

CMP: INR 715

Rating: BUY

Target Price: INR 1,101

Stock Info

BSE	532630
NSE	GOKEX
Bloomberg	GEXP:IN
Reuters	GOKL.NS
Sector	TEXTILES
Face Value (INR)	5
Equity Capital (INR cr)	36.62
Mkt Cap (INR cr)	5,239
52w H/L (INR)	995/532
Avg Daily Volume (in 000')	682

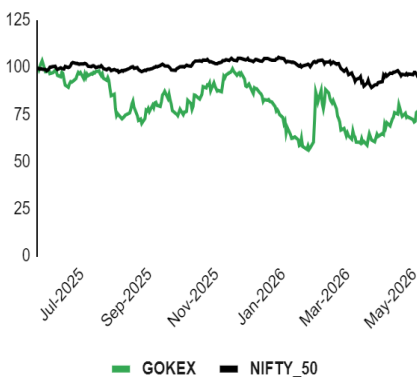
Shareholding Pattern %

(As on Mar 2026)

Promoters	9.15
FII	19.85
DII	37.58
Public & Others	33.42

Stock Performance (%)	1m	6m	12m
Gokaldas	(1.36)	(22.6)	(25.3)
Nifty 50	(0.25)	(7.16)	(3.88)

Gokex vs Nifty 50



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Gokaldas Exports reported Q4FY26 consolidated revenue of INR 10,688 Mn, up 9.2% QoQ while remaining largely flat YoY. EBITDA grew strongly by 46.2% QoQ to INR 1,095 Mn with margin improving to 10.24% versus 7.65% in Q3FY26, supported by better operating leverage and lower employee costs. EBIT rose 85.7% QoQ to INR 893 Mn, while PAT came in at INR 360 Mn, up 146.1% QoQ but down 32% YoY due to a higher effective tax rate and lower margins compared to the high base of Q4FY25. despite severe tariff disruptions, the company is guiding for significant revenue growth in FY27 of much more than 10-12%. This is supported by restored order flow and a level playing field in global markets.

Margin Expansion through Tariff Normalization: The company absorbed an INR 900 Mn net discount in FY26 to protect market share during penal tariff regimes. With these tariffs now normalized, the company anticipates a 200-bps improvement in EBITDA margins for FY27, as sharper pricing concessions are phased out by the second half of the year.

Substantial Scaling in Africa (Atraco): The Africa segment is poised for a major ramp-up following the restoration of AGOA. The company targets revenue of \$115–\$120 million for FY27 (compared to ~\$80 million in FY26), with margins expected to hit 8–10% in the second half as operating leverage from two-shift operations kicks in.

Valuation & Outlook: We assign a TP of INR 1,101 valued at a P/E multiple of 30x the FY29E EPS of INR 36.7, and a 'Buy' rating. The company is positioned for a significant operational inflection in FY27, with the company guiding for revenue growth well exceeding 10-12% and a projected ~200 bps expansion in EBITDA margins as punitive tariff headwinds which incurred an INR 900 Mn cost in FY26 normalize. This growth trajectory is underpinned by a robust recovery in the Africa segment, which targets \$115–\$120 million in revenue following the restoration of AGOA, and the ramp-up of new Indian facilities in Kolar and Bhopal that provide INR 3000 Mn in incremental steady-state capacity. Furthermore, the strategic integration of the BTPL fabric mill is expected to contribute over INR 10,000 Mn in revenue for FY27, with a clear path to EBITDA profitability in the second half. While the company remains vigilant regarding labor inflation and geopolitical volatility, its structural benefits from the China Plus One shift, a diversified premium customer base, and potential upside from impending UK and EU FDAs provide a compelling medium-term outlook.

INR Mn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	38,642	39,876	44,063	49,483	56,312
Growth	62.44%	3.19%	10.50%	12.30%	13.80%
EBITDA	3,710	3,564	4,318	5,047	6,082
EBITDA M	9.6%	8.9%	9.8%	10.2%	10.8%
PAT	1,585	1,001	1,606	2,025	2,688
EPS (INR)	22.2	13.7	21.9	27.6	36.7
RoE	7.6%	4.6%	6.9%	8.0%	9.6%
RoCE	12.2%	8.8%	9.7%	10.8%	12.8%
P/E (x)	32.2	52.3	32.6	25.9	19.5
EV/EBITDA (x)	15.1	17.1	14.3	12.3	10.1
Net D/E (x)	-0.4	0.3	0.1	0.3	0.3
P/BV (x)	4.0	2.5	2.4	2.3	2.1

Source: Company & Arihant Research

INR Mn (consolidated)	Q4FY26	Q3FY26	Q4FY25	Q-o-Q	Y-o-Y
Net Revenue	10688	9787	10153	9.22%	-0.50%
Raw Material Costs	5209	4480	5051	16.25%	3.12%
Gross Profit	5480	5306	5102	3.27%	7.40%
<i>Gross Margin</i>	<i>51.27%</i>	<i>54.22%</i>	<i>50.25%</i>	<i>-295bps</i>	<i>102bps</i>
Employee costs	3320	3496	3154	-5.03%	5.26%
Job Work Charges	51	80	39	-35.90%	31.37%
Other Expenses	1014	982	710	3.32%	42.81%
EBITDA	1095	749	1199	46.19%	-8.73%
<i>EBITDA margin %</i>	<i>10.24%</i>	<i>7.65%</i>	<i>11.81%</i>	<i>259bps</i>	<i>-157bps</i>
Other Income	185	195	195	-5.24%	-5.30%
Depreciation	386	463	415	-16.53%	-6.94%
EBIT	893	481	979	85.69%	-8.80%
Finance costs	264	240	215	9.99%	23%
Gain/ Loss on account of foreign exchange fluctuations (net)	71	20	26	244.67%	169%
PBT	700	261	791	167.67%	-11.50%
Tax Expense	340	115	262	195.02%	30%
<i>Effective tax rate %</i>	<i>48.60%</i>	<i>44.09%</i>	<i>33.13%</i>	<i>451bps</i>	<i>1546bps</i>
PAT	360	146	529	146.09%	-31.97%
<i>PAT margin %</i>	<i>3.36%</i>	<i>1.49%</i>	<i>5.21%</i>	<i>187bps</i>	<i>-184bps</i>
EPS (INR)	4.91	2.00	7.40	145.50%	-33.65%

Source: Company & Arihant Research

Strategic Vertical Integration via BTPL: The integration of the BTPL fabric mill provides critical backward integration, with the company currently consuming 30-35% of its output. The entity is projected to achieve more than INR 10,000 Mn in revenue in FY27, moving toward EBITDA break-even in H1 and 6-7% margins in H2.

Capacity Deployment and Top-line Visibility: Newly commissioned units in Kolar Gold Fields and Bhopal provide immediate revenue visibility, with a projected steady-state contribution of INR 3,000 Mn to the annual topline. Additional planned units could add another INR 3,000 Mn by FY28.

Premium Customer Diversification: The company has successfully onboarded four new premium customers (two in India, two in Africa). These additions, which will begin yielding revenue in FY27, are high-performance brands that secure the company against future market shocks and reduce reliance on a fragmented retail base.

Structural Advantage from Geopolitical Shifts: The company is a primary beneficiary of the China Plus One strategy, as global retailers diversify supply chains. Furthermore, the company's Africa operations remain exempt from Section 301 investigations, providing a structural 10% tariff advantage over Asian competitors.

Sustained Labor Cost Competitiveness: Despite domestic wage inflation in regions like Haryana and UP, India maintains a significant labor cost advantage with average monthly costs at ~\$210, compared to \$300+ in Vietnam and China. The company is further optimizing costs by expanding into rural regions to tap stable labor pockets.

Optionality from Pending FDAs: Potential Free Trade Agreements with the UK and the European Union represent significant, massive windfall catalysts for the company. These agreements are not yet baked into the current company guidance, providing substantial upside potential if ratified.

Consolidated Statement of Profit and Loss (INR Mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	38,642	39,876	44,063	49,483	56,312
Total Income	39,172	40,650	44,837	50,256	57,085
Total Expense	34,933	35,540	39,745	45,231	51,377
EBITDA	3,710	3,564	4,318	5,047	6,082
Depreciation and amortization expenses	1,284	1,669	1,719	1,769	1,819
EBIT	2,955	2,668	3,372	4,052	5,036
Interest expense	774	952	1,052	1,152	1,252
Exceptional item	-	-	180	200	201
PBT	2,181	1,716	2,321	2,900	3,784
Tax expense	595	715	535	675	896
PAT	1,585	1,001	1,606	2,025	2,688
Basic earnings per share	22.18	13.67	21.92	27.65	36.69

Consolidated Balance Sheet (INR Mn)	FY25	FY26	FY27E	FY28E	FY29E
Non-Current Assets					
Property, plant and equipment	6,196	6,581	7,081	7,581	8,081
Capital work-in-progress	170	1,163	1,363	1,563	1,763
Right of Use Asset	1,955	2,971	3,171	3,371	3,571
Other intangible assets	5,838	5,849	5,852	5,855	5,858
Financial assets	2,234	3,491	3,501	3,511	3,521
Deferred tax assets	372	738	838	938	1,038
Non-current tax assets (net)	27	33	35	37	39
Other non-current assets	154	95	100	105	110
Total non-current assets	16,945	20,920	21,940	22,960	23,980
Current assets					
Inventories	6,819	8,745	9,054	9,490	10,028
Financial assets	9,535	11,463	11,524	12,051	13,838
Other current assets	2,073	2,413	2,913	3,413	3,913
Total current assets	18,427	22,621	23,491	24,953	27,778
Total assets	35,372	43,542	45,431	47,913	51,759
EQUITY AND LIABILITIES					
EQUITY					
Equity share capital	357	366	366	366	366
Other equity	20,449	21,238	22,843	24,868	27,556
Total equity	20,807	21,604	23,210	25,235	27,922
LIABILITIES					
Non-current liabilities					
Financial liabilities	4,604	6,084	6,784	7,484	8,184
Borrowings	3,073	3,744	4,244	4,744	5,244
Lease liabilities	1,531	2,341	2,541	2,741	2,941
Provision for employee benefits	202	565	545	525	505
Total non-current liabilities	4,806	6,847	7,329	8,009	8,689
Current liabilities					
Financial liabilities	8,509	13,710	13,854	13,631	14,109
Other current liabilities	579	608	608	608	608
Provision for employee benefits	597	431	431	431	431
Current tax liability	74	342	-	-	-
Total current liabilities	9,759	15,091	14,892	14,670	15,148
Total equity and liabilities	35,372	43,542	45,431	47,913	51,759

Q4FY26 Result Update | Gokaldas Exports

Consolidated Statement Cash Flow Statement (INR Mn)	FY25	FY26	FY27E	FY28E	FY29E
Profit before tax	2,181	1,716	2,141	2,700	3,583
Adjustment for:					
Tax	-595	-715	-535	-675	-896
Depreciation	1,284	1,669	1,719	1,769	1,819
Other Expenses	-	-	-	-	-
Finance Costs	774	952	1,052	1,152	1,252
Cash from operation	3,644	3,622	4,376	4,946	5,758
Working capital changes	-3,904	572	-1,191	-1,723	-1,131
Net Cash generated /(used) from operation	-260	4,194	3,185	3,223	4,627
Cash from Investing					
Purchase of PP&E	-2,803	-4,074	-2,622	-2,672	-2,722
Investment in mutual Fund Units	-1,880	-1,571	-117	-117	-117
Cash generated /(used) from Investing	-4,683	-5,645	-2,739	-2,789	-2,839
Cash from Financing					
Proceeds from Issue of Shares	6,308	-204	-	-	-
Short Term borrowings	441	2,041	482	680	680
Finance Costs	-774	-952	-1,052	-1,152	-1,252
Cash generated / (used) from Financing	5,975	885	-570	-472	-572
Cash Generated during the year	1,031	-565	-123	-38	1,217
Opening Balance	543	1,574	1,008	885	847
Closing Blance	1,574	1,008	885	847	2,064
Ratios	FY25	FY26	FY27E	FY28E	FY29E
Growth					
Revenue growth	62.4%	3.2%	10.5%	12.3%	13.8%
EBITDA Growth	49.2%	2.3%	17.4%	14.3%	17.8%
EBIT Growth	51.3%	-9.7%	26.4%	20.1%	24.3%
Net Profit Growth	-24.3%	21.1%	-36.8%	60.4%	26.1%
Profitability					
EBITDA Margin	9.6%	8.9%	9.8%	10.2%	10.8%
EBIT Margin	7.6%	6.7%	7.7%	8.2%	8.9%
Net Profit Margin	4.1%	2.5%	3.6%	4.1%	4.8%
ROE	7.6%	4.6%	6.9%	8.0%	9.6%
ROCE	12.2%	8.8%	9.7%	10.8%	12.8%
Per Share Data (INR)					
Basic EPS	22.18	13.67	21.92	27.65	36.69
BVPS	180.7	284.1	294.9	316.9	344.5
Gearing Ratio (x)					
Net Debt/Equity	0.1	0.3	0.3	0.3	0.2
Net Debt/EBITDA	0.4	1.6	1.5	1.4	1.0
Interest Coverage Ratio	3.8	2.8	3.0	3.3	3.9
Efficiency Ratios					
Inventory Days	122	148	155	133	116
Receivable Days	37	47	50	45	40
Payable Days	40	56	62	50	43
Cash Conversion cycle	119	139	143	127	113
Valuation					
P/E	32.2	52.3	32.6	25.9	19.5
P/BV	4.0	2.5	2.4	2.3	2.1
EV/EBITDA	15.1	17.1	14.3	12.3	10.1
EV/Sales	1.4	1.5	1.4	1.3	1.1

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Stock Rating Scale

BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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