

Rating : Subscribe

Issue Offer

Fresh Issue of 6,496,800 equity shares amounting to INR 629.4 Mn

Issue Summary

Price Band INR	92-97
Face Value INR	10
Implied Market Cap INR Mn.	2,334
Market Lot	1200
Issue Opens on	July 8, 2025
Issue Close on	July 10, 2025
No. of share pre-issue	17,564,570
No. of share post issue	24,061,370
Listing	BSE SME

Issue Break-up %

QIB Portion	≥ 50%
Retail Portion	≤ 35%
NII Portion	≤ 15%

Registrar

Kfin Technologies Limited

Book Running Lead Managers

GYR Capital Advisors Private Limited

Shareholding Pattern

	Pre-Issue	Post-Issue
Promoters	100.00%	73.00%
Public & Others	0.00%	27.00%

Objects of the issue

- Setting up a new manufacturing facility at Jougram, PS Jamalpur, Purba Bardhaman, West Bengal
- General Corporate Purposes

Glen Industries Limited, based in Kolkata, began its journey in 2007 as Glen Stationery Private Limited and transitioned into the sustainable packaging space in 2019. It has since emerged as a fast-growing B2B manufacturer of eco-friendly and recyclable food service packaging products such as Thin Wall Food Containers, PLA Straws, Paper Straws, and U-Shape Straws. The company caters to leading players across the QSR, HoReCa, beverage, and dairy segments. Operating at near-full capacity, company existing facility is scalp with a 90,000 sq. ft. facility in Dhulagarh, West Bengal, equipped with high-precision, all-electric injection molding machines to drive efficiency and volume growth. With a vertically integrated setup, the company maintains strict quality control and consistency across product lines. It holds global certifications including FSSC 22000, ISO 9001:2015, ISO 14001:2015, and HACCP, reflecting its commitment to safety, sustainability, and international standards. Glen's customer-centric approach, innovative product design, and focus on operational excellence continue to position it well in the growing eco-friendly packaging market.

Investment Rationale

Favourable Industry Tailwinds and Regulatory Support: The company operates in a rapidly evolving industry aligned with rising environmental awareness and regulatory support for sustainable alternatives. The government's nationwide ban on single-use plastic products, coupled with increasing consumer preference for biodegradable and compostable packaging, provides a structural growth runway. The Indian food delivery and QSR industry is projected to grow at a double-digit CAGR over the next 5–7 years, driving demand for innovative, safe, and eco-friendly packaging solutions.

Sustainable and Certified Product Portfolio: Company's products are manufactured using environmentally responsible materials such as polylactic acid and food-grade paper, making them compostable and recyclable. The company holds multiple certifications including ISO 14001 and Forest Stewardship Council credentials, ensuring sustainability throughout the value chain. It is also compliant with Extended Producer Responsibility targets, which enhances its eligibility for large institutional orders. With corporate clients becoming increasingly ESG-focused, Glen's certified portfolio provides a competitive moat.

Strategic Expansion to Drive Growth: The company is executing a focused capacity expansion strategy using IPO proceeds, with INR 4,775 lakhs earmarked for setting up its Dhulagarh manufacturing facility. This new plant will significantly increase production capabilities, particularly in PLA and paper-based products, and will be equipped with modern automation to improve cost efficiency and scalability. The company also plans to introduce new product lines and strengthen its presence in domestic and export markets. This brownfield expansion is expected to materially improve topline growth and margin leverage in FY26 and beyond, supporting company's ambition to become a national packaging leader in the sustainable materials space.

Technological Edge and Customization Capabilities: One of the core differentiators lies in its strong technical setup and in-house customization abilities. The company employs Japanese and Chinese machines that allow high-speed, precision manufacturing with minimal waste. It provides clients with customized product designs, branding options, and specialized shapes, which are especially valuable in the QSR and dairy sectors. This ability to deliver tailor-made solutions under one roof enhances client retention, ensures premium pricing, and drives operating efficiency.

Valuation and View: Glen Industries is strategically positioned to capitalize on the structural shift toward sustainable packaging, supported by favourable regulatory developments such as the nationwide ban on single-use plastics and rising ESG consciousness among institutional buyers. The company's diversified and certified product portfolio comprising PLA and paper-based packaging is well-aligned with the compliance requirements of large QSR, beverage, and dairy players. Its adherence to EPR norms and global quality certifications further strengthens its eligibility for high-value contracts. Company's technological capabilities, including high-speed, energy-efficient machinery and in-house customization, provide a differentiated value proposition and enable premium positioning. With strong demand visibility in end-user industries growing at double-digit CAGR and improving operating leverage, At the upper band of INR 97, the issue is valued at a P/E ratio of 12.77x, based on FY25 EPS of INR 7.59 per share . We are recommending a "Subscribe" rating for this issue.

Abhishek Jain

abhishek.jain@arihantcapital.com

022-422548871

Natasha Singh

natasha.singh@arihantcapital.com

022-42254876

Arihant Research DeskEmail: instresearch@arihantcapital.com

Tel. : 022-42254800

Head Office

#1011, Solitaire Corporate Park
 Building No. 10, 1st Floor
 Andheri Ghatkopar Link Road
 Chakala, Andheri (E)
 Mumbai – 400093
 Tel: (91-22) 42254800

Registered Office

6 Lad Colony,
 Y.N. Road,
 Indore - 452003, (M.P.)
 Tel: (91-731) 4217100/101
 CIN: L66120MP1992PLC007182

Stock Rating Scale

BUY
 ACCUMULATE
 HOLD
 NEUTRAL
 REDUCE
 SELL

Absolute Return

>20%
 12% to 20%
 5% to 12%
 -5% to 5%
 -5% to -12%
 <-12%

**Research Analyst
Registration No.**

INH000002764

Contact

SMS: 'Arihant' to 56677

Websitewww.arihantcapital.com**Email Id**instresearch@arihantcapital.com**Arihant Capital Markets Ltd.**

1011, Solitaire Corporate park, Building No. 10, 1st Floor,
 Andheri Ghatkopar Link Road, Chakala, Andheri (E)
 Tel. 022-42254800

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Arihant Capital Markets Ltd.

1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800