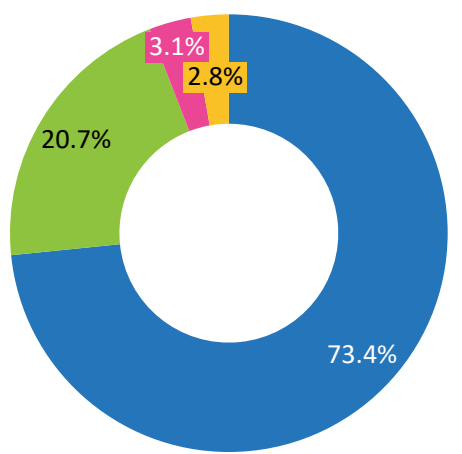
# Q1 FY24 Highlights

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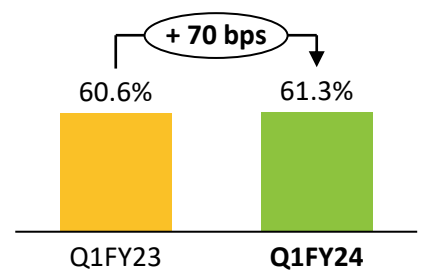


Sales Mix

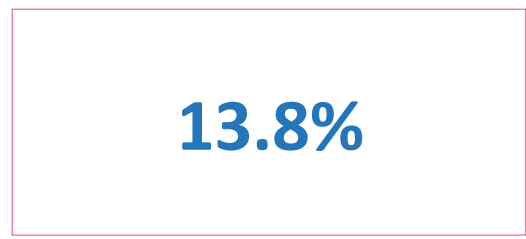


■ EBOs    ■ Online  
■ LFS    ■ MBO & Others

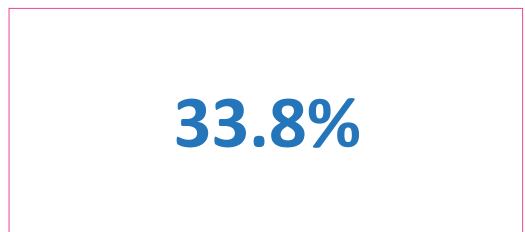
Gross Profit Margins



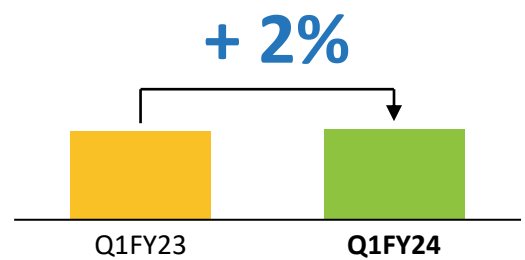
PAT Margins



EBITDA Margins



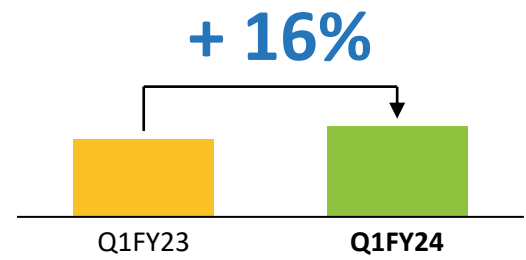
Same Store Sales Growth (SSSG)\*



No. of EBO stores added during the quarter^



Same Cluster Sales Growth (SCSG)\*



^ Net Addition of EBO Stores

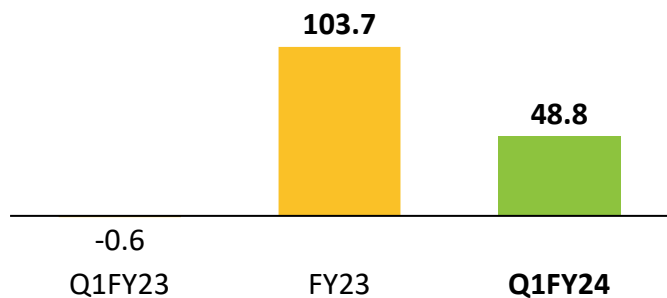
All comparisons are on Y-o-Y basis

\* SSSG & SCSG for EBOs only

Cash Flow from Operations

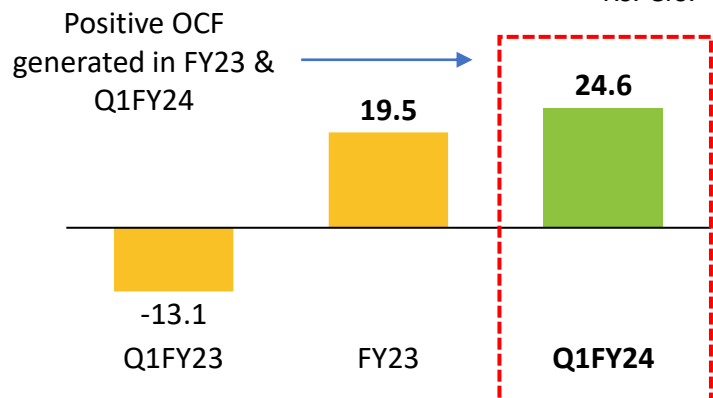
Post IND-AS 116

Rs. Crs.



Pre IND-AS 116

Rs. Crs.



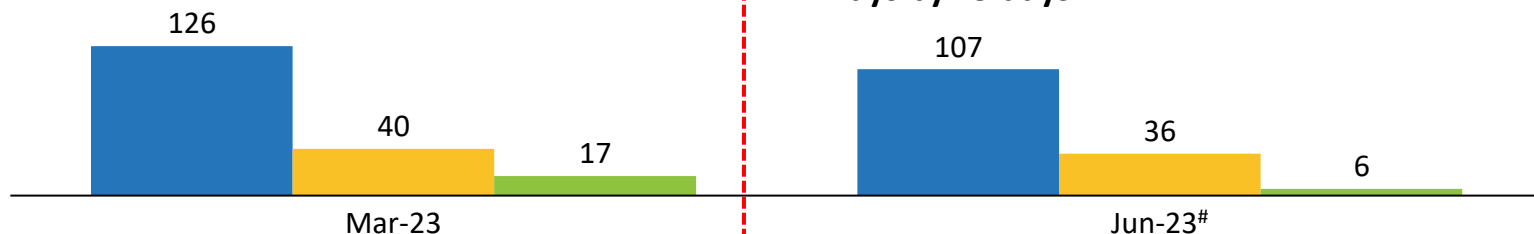
Significant Improvement in Working Capital

Inventory Debtors Creditors

In Days

149

136



Reduction in Inventory Days by 19 days

RoCE\* (Annualized Basis)

19.1%

RoE\* (Annualized Basis)

19.8%

Cash & Cash Equivalents^

Rs. 147.7 Crs.

^ Includes Mutual Funds & FD's

Profit & Loss (in Rs. Crore)	Q1 FY24 (Unaudited)	Q1 FY23 (Unaudited)	Y-o-Y	FY23 (Audited)
<b>Total Revenue</b>	<b>190.1</b>	<b>165.2</b>	<b>15%</b>	<b>665.3</b>
Cost of Materials Consumed	73.5	65.0		261.6
<b>Gross Profit</b>	<b>116.6</b>	<b>100.2</b>	<b>16%</b>	<b>403.6</b>
<b>Gross Margin</b>	<b>61.3%</b>	<b>60.6%</b>		<b>60.7%</b>
Employee Cost	30.8	23.7		102.6
Other Expenses	21.6	23.4		88.8
<b>EBITDA</b>	<b>64.2</b>	<b>53.1</b>	<b>21%</b>	<b>212.3</b>
<b>EBITDA Margin</b>	<b>33.8%</b>	<b>32.1%</b>		<b>31.9%</b>
Other Income	3.7	3.7		11.9
Depreciation	24.9	18.8		87.1
<b>EBIT</b>	<b>43.0</b>	<b>38.0</b>	<b>13%</b>	<b>137.1</b>
Finance Cost	8.2	6.1		28.5
<b>Profit before Tax</b>	<b>34.8</b>	<b>31.9</b>	<b>9%</b>	<b>108.7</b>
Tax	8.5	7.5		25.9
<b>PAT</b>	<b>26.3</b>	<b>24.4</b>	<b>8%</b>	<b>82.8</b>
<b>PAT Margin</b>	<b>13.8%</b>	<b>14.8%</b>		<b>12.4%</b>
EPS (in Rs.)	4.87	4.52		15.33

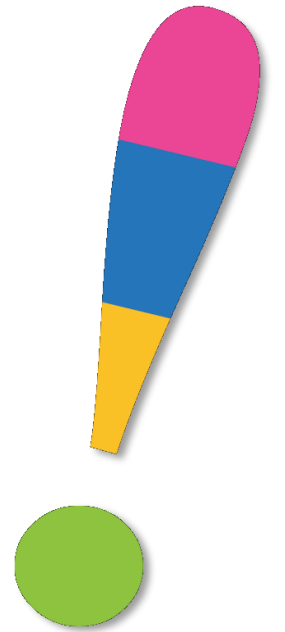




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# Company Overview

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## We are a one stop destination for ladies' bottom wear, a daily essential wear category with no seasonality



Among the largest Women Bottom Wear (WBW) brands in India with **~8%** market share in branded WBW



Offers Products in **>50** styles in **>120** colours



Extensive sourcing and manufacturing network of **112 suppliers** and **63 job-workers** spread across **10 states** and **UTs**



Customers catered primarily through **655** EBOs spread across **23 states** and **UTs** and **1,822** LFSS across **31 states** and **UTs**



Premium quality products at affordable prices, **85.4%** of products retailed at **< Rs. 1,049**



Supply chain for all channels managed from **99K sq. ft. warehouse** in Tirupur, Tamil Nadu and **12K sq. ft. warehouse** in Bhiwandi, Maharashtra. **End-to-end automation** in inventory operations resulting in optimal inventory management

## We are a Direct to Consumer Brand



Ethnic Wear



- Churidar
- Salwar
- Patiala
- Silk-Pants
- Kurti-Pants
- Dhoti

From ₹ 599 to ₹ 1,399 <sup>(1)</sup>

Western Wear



- Leggings
- Ponte Pants
- Cropped Joggings
- Track Pants
- Jeans
- Culottes
- Cargo Pants
- Treggings
- Trousers
- Shorts

From ₹ 499 to ₹ 1,399 <sup>(1)</sup>

Fusion Wear



- Jeggings
- Palazzos
- Pants
- Harem-Pants

From ₹ 599 to ₹ 1,599 <sup>(1)</sup>

Athleisure



- Leggings
- Track Pants
- Joggers

From ₹ 799 to ₹ 1,199 <sup>(1)</sup>

Note: (1) Typical Range of Offering: Maximum Retail Price

Denims



Lounge Wear



Go Plus



Girls Wear



- Jeggings
- Pants
- Joggers
- Denim Culottes
- Jeans
- Capris
- Denim Palazzos

- Lounge Pants
- Lounge Knit Pants
- Lounge Capris
- Lounge Shorts

- Churidars
- Leggings
- Jeggings
- Pants
- Palazzos

- Leggings
- Pants
- Jeggings
- Shorts
- Palazzos
- Harem- Pants

From ₹ 799 to ₹ 1,499 <sup>(1)</sup>

From ₹ 449 to ₹ 949 <sup>(1)</sup>

From ₹ 599 to ₹ 1,599 <sup>(1)</sup>

From ₹ 249 to ₹ 999 <sup>(1)</sup>



### Ponte Wide Pant



The ultimate comfort casual available in easy to pair shades

### Chino Pant



A staple workwear trouser with comfort stretch in perfect neutrals

### Cotton Pencil Pant



An everyday pencil pant made from 100% cotton fabric available in all vibrant colors



## Active Legging



The perfect athleisure wear with a comfortable high-rise and functional pockets in 360 degree stretch fabric

## Crepe Pant



Stylish tailored pants with a fluid drape ideal for all formal occasions





EBO Stores + Airport Stores + LFS Stores



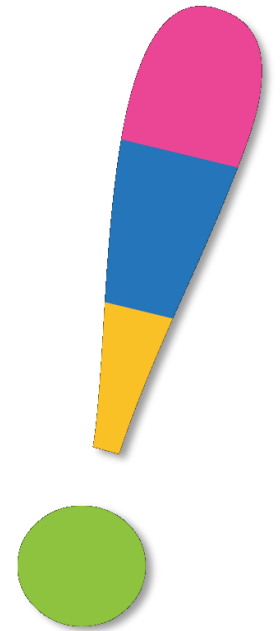




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# Key Differentiators

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Among the Largest Women's Bottom-Wear Brand in India with Well-Diversified & Differentiated Product Portfolio and First Mover Advantage



Multi-Channel, Pan-India Distribution Network with a Focus on EBOs, Enhancing Brand Visibility

Strong Unit Economics with an Efficient Operating Model



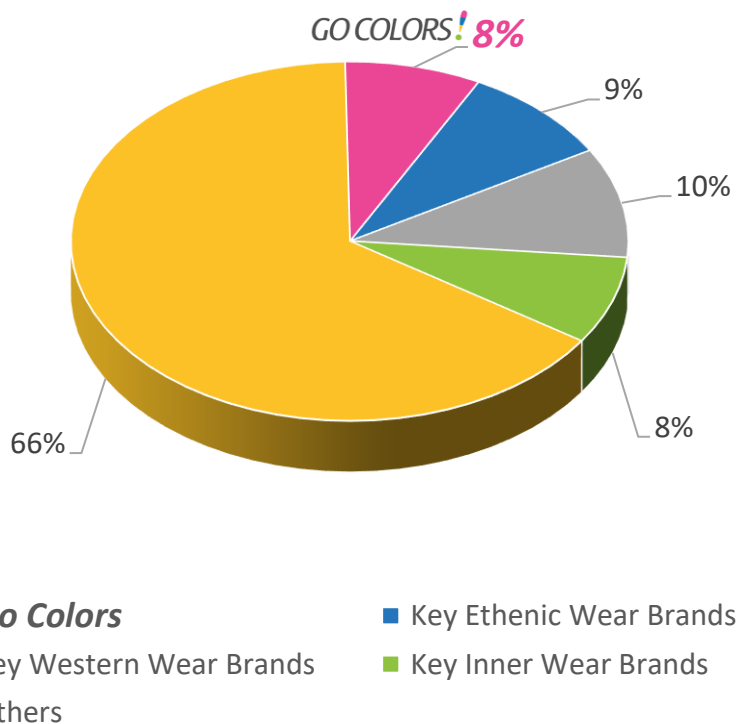
Extensive Procurement Base with Highly Efficient and Technology-Driven Supply Chain Management

Demonstrated Track Record of Strong Financial Performance



In-House Expertise in Developing and Designing Products

**% Branded Women's Bottom Wear Market (FY20)**



**Covering the entire spectrum of women's requirements across age-groups and body-types**

Brand	SKUs	Ethnic	Western	Athleisure	Fusion	Denim
GO COLORS!	728	✓	✓	✓	✓	✓
Player A	800	✗	✓	✗	✗	✓
Player B	700	✓	✗	✗	✓	✓
Player C	673	✓	✓	✗	✓	✗
Player D	656	✗	✓	✗	✗	✓
Player E	343	✓	✗	✓	✓	✓

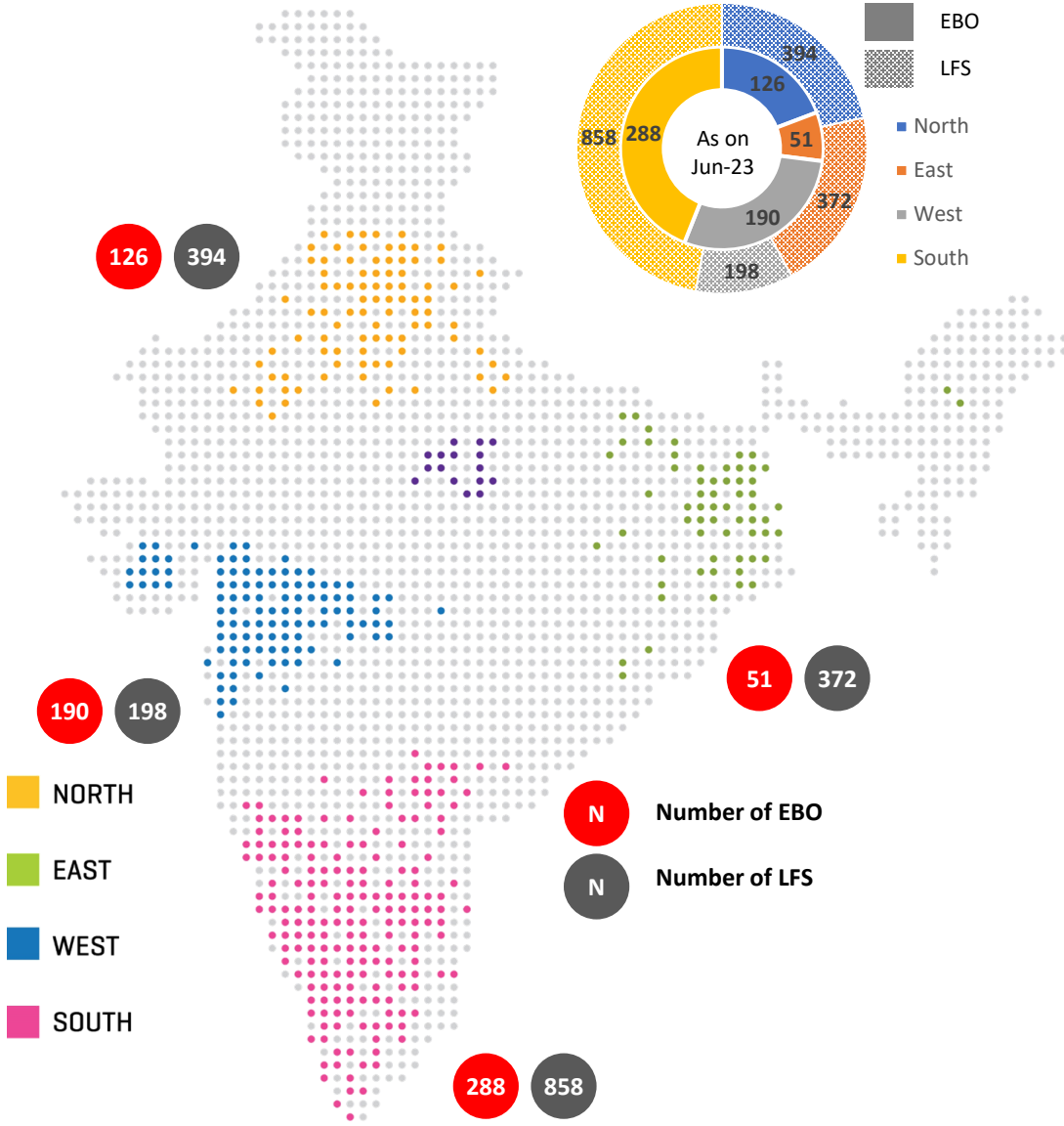
**Leadership position in women's bottom-wear Category**

Ethnic Wear      Western Wear      Fusion Wear      Athleisure  
 Denims      Lounge Wear      Go Plus      Girls Wear

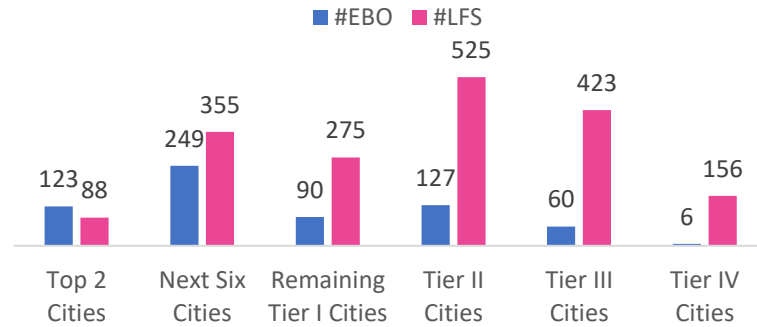
Offers **50 bottom-wear styles** in a range of **>120 colours**

*Go Colors offers products across multiple categories making its portfolio 'universal' & round-the-year for every occasion that is not subject to seasonal trends*





## Diversified presence across geographies



## EBO Stores

**655**

Malls & Airports (195)  
High Streets (460)

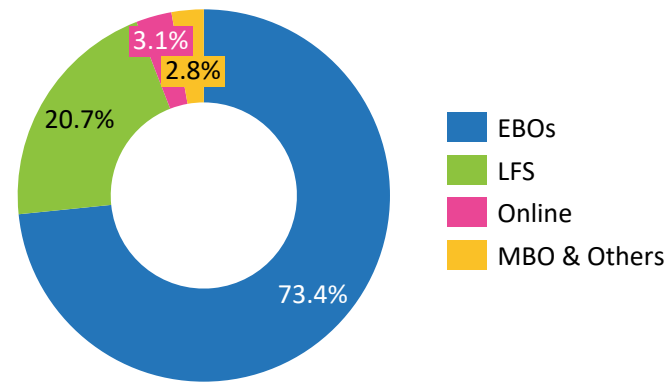
## Cities Present

**149**

## Large Format Stores

**1,822**

## Sales Mix (Q1 FY24)

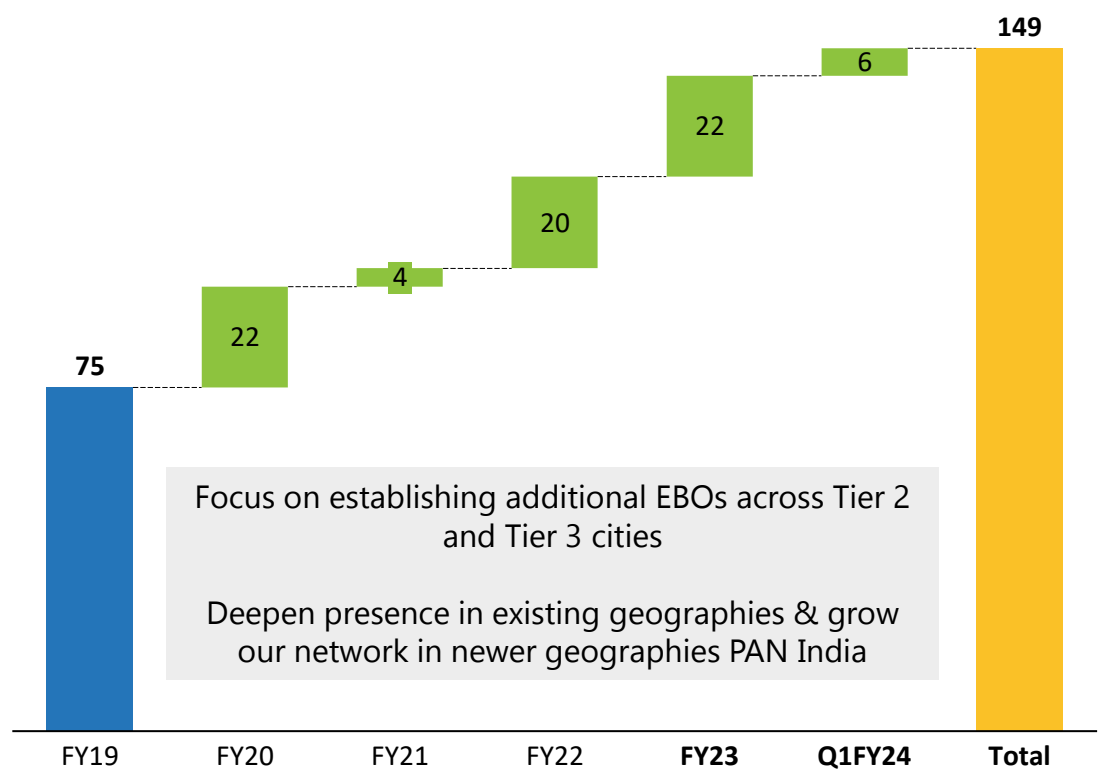
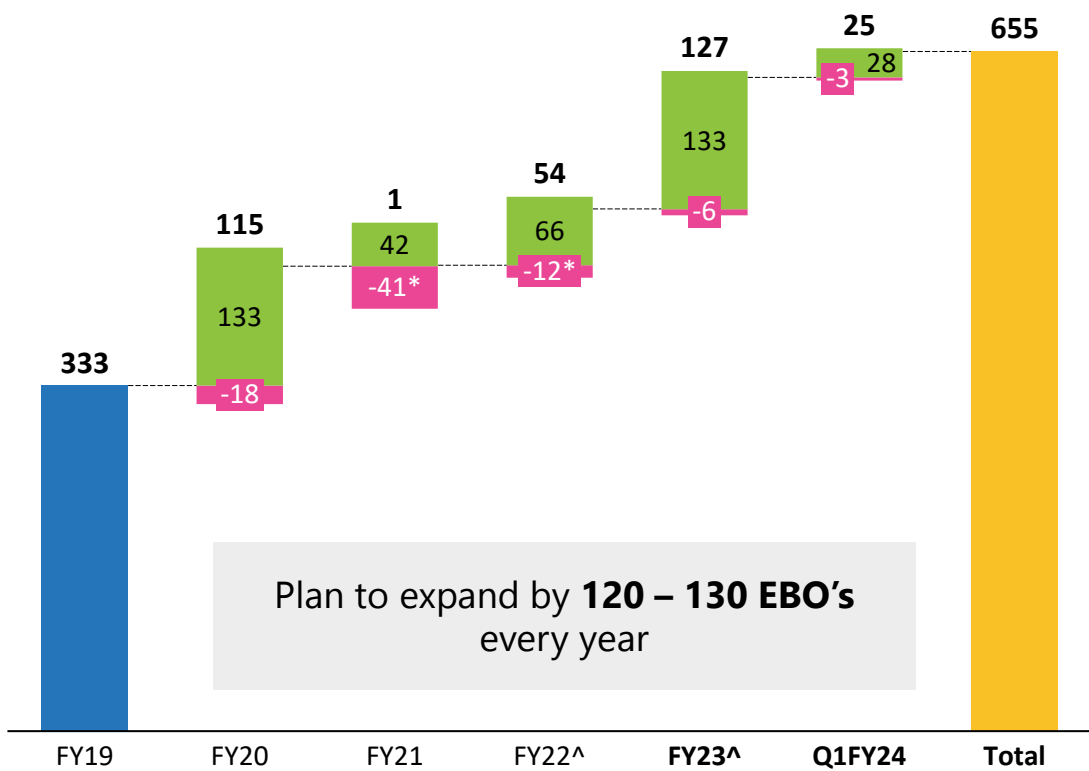


## Cluster-based model

**56.79%**

EBOs across top 8 cities

# Continuous Increase of EBO presence PAN India



■ New EBO Stores Opened ■ Closed during the period

■ New Cities PAN India

Plan to expand by **120 – 130 EBO's** every year

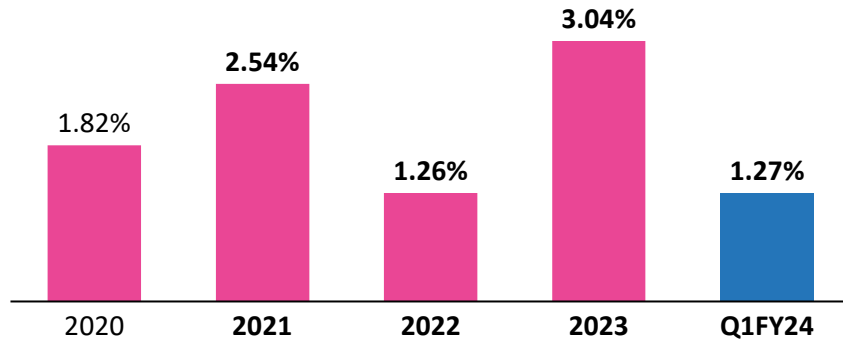
Focus on establishing additional EBOs across Tier 2 and Tier 3 cities  
 Deepen presence in existing geographies & grow our network in newer geographies PAN India

# Clubbing of few areas into cities has been done for better control. This has led to reduced cities as on FY18

\* Majority of stores closed down in FY21 and FY22 are due to CoVID impact

^ FY22 & FY23 stores are net of replacements

## Prudent use of resources to undertake brand-building initiatives and gain visibility



**Rs. 78.98** of Revenue  
on every rupee of Advertisement Spent



*Store at high footfall location with large external hoardings*

Go Colors utilizes its EBOs as its primary advertising channel

Outdoor marketing initiatives include leveraging advertisements through large hoardings at vantage points, bus shelters and metro pillars

Situated in locations with significant footfalls, increasing brand visibility and enhancing brand equity and recall

Significant importance on digital marketing by creating frequent consumer generated content uploaded across social media platforms

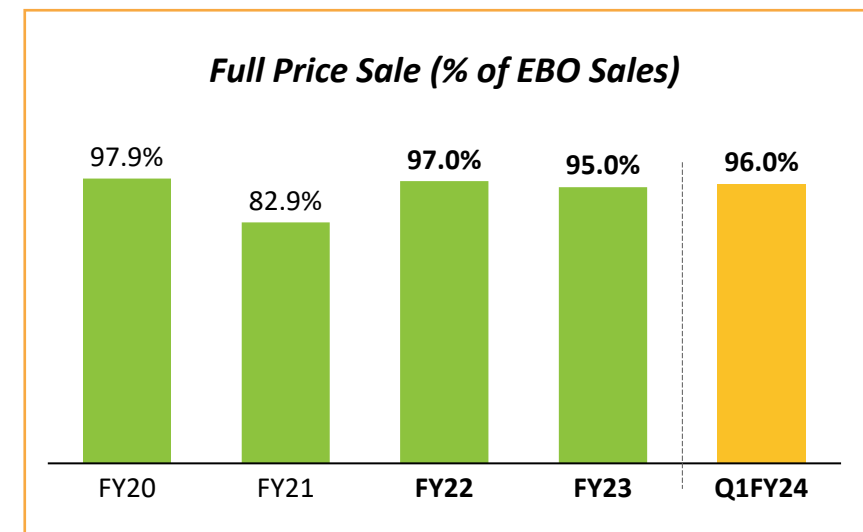
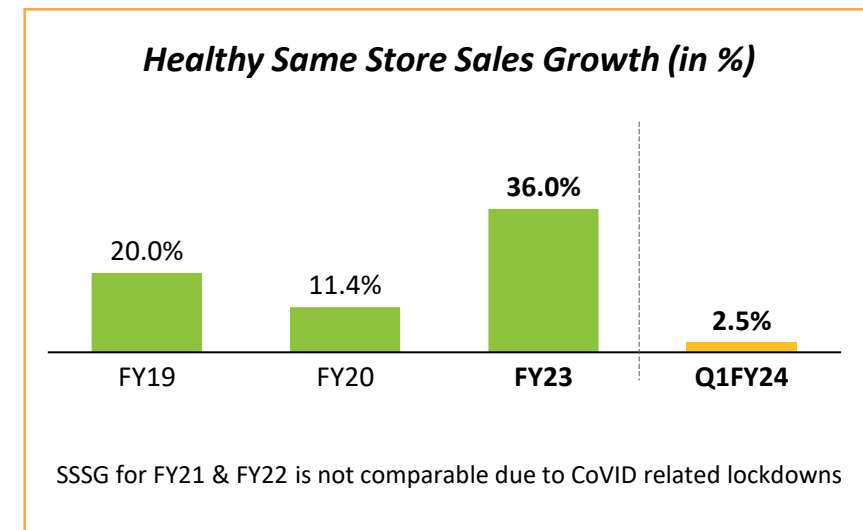


*Standardized visual designs and layout of the store*

## Efficient Space Utilization offers one of the highest sales per square foot in the industry

Average Store Size (Sq. ft.) <b>300 - 500</b>	Average Selling Price* <b>Rs. 771</b>	Present across <b>149 cities</b>
Average Investments for 1 EBO store (Incl. Inventory) <b>Rs. 37 - 38 Lakhs</b>	Payback Period <b>15 - 18 months</b>	Average Yearly Revenue Per Store <b>Rs. 85-90 Lakhs</b>

- Store location and size optimized, ensuring the sustainability of store profitability
- Ability to identify the stores at the right location and limited store closures resulted in healthy SSSG
- Product portfolio resistant to redundancy from vagaries of fashion trends and seasonality (round-the-year relevance)
- Given that bottom-wear is a 'core essential', demand for our products is consistent which results in limited discounting and higher full-price sales





### Outsourced Manufacturing

- Manage an extensive sourcing network to support product development teams
- 112 suppliers and 63 job-workers spread across 10 states and UTs
- Longstanding relationship with suppliers and job-workers
- Work closely with suppliers, supervising manufacturing and conducting inspections for quality checks

### Sourcing Team

- Sourcing team closely monitors suppliers and provides strict quality assurance analysis
- Regular inspections of fabrics sourced from suppliers helps consistently maintain product and service quality
- Stringent norms of quality assurance at various levels through quality control mechanisms
- Track suppliers' capacity and output to ensure production requirements are met and finished products are procured in a timely manner

### Centralized Warehouse

- Inventory, logistics and entire supply chain for all channels managed from warehouse in Tirupur, Tamil Nadu
- Warehouse spread over >99k square feet & 12K sq. ft. warehouse in Bhiwandi, Maharashtra
- Implemented end-to-end automation in inventory operations resulting in seamless and optimal inventory management
- Implemented business intelligence tool for inventory optimization, avoiding stock-out and ensuring sufficient supply at stores

### Supply Chain Automation

- Entire procurement and supply chain operation automated through ERP system
- Helps maintain flexibility while meeting requirements in an efficient manner without relying on any one vendor, supplier or factory
- Procurement needs streamlined avoiding over or under-stocking
- SCMS & internal controls minimize product shortage and occurrence of out-of-stock events enabling efficient operations and high productivity

GO COLORS!



## Forecasting

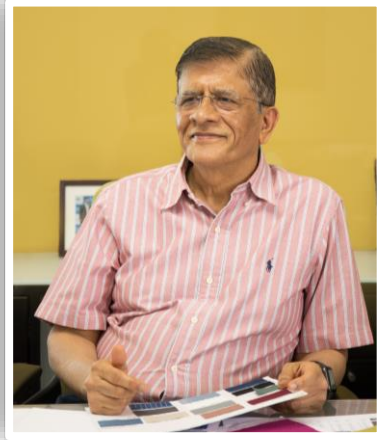
- Concept development and trend forecasting to develop new styles and products
- Participate in fairs or exhibitions in India or abroad to better understand trends
- Address evolving market trends and customers' preferences

## In-House Design

- Skilled team of 10 in-house designers and merchandisers
- Focus on creating quality products with innovative designs and optimal fit / sizing
- Products designed keeping in mind trends in fashion, fabric, textiles, wear ability, stitch and pricing
- Products designed for every occasion including for daily wear, office wear, festive, denim and lounge wear

## Data Analytics

- Product launches based on ERP generated business intelligence reports
- Research and data-driven design process
- Product design and development based on market research and customer feedback



**Mr. Prakash Kumar Saraogi**  
Managing Director

- Promotor of Go Fashion (India) Limited
- >28 years of experience in garment manufacturing, the fashion industry, and retail industry
- Holds a bachelor's degree in chemical engineering from Anna University, Chennai



**Mr. Gautam Saraogi**  
Executive Director and CEO

- Promotor of Go Fashion (India) Limited
- >10 years of experience in consumer retail, marketing, brand building and garment manufacturing
- Holds a bachelor's degree in commerce from University of Madras and an executive diploma in marketing management from Loyola Institute of Business Administration, Chennai
- Has received a token of appreciation for his contribution to the Chennai Retail Summit 2018



**Mr. R Mohan**  
Chief Financial Officer

- Chartered accountant by profession and has been associated with our Company since 2019
- Holds a bachelor's degree in commerce from Bharathiar University and is a member of the ICAI since 1991
- Served as the chairman of the Coimbatore Branch of Institute of Chartered Accountant India from 2000 to 2001
- Member of economic affairs and taxation panel of Confederation of Indian Industry, Coimbatore from 2016 to 2017



- 1 Continue to Expand Retail Network with a **Focus on EBOs**
- 2 Grow Sales Through **Online Channel**
- 3 Leverage Technology to Bring Cost Efficiency and **Enhance Customer Experience**
- 4 Leverage Leadership Position in **Women's Bottom-Wear**



Growth Strategies

Follow the **COCO Model** to ensure better operational control

Focus on establishing additional EBOs across **Tier 2 and Tier 3 cities**

Grow network in existing geographies i.e., **deepen penetration in south and west regions**

Add additional stores in the **north and east regions** with a focus on developing presence

Selectively expand presence across LFS **PAN India**

Plan to expand by **120 – 130 EBO's every year**

1 EBO Store  
Average Investment  
**Rs. 37 - 38 Lakhs**  
Payback period  
**15 – 18 months**

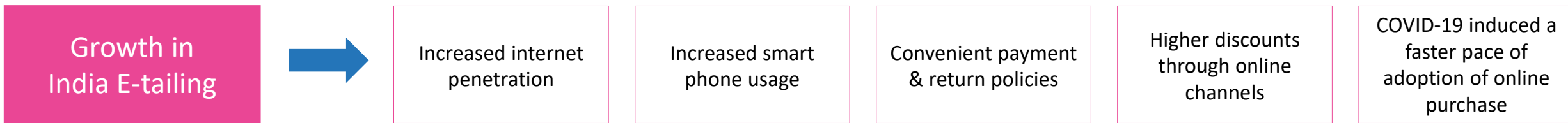
Increased Revenue through EBO's  
**~80% Revenues** through EBO's in the coming few years

Increased Cash Flow generation through increasing revenues from EBO's  
**+**  
Reduced Working Capital Requirement

No external funding required for growth in business for coming years

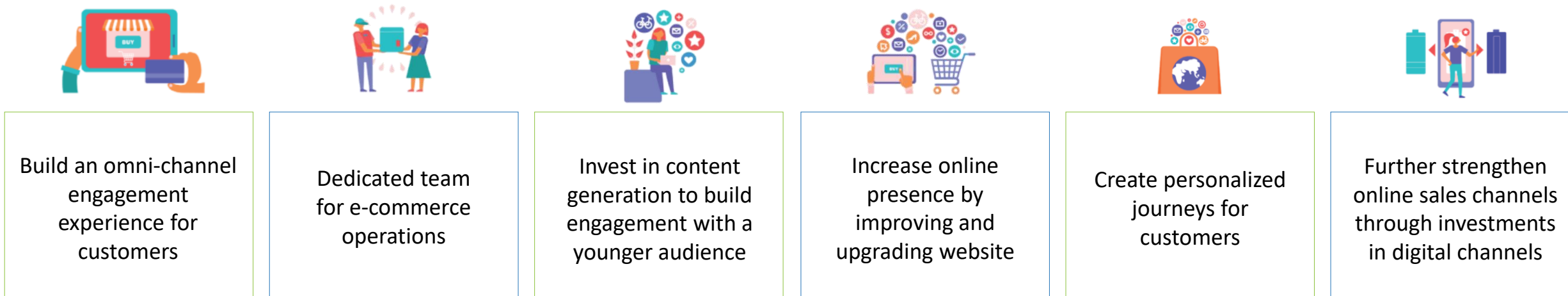
Leading to a **Healthy & Sustainable Business Model**  
**+**  
Increased Profitability + Better Return Ratios

**E-retail in India has witnessed rapid growth and is expected to reach ₹ 7.8 trillion by FY25 growing at 23% CAGR <sup>(1)</sup>**



**Sales from online channels for Go Fashion is Rs. 18.1 crores in FY23 (2.7% of Sales)**

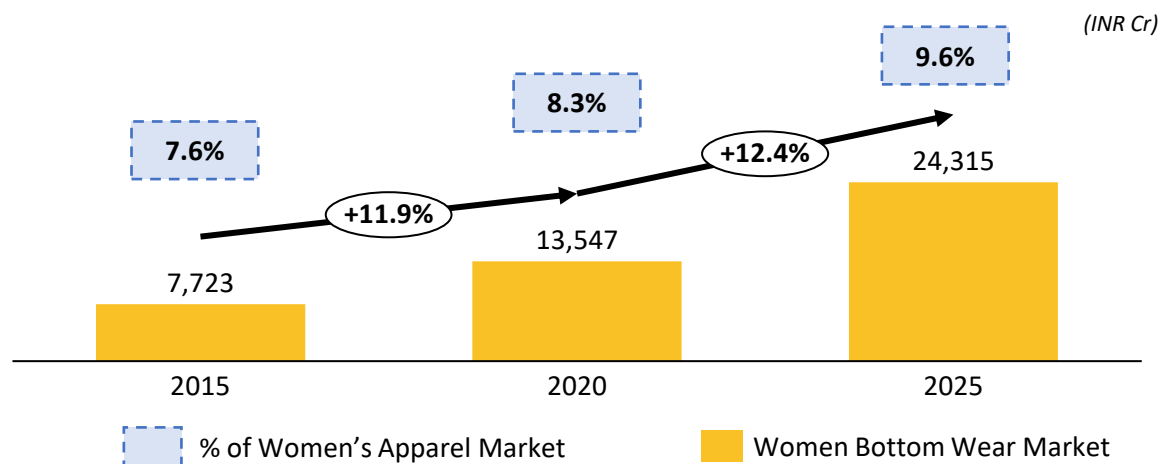
**Growth Strategies**



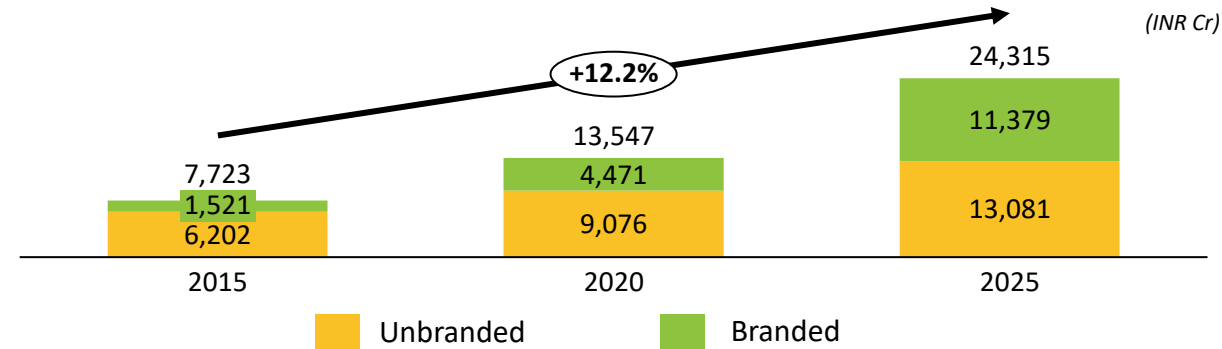
Note: (1) FY20-FY25  
Source: Technopak Report

### 3. Leverage Leadership Position

WBW market expected to grow at **12.4% CAGR reaching Rs. 243 Bn by FY25**



Branded women's bottom-wear market expected to see continued high growth in future



**From 2020-25 Share of Branded WBW expected to Grow at 20.5% CAGR v/s 7.4% CAGR of Unbranded WBW Segment**

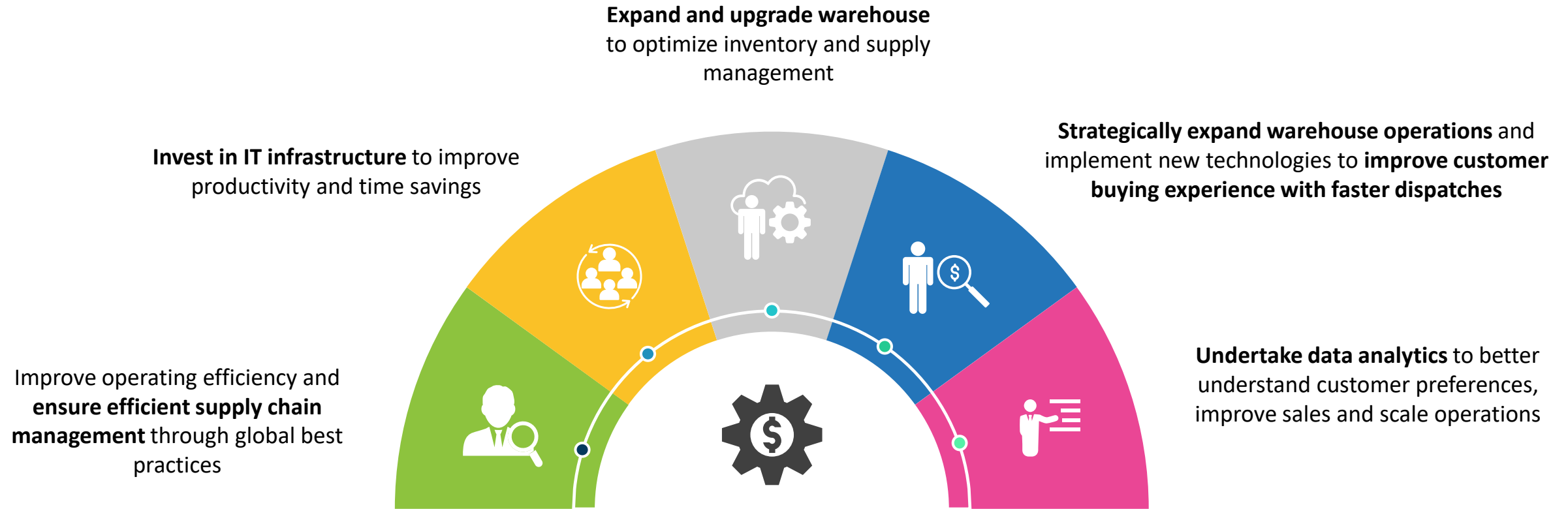
Go Colors has the **early mover advantage** in exclusive bottom-wear category with **8% market share**

With relatively low organized / branded penetration and modern women's growing disposable income, branded WBW market is expected to reach Rs. 114 billion in FY25

**Shift from unorganized to organized sector**  
Positioned to benefit from growth given the fragmented nature of the industry

**Scope for Expansion**  
WBW is a horizontal category enabling multiple extensions and new products  
**Expand into loungewear, a work-from-home collection, athleisure and other new products** in the ethnic, western and fusion wear segments

## Leverage Technology to Bring Cost Efficiency and Enhance Customer Experience





2016

### 'Images Retail Award'

Most admired retailer of the year – Concept Stores



2019

### Transforming India Retail Award



2019

2022

### 'Sustaining Enterprise of the Year'

at the TIECON, Chennai

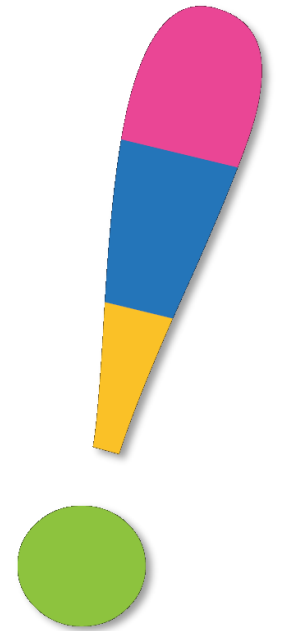




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# Financials

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Particulars (in Rs. Crore)	31-Mar-23	31-Mar-22*	31-Mar-21	31-Mar-20
<b>Total Revenue</b>	<b>665.3</b>	<b>401.3</b>	<b>250.7</b>	<b>392.0</b>
Cost of Materials Consumed	261.6	160.2	104.0	157.6
<b>Gross Profit</b>	<b>403.6</b>	<b>241.1</b>	<b>146.7</b>	<b>234.5</b>
<b>Gross Margin</b>	<b>60.7%</b>	<b>60.1%</b>	<b>58.5%</b>	<b>59.8%</b>
Employee Cost	102.6	73.1	61.5	62.0
Other Expenses	88.8	45.8	38.9	46.0
<b>EBITDA</b>	<b>212.3</b>	<b>122.2</b>	<b>46.3</b>	<b>126.5</b>
<b>EBITDA Margin</b>	<b>31.9%</b>	<b>30.5%</b>	<b>18.5%</b>	<b>32.3%</b>
Other Income	11.9	20.8	31.6	4.8
Depreciation	87.1	71.8	60.5	46.6
<b>EBIT</b>	<b>137.1</b>	<b>71.2</b>	<b>17.4</b>	<b>84.8</b>
Finance Cost	28.5	23.3	20.6	16.5
<b>Profit before Tax</b>	<b>108.7</b>	<b>47.9</b>	<b>-3.2</b>	<b>68.3</b>
Tax	25.9	12.3	0.4	15.7
<b>PAT</b>	<b>82.8</b>	<b>35.6</b>	<b>-3.6</b>	<b>52.6</b>
<b>PAT Margin</b>	<b>12.4%</b>	<b>8.9%</b>	<b>-1.4%</b>	<b>13.4%</b>
EPS (in Rs.)	15.33	6.74	-0.68	10.08



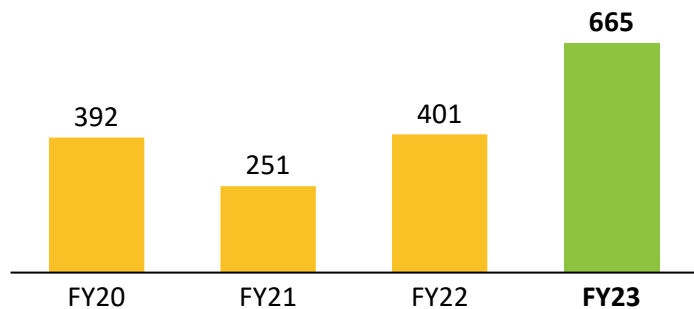
# Historical Balance Sheet Statement

EQUITY AND LIABILITIES (in Rs. Cr)	31-Mar-23	31-Mar-22*	31-Mar-21	31-Mar-20
Equity				
Share Capital	54.0	54.0	79.0	79.0
Other Equity	466.4	384.4	203.9	207.3
<b>Total Equity</b>	<b>520.4</b>	<b>438.4</b>	<b>282.9</b>	<b>286.3</b>
Liabilities				
Non Current Liabilities				
Lease liabilities	274.6	177.7	217.3	179.4
Provision	5.1	2.9	2.1	1.4
<b>Total Non Current Liabilities</b>	<b>279.7</b>	<b>180.6</b>	<b>219.4</b>	<b>180.9</b>
Current Liabilities				
Borrowings	0.0	0.0	10.4	2.8
Lease liabilities	64.9	72.1	4.6	27.4
Trade payables	30.3	17.7	10.7	10.5
Other financial liabilities	7.6	3.2	3.4	2.9
Current tax liabilities (net)	3.6	4.7	1.8	0.0
Other current liabilities	17.5	30.6	11.6	5.3
Provisions	2.3	3.9	3.4	3.2
<b>Total Current Liabilities</b>	<b>126.2</b>	<b>132.2</b>	<b>46.0</b>	<b>52.0</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>926.3</b>	<b>751.2</b>	<b>548.4</b>	<b>519.2</b>

ASSETS (in Rs. Cr)	31-Mar-23	31-Mar-22*	31-Mar-21	31-Mar-20
Non Current Assets				
Property, plant and equipment	85.0	64.1	58.4	60.3
Capital work-in-progress	308.0	226.7	8.6	8.1
Intangible assets	7.4	8.7	0.5	0.7
Right-of-use assets	0.7	0.4	200.6	194.7
Financial Assets				
Other financial asset	54.9	24.0	23.7	20.3
Deferred tax assets (net)	16.8	11.4	7.6	5.6
Other non-current assets	2.6	1.0	4.3	1.3
<b>Total Non-Current Assets</b>	<b>475.4</b>	<b>336.3</b>	<b>303.7</b>	<b>291.0</b>
Current Assets				
Inventories	230.3	165.9	80.9	105.9
Financial Assets				
Investments	21.7	45.9	46.4	8.9
Trade receivables	72.2	60.2	47.1	55.6
Cash and cash equivalents	33.7	42.4	13.2	0.1
Bank balances other than cash	53.5	63.4	26.5	32.4
Other financial asset	11.5	11.2	7.1	5.5
Current tax assets (net)	0.0	0.0	0.0	1.8
Other current assets	28.1	26.0	23.3	18.0
<b>Total Current Assets</b>	<b>451.0</b>	<b>415.0</b>	<b>244.6</b>	<b>228.2</b>
<b>TOTAL ASSETS</b>	<b>926.3</b>	<b>751.2</b>	<b>548.4</b>	<b>519.2</b>

## Robust, organic revenue growth...

(INR Crs.)



## ...with exceptional Gross margins

(INR Crs.)



## ... and tight operational control leading to high EBITDA margin

(INR Crs.)

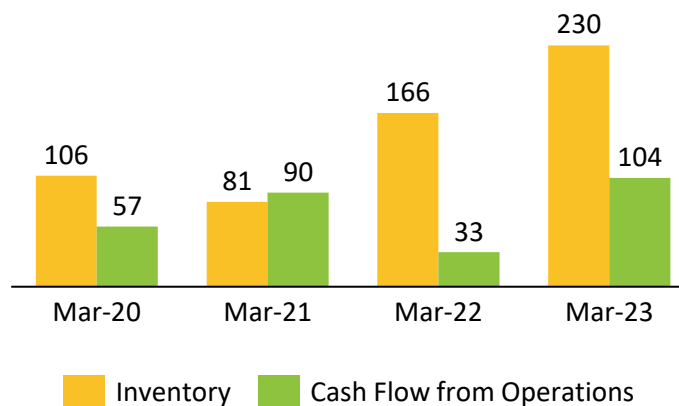


## Steady growth in net profits...

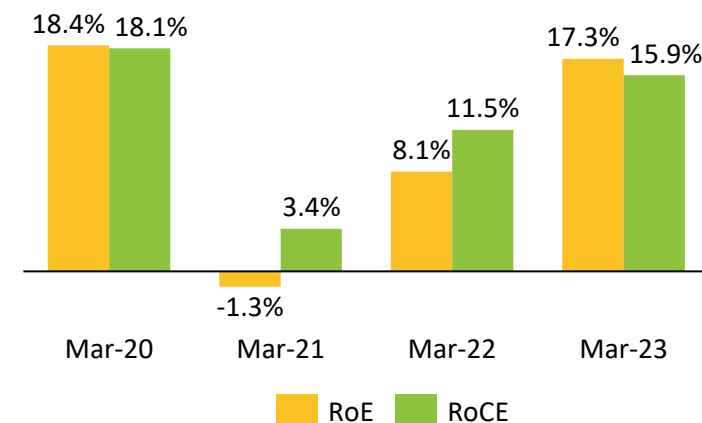
(INR Crs.)



## Reasonable cash conversion...



## ... and best-in-class return metrics





# THANK YOU!

**Company: Go Fashion (India) Limited**

CIN: L17291TN2010PLC077303

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