GSM FOILS LIMITED

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April 27, 2026

To,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G,
Bandra Kurla Complex, Bandra,
Mumbai-400051, Maharashtra

Scrip Code: GSMFOILS

Sub: Outcome of Q4-FY26 Earnings Conference Call - Transcript

Dear Sir/Madam,

With reference to our letter dated April 15, 2026 related to the Earnings Conference call and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI-LODR"), we would like to inform that the transcript of the Earnings Conference call held on Wednesday, April 22, 2026 at 11:00 A.M. IST, is attached herewith.

Kindly take the aforesaid information on record and oblige.

Thanking you
For GSM FOILS LIMITED

SAGAR GIRISH BHANUSHALI

Digitally signed by SAGAR GIRISH BHANUSHALI
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SAGAR BHANUSHALI
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“GSM Foils Limited

Q4 FY26 Earnings Conference Call”

April 22, 2026

MANAGEMENT: **MR. SAGAR GIRISH BHANUSHALI – WHOLE TIME DIRECTOR AND CHIEF FINANCIAL OFFICER – GSM FOILS LIMITED**

MODERATOR: **MR. AAGAM SHAH – X-B4 ADVISORY LLP**

Moderator: Ladies and gentlemen, good day and welcome to the Q4 FY26 Earnings Conference Call of GSM Foils Limited, hosted by X-B4 Advisory LLP. 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 this 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. Aagam Shah from X-B4 Advisory LLP. Thank you and over to you, sir.

Aagam Shah: Thank you. Good morning everyone and welcome to the Q4 FY26 Earnings Conference Call of GSM Foils Limited. Today on this call, we have with us Mr. Sagar Girish Bhanushali, who is the Whole Time Director and Chief Financial Officer of GSM Foils Limited.

This conference call may contain some forward-looking statements about the company, which are based on beliefs, opinions, and expectations as of today. Actual results may differ. The statements are not guarantees of future performance and involve risks and uncertainties. With this, I now hand over the call to Mr. Sagar for his opening remarks. Over to you, sir.

Sagar Bhanushali: Good morning everyone. Thank you for joining us on Q4 FY26 Earnings Calls of GSM Foils Limited. I hope all of you have got a good opportunity to look through our financial results and investor presentation which were uploaded on the stock exchange and also on the company website. During Q4 FY26, the ongoing war between Iran, Israel, and US emerged as a key macro development impacting global supply chain.

Disruption led to critical trade routes which in all the metals, specifically aluminium, resulting into a tremendous increase in the prices. It has impacted the availability and the pricing of all other petrochemical derivatives and intermediates which are used in pharmaceutical packaging. However, this situation also created a relatively advantage for Indian manufacturers as global companies are increasingly diversifying source away from the conflicted area and region and seek stable and compliant supply partners..

India's strong manufacturing base, improving self-reliance initiative and policy support of domestic capacity expansion has enabled it position for a reliable alternative in global supply chain. Consequently, the near-term cost pressure persist, Indian players across the pharmaceutical and packaging ecosystem are witnessing incremental opportunities in export markets and other global vendor consolidation.

Domestic pharmaceutical packaging continued to witness a steady growth. India remains a major global supplier of generic medicines, specifically in regulated markets such as US and Europe, which in turns drive high demands quality, compliance oriented and primary packaging material including our aluminium blister and strip foil.

An update on our expansion initiative of Ahmedabad manufacturing facility, it is ramping up really well and now is operating at an improved utilization level. The facility continues to support our growth and expanding our pharmaceutical customer base, particularly across western and northern region while also catering to incremental requirement from our existing clients.

Going ahead, we remain focused on further scaling of this facility and aim to achieve an optimal utilization level at the end of next financial year, thereby enhancing overall operational efficiency and supporting future growth. As discussed earlier, our growth strategy continues to focus on diversification and strong operational execution. During the quarter, we continued our strengthen our market presence and deepen our engagement with our customers.

Now talking about the numbers and performance in Q4, during Q4 FY26, the company delivered a strong performance reporting a revenue of INR8,168.9 lakhs, reflecting a robust 79.1% year-on-year growth. EBITDA stood at INR943.0 lakhs, registering a solid 62.5% increase compared to the same of last quarter. However, EBITDA margin moderated by 120 basis points to 11.5% from 12.7% in Q4 financial year. The profit after tax for the quarter was INR627.9 lakhs, up by 83.6% year-on-year while PAT margin improved by 20 basis points to 7.7%, highlighting continued operating leverage despite some margin pressure at EBITDA level.

For FY26, the company reported a revenue of INR25,815.4 lakhs, marking a strong 92.9% year-on-year growth. EBITDA stood at around INR2,978.3 lakhs, reflecting a significant 95.9% increase over FY25. PAT margin expanded by 50 basis points to 7.7%, underscoring company's sustained focus on operational efficiency, scale benefit and disciplined execution. Which strong financial performance reflect the resilience of the company model and disciplined execution, supported by healthy demand, scalable operation and continued focus on profitable growth. With that, I would like to open the floor for questions and answers.

Moderator: Thank you very much. We will now begin the question and answer session. We will take the first question from the line of Deepak Poddar from Sapphire Capital. Please go ahead.

Deepak Poddar: Thank you very much, sir for this opportunity. Sir, just wanted to understand first up this Ahmedabad plant, you are expecting optimum utilization by FY '27 end right? So, what is our current utilization level?

Sagar Bhanushali: We have reached almost 25% to 30% over there.

Deepak Poddar: So currently we are at 25% to 30% and what would be this plant, I think it is 10,000 metric tons, right? So 10,000 metric ton, what would be its revenue potential on an annual basis?

Sagar Bhanushali: If you look at an average basis price then on an average, on a monthly basis I can comment you once it reaches optimal capacity, on a monthly run rate it would give me around INR30 crores to INR35 crores per month.

Deepak Poddar: Only this plant, right?

Sagar Bhanushali: Only the Ahmedabad plant, yes.

Deepak Poddar: And Vasai plant is about what, INR20 crores per month?

Sagar Bhanushali: Vasai has already reached around INR25 crores to INR28 crores, still there is 10% more capacity left in that. And with few here and there spares and addition, we can increase it up to 20%, so more around INR6 to INR7 crores revenue can be pulled from the Vasai plant.

Deepak Poddar: INR6 crores to INR7 crores more. So currently Vasai we are doing INR25 crores to INR28 crores and INR6 crores to INR7 crores we can do more. And Ahmedabad monthly can be INR30 crores, INR35 crores.

Sagar Bhanushali: 100%. Yes.

Deepak Poddar: Understood. So, I mean by March '27, I mean if we have to see, so ideally your monthly run rate can reach INR60 crores, would that be the plan?

Sagar Bhanushali: That is the plan, yes. That is the vision that we are taking forward currently.

Deepak Poddar: Okay. Understood. And in March '26, I think we did about INR29 crores, right? So how much was from Ahmedabad plant?

Sagar Bhanushali: Around INR5, INR5.5, INR5 and a half.

Deepak Poddar: INR5, INR5.5 was from Ahmedabad. Okay. Understood. And on the commodity cycle, how should one look at? I mean given the you mentioned near-term cost pressure persist and all. So how should one look at it?

Sagar Bhanushali: The rate increase like every day, aluminium LME and even the MCX is almost on an all-time high. So other than aluminium, there are many other products like all the chemicals and all the petrochemicals that we use, like ethyl acetate, everything, even they have become extremely expensive these days. So that in the month of March we faced a little bit pressure over that, but eventually it was passed on. But let's see how far this it goes and it has to settle over the period of time, but I don't know how long would it take for the situation to normalize now.

Deepak Poddar: Okay. So, FY '27 what sort of margins one should look at then? I mean given the scenario.

Sagar Bhanushali: If you are asking any commitment, then definitely we will try to sustain the current level if not increase, but sustenance at current level is then definitely be looked at.

Deepak Poddar: Sustain the current level as in around 11.5% type?

Sagar Bhanushali: Yes.

Deepak Poddar: Okay. Understood. And just last couple of things from my side. Why our receivables have become so high?

Sagar Bhanushali: During the month of March specifically, majority of the pharma companies, their funds got stuck because of few LCs or export payment or dollar payment because all these conflicts going on, the rates and all. So they had a special request from us if you can manage this thing now. Then we actually we tried our level best to pull it down, but to maintain that relation and looking at the market scenario, even we had to let go for them.

But then a good chunk of amount has already received in first 10 to 15 days of April month. So things are now quite normal now. And on top of that, we got a debt facility from ICICI Bank of around INR15 crores during that phase. So, cash flow was managed well with this new funds coming in now, so we were able to procure more from the purchase part to because the rate was going almost around 8% to 10% plus in this month which eventually went, the aluminium prices went up by around INR50, which is equivalent to 10%.

So, we had a good inventory level in the month end. The receivable part was slightly off, but then things are very well managed as on date where we are sitting on 20th April, majority of the chunk like around INR30 crores, INR40 crores of that has already been received. So that's not an issue. But as on that day, the current market scenario was such that we had to give some liberty to our clients, so that was a challenge that time, but with new funds coming in, everything went well.

Deepak Poddar: This INR94 crores around INR30 crores, INR40 crores have already been received?

Sagar Bhanushali: Correct.

Deepak Poddar: And so what is the normalized receivables or normalized working capital cycle we should look at?

Sagar Bhanushali: Normally it is 60 to 70 days. Looking at this market scenario now, 60 to 70 days is normal in pharma sectors these days now.

Deepak Poddar: Receivables you are saying or overall working capital?

Sagar Bhanushali: The receivables, which is equivalent to almost INR60, INR65 almost INR60 crores to INR70 crores.

Deepak Poddar: Okay. Understood. That would be it from my side. I would like to wish you all the very best. Thank you so much.

Sagar Bhanushali: Thank you, sir. Thank you so much.

Moderator: Thank you. We will take the next question from the line of Subhanu Bangal from 3 Head Capital.

Subhanu Bangal: Thank you. Sir, as you mentioned we see some cost pressure due to raw material increase. You already passed on everything. But in this time, we see many competitor pass on something and they win the order. Do you see some voluminous increase in this segment?

Sagar Bhanushali: Yes, sir definitely there are challenges because the cost pressure increase from all the things that we look, the conversion part and the bare foil. That aluminium price is also increasing, even the chemicals are increasing. So somewhere or the other we need to pass on, somewhere we need to absorb, but it eventually settles in the volume that we do.

Obviously there is competitive pressure, the pharma demanding low prices, but then somewhere someone has to absorb, sir. It's not like that only we are increasing, everyone is increasing. The entire market knows the prices are going up and no one has the certainty when it will go down.

Even if we are sure that next month is going to go down then we may start absorbing it currently, but then I don't think so this is the new normal these days. The aluminium would be at this range only and the chemicals would be at this range only. So everyone more or less is ready. 5% or 10% here and there the orders shifts from here to there, but mainly it doesn't affect the overall efficiency of the company.

Subhanu Bangal: But big player always focus on cheap product. Yes, they focus quality, but if our competitor give them very low price or pass on little bit, but they will definitely go for them, go with them?

Sagar Bhanushali: Yes, but then for how long, sir? For a day or two, for a max month. Post that they can't do, sir. Even they know that.

Subhanu Bangal: Got it.

Sagar Bhanushali: That is the thing, over the period of time the volume that we are doing now, these things stabilizes. If it starts going down then definitely we will start also reducing our prices, but this thing is going up almost every day.

Subhanu Bangal: Yes. Sir, my next question on employee cost. If I see our employee cost year-on-year reduce something, but quarter-on-quarter increase, but what happened last Q4?

Sagar Bhanushali: Quarter-on-quarter is increasing because of the Ahmedabad plant in Q4.

Subhanu Bangal: Yes, but last Q4 FY25 we see INR10 crores employee cost. What happened last Q4?

Sagar Bhanushali: What happened sorry the last quarter?

Subhanu Bangal: Last year Q4.

Sagar Bhanushali: So this year the employee cost naturally increased because of the aluminium Ahmedabad plant coming in. So during in the month of Feb and March now, many new employees and team was recruited over there because we were trying to ramp up that facility.

Subhanu Bangal: No, sir. But last year Q4 I see our employee cost almost INR10.8 crores, but this year only INR6.9 crores something?

Sagar Bhanushali: Then give me some time, sir and definitely I have to look at that. Maybe the salary part of all the directors this year we haven't taken that much. The exact bifurcation just give me few times, I will check and get back to you on this thing.

Subhanu Bangal: Okay. And our target is INR60 crores per month revenue?

Moderator: Sorry to interrupt you in between Subhanu. I would request you to kindly re-join the queue again for more questions.

Subhanu Bangal: Okay, sure.

Moderator: Thank you. We will take the next question from the line of Abhi Jain from AJ Capital. Please go ahead.

Abhi Jain: Good morning, sir. Sir, I am new to the company, so I just want to understand some basics about the company and also certain competitive advantages that you may have which you might be able to describe. I understand that this Ahmedabad capacity that is coming in and will go online and at optimal capacity, it gives you the guidance and some runway into FY27.

But from business perspective, I want to understand more about what is the sustainable growth. So once this capacity goes to full utilization, then you need to find additional capacity. I mean, I just want to understand what competitive advantages do you have for a -- for a medium to long-term perspective and want to understand how much of the growth sustainable and at what level?

Where do you see like FY29, FY30, where do you see your revenues going to? What do you think the capacity that you will be operating in? And especially what gives you the advantage in this, foil sector, which helps you -- give you that confidence that your growth will be above industry? So just some flavor around that?

Sagar Bhanushali: Okay. Specifically we are talking about the competitive edge, sir, then this thing I am talking to everyone from day one, the competitive edge in this line is how well do you manage your working capital and how well your relationship are with your all the clients, sir. So there is no other specific like this is very basic business, sir.

This is packaging business to pharma industry. So it does not involve any specialized business like solar or EPS or anything like that. So basically it's a basic pharma packaging business. So let me be very clear on this thing. The only competitive edge that we have is that volume that we are doing. So we are more cost effective compared to our competitors.

Secondly, with more funds of this rights issue and bank ODs, we are able to provide more credit to our clients. So these days clients need credit. Unless credit one is at a lower cost. Indian pharma industry needs these two things only. If you are able to cater them this well and you are able to churn your cycle within 60, 70 days, then you are doing really good. That is the only thing you need to do in this business, sir.

There are many other player doing in this thing, but somewhere or the other they face cash crunch, sir. It's very tough to get money from the client, sir. It's very easy to sell, it's very tough to get that money back and put it into your business and then churn it again really fast. So this is what we are doing it very efficiently.

We have very good relation with all our clients, with this new clients also that we are pitching, we are very much conservative, we are looking at each and every prospectus before giving them credit in Ahmedabad also. So that the credit doesn't go in wrong hands, sir. Because once the money gets stuck in debtors, it's become very tough to do operation in this thing because you don't get credit from our creditor, sir. Because of the name that we have in the market we are getting hardly credits of around 30, 40 days.

But for new players or other small players, they need to pay in advance. So it's like they pay in advance and sell at 60, 70 days, which become very tough to manage that working capital. We are talking about competitive edge, and this is the competitive edge that we are taking forward.

Looking at the growth part of financial year '28, '29 then let me be very frank, sir we don't look at that much at this point of time, sir. We are talking about 1-year, currently at optimum capacity, we are commenting that we are in INR60 crores per month. But on a very realistic and like what do I say, even if we do a very like mediocre or average business in this year now, then also our topline for the entire year would be around INR400 crores to INR450 crores, sir.

Last year we closed around I guess 250 or 260. Even if we don't do a very aggressive business or do the basic thing right what we are doing, we will reach our topline around INR400 crores to INR450 crores. We are quite confident on that part.

Abhi Jain: That helps, sir. So just a follow-up on that. Obviously, because your suppliers are big players, the end consumer are these big pharma companies. So I understand that the margin fee is always there, the credit crunch is always there and it's a difficult spot to be in, but obviously it's a sweet spot also because not many players would be existing in this middle space? I just want to understand that what are the basic risks or threats that you are constantly working against? If you can just highlight some part of the risks that is being done?

Sagar Bhanushali: So the only risk that I told you is if you are not able to manage your working capital well, sir. That is the only risk. There is no other risk in this business. And also if we are talking about the worst part scenario, then sir, in the pharma industry, money doesn't sink. It comes late.

You get few pharma, they will pay you in like 120 days or 150 days. That is the only risk, sir. There is no other risk in this thing. In that scenario, you need to add more money in the business to buy more material and run the show. As simple as that. So there is no other risk as such in this business.

Abhi Jain: Just final question, sir. That obviously because you mentioned in constant need of capital and I am sure, that is the way to go out. But any more equity dilution on the horizon in the next 12 to 18 months because that is also the costliest cost of capital. So, I mean, I know that you need this, you need credit, you need money. But do you see immediate plans of more equity dilution going forward?

Sagar Bhanushali: Currently we haven't thought of that, sir.

Abhi Jain: Okay. Right. Thank you, sir. Thank you.

Moderator: Thank you. We will take the next question from the line of Darshil Jhaveri of Crown Capital. Please go ahead.

Darshil Jhaveri Hello. Good morning, sir. Thank you so much for taking my question. Firstly, congratulations on a great set of results, sir. I just wanted to know, like you have given a very clear roadmap for the next two years. But in terms of our capacity getting fully utilized by March 27, so are we planning any capex because by FY28 we will be running at full capacity, right? Like we will not have any capacity left for us. So for that, will we need to plan something in advance or what are your views about that?

Sagar Bhanushali: Sir, things are going on. Meaning they are not fully concentrated here for me to comment, but definitely we are planning, sir. We won't be stuck at this level also. With like a quarter or two we may come up with a very good announcement of capex also, but currently things are under plan. That's what I will tell you.

Darshil Jhaveri: Okay. But would it be more towards the backward integration, forward integration or...?

Sagar Bhanushali: No, sir. We are looking at forward integration only, sir. We are not looking at backward integration currently.

Darshil Jhaveri: Okay, okay. Fair enough. And like you were explaining, like I think our Ahmedabad capex was around INR5 crores to INR6 crores and from that only I think in the first step we will be able to recover all our cost of capital. So is it that that everyone can set up, like I understand you said relation matters and getting the working capital matters, but isn't this a very low barrier to enter industry, like how do you...?

Sagar Bhanushali: Exactly, you are telling me there is no entry barrier in this thing. To get entry in this thing is really easy, but to exit is really tough.

Darshil Jhaveri: Okay, okay. Fair enough. So the whole point is that working capital is the biggest moat that you all have, you all are able to manage that, right?

Sagar Bhanushali: 100%. Yes.

Darshil Jhaveri: So what is if you can disclose, what is something that you do differently than other players because I am sure working capital, relations everyone will have good. So working capital how are we being stringent or how are we ensuring? Like do we ask bank guarantees or what? How do we optimize?

Sagar Bhanushali: Now you are asking me our business secrets, sir.

Darshil Jhaveri: Yes, sir. No, fair enough. No issue. And sir, that and with the increase in like our, you know, turnover, like I think with 50% to 60% growth. So how much more debt we want to take up, sir? Like because we just took, I think ICICI Bank. So how much more…?

Sagar Bhanushali: Currently we are stable now. Let's see a quarter or two what the scenario goes. Also this war-like situation how far the aluminium prices go up, because the aluminium is running almost every day. Next year also we are expecting a increase around 5% to 7%. So let things settle first. Being aggressive in this type of uncertain market is really tough. So let things settle first. Let's wait for a quarter or two, then we will look at something major.

Darshil Jhaveri: Okay. Fair enough. And I just wanted to understand like from right now in FY27, like our growth will be quarter-on-quarter only, right? Like right now I think we did INR80 crores in Q4, so now as Ahmedabad comes in, every quarter on quarter uptick in the revenue or how would it move?

Sagar Bhanushali: Definitely, sir. If the aluminium volatility stops, now if we are like this month we are facing few challenges of material availability also, but eventually it settles out like within a week or 10 days. If the situation goes completely normal like what we were expecting a month back, then definitely quarter-on-quarter with Ahmedabad plant more ramping up the capacity, it would remain same or it would increase. So this is what we are working at currently.

Darshil Jhaveri: Okay, so there is no issue in ramping up. It's just that sometimes procurement becomes like a bit of a...?

Sagar Bhanushali: Correct. On a global level, sir, there is lot of shortage of aluminium right now. So currently it's all good, but you never know what may come up tomorrow.

Darshil Jhaveri: Fair enough. And our suppliers are diversified, like we have Indian imported? Like I don't know the aluminium industry, so just asking…?

Sagar Bhanushali: There are many players. The whole and sole is Hindalco only, but there are many rolling mills in India. We buy from almost everyone now.

Darshil Jhaveri: Okay, okay. So we have decent diversification?

Sagar Bhanushali: Yes, yes. 100%.

Moderator: We will take the next question from the line of Harshit Khadka from RoboCapital.

Harshit Khadka: Yes, sir. So my question is in the previous question or previous to that question, you said that there are no entry barriers as such and aluminium prices are rising. And so the advantage for you -- the competitive advantage for you is working capital. And the volume that you do -- that gives you cost effectiveness. So the raw material prices are rising, working capital you have to, give credit to the customers. So how exactly are we able to pass on the margins or, increase our prices?

Sagar Bhanushali: As on date, since last few days it's becoming tough, but then eventually it will settle. Because what happens sometimes is someone has stock and gives it cheap and takes the order. But then it would last hardly for 10-15 days. Post that pharma needs to accept this thing because in this industry every month a letter comes from Hindalco so this thing is going to increase or this thing is going to decrease. So this industry works from that only.

So there is a rate revision every month on the first or the second of each month. So whatever passes on is passed on, whatever has been reduced has been taken back. So this industry works in this only. So it's not that tough to pass on, but in this market scenario where everything is increasing and somewhere or the other even we need to absorb certain thing and pass on certain thing. But eventually with the volume that we are doing, it will settle out.

Harshit Khadka: So your contracts are for what tenure exactly?

Sagar Bhanushali: There are no specific contracts in our business. It depends upon PO to PO because every month the rate changes.

Harshit Khadka: Right. So you give a new rate every month to the customer, the pharma companies?

Sagar Bhanushali: Correct.

Harshit Khadka: Understood. And that we have to do the incremental sales of let's say 200-odd crores because you said, even if we do a normal year, it would be 400 to 450 odd crores of topline?

Sagar Bhanushali: Correct.

Harshit Khadka: So what exactly will be your selling strategy? Is it double down on your topline except for the capacity expansion of Ahmedabad plant, sir?

Sagar Bhanushali: We will ramp up the Ahmedabad plant. So there is huge market over there in Gujarat, Indore, MP, even in the northern part. So just be very careful with all the credit, all the debtors that we are working with and slowly, slowly ramp up over there.

Harshit Khadka: So are you going to sell it to your existing customers or you are going to find new customers?

Sagar Bhanushali: First, focus would be existing only, sir. But post certain time even we need to enter new clients also.

Harshit Khadka: Right, understood. And, given the current scenario, I know it is very tough, but in H1 what margins can we expect? Would it be lower than the current ones?

Sagar Bhanushali: As on date, I won't be able to comment on that because the market is really uncertain. Even you know that thing.

Harshit Khadka: Understand and just one last question. So I was just I am just looking at screener. The margins increased from 7% to 11%-12% in the last two three years. So what was the reason exactly?

Sagar Bhanushali: The volume that we are doing. That are, the volume increase, the margin increases post that the working, the fixed cost and the operating costs have been coming down. We are able to prepare more material. In this rising trend, the inventory gain also comes into picture.

Harshit Khadka: Understood. All right. Thank you. That's all.

Moderator: Thank you. We will take the next question from the line of Atharva Kulkarni from OHM Group Please go ahead.

Atharva Kulkarni: Hi, congratulations on good set of numbers. So I just wanted to check do we have any LOIs in place because we are adding a capacity almost 2x of what we have at the moment. So I just wanted to know what is the order visibility that we have at the moment?

Sagar Bhanushali: That's what I told you there is no such contract or orders or that thing. The PO comes in every month. POs normally executed within two to three days. It doesn't take time in conversion. So there is no specific contract or order visibility, but we were quite confident with the set of customers that we have. Every month this the run rate would be same or keep on increasing.

Atharva Kulkarni: Understood. And we will be tapping newer customers as well with the newer capacity. And is there any new product that we are launching or would the new capacity be catered towards our existing product portfolio?

Sagar Bhanushali: Okay. First the focus would be to cater the existing clients only because they are well tried and trusted and genuine old clients where we have built a very good relationship. Post that we will enter new markets also. Product would remain the same more or less. If you get certain good opportunities with new product that we are working quietly, like certain there are a few products but we are not that aggressive.

With this market scenario currently with aluminium and all this availability let that settle first, then we will come up with new products. Currently it's good to hold up the things that you are doing and be very safe and steady in this market because the market is really volatile these days and that is open to everyone. It's not only affecting us, affecting everyone.

Atharva Kulkarni: Sure. Understood. And, last question from my end. The debt capacity that we have at the moment, would that be towards working capital financing or do we have any other plans in mind?

Sagar Bhanushali: No. We are currently looking at debt only. And currently I guess we are well placed. The debt that we have we will be able to execute it well. So the next decision would come in post like second quarter ending, we will look at something new. Currently we are quite good to run six months.

Atharva Kulkarni: Understood.

Moderator: Thank you. We will take the next question from the line of Sandeep Dixit from Arjav Partners Please go ahead.

Sandeep Dixit: Okay. So you mentioned this number INR450 crores of topline. I just wanted to clarify. This is FY27 or is it FY28?

Sagar Bhanushali: FY27, sir.

Sandeep Dixit: FY27. Sir, thank you. Second, you mentioned that if at all there would be any integration, it would be forward integration.

Sagar Bhanushali: Correct, yes.

Sandeep Dixit: Right. Now for I mean, I don't really understand this business that well, but what would be the kind of forward integration if you can give me some idea?

Sagar Bhanushali: Set up more specialized printing units or conversion unit where we cater all the pharma companies in local and export also. So that is the forward integration part.

Sandeep Dixit: So technically the technology will come primarily in printing and forming. Okay. And in that how much more margin will be there compared to our existing products?

Sagar Bhanushali: After this, lower end even if you catch it becomes 8 to 10%.

Sandeep Dixit: 8 to 10.

Sagar Bhanushali: Yes.

Sandeep Dixit: Compared to what are we, I mean, incremental over...

Sagar Bhanushali: What I meant sir, after making good products and specializing you have to give good credit too. If you sell at cash rate you won't get that margin. Won't get it, yes'. If we are giving credit of around 60 to 90 days then obviously you can dictate your terms and earn good margin also.

Sandeep Dixit: So I am saying that assuming that that policy stays the same of working capital, how much incremental will we get over the existing product that we are selling?

Sagar Bhanushali: Yes, sir it will be incremental only.

Sandeep Dixit: 8 to 10%, almost double.

Sagar Bhanushali: Yes, but over the period of 60 days, yes sir. 60 to 90 days, because money won't come from pharma faster than that.

Sandeep Dixit: So 60 to 90 days we are giving even now, right. Giving yes, sir.

Sagar Bhanushali: Yes then okay, margins will double. Correct, yes.

Sandeep Dixit: Okay. And is any is this plan sort of sometime in the future ki something that is concrete being worked out?

Sagar Bhanushali: Once this Ahmedabad is set and things become normal, then definitely, after that

Sandeep Dixit: So maybe six months to a year. Maybe sometime towards the end of FY27 we can expect.

Sagar Bhanushali: 100%. Yes.

Sandeep Dixit: Okay. Sir, thank you. Thank you very much for your time.

Sagar Bhanushali: Thank you.

Moderator: Thank you very much. Ladies and gentlemen, due to time constraint, we will take that as the last question for today and with that concludes the question and answer session. I now hand the conference back to Mr. Sagar Bhanushali for closing comments. Over to you, sir.

Sagar Bhanushali: Thank you all for joining us on today's earning call. We hope we have been able to address all the questions and provide clarity on our performance and future outlook. If you have any further queries or wish to know more about GSM Foils, please feel free to reach out to our investor relation advisory, X-B4 Advisory. We appreciate your continued interest and support. Thank you once again. Take care. Have a good day.

Moderator: Thank you, sir. On behalf of GSM Foils Limited, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.