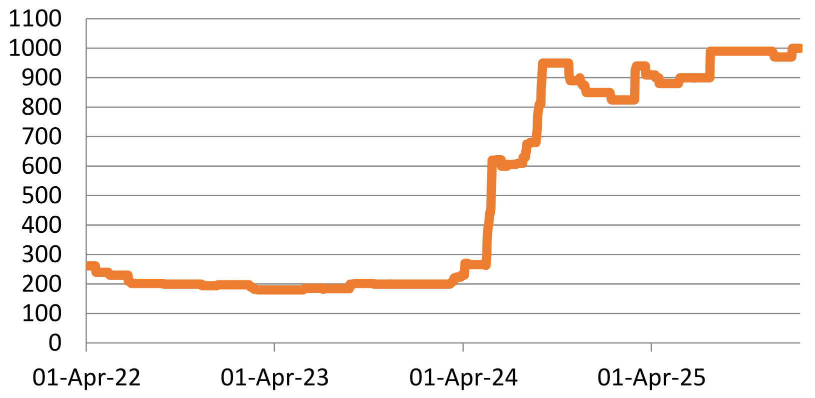
MANJUSHREE TECHNOPACK LIMITED

Company Highlights

ISIN Number: INE435H01023
Face Value (INR) : 2
Authorised Share Capital: INR 25.10 Cr.
Paid Up Capital: INR 18.87 Cr.
Outstanding Shares : 9,43,70,876
Status : Unlisted
Industry: Plastic Packaging
Business Divisions: Packaging of FMCGs, Liquor & Spirits, Pharmaceutical, Agrochemicals & Lubricants, Retail & Promotional Items & Recycling
HQ: Bengaluru, Karnataka, India
CEO & MD: Thimmaiah Napanda P.

Price Movement of Manjushree Technopack Ltd.



Key Financial Metrics

Particulars	FY25	FY24	FY23
Revenue from operations (in Cr.)	2569.83	2117.00	2096.34
Total Income (in Cr.)	2584.03	2130.30	2108.54
EBITDA	411.41	386.63	305.72
PBT	266.72	160.85	91.10
PAT	247.63	140.79	59.23
Adjusted PAT	70.73	120.23	62.48
EPS (in ₹)	34.35	18.78	8.74

Shareholding Pattern as on 31st Mar 2025

Entity	%
AI Lenarco Midco Limited	11.9%
Other Investors	67%
Other Small Investors	21.1%

Executive Summary

Manjushree Technopack Limited (MTL) is India's largest rigid plastic packaging solutions provider, with a diversified product portfolio spanning containers, caps & closures, pumps & dispensers, and recycling solutions, catering to FMCG, food & beverages, pharmaceuticals, personal care, agrochemicals, and industrial segments. In FY25, the Company delivered a strong operational performance, supported by robust demand across core end-markets, scale-led efficiencies, and continued focus on value-added and sustainable packaging solutions.

Revenue from operations increased by **21% YoY to ₹2,570 crore**, reflecting volume growth, customer diversification, and improved product mix. Operating profitability remained resilient, with **EBITDA at ₹414 crore**, supported by operating leverage despite elevated raw material and finance costs. Net profit rose to **₹248 crore**, aided by improved operating performance and exceptional items, underscoring a meaningful strengthening of earnings momentum during the year.

MTL's pan-India manufacturing footprint, long-standing relationships with marquee FMCG and pharma clients, and strong design-to-delivery capabilities provide structural competitive advantages. Strategic investments in automation, R&D, and recycled resin usage reinforce the Company's positioning as a solutions-led packaging partner amid rising sustainability and regulatory requirements, including EPR norms.

Major Highlights – FY25 of

Major Highlights

- **Strong Revenue Growth with Moderate Operating Expansion:** The company reported a robust **21% YoY growth in revenue to ₹2,570 Cr in FY25**, driven by strong demand across FMCG, pharma, personal care and industrial packaging segments. However, **EBITDA growth moderated to 6.4%**, indicating margin pressure from rising input, employee and depreciation costs.
- **Profitability Supported by Exceptional Items:** Reported **PAT increased to ₹247.6 Cr from ₹140.8 Cr in FY24**, aided by significant exceptional income of **₹176.9 Cr** in FY25. Excluding exceptional items, underlying operating profitability remains more moderate, highlighting that a meaningful portion of earnings growth was **non-recurring in nature**. This warrants caution while assessing sustainability of headline profit growth.

- **Equity Restructuring and Capital Base Expansion:** During FY25, the company undertook a **share subdivision (face value reduced from ₹10 to ₹2)** and converted a large portion of CCDs into equity, issuing over **181 million new shares**. This significantly expanded the equity base, improving liquidity and preparing the capital structure for future fundraising and listing plans.

- **Capital Structure Reclassification:** The company approved a **reclassification of authorised share capital**, creating a new class of **40 lakh Non-Convertible Redeemable Preference Shares (NCRPS)** within the existing authorised capital of ₹25.10 Cr. This restructuring enables the company to raise hybrid capital without immediate equity dilution and provides greater financial flexibility for funding requirements.

- **Debt Reduction and Working Capital Support:** Proceeds from the NCRPS issue are proposed to be utilised for **repayment / prepayment of existing borrowings**, funding **working capital requirements**, and general corporate purposes. This indicates management's focus on **balance-sheet strengthening, deleveraging and liquidity enhancement** during the ongoing expansion phase.

Financial Highlights

₹ (in crores)

Particulars	Financial Year					CAGR
	FY25	Y-o-Y Growth	FY24	Y-o-Y Growth	FY23	
Total Revenue from Operations	2,569.83	21.39%	2,117.00	0.99%	2,096.34	7.02%
Other income	14.20	6.77%	13.30	8.93%	12.21	5.16%
Total Income	2,584.03	21.30%	2,130.30	1.03%	2,108.55	7.01%
Finance Cost	122.26	33.68%	91.46	16.45%	78.54	15.89%
Depreciation & Amortization	199.33	28.70%	154.88	16.61%	132.82	14.49%
Total Expenses	2,494.21	25.34%	1,990.01	-1.20%	2,014.19	7.39%
EBITDA	411.41	6.41%	386.63	26.47%	305.72	10.40%
EBITDA Margin	16.01%	-12.34%	18.26%	25.23%	14.58%	3.16%
PAT	247.63	75.89%	140.79	137.70%	59.23	61.10%
Exceptional Items	176.90	760.41%	20.56	-	-3.25	-
Adjusted PAT	70.73	-41.17%	120.23	92.43%	62.48	4.22%
PAT Margin	9.64%	44.89%	6.65%	135.38%	2.83%	50.52%
Adjusted PAT Margin	2.75%	-51.54%	5.68%	90.55%	2.98%	-2.62%
No. of Eq. Shares Outstanding	9,43,70,876	39.32%	6,77,38,500	0.00%	6,77,38,500	11.69%
Equity Share Capital	18.87	39.26%	13.55	0.00%	13.55	11.67%
Total Net Worth	1,411.07	39.97%	1,008.14	6.01%	951.00	14.06%
Total Assets	3,205.34	40.32%	2,284.31	-0.69%	2,300.16	11.70%

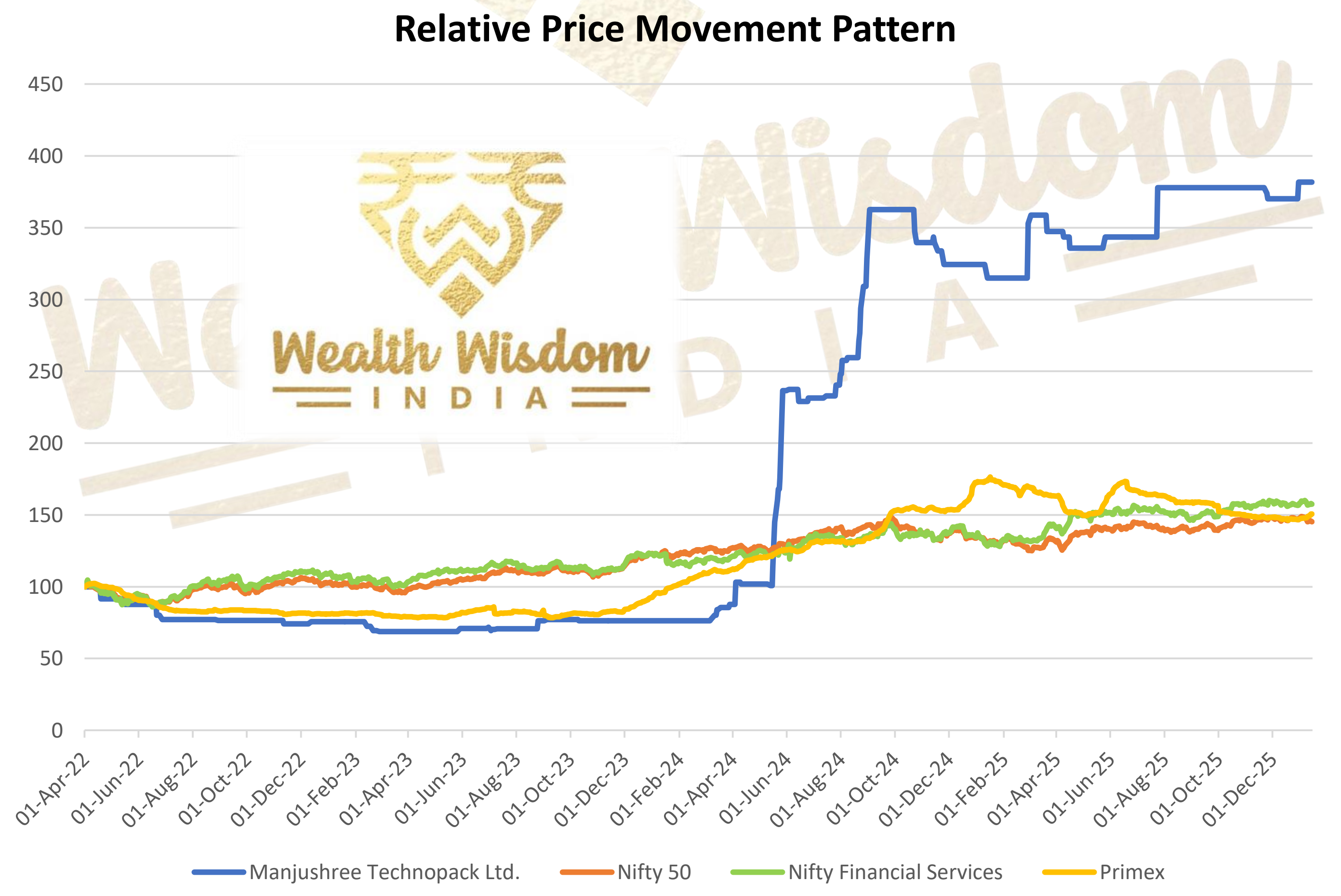
****Note:*** *CAGR and YoY growth of FY24 for exceptional items are not presented, as the base period includes a negative value and the series involves a transition from loss to gain. Percentage-based growth metrics in such cases are mathematically invalid and economically misleading. Accordingly, exceptional items are analysed in absolute terms only, while growth analysis is based on adjusted earnings excluding exceptional items.*

Valuation Ratios

Particulars	FY25	FY24	FY23
BVPS (in ₹)	149.52	148.83	140.39
BV Growth (%)	0.47%	6.01%	5.58%
Price (in ₹)	1,020.00	230.00	180.00
Price Growth (%)	343.48%	27.78%	-31.30%
Price -BV (x)	6.82	1.55	1.28
EPS (in ₹)	34.35	18.78	8.74
EPS Growth %	82.91%	114.87%	-3.85%
Price- Earnings (x)	29.69	12.25	20.59
Price - Sales (x)	0.77	4.14	0.58

The stock underwent a strong valuation re-rating in FY25, led by a **sharp 343.48% rise in share price** and robust **82.9% EPS growth**, while book value grew only marginally (**0.47% YoY**). This resulted in a steep expansion in valuation multiples, with **P/BV rising to 6.82x from 1.55x in FY24** and **P/E increasing to 29.69x from 12.25x**, indicating significant improvement in market confidence and growth expectations. Overall, the stock has transitioned from a relatively undervalued profile to a **premium-valued growth stock**, making future earnings delivery critical for sustaining current valuations.

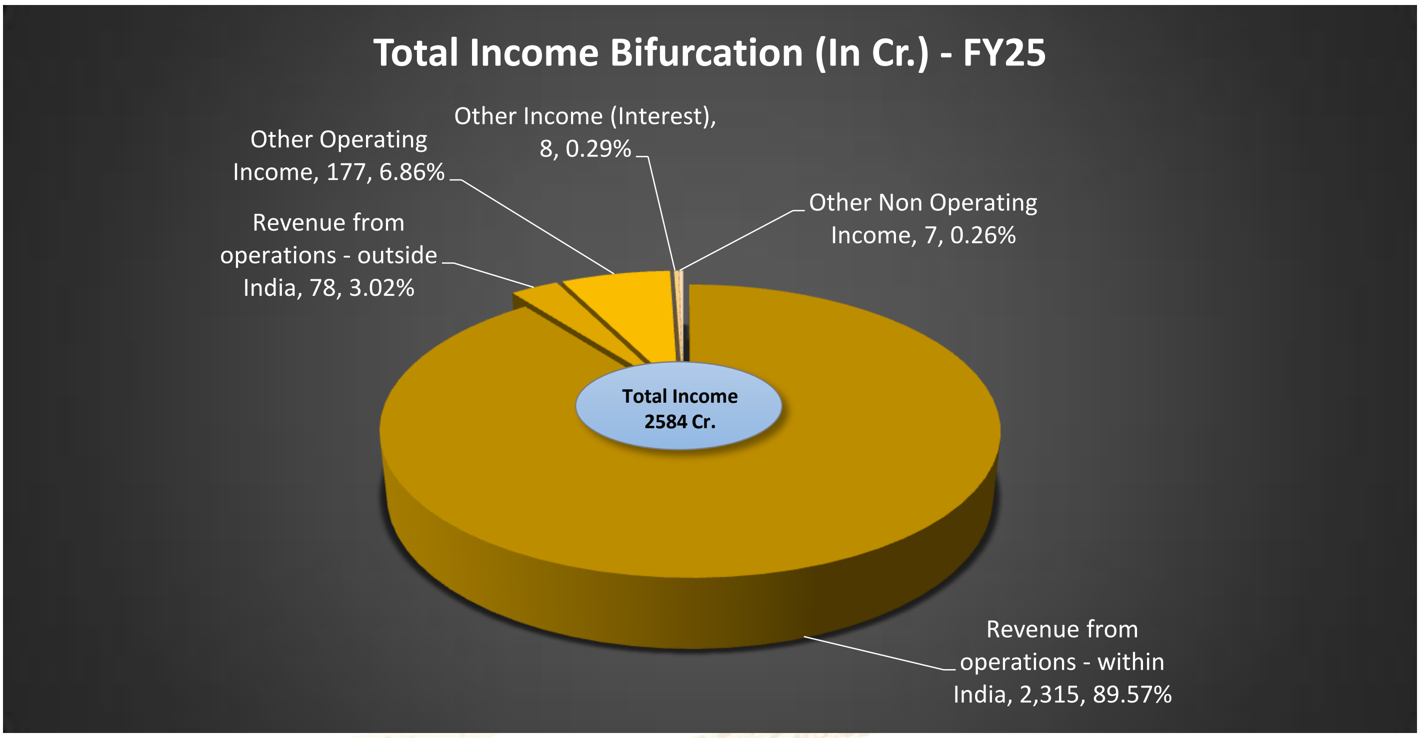
Price Movement

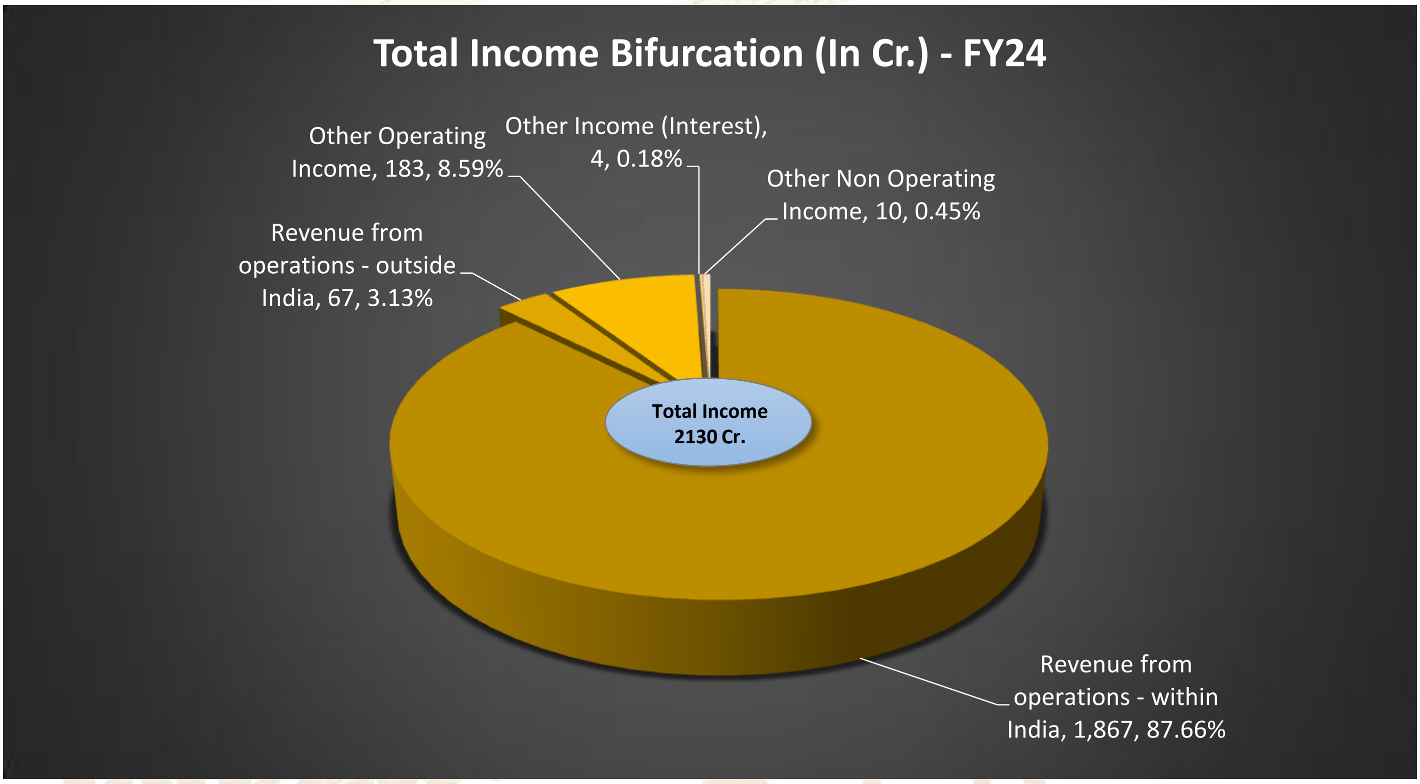


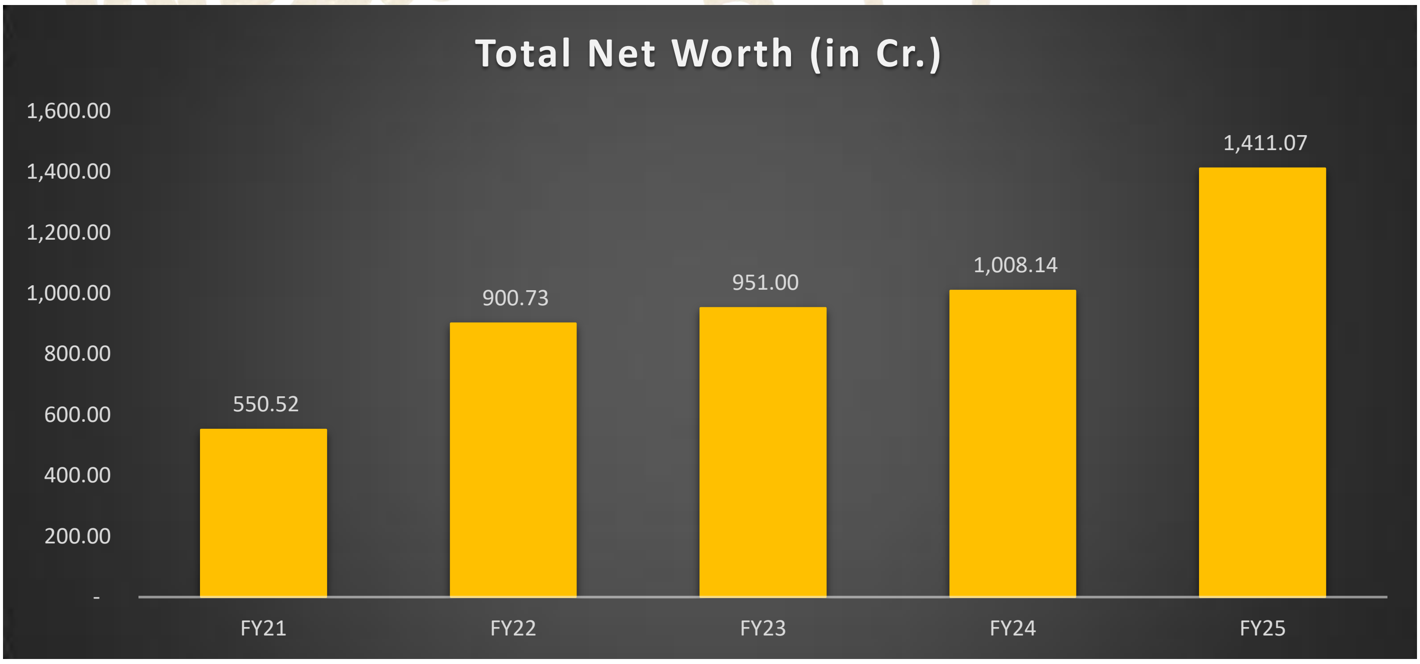
Performance Snapshot

Manjushree Technopack clearly outperformed the market. After staying flat till early 2024, the stock rose sharply from mid-2024 and moved up more than **3.5 times**, holding most of the gains. In comparison, **Nifty 50, Nifty Financial Services and Primex** showed only **steady and moderate growth (around 40–60%)**. This shows strong **company-specific performance** by Manjushree versus normal market returns.

FINANCIALS

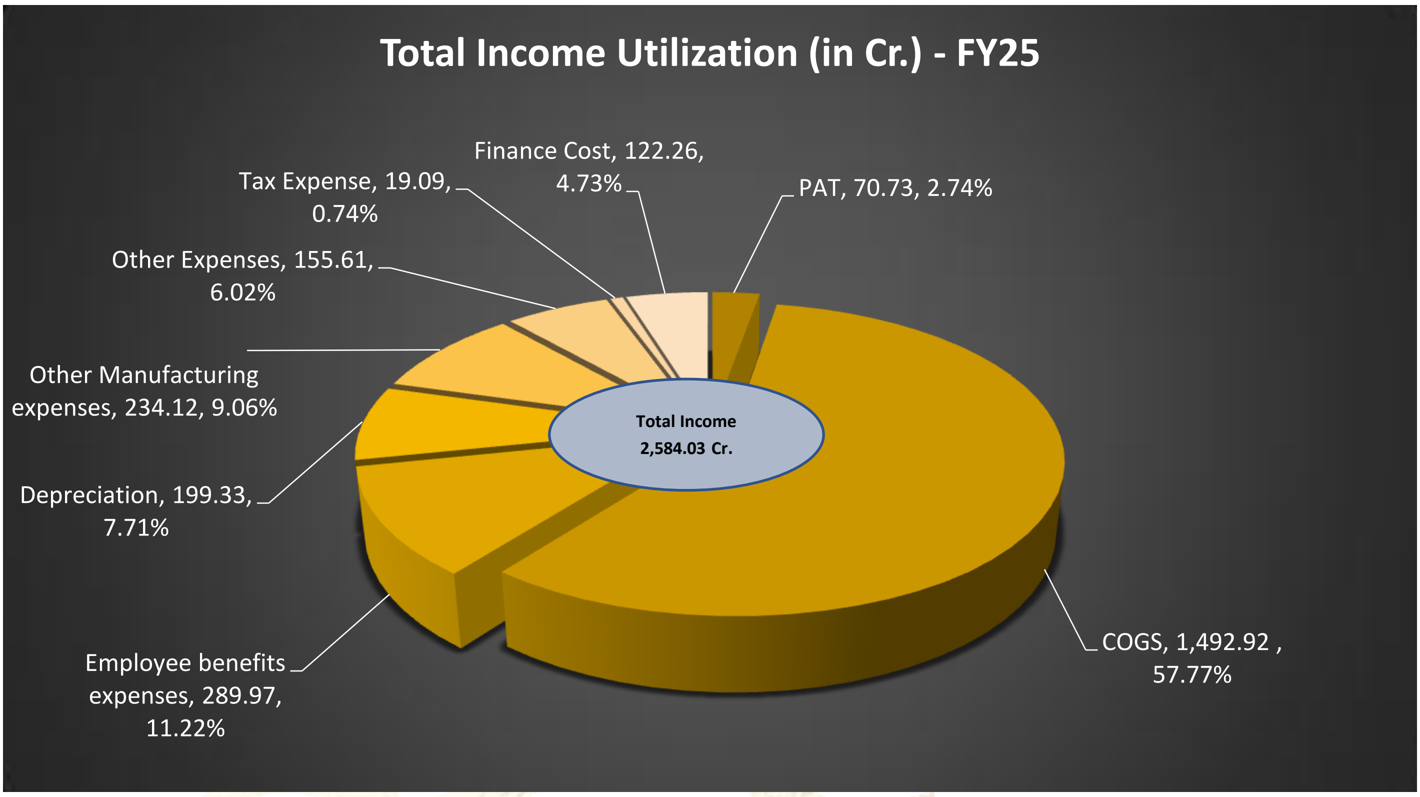


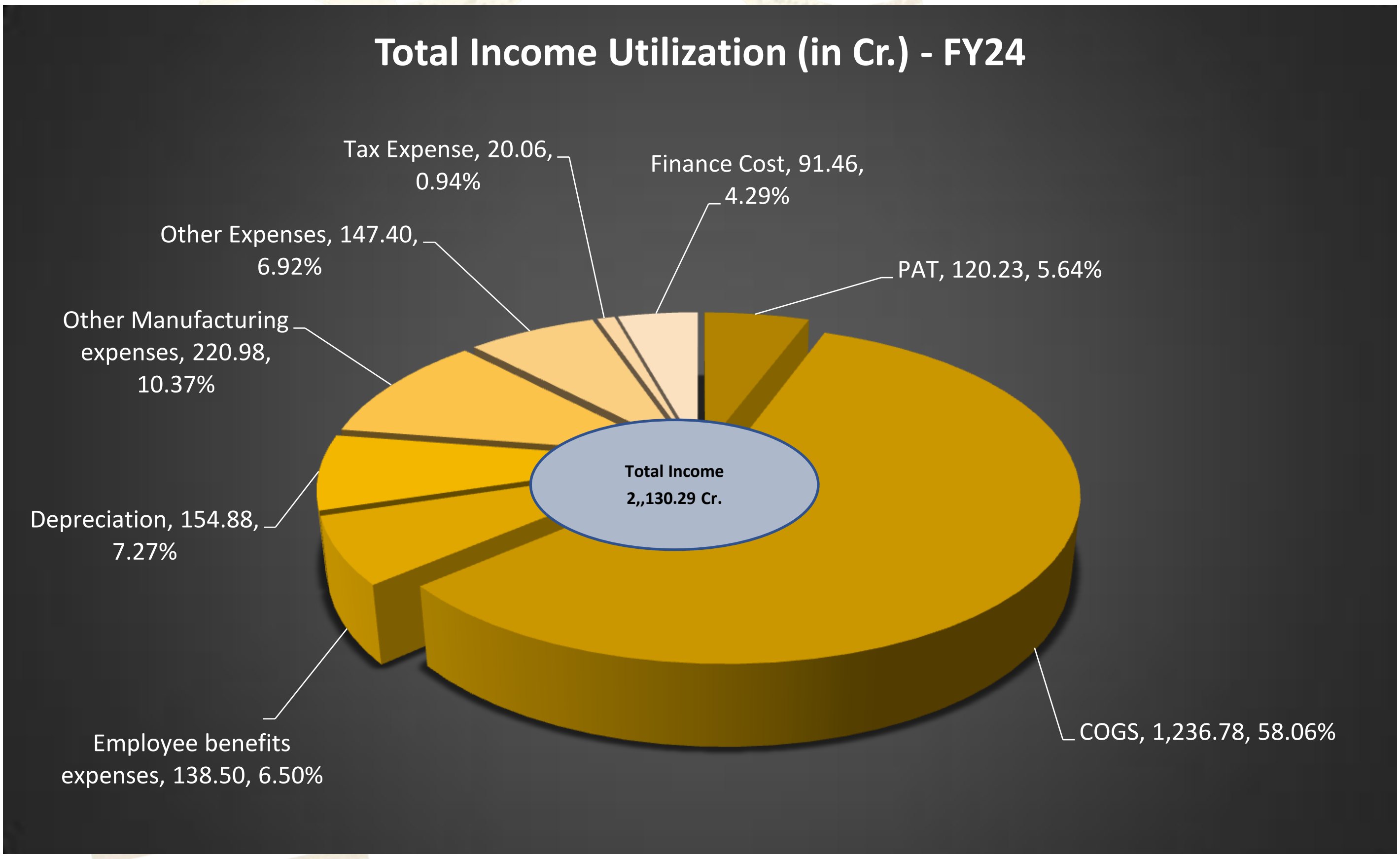




Net Worth Trend (FY21-FY25)
The company's net worth increased steadily from **₹550.5 Cr in FY21 to ₹1,411.1 Cr in FY25**, reflecting a strong balance-sheet expansion. The sharp acceleration in FY25 highlights **robust profitability, capital accretion and strengthened shareholder equity** over the period.

Financials





****Note:* PAT has been presented after adjusting for exceptional items to ensure comparability and reflect normalized earnings.*

Total Income Utilization Analysis (FY24 vs FY25)

The company's total income increased from **₹2,130.3 Cr in FY24 to ₹2,584.0 Cr in FY25**, reflecting strong topline growth. **COGS remained the largest cost component**, though its share declined marginally from **58.1% to 57.8%**, indicating a slight improvement in gross margin. Despite higher scale, the company has maintained **tight control over core manufacturing and overhead costs**, as reflected in the largely stable COGS and other manufacturing expense ratios, highlighting operational discipline.

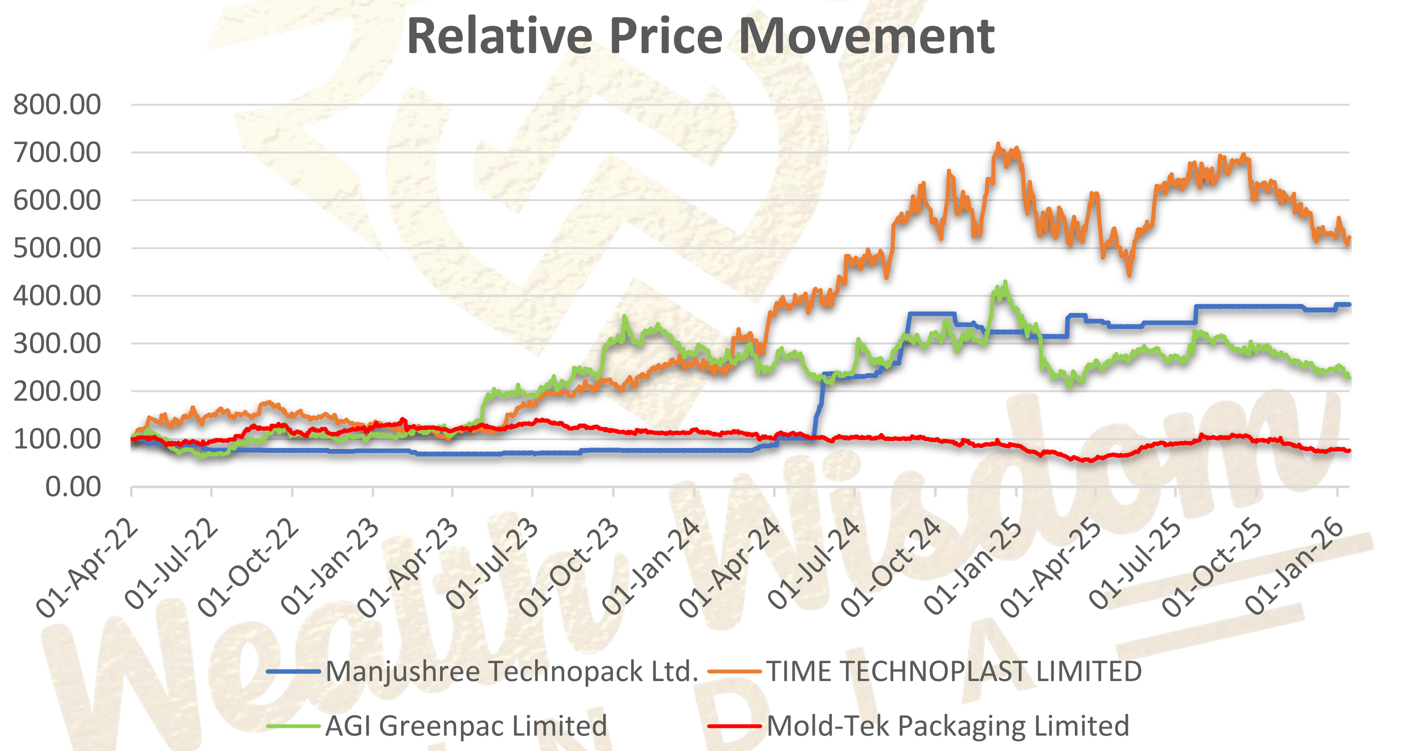
Employee benefit expenses rose sharply both in absolute terms (**₹138.5 Cr to ₹290.0 Cr**) and as a proportion of income (**6.5% to 11.2%**), reflecting workforce expansion and higher manpower costs. **Depreciation increased to 7.7% of income** from 7.3%, aligned with capacity additions and asset base expansion. Other manufacturing and operating expenses remained broadly stable as a percentage of income, suggesting effective cost control despite scale-up.

On the profitability front, **PAT declined materially from 5.6% of income in FY24 to 2.7% in FY25**, despite higher revenues, driven by a sharp rise in operating costs and finance charges (**4.7% vs 4.3%**). Finance costs increased in line with higher capital deployment, indicating a phase of **balance-sheet-led growth**, which may normalise as internal accruals strengthen and debt stabilizes. Overall, while FY25 reflects healthy revenue growth and stable gross cost structure, the compression in net margins highlights **short-term profitability pressure**, underscoring the need for operating leverage and cost optimization to restore earnings quality.

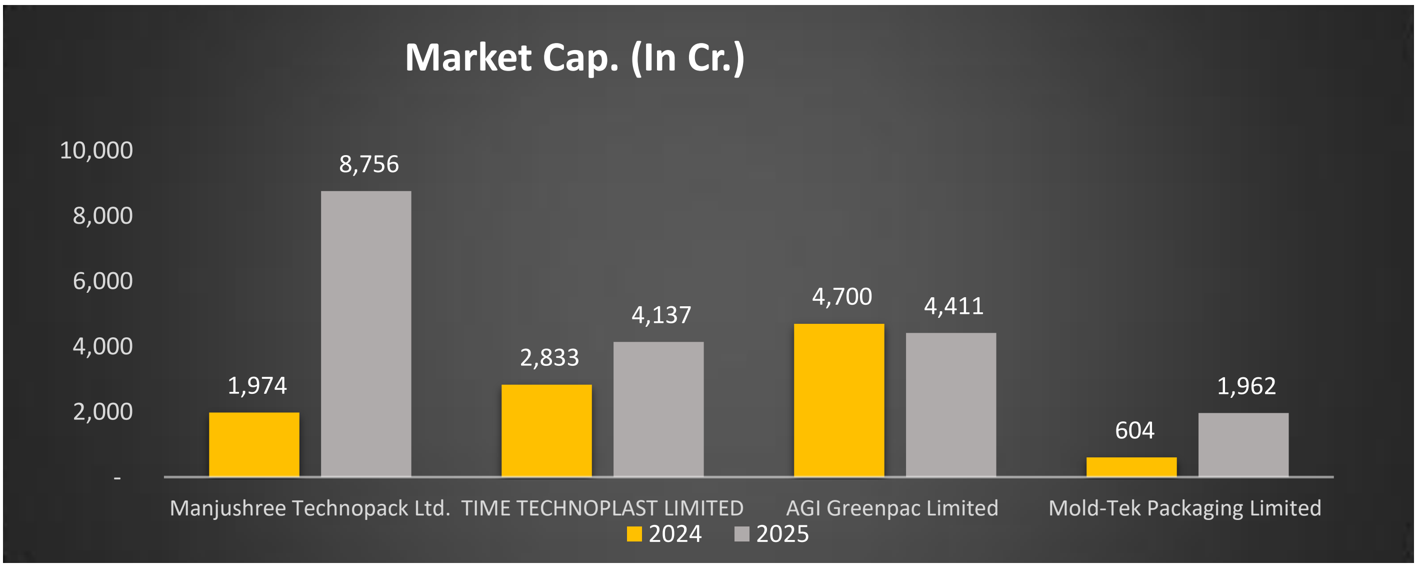
Peer Comparison (CMP* Dated January 21, 2026

Particulars	Manjushree Technopack Ltd.	TIME TECHNOPLAST LIMITED	AGI Greenpac Limited	Mold-Tek Packaging Limited
CMP* (in ₹)	1,020.00	170.61	630.00	545.15
Market Cap (In Cr.)	9,625.83	3,871.64	4,075.94	1,811.47
Revenue From Operations (In Cr.)	2,569.83	5,457.04	2,528.82	781.32
Total Income (In Cr.)	2,584.03	5,462.31	2,603.61	783.56
Total Expenses (In Cr.)	2,494.21	4,933.29	2,176.80	702.29
PAT (In Cr.)	247.63	394.45	322.41	60.55
PAT Margin	9.64%	7.23%	12.75%	7.75%
EPS (Earnings Per Share) (in ₹)	34.35	17.10	49.83	18.22
BVPS (Book Value Per Share) (in ₹)	149.52	83.59	324.24	191.97
P/E	29.69	9.98	12.64	29.92
P/BV	6.82	2.04	1.94	2.84
ROE	17.55%	20.79%	15.37%	9.49%
3 year CAGR Sales	7.02%	-14.70%	3.49%	2.29%
3 year CAGR Net profit	61.10%	-0.08	7.21%	-9.03%
Operating Margin	8.25%	5.31%	20.23%	16.63%
Asset Turnover ratio	0.80	1.80	0.72	0.83

Price Movement



****Note:** The relative price movement shows divergent trends across the four companies, with **Manjushree Technopack** displaying steady re-rating, **AGI Greenpac** remaining volatile, and **Mold-Tek Packaging** underperforming over the period. **Time Technoplast** records a sharp price adjustment on **23 September 2025** due to a **stock split**, which mechanically lowered the share price without affecting intrinsic value. Post-split, **Time Technoplast** exhibits improved liquidity and stronger relative momentum, after adjusting for the split.*



Financials

Financial Metrics

Particulars	FY 25	FY 24	FY 23
Cash flow metrics (in ₹ cr.)			
Operating cash flow	343.52	352.41	322.56
Investing cash flow	-737.88	-149.32	315.55
Financing cash flow	483.30	-257.06	21.68
Net cash flow	88.94	-53.97	659.79
Growth ratios (in %)			
Sales Growth	21.39%	0.99%	42.85%
EBITDA Growth	6.41%	26.47%	26.08%
Net profit growth	75.89%	137.70%	-16.35%
EPS Growth	82.91%	114.87%	-3.85%
Common size ratios -as a % of sales			
EBITDA margin	16.01%	18.26%	14.58%
EBIT Margin	8.25%	10.95%	8.25%
PAT margin	9.64%	6.65%	2.83%
Employee cost	11.28%	6.54%	6.51%
Operating expenses	92.30%	89.68%	92.33%
Return ratios			
RoNW	17.55%	13.97%	6.23%
RoNW (without exceptional items)	5.01%	11.93%	6.57%
RoA	7.73%	6.16%	2.58%

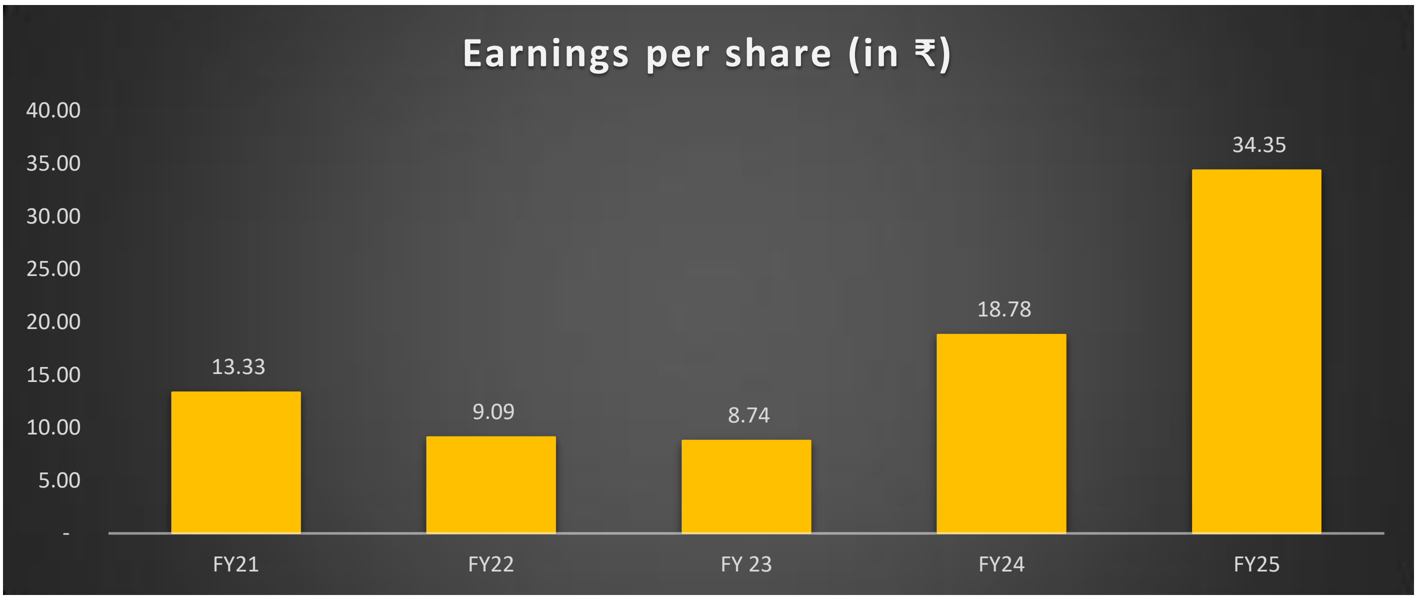
Financial Metrics Analysis (FY23–FY25)

The company delivered a strong recovery in profitability and returns over FY23–FY25, supported by accelerating revenue growth and improving operating efficiency. Sales growth rebounded sharply to **21.4% in FY25** after a subdued FY24, while EBITDA growth moderated to **6.4%**, reflecting margin pressure amid rising operating costs. Notwithstanding this, **net profit and EPS surged by ~76% and ~83% respectively in FY25**, driven by operating leverage and favourable base effects.

Operating cash flows remained healthy and stable at **₹343.5 Cr in FY25**, underscoring the resilience of core operations. The sharply negative investing cash flow of **₹(737.9) Cr** highlights an aggressive **capex and expansion phase**, largely funded through higher financing inflows of **₹483.3 Cr**, resulting in a modest positive net cash inflow for the year. This capital deployment positions the company for future capacity and growth, albeit with near-term pressure on free cash flows.

Margin trends indicate a mixed operating environment. **EBITDA margin moderated to 16.0% in FY25 from 18.3% in FY24**, reflecting higher employee and operating costs, with employee cost ratio rising sharply to **11.3%**. However, **PAT margin improved materially to 9.6%**, aided by better cost absorption and profitability recovery, highlighting improved earnings quality despite operating headwinds.
Return ratios strengthened significantly, with **RoNW improving to 17.6% and RoA to 7.7% in FY25**, reflecting enhanced asset productivity and profit conversion. However, **RoNW excluding exceptional items declined to 5.0%**, indicating that a meaningful portion of FY25 return accretion was supported by non-recurring gains. Overall, the metrics reflect a company in a **high-investment growth phase**, delivering strong earnings momentum and improving returns, while margin compression and exceptional-led profitability warrant close monitoring of sustainability going forward.

Exhibit 1: Earnings Per Share



Financials

Exhibit 2: Return On Equity

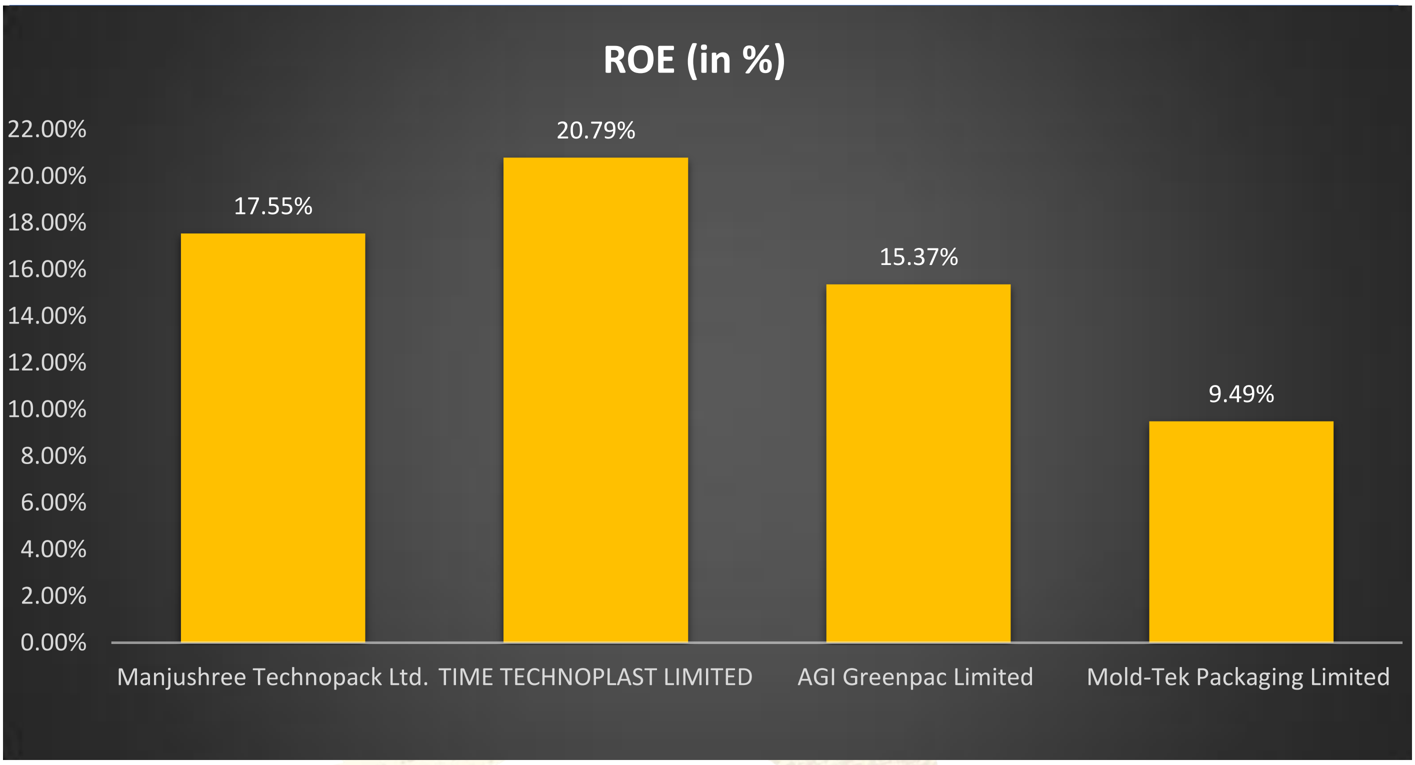
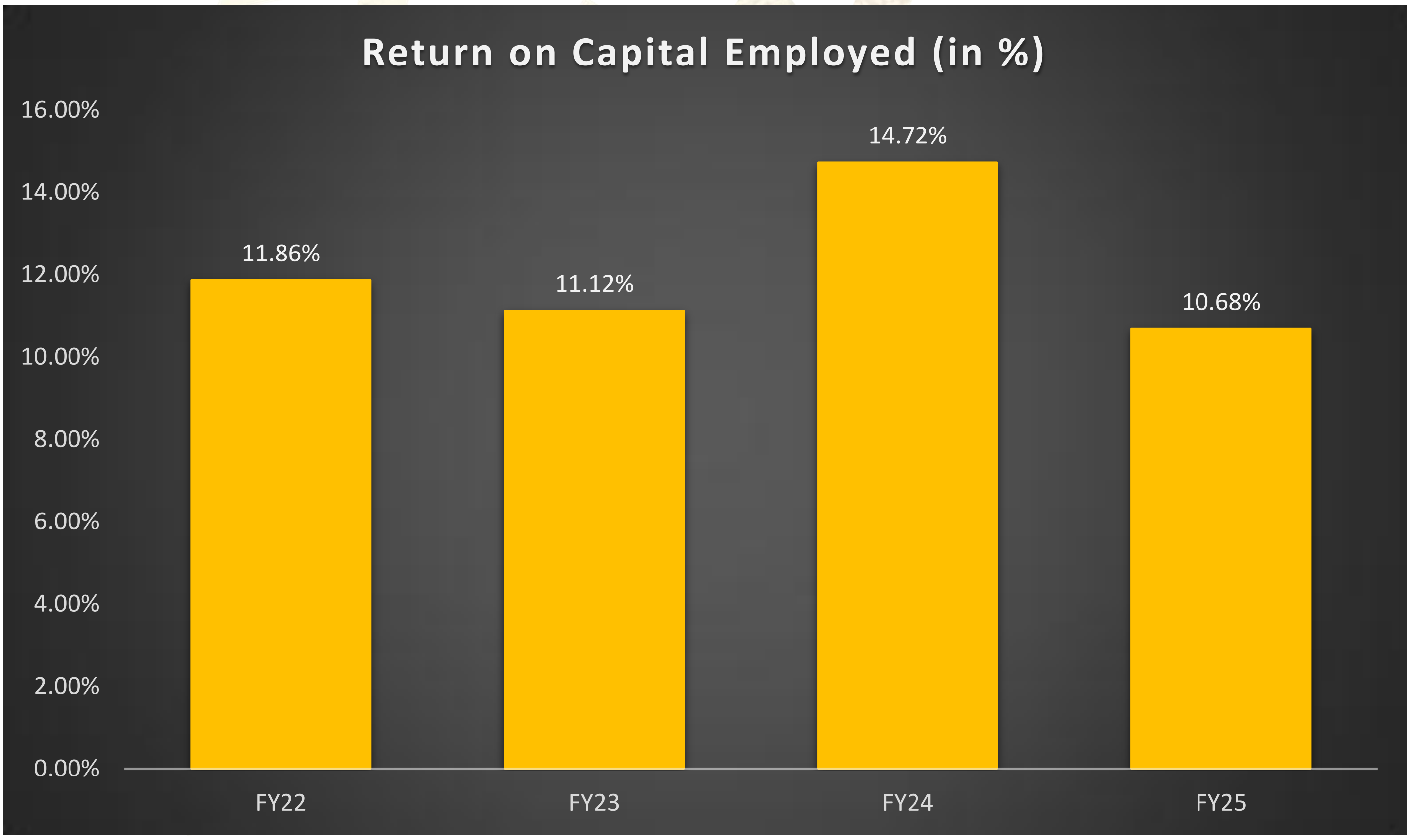


Exhibit 3: Return On Capital Employed



Impact of Exceptional Items and Normalised Earnings Analysis

In order to present a clearer view of the company's underlying operating performance, certain financial metrics have been analysed after adjusting for exceptional and non-recurring items reported during the period. Over the past few years, Manjushree Technopack has recorded material exceptional items primarily relating to acquisition-related adjustments, restructuring costs, asset write-offs and other one-time charges / credits, which have had a meaningful impact on reported profitability and return ratios.

While reported earnings reflect statutory performance, these exceptional items distort period-to-period comparability and may not accurately represent the company's sustainable earnings capability. Accordingly, key indicators such as PAT, EPS and return ratios have been normalised to exclude exceptional items to assess the core operating strength and earnings quality of the business.
The adjusted metrics indicate that a significant portion of recent profitability and return accretion has been influenced by non-recurring factors, and underlying operating returns remain more moderate than headline numbers suggest. Investors should therefore interpret reported growth and return ratios with caution and focus on the **normalised earnings trajectory**, which better reflects the long-term earning capacity and capital efficiency of the company.

Going forward, the sustainability of earnings improvement will depend on successful execution of expansion plans, margin stabilisation and operating leverage, rather than reliance on exceptional or one-time income items.

Risks Associated With Manjushree Technopack Limited

Manjushree Technopack operates in a structurally growing rigid plastic packaging industry; however, the business remains exposed to multiple operational, financial, regulatory and strategic risks that could impact earnings visibility and valuation sustainability.

- **Raw Material Price Volatility:** The company's cost structure is highly sensitive to fluctuations in polymer and petrochemical prices, which are closely linked to crude oil movements. Sharp volatility in input costs, as highlighted across recent annual reports, can compress margins in periods where price pass-through to customers is delayed or limited, particularly in highly competitive FMCG and industrial segments. A portion of raw materials, machinery and technical inputs are either imported or linked to global pricing benchmarks. Adverse movements in foreign exchange rates or supply disruptions in international markets could increase procurement costs and impact margins, particularly during periods of currency volatility.

- **High Capital Expenditure and Leverage Risk:** The company is in an aggressive expansion phase with significant capex and acquisitions across multiple geographies. This has resulted in elevated investing cash outflows and higher dependence on external financing. Any delay in capacity ramp-up, lower-than-expected utilization or adverse demand conditions could weaken cash flows and strain return ratios.

- **Customer Concentration and Industry Cyclicality:** The company derives a significant portion of revenue from FMCG, pharmaceuticals, paints and industrial clients. Any slowdown in end-user demand, loss of key customers, pricing pressure from large clients or cyclical downturns in consumer and industrial segments could adversely affect volume growth and realizations.

- **Competition and Pricing Pressure:** The packaging industry remains highly competitive with the presence of both organized and unorganized players. Intensifying competition, capacity additions across the industry and customer bargaining power may limit pricing flexibility and constrain margin expansion over time.

- **Exceptional Items and Earnings Volatility:** Recent profitability has been influenced by exceptional items and non-recurring adjustments, as reflected in return ratios excluding exceptional items. This introduces earnings volatility and reduces near-term visibility on the sustainability of return metrics, warranting cautious interpretation of headline profitability.

- **Regulatory and Environmental Risk:** The rigid plastic packaging industry is subject to evolving environmental regulations, Extended Producer Responsibility (EPR) norms, recycling mandates and restrictions on plastic usage. Stricter regulations, higher compliance costs or adverse policy changes could require incremental capital investment, alter product mix and impact long-term profitability.

- **Geographic and Operational Concentration Risk:** With a large manufacturing footprint spread across multiple states, the business is exposed to **regional regulatory changes, labour availability issues, infrastructure bottlenecks and state-level policy risks**. Any prolonged disruption at key plants could temporarily impact supply commitments and customer relationships.

- **Technology and Automation Execution Risk:** The company is increasingly investing in automation, advanced manufacturing and digital processes. Delays in implementation, technology obsolescence, cyber risks or lower-than-expected productivity gains could result in higher capital intensity without commensurate efficiency benefits, affecting return on capital employed.

Disclaimer

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