

Manika Plastech IPO

By **Dilip Davda** · SEBI Registered Research Analyst · Reg. No. INH000003127 Reviewed on 11 September 2026

- The company is engaged in the manufacturing and marketing of rigid polymer packaging for diversified critical industries.
- The company posted growth in its top and bottom lines for the reported periods.
- Boosted profits in a pre-IPO period (i.e., for Q1 of FY27), raise eyebrows and concern over its sustainability.
- Based on its recent average financial data, the issue appears fully priced.
- Well-informed investors may park funds for medium to long term.

About the Company

Manika Plastech Ltd. (MPL) is, as per the Technopak Report, a design-led, precision engineered, rigid polymer packaging manufacturing company, catering to diversified critical industries such as energy storage, dairy and edible food products, paints, and chemicals. The Company's products are designed and developed in-house, with 30 designs registered as unique intellectual property, under the Designs Act, 2000 and the Designs Rules, 2001. As per the Technopak Report, with focus on application specific performance, durability, product safety and efficiency, its product portfolio built around precision engineered solutions such as high-performance battery casings, pail & thinwall containers, each tailoring to serve industrial and consumer use cases.

These products and services cater to a broad spectrum of industries, including automotive, energy storage, telecommunications, paints, lubricants, agrochemicals, construction chemicals, food, and dairy, among others. The Company undertakes production in injection moulded, rigid polymer components, such as precision battery casings that are integral to the performance and durability of energy storage systems. It also manufactures pails and thinwall containers. While pails serve packaging needs across paints, lubricants, and industrial chemicals, the food grade thinwall containers are used for secure packaging and distribution of dairy and edible products. The packaging is designed to align with the shelf life of the product it holds, ensuring that its structural strength, ability to protect, and ease of handling are maintained throughout the product's expected lifecycle, across different end use environment.

MPL provides RPP solutions to customers, starting from design to development, sourcing raw materials, manufacturing, heat sealing, labelling, quality assurance and to delivery. Over the years, it has developed the capability of providing customers with customized packaging products. Its facilities are equipped to design automotive battery casings compliant with Japanese and German technical standards developed and published by Japanese Industrial Standards ("JIS") and Deutsches Institut

Für Normung ("DIN"), respectively which enables it to align products with the final product specifications and quality requirements of customers. JIS and DIN ensure compatibility with existing filling and labelling lines and providing consistent performance characteristics.

As per the Technopak Report, common rigid plastic products, including water bottles, detergent containers, and buckets, are manufactured using injection moulding and blow moulding techniques, ensuring precision and long lasting performance. Rigid polymers find its application across a wide range of industries, including paint & lubricants, energy sector, food and beverages, personal care, consumer goods, e-commerce, pharmaceuticals, agrochemicals, etc. in the consumer rigid plastic. While the industrial rigid polymer packaging would include chemical and petrochemical, automotive, agriculture & agrochemicals, construction chemicals, electronics, medical & laboratory etc. Battery casings has a lion share in its top line, followed by Pails and Thinwall containers, and rest others. As of July 31, 2026 it had 352 employees and 809 contract workers.

Issue Details / Capital History

The company is coming out with its maiden book building route combo IPO of approx. 29186046 equity shares (worth Rs. 125.50 cr.at the upper cap). The IPO consists of fresh equity shares worth Rs. 92.50 cr. (approx. 21511628 equity shares at the upper cap) and an Offer for Sale (OFS) of 7674418 equity shares (worth Rs. 33.00 cr. at the upper cap). The company has announced a price band of Rs. 40 – Rs. 43 per equity shares of Rs. 2 each. The issue opens for subscription on September 11, 2026, and will close on September 16, 2026. The minimum application to be made is for 348 shares and in multiples thereon, thereafter. Post allotment, shares will be listed on BSE and NSE. The issue constitutes 25.05% of the post-IPO paid-up equity capital. From the net proceeds of the fresh equity issue, the company will utilize Rs. 54.93 cr. for capex towards purchase of plant and machinery, Rs. 15.00 cr. for repayment/prepayment of certain borrowings, and the rest for general corporate purposes.

The sole Book Running Lead Managers (BRLMs) to this issue is Pantomath Capital Advisors Pvt. Ltd., Ltd., while MUFG Intime India Pvt. Ltd. is the registrar to the issue. Asit C Mehta Investment Intermediates Ltd. is a syndicate member.

After issuing entire equity shares at par value, the company has issued bonus shares in the ratio of 4 for 1 in March 2005, 1 for 1 in September 2005, 1 for 2 in March 2006, 1 for 3 in August 2006, 3 for 10 in September 2007, and 1 for 1 in October 2010. The average cost of acquisition of shares by the promoters/selling stakeholders is Rs. NA, and Rs. NIL per share.

Post-IPO, its current paid-up equity capital of Rs. 19.00 cr. (95000000 equity shares) will stand enhanced to Rs. 23.30 cr. (116511628 equity shares). Based on the upper cap of the price band, the company is looking for a market cap of Rs. 501.00 cr.

Financial Performance

On the financial performance front, for the last three fiscals, the company has posted a total income/net profit, of Rs. 368.76 cr. / Rs. 11.53 cr. (FY24), Rs. 412.59 cr. / Rs. 19.33 cr. (FY25), and Rs. 437.26 cr. / Rs. 22.40 cr. (FY26). For Q1 of FY27 ended on June 30, 2026, it earned a net profit of Rs. 13.07 cr. on a total income of Rs. 162.71 cr. Thus, it marked steady growth in its top and bottom lines for the reported periods. However, bumper Q1 net raise eyebrows, as it may not sustain going forward. Year-on-year surge in trade receivables raise concern.

For the last three fiscals, the company has posted an average EPS of Rs. 1.38 and an average RoNW of 14.52 %. The issue is priced at a P/BV of 2.61 based on its NAV of Rs. 16.50 as of March 31, 2026, and at a P/BV of 2.01 based on its post-IPO NAV of Rs. 21.40 per share at the upper cap.

If we attribute FY26 super earnings to its post-IPO fully diluted paid-up equity capital, then the asking price is at P/E of 9.58. Based on FY25 earnings, the P/E stands at 22.40. The issue appears fully priced based on its recent average performance.

For the reported periods, the company has reported PAT Margins of 3.13% (FY24), 4.69% (FY25), 5.12% (FY26), 8.03% (Q1-FY27), and RoCE margins of 8.84%, 14.79%, 18.77%, 8.34% respectively, for the referred periods.

Dividend Policy

The company has paid a dividend of 10% for FY24, and 11% for FY25, and 20% for three months period ended June, 30, 2026. It has already adopted a dividend policy in April 2025, based on its financial performance and future prospects.

Comparison with Listed Peers

As per the offer document, the company has shown Hitech Corp., Mold-Tek Packaging, Shaily Engineering, as its listed peers. They are currently trading at a P/E of 29.4, 30.0, and 87.8 (as of September 10, 2026). However, they are not truly comparable on an apple-to-apple basis. This comparison appears to be an eyewash. This comparison appears to be an eyewash.

Merchant Banker's Track Record

The sole BRLM associated with this issue has handled 12 IPOs in the last three fiscals and out of which 3 IPOs closed below the issue price on listing date.

Conclusion / Investment Strategy

MPL is engaged in the manufacturing and marketing of rigid polymer packaging for diversified critical industries. The company posted growth in its top and bottom lines for the reported periods. Boosted profits in a pre-IPO period (i.e., for Q1 of FY27), raise eyebrows and concern over its sustainability. Based on its recent average financial data, the issue appears fully priced. Well-informed investors may park funds for medium to long term.

About Dilip Davda

Dilip Davda is a veteran financial journalist associated with the Indian stock market since 1978. He has been contributing to print and electronic media on capital markets, insurance, and finance since 1985. He is widely recognized for reviewing public issues and non-convertible debentures (NCDs) in the primary market, with a special emphasis on SME public issues.

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