



IPO Note

Glen Industries Limited

Recommendation: **APPLY!**

Business - Glen Industries Limited is engaged in the manufacturing of diverse range of Food packaging and Service Products primarily Thin Wall Food Containers, Polylactic Acid (PLA) Straws and Paper Straws.

Objects of the Issue -

Particulars	Amount
Setting up new manufacturing facility	Rs. 47.73 Cr.
General Corporate Purposes	

Promoters Name - Mr. Lalit Agrawal, Mrs. Lata Agrawal, Mr. Nikhil Agrawal and Mrs. Niyati Seksaria

Promoter Share Holding Pattern	
Pre Issue	Post Issue
100.00%	73.00%

Rationale for recommendation -

Glen Industries Limited, incorporated in Oct-2007, commenced manufacturing of thin wall food containers in 2019, indicating moderate experience in its core business. The company operates in a highly fragmented and competitive packaging industry but is well diversified across product segments, geographies and between domestic and export markets. It is subject to 9 tax proceedings amounting to Rs. 399.59 Lakhs and its promoters are involved in 2 additional proceedings totaling Rs. 399.37 Lakhs. While revenue grew by 21.58% in FY24 and 18.10% in FY25, capacity utilization in PLA and paper straws remains low. EBITDA and PAT margins improved significantly to 23.64% and 10.70% respectively in FY25, driven by lower material costs, while RoCE and RoE also strengthened. Despite an unsecured loan of Rs. 3,455.46 Lakhs and regulatory and environmental challenges around plastic usage, the company maintains a stable D/E ratio, positive operating cash flows and improving financial metrics. Management quality is considered satisfactory, though the CFO and CS have moderate experience. With a post-issue P/E of **12.78**, the IPO appears **fairly priced**. Thus, we recommend to **APPLY** for the IPO.

IPO Details

Opening Date	Jul 08, 2025
Closing Date	Jul 10, 2025
Allotment Date	Jul 11, 2025
Listing Date	Jul 15, 2025
Stock Exchange	BSE SME
Lot Size	1,200 Shares
Issue Price Per Share	₹92 - ₹97
Issue Size	63.02 Cr.
Fresh Issue	63.02 Cr.
Offer for Sale	-
Application Amt	₹ 2,32,800 (2,400 shares)

KPIs

(In Lakhs)

KPI's	FY 23	FY 24	FY 25
Revenue	11,885.07	14,450.02	17,066.09
EBITDA	1,352.16	2,457.41	4,034.39
Net Profit	148.55	857.89	1,826.57
RoCE	9.76%	21.42%	28.96%
ROE	4.08%	19.11%	31.30%
P/E	114.12	19.88	9.33

Valuation Parameters

Particulars	Pre-Issue	Post Issue*
EPS	10.40	7.59
BVPS	33.23	24.25
P/E	9.33	12.78
P/BV	2.92	4.00
Mkt Cap (In Cr)	170.38	233.40

*Annualized

Lead Managers -

GYR Capital Advisors Private Limited

Registrar -

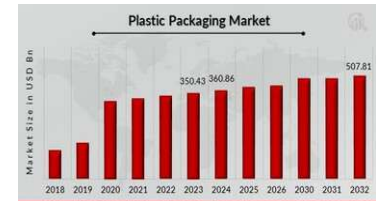
KFin Technologies Limited

Industry Overview –

Plastic packaging has become a popular choice among consumers due to its durability, flexibility and cost-effectiveness. This packaging form utilizes plastic films, containers or other polymer-based materials to create a barrier against external elements, providing a versatile and lightweight solution for packaging a wide range of goods. The food packaging industry is one of the largest users of plastics. Polyethylene is primarily used for packaging plastic bags, plastic films, geomembranes, etc.

The global plastic packaging industry is segmented into Rigid and Flexible plastic packaging across key material types like PE, PET, PP, PVC and BOPP, with major products including bottles, jars, pouches, films and containers. It caters to diverse end-user industries such as food, beverage, healthcare, dairy, cosmetics and personal care, and spans across major geographies including Asia-Pacific, North America, Europe, Latin America and Middle East & Africa.

Market Size - The Global Plastic Packaging Market size is estimated at 103.63 million tonnes in 2024 and is expected to reach 121.93 Million tonnes by 2029, growing at a CAGR of 3.31% during the forecast period (2024-2029). The India Plastic Packaging Market size is estimated at USD 21.77 billion in 2024, and is expected to reach USD 25.35 billion by 2029, growing at a CAGR of 3.09% during the forecast period (2024-2029).



Outlook - The plastic packaging industry is witnessing robust growth driven by rising demand from food, beverage and healthcare sectors, with increasing preference for lightweight, durable and recyclable solutions. Regulatory push for sustainability and innovations in flexible and rigid packaging formats is shaping the future outlook globally and in India.

(source : RHP)

Business Overview -

Glen Industries Limited is engaged in the manufacturing of diverse range of Food packaging and Service Products primarily Thin Wall Food Containers, Polylactic Acid (PLA) Straws and Paper Straws all mainly supplied to the Hotel, Restaurant and Café/Catering (HoReCa) sector, Beverage industry and Food packaging industry. The company was originally incorporated as Glen Stationery Private Limited in Oct-2007 manufacturing all kinds of stationery and printing materials. The company commenced manufacturing operation of Thin Wall Food Containers from 2019.

Company's Products and Manufacturing Facilities –



Category-Wise Revenue Bifurcation -

(Amt. in Lakhs)

Particulars	FY2023		FY2024		FY2025	
	Amt	%	Amt	%	Amt	%
Goods						
Thin Wall Containers	9,709.44	81.69%	11,012.54	76.21%	12,548.89	73.53%
PLA Straws	1,332.15	11.21%	2,815.71	19.49%	3,450.50	20.22%
Paper Straws	843.48	7.10%	527.50	3.65%	968.77	5.68%
Services						
Mould Design Services	-	-	94.27	0.65%	97.93	0.57%
Total	11,885.07	100%	14,450.02	100%	17,066.09	100%

- The company's products – Thin Wall Food Containers, PLA Straws and Paper Straws have installed capacity of 7,986 MT, 1,928 MT and 1,134 MT and capacity utilization of 75.97%, 34.94% and 26.13% respectively in FY25.
- In FY25, the company derived 66.52% of its revenue from domestic sales and 33.48% from exports, reflecting a well-diversified revenue base across both domestic and international markets.
- The company's top 10 domestic customers contribute 29.68% of total revenue and top 10 export customers contribute 26.56% of total revenue in FY25, indicating diversification of company's customer base.

Business Strategies -

- The company's sustainability strategy focuses on using recyclable or biodegradable materials, adopting green manufacturing practices and fulfilling EPR obligations to reduce environmental impact and meet eco-conscious market demands.
- The company aims to enhance cost efficiency and operational performance by investing Rs. 4,773 Lakhs in expanding its manufacturing capacity and technological infrastructure, including automation and a new production facility.
- The other strategies of the company are diversifying product range and customer base and optimal utilization of resources.

FINANCIAL SNAPSHOT							
Key Performance Indicators				Key Ratios			
(Amt in Lakhs)							
Particulars	FY23	FY24	FY25	Particulars	FY23	FY24	FY25
P&L Statement				Per Share Data			
Total Income	11,959.13	14,522.41	17,128.44	Diluted EPS	0.85	4.88	10.40
Total Expenses	11,414.50	13,369.86	14,665.00	BV per share	352.46	434.57	33.23
EBITDA	1,352.16	2,457.41	4,034.39	Operating Ratios			
EBIT	754.77	1,817.30	3,297.97	EBITDA Margins	11.38%	17.01%	23.64%
PBT	263.97	1,152.55	2,463.44	PAT Margins	1.25%	5.94%	10.70%
Tax Expenses	115.42	294.66	636.87	Inventory days	111.69	105.21	127.80
Net Profit	148.55	857.89	1,826.57	Debtor days	50.68	67.38	65.85
Balance Sheet				Creditor days	38.63	47.86	21.09
Total Equity	3,641.62	4,489.98	5,836.04	Return Ratios			
Liabilities				RoCE	9.76%	21.42%	28.96%
Non-Current Liabilities	4,094.38	3,993.48	5,553.04	RoE	4.08%	19.11%	31.30%
Current Liabilities	5,970.52	7,547.30	10,047.17	Valuation Ratios (x)			
Total Liabilities	10,064.90	11,540.78	15,600.21	EV/EBITDA	8.44	5.41	4.69
Assets				Market Cap/Sales	0.08	0.07	1.00
Non-Current Assets	7,534.73	8,304.36	11,061.02	P/E	114.12	19.88	9.33
Current Assets	6,171.79	7,726.40	10,375.23	Price to Book Value	0.28	0.22	2.92
Total Assets	13,706.52	16,030.76	21,436.25	Solvency Ratios			
Cashflow Statement				Debt/Equity	2.24	1.98	2.28
Operating Cashflow	1,079.72	1,354.84	492.60	Current Ratio	1.03	1.02	1.03
Investing Cashflow	-1,431.26	-1,429.92	-3,421.35	Quick Ratio	0.43	0.47	0.44
Financing Cashflow	382.86	-19.71	3,032.13	Asset Turnover	0.87	0.90	0.80
				Interest Coverage Ratio	1.34	2.47	3.68

Financial Analysis –

- **Revenue from Operations** – The company's top line increased by 21.58% in FY24 and 18.10% in FY25, primarily due to higher sale of U shape straws and TWC.
- **EBITDA and PAT Margins** – The company's EBITDA margin improved from 11.38% in FY23 to 23.64% in FY25 and PAT margin improved from 1.25% to 10.70% over the same period, primarily due to decrease in material COGS as a percentage of revenue.
- **RoCE and RoE** – The company's RoCE and RoE have also improved significantly indicating effective utilisation of capital.
- **Operating cashflow** – The company has maintained positive operating cashflows over the years, but there is drop in FY25 primarily due to significant increase in inventory.
- **D/E ratio** – The company has maintained a stable debt-to-equity (D/E) ratio and has shown consistent improvement in its interest coverage ratio over the years, indicating a strengthening financial position and enhanced ability to meet its debt obligations.
- **Net profit** – The company is able to increase net profit over the years primarily due to better utilisation of capacity in thin wall food container business and substantial rise in sales of U shape straws.

Lead Manager –

The lead manager of the issue is GYR Capital Advisors Limited. The lead manager has managed 32 IPOs in last 3 years, among them 31 IPOs have opened in premium and 1 IPO has opened at par to their issue price on their respective listing dates.

Risk Factors -

- The company has 9 tax proceedings against it, amounting to Rs. 399.59 Lakhs and company's promoters have 2 regulatory and statutory proceeding amounting to Rs. 399.37 Lakhs.
- The company has under-utilization of capacity in PLA Straws and Paper Straws segment, utilizing 34.94% and 26.13% respectively in FY25.
- The company has unsecured loan outstanding amounting to Rs. 3,455.46 Lakhs.
- The company is highly subject to regulatory and environmental concerns, particularly due to increasing government restrictions on plastic usage, evolving compliance requirements under the Plastic Waste Management Rules and the growing demand for sustainable alternatives in the plastic packaging industry.

Key Management

- Lalit Agrawal is the Promoter, Chairman and Executive Director of the company. He has 4 decades+ experience across industries in plastic, textile, writing instruments industry and project management.
- The company's Managing Director and Whole-Time Director each possess over 12 years of industry experience, contributing significantly to its leadership and strategic direction.
- The company's Independent Directors are qualified and have significant experience in their respective fields.
- Chief Financial Officer has 5 years of moderate experience in finance and accounts and Company Secretary and Compliance Officer has limited experience.

Outlook – The overall management of the company is considered satisfactory, although there is a noted observation regarding the moderate experience of the Chief Financial Officer (CFO) and Company Secretary (CS).

Peer Analysis

Particulars	Glen Industries Limited			Rajshree Polypack Limited		
	FY 23	FY 24	FY 25	FY 23	FY 24	FY 25
NP Margin	1.25%	5.94%	10.70%	4.19%	3.12%	2.38%
EBITDA Margin	11.38%	17.01%	23.64%	13.87%	12.93%	11.91%
RoCE	9.76%	21.42%	28.96%	12.83%	10.99%	10.75%
ROE	4.08%	19.11%	31.30%	8.20%	5.64%	4.72%
EPS (INR)	0.85	4.88	10.40	1.57	1.22	1.09
P/E	114.12	19.88	9.33	14.91	33.47	21.29

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