A J PACKAGING LIMITED

Manufacturing | SME

Rs. 175 - 180

1 Dec 2026 - 3 Dec 2026

Lot 800 shares | Allotment 4 Dec 2026 | Listing 8 Dec 2026

Issue size	Where the money goes	Earnings per share
Rs. 54 cr	**92% fresh**	**Rs. 10.20**
from a public aggregator, cross-checked against a second	Rs. 49.5 cr to the company, Rs. 4.5 cr to selling holders	issuer disclosed

WHAT STANDS OUT IN THE OFFER DOCUMENT

LOOK CLOSER There are cases against the promoters or directors.
2 criminal cases against them and 0 regulatory actions naming the company, its promoters or directors. (p.30)

LOOK CLOSER Shares changed hands recently at a much lower price.
A recent deal was at Rs.115 a share. The top of the band is Rs.180. (p.108)

LOOK CLOSER A few customers bring in a large share of sales.
Rs.53 of every Rs.100 of sales comes from its 5 biggest customers.

ALSO IN THE NUMBERS Its profit has been turning into cash.
Across 2 years: Rs.13 cr of profit, Rs.28.8 cr of cash from operations.

THE FIVE QUESTIONS

1. How it makes money

Rs.63 of every Rs.100 of sales comes from its "Metal containers" segment. Rs.85 of every Rs.100 comes from Telangana and Uttar Pradesh. Companies related to its promoters bought Rs.12 of every Rs.100 of its sales (p.241).

- Its 10 biggest customers bring in Rs.66 of every Rs.100 of sales.
- A 1% rise in material costs, not passed on, would cut operating profit by about 5%.

2. Is it growing, and is profit turning into cash?

Sales rose 6% from 31/03/2024 to 31/03/2026 (Rs.210 cr to Rs.223 cr). Over 2 years it made Rs.13 cr of profit and brought in Rs.28.8 cr of cash from operations. In the period ended 30/06/2026, sales were Rs.78.9 cr and it made Rs.3.5 cr of profit.

- Sales rose Rs.29.6 cr; Rs.18.2 cr of that came from its "Trading Sales" segment (Rs.140 of every Rs.100 of the change).
- Profit rose Rs.2.8 cr from 31/03/2025 to 31/03/2026: core business Rs.5 cr, other income Rs.0.2 cr, depreciation -Rs.0.8 cr, interest -Rs.0.6 cr, tax -Rs.1 cr.
- Its receivables and stock, less what it owes suppliers, came to 93 days of last year's sales.
- The biggest cost shift: materials went from Rs.68 to Rs.60 of every Rs.100 of sales.

3. How much cushion does it have?

It owes Rs.1.69 for every Rs.1 of its own money. We point it out when a manufacturer owes more than Rs.2 for every Rs.1.

- Operating profit covers interest 2.1 times.
- Cases against the company involve Rs.2.1 cr (5% of its net worth).

4. What you pay, and who gets the money

The IPO raises Rs.54 cr in all. Of every Rs.100 raised, Rs.8 goes to existing shareholders selling. At Rs.180 you pay about Rs.18 for every Rs.1 of last year's profit. The listed peers the document names, at the prices it quotes: Rs.26 (middle of 3).

- At Rs.180, the whole company is valued at Rs.140 cr.
- That is Rs.0.6 for every Rs.1 of last year's sales.
- On 20.01.2025 it issued 5,00,000 shares at Rs.115.00, 36% below the top of the band (p.108).
- Its own money grew Rs.4.7 cr more than the profit it made from 31/03/2024 to 31/03/2026: money from shares issued, or other changes in its equity.

5. Who controls it, and what is on record?

Its litigation summary lists, against the company: 10 tax matters; against its promoters: 2 criminal cases and 14 tax matters (p.30).

- The promoters also run AJ Cans Private Limited, in the same line of business.

WHAT THE COMPANY DOES

A J Packaging Limited is engaged in manufacturing metal tin cans of various shapes such as oval, rectangular, and round, with sizes varying from 50 gm to 500 gms and 50 ml to 5000 ml. Its product portfolio includes printed, lacquered, embossed, shaped, and customizable metal cans used in packaging solid, powdered, and liquid products. The company serves B2B clients across FMCG, food processing, coffee, edible oil, and paint industries in domestic and global markets.

AGAINST LISTED PEERS

Company	P/E	Revenue	Source
A J PACKAGING LIMITED (this IPO, at the band cap)	**17.6x**	**Rs. 223 cr**	**band / EPS p.104**
Shetron Limited	26.1x	Rs. 247 cr	p.108
Kaira Can Company Limited	69.8x	Rs. 246 cr	p.108
Rajeshwari Cans Limited	6.6x	Rs. 42.8 cr	p.108

Industry average	34.2x	—	issuer

Figures as printed in the offer document. This page does not say whether that is expensive or cheap. That judgement is yours.

FINANCIALS, RS. CRORE

	31/03/2024	31/03/2025	31/03/2026	30/06/2026 (interim)	2Y CAGR
Revenue	210	193	223	79	**+3.0%**
EBITDA	—	21	26	8	—
Profit after tax	—	5	8	3	**+54.6%**
Net worth	27	37	44	48	—
Total debt	70	70	75	71	—

READING THESE NUMBERS AS MANUFACTURING

What actually diagnoses this business: Capacity utilisation - Order book - Working capital days - Customer concentration.

DOES THE PROFIT TURN INTO CASH

	31/03/2024	31/03/2025	31/03/2026	30/06/2026 (interim)
Operating cash flow	16	13	16	2
Capital expenditure	14	10	7	1
Financing	-2	-4	-5	-7

Operating cash flow is 199% of profit after tax. Reported earnings are backed by cash.

THE DOCUMENT'S OWN CASE, FOR AND AGAINST

STRENGTHS IT CLAIMS

1. Established track record with 30 years of experience in the metal packaging industry. (p.158)
2. Manufactures a wide range of metal cans including oval, round, rectangular, and embossed shapes. (p.158)
3. Manufacturing facilities equipped with imported machinery, including double colour printing, coating, and automatic body welders. (p.158)
4. Strong customer base with long-standing relationships with prominent MNCs and leading brands. (p.158)

RISKS IT DISCLOSES

1. High customer concentration with top 10 customers contributing approximately 70% of revenue without long-term agreements. (p.26)
2. Geographic revenue concentration in Maharashtra, Uttar Pradesh, and Telangana. (p.26)
3. Dependence on a limited number of suppliers for major raw materials like tinplate. (p.27)
4. Outstanding legal proceedings involving Company, Promoters, Directors, and Group Companies. (p.30)
5. Total outstanding fund-based indebtedness of ¹ 7,069.27 Lakhs as of June 30, 2026. (p.30)

Both columns are the offer document's own words, not this page's assessment.

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