ADITYA BIRLA CAPITAL
STOCKS & SECURITIES

Manipal Payment and Identity Solutions

Diversifying beyond cards while preserving strong profitability

SUBSCRIBE

Technology | IPO Note | September 08, 2026

Price Band (Rs): 322 - 339

We recommend SUBSCRIBE to the IPO of Manipal Payment & Identity Solutions (MPISL), supported by its leadership in India's payment card manufacturing ecosystem, diversified secure solutions portfolio, and high-entry-barrier business model. The company generated FY26 revenue of Rs13.3bn, delivering a 13.7% revenue CAGR over FY23-26 while EBITDA grew at 38.5% CAGR to Rs 4.3bn in FY26 with expanding EBITDA margins from 17.8% to 32.1% during the same period. MPISL serves 344 customers across banking, fintech, and government segments, and has diversified beyond payment cards into identity credentials, RFID, secure solutions, and smart-tagging offerings. We believe MPISL is well-positioned to benefit from premium card adoption, government digitisation, identity modernisation, and growing demand for authentication and traceability solutions. At the upper price band of Rs 339/share (30.1x FY26 diluted EPS), the valuation is not inexpensive; however, we believe it is supported by the company's strong profitability, healthy return profile, balance sheet strength, and differentiated positioning within the secure payments and identity ecosystem. Hence, we recommend SUBSCRIBE to the issue.

Evolving from card manufacturer to secure infrastructure platform

MPISL has evolved from a pure-play payment card manufacturer into a diversified secure solutions platform spanning payment cards, personalization services, identity credentials, secure printing, RFID, holograms, and IoT-enabled solutions. Cards accounted for 57.3% of FY26 revenue, with non-card businesses increasingly contributing to growth and diversification.

Identity solutions, RFID, and smart tagging expand the growth runway

Beyond payment cards, MPISL participates in government credentialing programs including driving licences and registration certificates, while also expanding into RFID, smart tagging, holograms, and track-and-trace solutions. Recent acquisitions in Revenue Assurance and Variable Data Printing strengthen its exposure to digital identity, authentication, anti-counterfeiting, and supply-chain digitisation opportunities. We believe these businesses provide incremental growth drivers beyond the core card franchise.

Established banking relationships create cross-sell opportunities

MPISL serves 344 customers across banks, fintechs, enterprises, and government agencies, leveraging its leadership in payment cards to expand into adjacent secure infrastructure solutions. We believe deeper penetration across identity credentials, RFID, smart tagging, and secure printing can increase wallet share, strengthen customer retention and support long-term revenue growth.

High entry barriers support long-term competitiveness

MPISL produced 86.2mn payment cards in FY26 and holds 36.4% market share in credit cards and 30.9% market share in debit cards. The business requires payment-network approvals, security certifications, secure personalization infrastructure, and long customer qualification cycles, creating significant barriers to entry and supporting customer stickiness.

Improving business mix to support earnings growth

Growth is expected to be driven by higher-margin businesses such as metal cards, RFID, exports, smart-tagging, and identity solutions. We believe revenues could grow at a 20%+ CAGR over the medium term while sustaining EBITDA margins of 32%+, supported by favorable business mix and operating leverage. At the upper price band, MPISL is valued at 30.1x FY26 EPS, which we believe is supported by its market leadership, strong profitability, debt-free balance sheet, and increasing exposure to higher-growth identity and authentication markets.

Key risks

(1) UPI-led payment adoption may moderate long-term card growth. (2) Government projects can be tender-driven and volatile. (3) RFID and newer businesses may scale slower than expected. (4) Large banking customers could exert pricing pressure. (5) Technology evolution may require ongoing investments. (6) Acquisition integration remains an execution risk.

Issue Details	
Issue Opens	September 09, 2026
Issue Closes	September 11, 2026
Type of Issue	Fresh issue (9.4 Mn shares) OFS (14.3 Mn shares) IPO (23.7 Mn shares)
Face Value (Rs)	2
Price Band (Rs)	322 - 339
Bid Lot/ Bid Size	44 shares / Rs 14,916
Issue Size at upper price band (Rs bn)	8.1
Market Cap at upper price band (Rs bn)	78.6
Issue Structure	QIB- 75%, HNI- 15%, Retail- 10%
BRLMs	Motilal Oswal Investment Advisors, Axis Capital, ICICI Securities, IIFL Capital Services, Nuvama Wealth Management
Registrar	MUFG Intime India

Shareholding Pattern (%)	Pre-Issue	Post-Issue
Promoter	62.6	53.9
Public	37.4	46.1

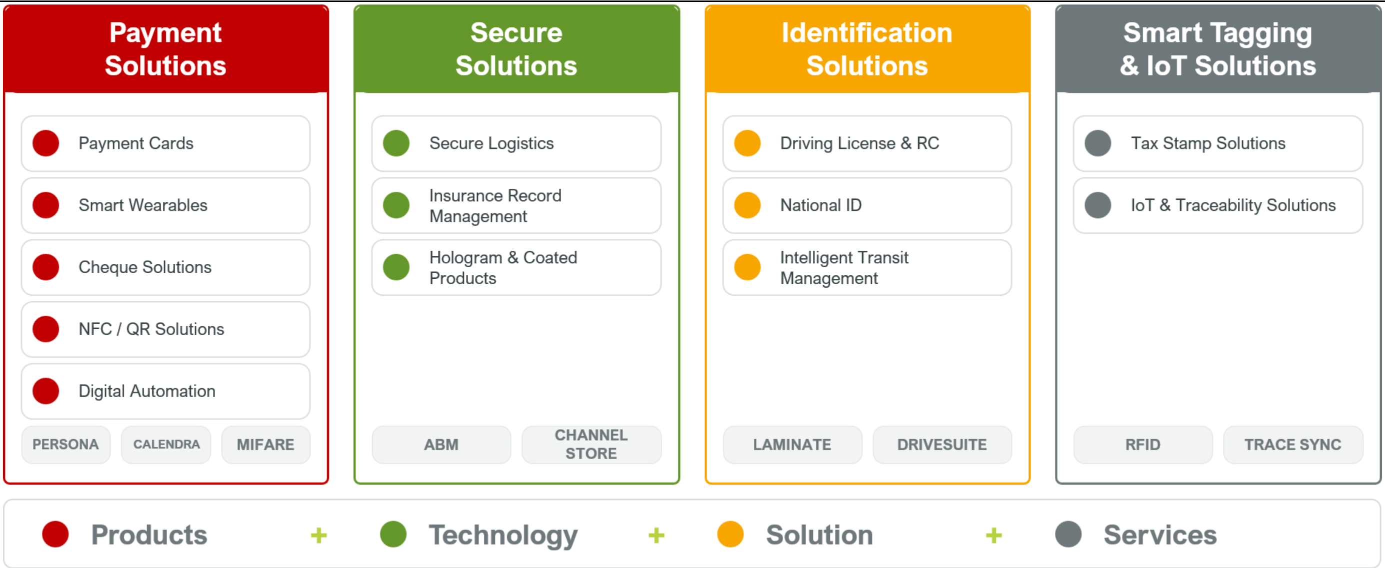
Yash Kudale
Research Analyst
yash.kudale@adityabirlacapital.com
+91-22-6819-0520

From card manufacturing to secure identity infrastructure

Manipal Payments & Identity Solutions ("MPISL") has evolved from a domestic payment card manufacturer into a diversified secure identity, authentication and track-and-trace solutions provider. The company services banks, governments and enterprises through a portfolio spanning payment cards, metal cards, identity credentials, excise tax stamps, RFID solutions and digital automation products. Its operating history, security certifications, manufacturing scale and long-standing customer relationships create meaningful barriers to entry in what remains a trust-driven industry. While payment cards remain the largest contributor to revenue, the business has gradually expanded into higher-value segments such as metal cards, identity credentials and RFID-enabled solutions, broadening its addressable market and reducing dependence on a single product category.

Importantly, MPISL operates in markets where customer acquisition is governed less by price and more by trust, execution capability and compliance standards. Long qualification cycles, stringent certifications and mission-critical end-use applications create significant barriers for new entrants. As a result, incumbent positions tend to be sticky and market structures relatively consolidated. In our view, these characteristics make MPISL structurally different from a traditional printing or manufacturing business and position it as a beneficiary of growing demand for secure payments, identity and authentication infrastructure.

Exhibit 1: Integrated platform spanning multiple commerce enablement solutions



Source: Company RHP, ABM Research

Exhibit 2: Integrated platform spanning multiple commerce enablement solutions

Source: Company RHP, ABM Research

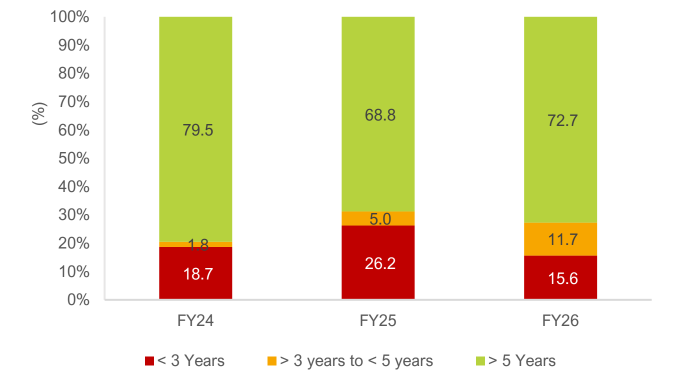
Long-standing relationships with marquee customers create cross-sell opportunities

MPISL benefits from deep customer relationships across banking, fintech, and government segments, serving 344 customers in FY26, including leading private banks, PSBs, and over 60 fintechs. The company's client roster includes marquee institutions such as SBI, HDFC Bank, ICICI Bank, Axis Bank, Kotak Mahindra Bank, Canara Bank and Bank of India, with several relationships spanning over a decade. It also serves 60+ fintechs and payment banks, including Airtel Payments Bank, Scapia and global neo-bank Revolut, reflecting its strong positioning within the payments and identity ecosystem.

Customer stickiness remains high, with 72.7% of FY26 revenue generated from customers associated with the company for over five years, while the average relationship tenure with its top 10 customers stood at 12.5 years. These long-standing relationships are supported by stringent security requirements, certification standards, and long qualification cycles, which create meaningful entry barriers and limit customer churn.

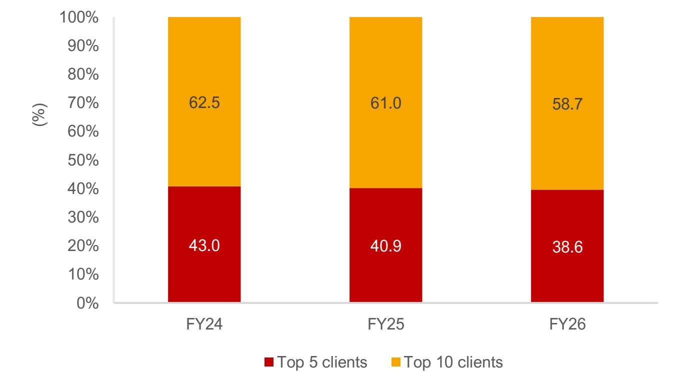
While the top five and top ten customers contributed 38.6% and 58.7% of FY26 revenue, respectively, the diversified customer base provides opportunities to cross-sell adjacent offerings such as identity credentials, RFID, smart-tagging, and secure printing solutions. We believe MPISL's customer relationships provide strong revenue visibility, support customer retention and strengthen its competitive positioning across secure payments and identity infrastructure

Exhibit 3: Revenue Mix by Customer Relationship Vintage



Source: Company RHP, ABM Research

Exhibit 4: Top customer concentration contracting



Source: Company RHP, ABM Research

Exhibit 5: Key banking clients

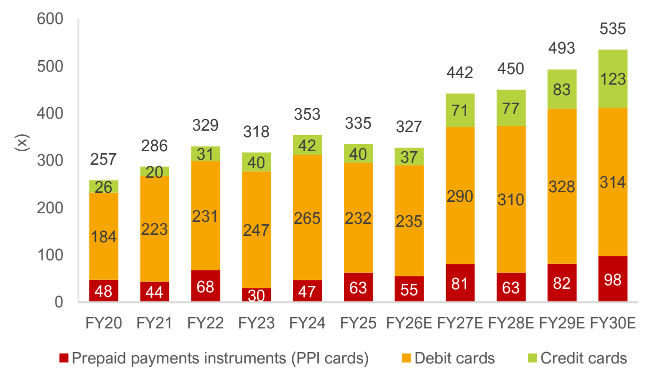
Source: Company RHP, ABM Research

Strong positioning in a structurally concentrated industry

India issues roughly 300+ mn payment cards annually. The payment card manufacturing industry is characterized by high regulatory oversight, extensive certification requirements, and long-standing customer relationships. Consequently, market shares tend to remain concentrated among a limited number of qualified participants. MPISL has established itself as one of the largest domestic players, with market share of about 31.7% for credit and debit cards issuance in India for FY26. Together with Seshaasai Technologies, the company accounts for a significant proportion of domestic card volumes, highlighting both scale advantages and industry consolidation.

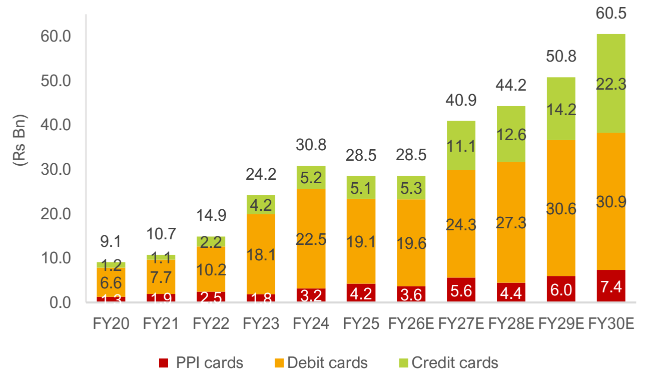
What differentiates MPISL is not merely its manufacturing footprint but its participation across higher-value elements of the value chain, including personalization, secure fulfilment and authentication. These activities deepen customer integration and increase switching costs, particularly for financial institutions where security standards and service continuity remain critical. The combination of compliance capabilities and manufacturing scale represents a meaningful competitive advantage in an industry where trust remains a critical purchase criterion.

Exhibit 6: India payment card issuance to grow at 13% CAGR through FY26E-FY30E



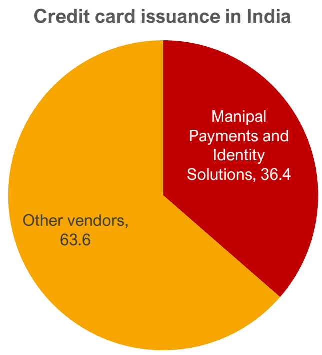
Source: Company RHP, ABM Research

Exhibit 7: TAM expected to more than double by FY30



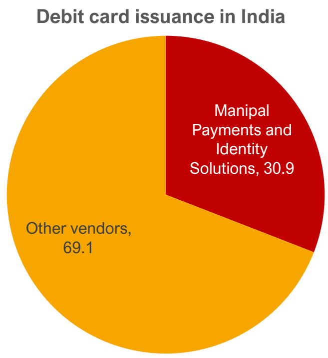
Source: Company RHP, ABM Research

Exhibit 8: MPISL produced 13.54 mn credit cards in FY26



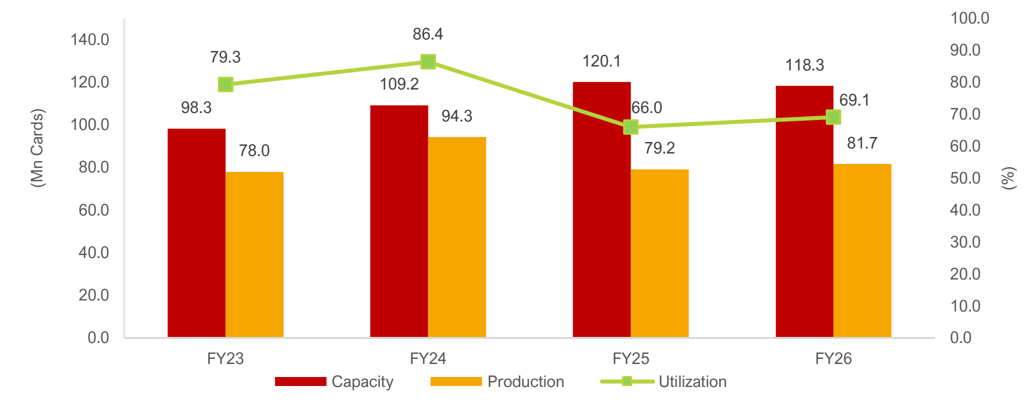
Source: Company RHP, ABM Research

Exhibit 9: MPISL produced 72.66 mn debit cards in FY26



Source: Company RHP, ABM Research

Exhibit 10: MPISL produced 81.7mn plastic cards in FY26



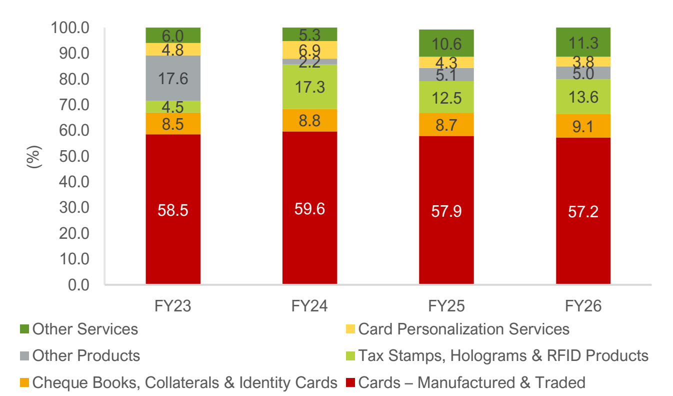
Source: Company RHP, ABM Research

Revenue mix evolving beyond traditional card manufacturing

Historically, MPISL's growth was closely linked to payment card issuance. However, the company's strategic evolution over the last several years has resulted in a progressively more diversified revenue profile spanning identity credentials, government security solutions, tax stamps, and RFID technologies. While these businesses address different end markets, they are united by a common requirement for secure authentication, an area where MPISL possesses decades of operating experience.

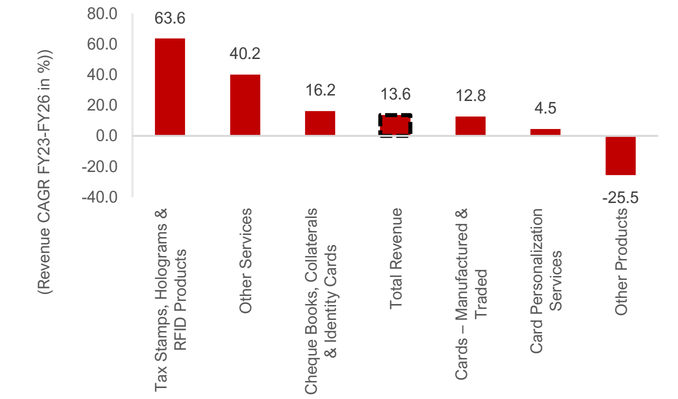
This diversification is strategically important for two reasons. First, it broadens the company's addressable market while reducing reliance on any single end market. Second, the newer businesses utilize much of the same secure manufacturing infrastructure, regulatory capabilities, and customer relationships that underpin the core payment card franchise. Consequently, the expansion into adjacent categories has occurred with relatively limited business-model risk. Rather than diversifying into unrelated segments, the company has built a portfolio of businesses that leverage the same competitive advantages.

Exhibit 11: Revenue mix by segment



Source: Company RHP, ABM Research

Exhibit 12: Growth led by new initiatives



Source: Company RHP, ABM Research

Metal cards: A structural premiumisation opportunity

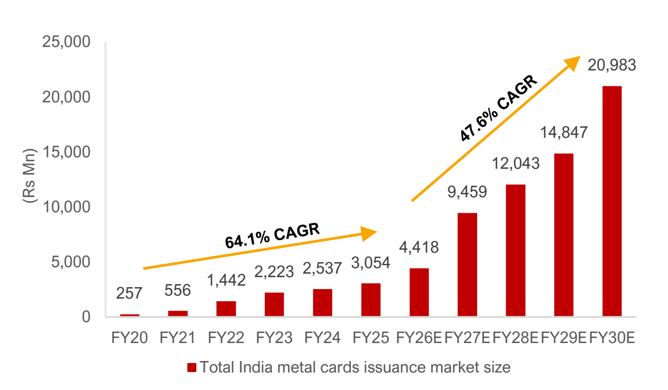
Metal cards are emerging as one of the most attractive segments within the payment's ecosystem, driven by rising adoption among affluent customers, premium banking programs, and fintech issuers. The global metal card market is expected to grow from 49mn cards in 2024 to 113mn cards by 2030 (15.3% CAGR), while India is projected to be among the fastest-growing markets, with volumes rising from 0.1mn cards in 2020 to 10.5mn cards by 2030 (47.2% CAGR).

We view metal cards as strategically important for MPISL given their materially superior economics and limited competitive intensity. Metal card generates an ASP of approximately Rs 2,500, compared with Rs 80 for a conventional PVC card. Gross margins are estimated at ~70% versus ~50% for PVC cards, while EBITDA margins are approximately ~50% versus ~32%, highlighting the segment's ability to contribute disproportionately to earnings growth.

Importantly, metal card manufacturing is protected by proprietary processes and intellectual property, creating meaningful entry barriers. MPISL holds patent protection across multiple jurisdictions, with management indicating approximately 15 years of remaining patent life, supporting its competitive positioning in a niche market with a limited number of qualified suppliers globally.

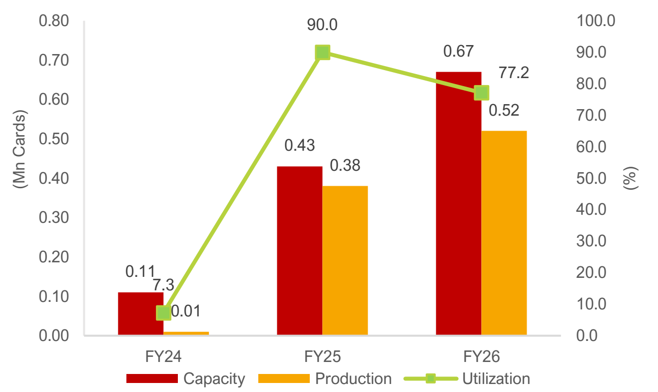
As banks and fintechs increasingly use premium card offerings to drive customer acquisition and engagement, we believe metal cards can become an increasingly important earnings driver for MPISL, supporting margin expansion and improving overall business quality.

Exhibit 13: Metal cards TAM to grow at 47.6% CAGR through FY26E-FY30E to Rs 20,983 Mn



Source: Company RHP, ABM Research

Exhibit 14: Metal cards portfolio revenue and CAGR



Source: Company RHP, ABM Research

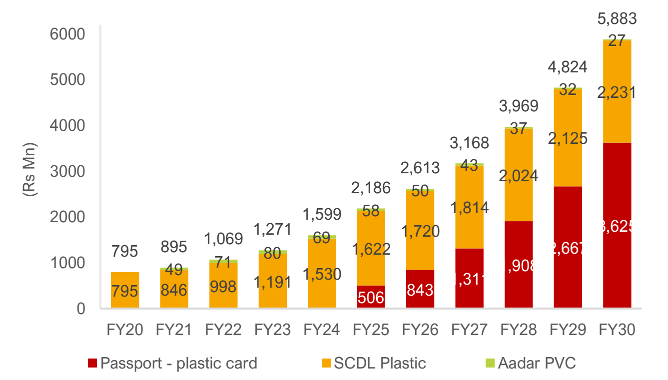
Identity solutions provide exposure to mission-critical government programs

The identity solutions business extends MPISL's expertise in personalization and authentication beyond financial services into government-issued credentials. Management highlighted that the company has processed more than 100 crore Aadhaar cards and currently participates in multiple identity-related applications including driving licences and registration certificates.

Identity credential programs are typically characterized by lengthy qualification cycles, operational complexity, and significant compliance requirements. The sensitive nature of citizen data and credential issuance also creates high switching costs, resulting in relatively stable customer relationships. Similar to the payment card business, success in this segment is determined more by execution quality and security standards than by pricing alone. This increases the defensibility of market positions once established.

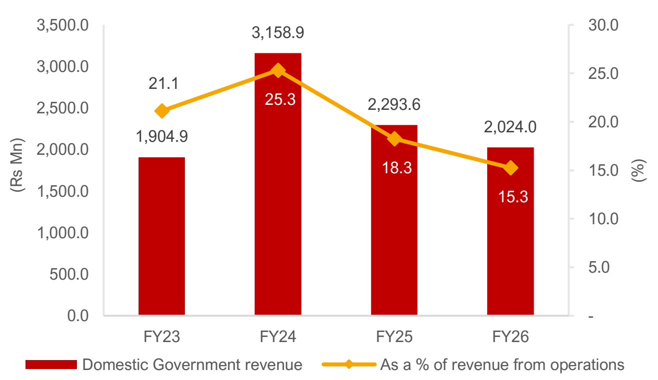
From a strategic standpoint, the identity business leverages many of the same competencies that underpin the core payments franchise, enhancing overall capital efficiency and strengthening returns on infrastructure investments.

Exhibit 15: Total Smart Cards / Govt. ID TAM to grow at 22.5% CAGR through FY26E-FY30E



Source: Company RHP, ABM Research

Exhibit 16: Government revenue has been contracting since FY24



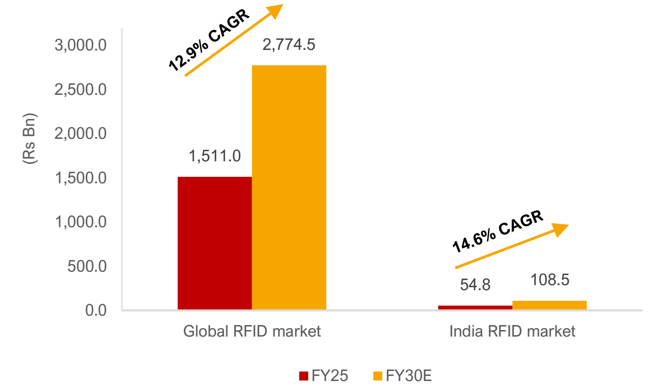
Source: Company RHP, ABM Research

RFID expands MPISL beyond banking and government customers

RFID and smart-tagging solutions represent an important diversification opportunity for MPISL, extending its addressable market beyond banking and government customers into logistics, retail, healthcare, and industrial applications. MPISL participates in high-growth use cases including track-and-trace solutions, asset monitoring, inventory management, smart labels, and product authentication, where increasing digitalisation of supply chains is driving demand. The Indian RFID market is expected to grow from Rs 55bn in FY25 to Rs 109bn by FY30, doubling over the next five years.

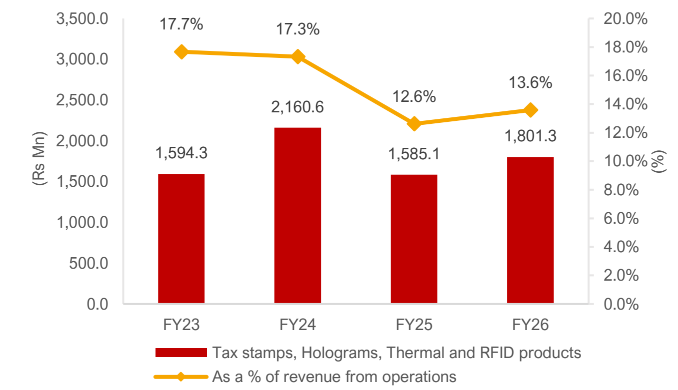
For MPISL, RFID complements its existing strengths in secure identification, personalization, and authentication. Revenue from tax stamps, holograms, thermal and RFID products stood at Rs 1.8bn in FY26, accounting for 13.6% of FY26 revenue, highlighting that the business is already meaningful at scale. We believe increasing adoption of smart-tagging, traceability, and authentication solutions can provide an additional growth driver while further diversifying the company beyond its core payment-card business.

Exhibit 17: India RFID market to grow faster on a lower base



Source: Company RHP, ABM Research

Exhibit 18: RFID revenue has been largely steady



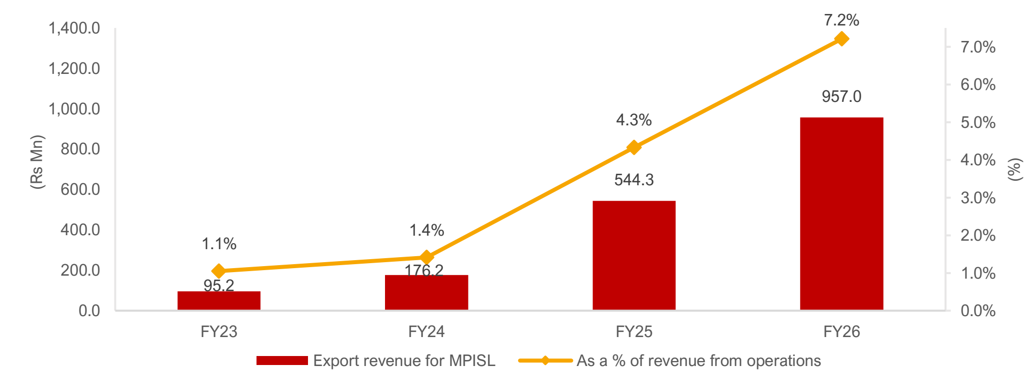
Source: Company RHP, ABM Research

Global expansion emerging as a meaningful growth driver

The company is increasingly leveraging its integrated card manufacturing, personalization and instant issuance capabilities to expand internationally. Export revenues grew sharply from Rs 176mn in FY24 (1.4% of revenue) to Rs 957mn in FY26 (7.2% of revenue), reflecting strong traction across global markets. The company currently exports payment and metal cards to 15+ countries, including the UK, UAE, Singapore, South Africa, Nigeria, Nepal, and Sri Lanka.

Its international strategy is centered on an asset-light model, combining direct card exports with local personalization partnerships. Export markets are particularly attractive because qualification standards and security requirements often create similar barriers to entry as the domestic market. Relationships with global fintechs such as Revolut, an expanding network of sales consultants across Europe, the Middle East, Africa, and Central Asia, and subsidiaries in the US, UK, UAE, and Nigeria provide a strong foundation to deepen market penetration. In select markets such as Nepal and Sri Lanka, the company supplies an end-to-end solution comprising cards, software, machines, and training, creating long-term customer stickiness.

Exhibit 19: Export share rising sharply



Source: Company RHP, ABM Research

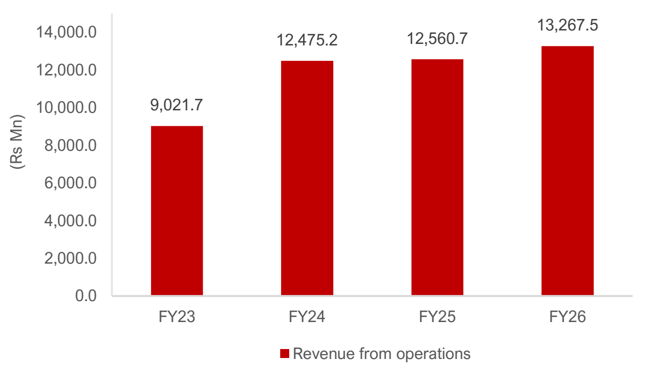
Improving business mix driving profitability

MPISL has delivered a meaningful improvement in earnings quality over FY23-26, with profitability growing significantly faster than revenue. Revenue increased from Rs 9.0bn in FY23 to Rs 13.3bn in FY26, implying a 13.7% CAGR, while EBITDA grew at a stronger 38.5% CAGR from Rs 1.6bn in FY23 to Rs 4.3bn over the same period. Consequently, EBITDA margins expanded by 1430bps, from 17.8% in FY23 to 32.1% in FY26, reflecting a richer business mix, operating leverage and increasing contribution from higher-value businesses such as identity solutions, RFID, tax stamps, and metal cards.

Despite PAT declining to Rs 2.5bn in FY26 from Rs 2.8bn in FY25, profitability remained healthy, with PAT margins of 19.1%. Return ratios have moderated over the last two years, with RoE declining from 55.1% in FY25 to 29.4% in FY26 and RoCE moderating from 34.0% in FY25 to 32.7% in FY26. However, this was largely driven by a significantly higher equity base and balance-sheet deleveraging, rather than any deterioration in operating performance.

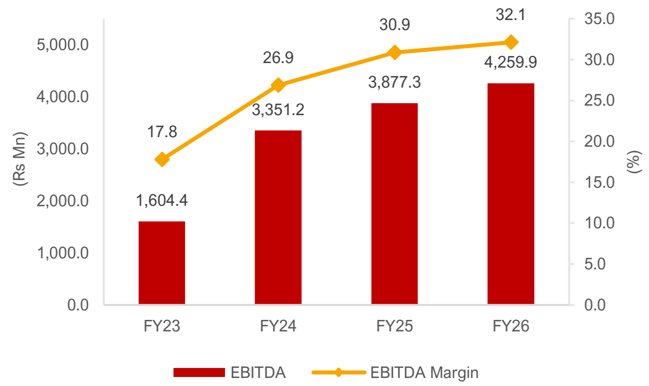
Importantly, MPISL now operates with a strengthened balance sheet and recently added capacities in growth businesses that are yet to be fully utilized. With higher-margin segments expected to account for a larger share of revenues over time, we expect improving utilization, operating leverage and earnings growth to support a gradual recovery in return ratios, with RoE and RoCE trending back towards historical levels over the medium term.

Exhibit 20: Revenue growth at 13.7% CAGR over FY23-26



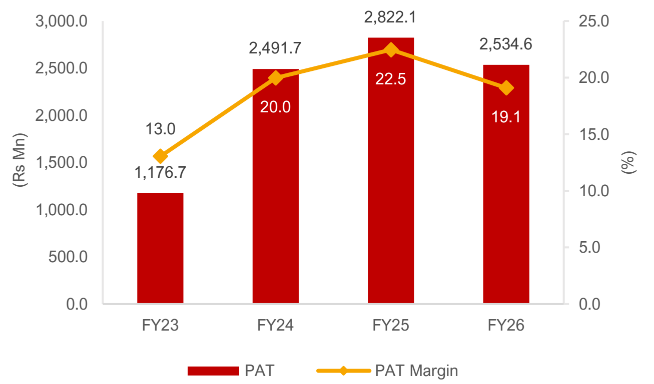
Source: Company RHP, ABM Research

Exhibit 21: EBITDA and EBITDA margin



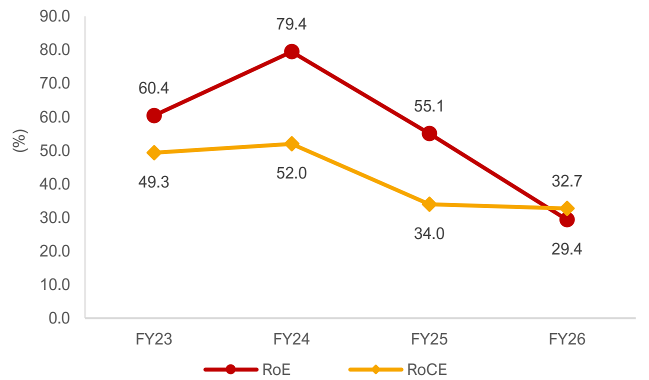
Source: Company RHP, ABM Research

Exhibit 22: Profitability remains healthy



Source: Company RHP, ABM Research

Exhibit 23: ROE and ROCE have contracted in FY26



Source: Company RHP, ABM Research

Capital allocation and use of proceeds

The proposed IPO is best viewed as a growth-capital raise rather than a balance-sheet repair exercise. At the upper end of the price band, the issue size stands at Rs 8.05bn, comprising a fresh issue of Rs 3.20bn and an offer for sale of Rs 4.85bn. Importantly, the company enters the public markets from a position of financial strength, having effectively deleveraged its balance sheet, with total borrowings declining from Rs 4.73bn in FY25 to near-zero levels in FY26, resulting in a debt-equity ratio of 0.0x.

The fresh issue proceeds are primarily intended to support future growth initiatives. Of the net proceeds, approximately Rs 2.38bn (74.5% of the fresh issue) has been earmarked towards capital expenditure on equipment, with the balance allocated towards general corporate purposes. The proposed investments span card manufacturing, personalization infrastructure, cheque printing facilities, Central Card Processing Centres (CCPCs) and Smart Tagging & IoT facilities.

We view the proposed deployment positively as it is directed towards capacity expansion and technology enhancement rather than deleveraging. The investments are expected to strengthen the company's presence across payments, identity credentials, RFID-enabled solutions, and authentication-led businesses, while supporting future growth and improving operational capabilities.

Exhibit 24: Use of proceeds

Use of proceeds	Rs mn	% of Fresh Issue
Capital Expenditure on Equipment	2,384.3	74.5
General Corporate Purposes	815.7	25.5
Fresh Issue Size	**3,200.0**	**100.0**

Source: Company RHP, ABM Research

Valuation

At the upper end of the price band (Rs 339/share), MPISL is valued at a post-issue market capitalization of Rs 78.6 bn, implying a FY26 diluted P/E of 30.1x. While the valuation may appear demanding relative to traditional manufacturing businesses, we believe MPISL warrants a premium owing to its niche positioning within the secure payments, identity and authentication ecosystem. The company combines leadership in domestic payment cards with exposure to higher-value businesses such as metal cards, identity credentials, secure government solutions, tax stamps, and RFID-enabled traceability products. Further, the business operates in qualification-intensive markets characterized by high entry barriers, regulatory certifications, customer stickiness, and long operating relationships.

Among listed peers, SIS Ltd. remains the closest comparable given its presence in secure payment card manufacturing. However, MPISL compares favorably on profitability, return metrics and diversification. Relative to peers, MPISL's FY26 EBITDA margin of 32.1%, RoE of 29.4% and RoCE of 32.7% compare favourably with listed secure-printing and authentication peers, supporting its premium valuation. Additionally, MPISL's exposure to identity credentials, RFID, and authentication-led solutions provides a broader opportunity set relative to pure-play card manufacturing businesses.

While the valuation does not leave significant room for rerating purely on multiples, we believe it adequately reflects the company's niche positioning, strong profitability profile, healthy return ratios, and exposure to structurally attractive authentication-led businesses. We recommend subscribing to the IPO from a medium to long-term perspective. Our positive stance is driven by (1) leadership in a high-entry-barrier industry, (2) strong profitability and 30%+ return ratios, (3) a debt-free balance sheet, (4) diversified exposure across payments, identity and authentication solutions, and (5) a growth-oriented deployment of IPO proceeds towards capacity expansion rather than balance-sheet repair. In our view, MPISL is evolving from a traditional card manufacturer into a broader secure identity and authentication platform, providing investors exposure to a niche franchise with strong business quality and attractive long-term growth prospects.

Exhibit 25: Peer Valuation

Company	Market Cap (INR Mn)	Revenue CAGR (FY27E-29E) (CY26E-28E)	EPS CAGR (FY27E-29E) (CY26E-28E)	P/E Ratio			EV/EBITDA		
				FY27E (CY26E)	FY28E (CY27E)	FY29E (CY28E)	FY27E (CY26E)	FY28E (CY27E)	FY29E (CY28E)
Seshaasai Technologies Ltd	61,648	8.8	9.4	22.5	19.3	17.2	NA	NA	NA
Avery Dennison Corp	13,267	2.4	6.9	17.2	15.7	14.1	10.9	10.3	9.8
Thales SA	48,005	5.9	9.5	22.0	19.2	16.8	12.2	10.8	9.4
Quad Graphics Inc	551	-0.7	6.9	8.2	7.2	6.7	4.3	3.8	3.3
CPI Card Group Inc	326	4.9	NA	9.5	8.1	NA	5.7	5.2	NA
Austriacard Holdings AG	355	4.6	9.5	19.2	16.0	14.6	7.9	6.9	6.2
GPGI Inc	3,951	7.9	15.4	13.8	10.8	9.0	3.8	3.4	3.8
Average		**6.0**	**8.0**	**18.3**	**15.9**	**14.0**	**5.0**	**4.5**	**4.0**

Source: Company RHP, Bloomberg, ABM Research

Key risks

- **Customer concentration remains elevated.** The top five customers contributed 38.6% of FY26 revenue, while the top ten customers accounted for 58.7%, exposing the company to customer-specific risks, contract renewals and pricing negotiations. The loss of a key banking or government customer could adversely impact growth and profitability.
- **Dependence on payment cards remains high.** Payment cards contributed 57.3% of FY26 revenue (Rs 7.6bn), making the company materially exposed to trends in card issuance, renewals and replacements. Although non-card businesses contributed 42.7% of revenue, the core earnings profile remains linked to the payments ecosystem.
- **UPI and alternative payment rails could impact long-term card growth.** India's digital payments ecosystem continues to witness rapid UPI adoption. While credit cards and replacement demand should remain key drivers of card issuance, increasing adoption of account-to-account payment mechanisms could moderate long-term growth in card volumes, particularly within debit cards.
- **Government contract exposure may result in revenue volatility.** Domestic government revenues contributed 15.3% of FY26 revenue, while the company has been awarded 17 government projects over the last three fiscals. Any delay in project execution, lower tender wins or policy changes could affect growth and profitability.

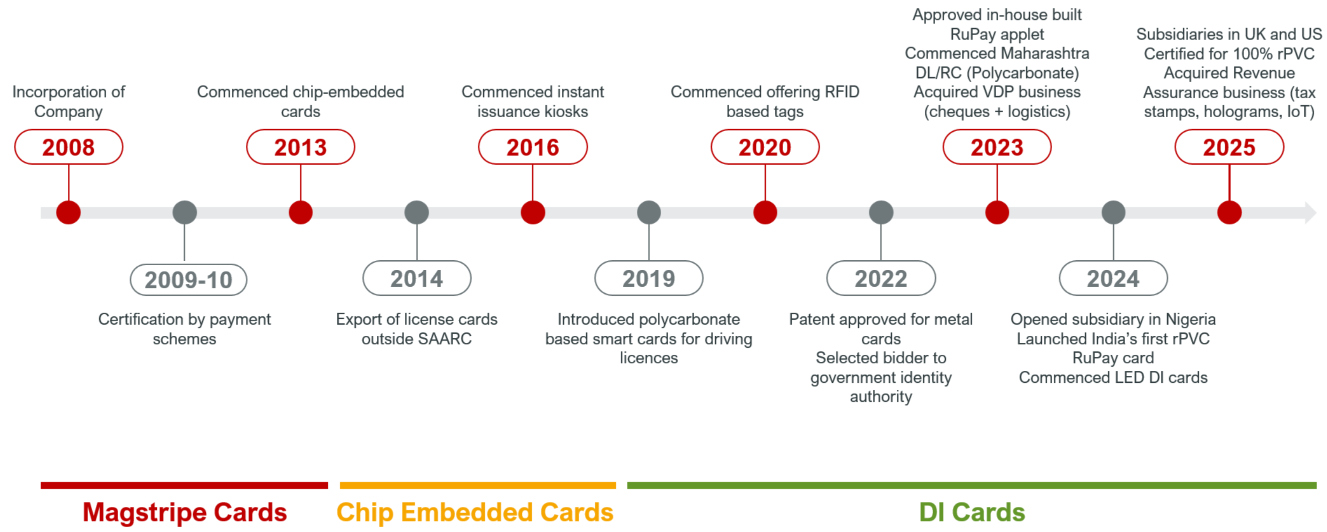
Company overview

Manipal Payment & Identity Solutions (MPISL) is one of India's leading providers of secure payment, identity and authentication solutions. The company operates an integrated platform spanning payment cards, card personalization, identity credentials, secure printing, RFID, tax stamps, holograms, and IoT-enabled solutions, serving banks, fintechs, enterprises, and government agencies. In FY26, MPISL reported revenue of Rs 13.3bn and EBITDA of Rs 4.3bn, with EBITDA margins of 32.1%.

Payment cards remain the company's largest business, contributing 57.3% of FY26 revenue, with MPISL producing 86.2mn payment cards during the year. The company held 36.4% market share in credit cards and 30.9% market share in debit cards in India, supported by long-standing customer relationships, payment-network certifications and secure manufacturing capabilities.

MPISL serves 344 customers across banking, fintech, enterprise, and government segments, including several leading private and public sector banks. Customer stickiness remains high, with 72.7% of FY26 revenue generated from customers associated with the company for more than five years. Beyond cards, the company has diversified into identity credentials, RFID, smart-tagging, tax stamps, and authentication solutions, with non-card businesses contributing 42.7% of FY26 revenue. We believe MPISL is evolving from a traditional payment card manufacturer into a broader secure identity and authentication platform, supported by high entry barriers, increasing business diversification, and growing exposure to authentication, traceability, and digital identity opportunities.

Exhibit 25: Key milestones in MPISL's business evolution



Source: Company RHP, ABM Research

Board of Directors and Key Management Personnel

Exhibit 24: Stable, long-tenured leadership

Name	Designation	Background
Kukkundoor Girish Kini	Executive Director and Chief Executive Officer	CEO since September 2023 with 28+ years of payment cards industry experience. Mechanical Engineering graduate from Mangalore University and former executive at promoter entity MTL.
Ramanath Pai	Chief Financial Officer	CFO with 13+ years of experience in finance and accounting. Chartered Accountant with a B.Com from Mangalore University and MBA from Sikkim Manipal University. Previously associated with Manipal Business Solutions.
Tonse Gautham Pai	Director (Non-Executive)	Executive Chairman of MTL with 18+ years of experience in payment cards, printing, publishing, and packaging. Printing Technology graduate from Mangalore University.
Abhay Anant Gupte	Director (Non-Executive)	CEO & MD of Manipal Technologies with 35+ years of experience in IT and financial services. IIT Delhi Mathematics postgraduate and Singularity University alumnus; previously held leadership roles at Mphasis, American Express Bank, LogicaCMG, and Asian Paints.
Baikadi Narahari	Director (Non-Executive)	39+ years of experience in payment cards and printing. Business Management graduate from the University of Mysore; associated with MTL and also a director at Simplepay Solutions.
Ramachandra Kasargod Kamath	Independent Director	Banking professional with decades of experience in financial services. B.Com graduate from the University of Mysore; former executive at Bank of India, Allahabad Bank, PNB, and Corporation Bank, and former Chairman of the Indian Banks' Association.
Padmaja Shailen Ruparel	Independent Director	Business and finance professional with board positions at Manipal Technologies, Avendus Finance, and SIDBI. Holds a PGDM in Business Management and is currently associated with IAN Capital
Rohan Ajila	Independent Director	Private equity professional with 9+ years of experience. MBA from the University of Houston; Managing Partner at FIDES Business Partner AG and director at Robbins Global TBM, Haldyn Heinz Fine Glass, and Hercules Fitness.
Binoy Sandip Parikh	Independent Director	M&A advisory professional with 8+ years of experience in mergers & acquisitions, succession planning, and family arrangements. Chartered Accountant, commerce graduate, and law graduate; former KPMG professional and currently a consultant at Katalyst Advisors.

Source: Company RHP, ABM Research

Consolidated Financials and Valuations

Income Statement

Y / E Mar (Rs mn)	FY23	FY24	FY25	FY26
Revenue from operations	**9,021.7**	**12,475.2**	**12,560.7**	**13,267.5**
Cost of goods sold	5,263.9	5,950.4	4,602.9	4,576.1
Employee cost	628.2	903.5	1,041.7	1,138.6
Others	1,525.5	2,270.1	3,038.8	3,292.9
EBITDA	**1,604.1**	**3,351.2**	**3,877.3**	**4,259.9**
Depreciation & Amortisation	353.5	348.2	551.9	562.6
EBIT	**1,250.6**	**3,003.0**	**3,325.4**	**3,697.4**
Interest expenses	118.3	204.0	1,091.2	479.1
Other income	183.1	204.5	210.4	298.4
PBT	**1,315.4**	**3,003.5**	**3,544.6**	**3,492.6**
Taxes	138.7	511.8	722.4	958.0
Effective tax rate (%)	10.5	17.0	20.4	27.4
Minority/associates	-	-	-	-
Reported PAT	**1,176.7**	**2,491.7**	**2,822.1**	**2,534.6**
Exceptional items	-	-	1,100.0	-24.1
Adjusted PAT	**1,176.7**	**2,491.7**	**1,722.1**	**2,558.7**

Source: Company, ABM Research

Cash Flow Statement

Y / E Mar (Rs mn)	FY23	FY24	FY25	FY26
PBT	**1,315.4**	**3,003.5**	**3,544.6**	**3,492.6**
Add: Non Cash Items	355.3	463.3	429.1	835.1
Cash Profit	**1,670.6**	**3,466.8**	**3,973.7**	**4,327.7**
Add/Less:				
Working capital changes	-1,033.0	150.9	-402.4	-1,320.2
Less: Taxes paid	-205.1	-532.0	-727.5	-930.8
Operating cash flow	**432.5**	**3,085.7**	**2,843.8**	**2,076.7**
Less: Capex	-18.7	-118.1	-660.0	-813.7
Free cash flow	**413.8**	**2,967.6**	**2,183.8**	**1,263.0**
Change in Investments	-	-	-1,118.1	-75.7
Investing cash flow	**69.4**	**-758.8**	**-5,861.3**	**2,430.7**
Net borrowings	-40.8	-636.1	-	4.2
Financing cash flow	**-456.3**	**2,670.2**	**-1,727.9**	**-3,275.1**
Net change in cash	**45.5**	**4,997.1**	**-4,745.4**	**1,232.3**
Add: Opening cash	3.7	49.3	5,046.3	300.84
Other Adjustments	-	-	-0.1	18.2
Closing cash balance	**49.3**	**5,046.3**	**300.8**	**1,551.4**

Source: Company, ABM Research

Balance Sheet

Y / E Mar (Rs mn)	FY23	FY24	FY25	FY26
Equity Share Capital	413.6	413.6	413.6	444.7
Reserves & Surplus	-1,344.3	482.5	2,628.9	7,474.3
Shareholders Fund	-930.7	896.1	3,042.5	7,919.0
Minority Interest	-	-	-	-
Total debt	966.2	4,494.7	4,728.7	4.2
Deferred Tax (net)	-	-	-	-
Non current liabilities	3,737.3	3,939.7	696.1	1,124.3
Total Equity & Liabilities	**3,772.8**	**9,330.6**	**8,467.2**	**9,047.4**
Gross Block	2,654.6	3,053.0	4,214.7	5,947.2
Less: Acc Depreciation	1,433.9	1,721.9	2,089.0	2,458.3
Net Block	1,220.7	1,331.1	2,125.7	3,488.9
Capital WIP	1.5	38.3	120.9	124.8
Net Fixed Assets	1,222.2	1,369.4	2,246.6	3,613.7
Investments	0.4	0.4	1,719.1	613.2
Inventories	1,423.1	1,121.3	1,094.4	1,827.6
Trade receivables	1,525.6	1,192.4	1,390.7	1,973.8
Cash & Bank Balance	171.6	5,436.6	852.8	1,995.1
Trade payables	1,315.0	888.2	917.6	1,228.0
Net current asset/(liabilities)	745.0	1,098.6	2,081.2	251.9
Total Assets	**3,772.8**	**9,330.6**	**8,467.2**	**9,047.4**
Net Debt	795.1	-941.5	5,595.0	-1,377.7
WC days	66.1	41.7	45.5	70.8
D/E (x)	-1.0	5.0	1.6	0.0

Source: Company, ABM Research

Ratio Analysis

Y / E Mar (Rs mn)	FY23	FY24	FY25	FY26
Income statement ratio (%)				
Revenue growth	NA	38.3	0.7	5.6
EBITDA growth	NA	108.9	15.7	9.9
PAT growth	NA	111.7	13.3	-10.2
EBITDA margin	17.8	26.9	30.9	32.1
PAT margin	13.0	20.0	22.5	19.1
Return & liquidity ratio				
Net Debt/Equity (x)	-0.9	-1.1	1.8	-0.2
RoE (%)	60.4	79.4	55.1	29.4
RoCE (%)	49.3	52.0	34.0	32.7
Debtor days	61.7	34.9	40.4	54.3
Inventory days	57.6	32.8	31.8	50.3
Payable days	53.2	26.0	26.7	33.8
Per share data & Valuation ratio				
EPS (Rs/share)	5.7	12.0	13.4	11.3
DPS (Rs/share)	-	-	-	-
P/E (x)	59.6	28.2	25.3	30.1
EV/EBITDA (x)	44.2	20.7	19.8	17.6
OCF/EBITDA (%)	39.7	108.0	92.1	70.6
EV/Sales (x)	7.9	5.6	6.1	5.6
BVPS (Rs/share)	-4.5	4.3	14.5	35.2
P/B (x)	-75.3	78.3	23.4	9.6
Dividend yield (%)	-	-	-	-

Source: Company, ABM Research

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