ADROIT
WISDOM TO PROSPERITY

Knack Packaging Limited

30th June, 2026

IPO Details

IPO Date	1st to 3rd Jul, 2026
Face Value	₹10 per share
Price Band	₹161 to ₹170
Lot Size	88 Shares
Sale Type	Fresh capital cum Offer For Sale
Total Issue Size	2,58,52,941 shares (agg. up to ₹439 Cr)
Fresh Issue	2,23,52,941 shares (agg. up to ₹380 Cr)
Offer for Sale	35,00,000 shares of ₹10 (agg. up to ₹60 Cr)
Employee Discount	₹16.00
Issue Type	Book building IPO
Listing At	BSE, NSE
Shareholding pre issue	10,00,00,000 shares
Shareholding post issue	12,23,52,941 shares
QIB Shares Offered	Not more than 50% of the Net Offer
Retail Shares Offered	Not less than 35% of the Net Offer
NII (HNI) Shares Offered	Not less than 15% of the Net Offer
Retail (Min & Max) shares	88 Shares & 1,144 shares
Retail (Min & Max) application amount	₹14,960 & ₹1,94,480
S-HNI (Min shares & application amount)	1,232 shares & ₹2,09,440
S-HNI (Max shares & application amount)	5,808 shares & ₹9,87,360
B-HNI (Min shares & application amount)	5,896 shares & ₹10,02,320
Basis of Allotment	Mon, Jul 6, 2026
Initiation of Refunds	Tue, Jul 7, 2026
Credit of Shares to Demat	Tue, Jul 7, 2026
Listing Date	Wed, Jul 8, 2026
Cut-off time for UPI mandate confirmation	5 PM on Fri, Jul 3, 2026
Promoters	Alpesh Tulsibhai Patel, Pravinkumar Ambalal Patel, and Rashminbhai Tulsibhai Patel.
Registrar	MUFG Intime India Pvt.Ltd.

Note 1: Application made using third party UPI or ASBA A/C is liable to be rejected. For apply please click on the Link https://ipo.adroitfinancial.com/ for any kind of assistance please contact to their helpdesk team at 0120-6826800 or mail us on ipo@adroitfinancial.com

Company Profile

Knack Packaging Limited is one of the leading, integrated, innovation-oriented, export led and sustainable oriented packaging solutions provider, offering a diverse range of packaging solutions, including Printed and Laminated Woven Polypropylene (PLWPP) bags and PLWPP Pinch Bottom bags that are customized, high-strength packaging solutions for a wide range of sectors, including food products and pet foods. Their solutions enhance brand visibility on packaging, reduce the risk of counterfeiting, and improve operational performance. They hold approximately 10.1% of market share in the Indian market for flexible bulk PLWPP bags, including PLWPP pinch bottom bags in Fiscal 2025.

The company has been serving top brands under a B2B2C model, including household Indian names such as Baba Agro Food Limited, Drools Pet Food Private Limited, Ebro India Private Limited, Laxmi Protein Products Pvt. Limited, Mosaic India Private Limited, KRBL Limited, Shriram Woven Sacks and DCM Shriram Limited, as well as international brands across 71 countries like Cristo S.A., Sacos y Empaques Internacionales S.A. de C.V., Cargill and Repi Soap and Detergent PLC. These brands use their 5kg to 50kg packaging solutions, to offer their products which are typically in powder or granule form, to their respective customers. The key industries which they serve include grains and pulses – rice, dal, lentils, etc., flour & spices, sugar, salts, fruits & nuts, animal & pet foods, agriculture, seeds, charcoal, detergents powders & granules, fertilizers, chemicals, cement, tile adhesives, building materials, mineral bags etc.

Objects of the Issue

- ❑ Partial Funding of Capital expenditure towards setting up of new manufacturing facility at Borisana situated at Kadi, Mehsana, Gujarat- ₹320 Cr
- ❑ General Corporate Purposes - ₹60 Cr
- ❑ Offer for Sale- ₹59.50 Cr

Financial Details

Particulars (Amount in Crores)	31-Mar-26	31-Mar-25	31-Mar-24
Revenue from Operations	823.4	736.5	654.6
Other income	20.3	10.9	4.4
Total Income	**843.7**	**747.4**	**659.0**
Expenses			
- Cost of Material Consumed	490.8	438.3	396.0
- Purchase of Stock in Trade	5.3	5.5	4.0
- Changes in the inventories of Finished Goods, Stock in Trade & WIP	(17.4)	1.0	(6.9)
- Employee benefit expenses	47.1	42.0	45.5
- Other expenses	145.5	116.2	119.1
Total expenses	**671.4**	**603.0**	**557.6**
EBITDA	**152.1**	**133.5**	**96.9**
EBITDA Margin (%)	**18.5%**	**18.1%**	**14.8%**
- Finance cost	15.9	17.0	15.3
- Depreciation and amortization	29.3	28.2	24.3
- Exceptional Items	1.1		
Profit/(Loss) before tax	**126.1**	**99.3**	**61.8**
Tax expense/(credit)	32.3	25.4	15.8
Profit/(Loss) After Tax	**93.7**	**73.9**	**46.0**
PAT Margin (%)	**11.11%**	**9.88%**	**6.98%**
Basic EPS (in Rs.)	**9.3**	**7.4**	**4.6**

Key Metrics	31-Mar-26	31-Mar-25	31-Mar-24
Return on Equity (in %)	35.75	41.70	38.78
Debt to Equity	0.62	0.8	1.2
Total Quantity Sold (MT)	38,157.49	34,471.76	30,590.10
EBITDA (per KG)	45.15	41.87	33.14

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Competitive Strengths

- **Operational Efficiency Through Digital Integration :** The company has adopted a structured and technology-driven approach to manage supply chain, procurement, and production functions to support operational efficiency and cost control. Knack Galaxy, their proprietary solution, is central to this, which integrates and tracks critical business functions in real-time such as procurement, production, dispatch, and logistics management. It is designed to serve customers through order and delivery tracking, internal teams via resource planning and monitoring, and suppliers through seamless coordination of incoming materials.

- **Complex Product Design Capability :** The company has developed capabilities in engineering and manufacturing product designs that involve a high degree of complexity, technical precision, and process consistency. These capabilities cover a range of design and production aspects, including bag construction techniques, multi-layer lamination, and the incorporation of add-on features such as valve closures, integrated handles, various perforation patterns, and custom structural formats as per product requirements. The ability to manufacture technically complex packaging formats with repeatability has supported their relationships with customers who prioritize reliability in product performance, visual presentation, and brand representation.

- **Customer-Focused Packaging Solutions :** The company works with customers to convert basic inputs into complete packaging solutions. Typically, customers provide only the type of material to be packed such as rice, wheat, or lentils and the required weight range, generally between 5kg and 50kg. Their in-house design team then develops bag designs that align with the customer's branding and technical requirements, moving from concept to design in a structured manner. They also offer support in cylinder printing services.

- **Diversified Domestic and Global Presence :** The company operates across both domestic and international markets, enabling them to serve a wide range of customers across geographies and industries. Their international presence is supported by their wholly owned Subsidiary, Knack Packaging SA (RF) Proprietary Limited in South Africa. For March 31, 2026, their revenue from operations was distributed between export and domestic sales, contributing approximately 56.30% and 43.70% respectively.

Key Risk Factors

- **Dependence on Key Suppliers Without Long-Term Agreements:** The company is significantly dependent on its top 10 suppliers for sourcing raw materials and largely procures inputs on a spot order basis due to the absence of long-term agreements. While it has entered into short-term arrangements with certain suppliers and has maintained timely payments historically, there is no assurance of continuity in supply or supplier relationships in the future. Any inability to retain key suppliers, diversion of supplies to competitors, or delays in supplier payments could adversely impact raw material availability, manufacturing schedules, and business operations.

- **Reliance on Key Customers Without Long-Term Contracts:** During FY24 to FY26, a significant portion of the company's revenue was derived from repeat orders from existing customers, making customer retention an important factor for business continuity. The company's Customer Retention Ratio stood at 88.32%, 65.41%, and 67.27% for FY26, FY25, and FY24, respectively. Any decline in customer retention or loss of key recurring customers may impact revenue visibility, margins, growth prospects, and long-term operational sustainability. Despite maintaining product quality and customer relationships, there is no assurance that the company will be able to sustain the current level of repeat business in the future.

- **Dependence on Single Manufacturing Region:** The company's manufacturing facilities are concentrated in a single region, exposing it to risks associated with social, political, economic disruptions, natural calamities, civil disturbances, or changes in government policies in that region. Any such event could disrupt operations, require significant capital expenditure, and necessitate changes in business strategy. The company's inability to effectively manage or respond to such disruptions could adversely impact its business, financial condition, results of operations, and cash flows.

- **Dependence on US Market and Geopolitical Risks:** 23.66% of the company's total export revenue is attributable to customers located in the United States. Accordingly, a significant proportion of the business operations and financial outcomes is directly linked to the performance and stability of the US market. This concentration subjects the company's business to risks specific to these regions, including political, economic, regulatory and logistical challenges.

Comparison with Listed Peers

Name of the Companies	Market Price	Face Value (per Share)	P/E Ratio	EPS (Basic)	EPS (Diluted)	RoNW (%)	NAV (per Share)
Knack Packaging Limited	NA	10	22.19*	7.66**	7.66**	35.47%	30.82
Peers:							
Time Technoplast Limited	180	1	17.86	9.99	9.99	13.37%	84.4
TCPL Packaging Limited	3023	10	28.19	107.47	107.47	14.34%	791.28
Mold-tek Packaging	720	5	31.83	21.93	21.93	10.98%	207.57

*P/E calculated based on upper band price.
**EPS calculated including fresh issue shares.

Summary

Packaging has emerged as the fifth largest sector of the Indian economy, playing a pivotal role in driving industrial growth, innovation, and value creation across FMCG, agriculture, and food processing. Growing at a rapid 22-25% annually, the sector is supported by advances in technology, logistics, and rising consumer demand. India's food & beverage packaging market is projected to rise from Rs. 3,31,595 crore (US$ 38.30 billion) in 2025 to Rs. 4,53,625 crore (US$ 52.50 billion) in 2030, implying a CAGR of ~6.5%. Growth will be driven by surging demand for processed and packaged foods, with domestic packaged-food sales expected to reach Rs. 11,02,610 crore (US$ 1.27 trillion) by 2027.

Incorporated in 2013, Knack Packaging Ltd. is an integrated packaging solutions provider focusing on innovation, exports, and sustainability. The company manufactures Printed and Laminated Woven Polypropylene (PLWPP) bags, including pinch bottom, gusset, block bottom, and retail shopping bags. These high-strength solutions are used across industries such as food, pet food, agriculture, fertilizers, building materials, detergents, cement, chemicals, minerals, and more. The products enhance brand visibility, reduce counterfeiting risks, and improve operational performance. In Fiscal 2025, Knack Packaging Limited held around 10.1% share of the Indian flexible bulk PLWPP bag market.

The company will utilize the IPO proceeds towards setting up a new manufacturing facility and expanding its production capabilities. Future growth will be driven by increasing demand from end-user industries and rising adoption of PLWPP and pinch-bottom bags. The company benefits from established customer relationships, a diversified industry presence, improving product mix, and operational efficiency initiatives supporting growth.

Therefore, it is recommended to "**Subscribe**" to the IPO for long-term investment, considering its growth potential

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