ADROIT
WISDOM TO PROSPERITY

Orkla INDIA

Orkla India Limited

October 27, 2025

IPO Details

IPO Date	October 29, 2025 to October 31, 2025
Face Value	₹1 per share
Price Band	₹695 to ₹730 per share
Lot Size	20 Shares
Sale Type	Offer For Sale
Total Issue Size	2,28,43,004 shares (aggregating up to ₹1,667.54 Cr)
Employee discount	₹69.00
Issue Type	Book building IPO
Listing At	BSE, NSE
Shareholding pre issue	13,69,89,230 shares
Share Holding Post Issue	13,69,89,230 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	20 Shares & 260 shares
Retail (Min & Max) application amount	₹14,600 & ₹1,89,800
S-HNI (Min shares & application amount)	280 shares & ₹2,04,400
S-HNI (Max shares & application amount)	1,360 shares & ₹9,92,800
B-HNI (Min shares & application amount)	1,380 shares & ₹10,07,400
Basis of Allotment	Mon, Nov 3, 2025
Initiation of Refunds	Tue, Nov 4, 2025
Credit of Shares to Demat	Tue, Nov 4, 2025
Listing Date	Thu, Nov 6, 2025
Cut-off time for UPI mandate confirmation	5 PM on Fri, Oct 31, 2025
Promoters	Orkla Asa, Orkla Asia Holdings As and Orkla Asia Pacific Pte Ltd
Registrar	Kfin Technologies 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

Orkla India Limited is a multi-category Indian food company with operations spanning several decades, offering a diverse range of products that cater to every meal occasion, from breakfast and lunch to dinner, snacks and beverages and desserts. In Fiscal 2024, they were one of the top four companies in terms of revenue from operations among select leading spices and convenience food peers. The company's products, under their brands MTR and Eastern, are crafted with authenticity and tradition, and are deeply rooted in the South Indian culinary heritage. The key product categories the company offers are Spices (comprising blended and pure spices), and Convenience Foods (comprising ready-to-cook ("RTC"), ready-to-eat ("RTE") foods and Vermicelli, among others). The company's portfolio comprises approximately 400 products across these categories, as of June 30, 2025, and they sold approximately 2.3 million units on average every day as of June 30, 2025.

The company believes that its market position is built on fundamentals such as a wide product range catering to the local taste preferences of consumers and large distribution network in their core markets of Karnataka, Kerala, Andhra Pradesh and Telangana. MTR and Eastern are household names, particularly in Karnataka and Kerala, where these brands enjoy strong consumer loyalty and trust.

Orkla India Ltd.'s revenue increased by 3% and profit after tax (PAT) rose by 13% between the financial year ending with March 31, 2025 and March 31, 2024.

Objects of the Issue

- ❑ Offer for sale – Rs. 1,667.54 Crore

Financial Details

Particulars (Amount in Crores)	30-Jun-25	31-Mar-25	31-Mar-24	31-Mar-23
Revenue from Operations	597.00	2394.7	2356.0	2172.5
Other income	8.38	60.53	31.98	28.96
Total Income	**605.38**	**2455.24**	**2387.99**	**2201.44**
Expenses				
- Cost of Materials Consumed	264.69	1174.13	1310.05	1194.01
- Change In Inventories of Finished Goods	4.03	2.74	-14.36	14.52
- Purchase of stock-in-trade	55.75	143.97	68.05	59.28
- Employee Benefit Expense	62.74	246.19	232.35	223.96
- Finance costs	1.70	6.55	6.64	27.08
- Depreciation and amortization expense	12.37	61.73	62.12	55.41
- Other expenses	98.02	430.84	418.52	369.46
Total expenses	**499.30**	**2066.15**	**2083.37**	**1943.72**
EBITDA	111.77	396.84	341.40	311.25
EBITDA Margin (%)	**18.72%**	**16.57%**	**14.49%**	**14.33%**
PB share of Ass. & JV, exceptional items	106.08	389.09	304.62	257.72
Exceptional items	0.00	-33.64	0.00	-2.00
Share of profit/(loss) from Ass. and JV	-0.02	-0.40	2.21	1.19
Profit/(Loss) before tax	**106.06**	**355.05**	**306.83**	**256.91**
Tax expense	27.14	99.36	80.50	-82.22
Profit/(Loss) After Tax	**78.92**	**255.69**	**226.33**	**339.13**
PAT Margin (%)	**13.22%**	**10.68%**	**9.61%**	**15.61%**
Basic EPS (in Rs.)	**5.8**	**18.7**	**16.9**	**26.2**

Key Metrics	Jun-25	Mar-25	Mar-24	Mar-23
Trade Working Capital Days	22	21.4	30.7	36.3
EBITDA Margin (%)	18.72	16.57	14.49	14.33
ROCE (%)	8.9	32.70	20.70	32.10

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

Competitive Strengths

Category Market Leader in Household Food Brands : The company has built significant market share in the packaged spices market of South India, demonstrating strong brand equity. Their market position is further built on the company's deep understanding of local tastes and products tailored to suit regional preferences. The company through its brands, MTR and Eastern, have a deep understanding of local flavours and a strong commitment to quality that has resulted in the current scale, particularly in the core markets of Karnataka, Kerala, Andhra Pradesh and Telangana.

Multi-Category Food Company with a Focus on Product Innovation : The company continuously innovates around their offering to meet evolving customer needs. They do this through a combination of enhancing recipes, creating different product formats, and implementing novel preparation methods, among other approaches. They launched (a) MTR Minute Fresh batters, as a more convenient addition to their existing range of Dry Mixes; (b) Ready-to-Eat range of sweets as an extension of their existing range of Sweet Mixes; and (c) 3-Minute Breakfast range as an expansion of convenience offerings to their existing breakfast range. They have also ventured into new cuisine spaces such as Pan-Asian cuisine, with a range of blended spices and cooking pastes under their new brand "Wok N Roll" which was launched in January 2025.

Extensive Distribution Infrastructure with Deep Regional Network : They company has an extensive pan-India distribution network with 834 distributors and 1,888 sub-distributors across 28 states and six union territories, 42 modern trade partners and six e-commerce and quick commerce partners. Their brands, MTR and Eastern, are the most widely distributed brands in Karnataka and Kerala for spices. Out of the universe of approximately 300,000 retail outlets selling blended spices in Karnataka and approximately 74,500 in Kerala, their brands have a presence in 67.5% and 70.4% of the outlets, respectively versus an industry average of 30-40%.

Efficient, Large-Scale Manufacturing with Stringent Quality Control and Robust Supply Chain : The company manufactures its multi-category products in modern and flexible manufacturing facilities, powered by a robust supply chain across sourcing and distribution. As of June 30, 2025, they operated nine manufacturing units in India, with a total installed capacity of 182,270 TPA. Their key manufacturing facilities in Bommasandra, Bengaluru, are largely automated, from the process of receiving materials to conveying, supervisory control and data acquisition-enabled processing, and primary and secondary packaging.

Key Risk Factors

Raw Material Volatility – A Key Risk : The company's ability to manufacture and the cost of their products are dependent on their ability to source raw materials and packaging materials at acceptable prices. The key raw materials include chilli, coriander, wheat products, turmeric and cumin, and the primary packaging materials include laminates, corrugated boxes, metal containers, and woven sacks. Their inability to procure the raw materials and packaging material, at competitive prices, may adversely affect their business, financial condition, cash flows and results of operations.

Product Contamination and Storage Risks : The improper processing or storage of the company's products or raw materials, or spoilage of and damage to such products or raw materials, or any real or perceived contamination in their products or raw materials, could subject them to regulatory action, damage their reputation and have an adverse effect on the business, financial condition, cash flows and results of operations.

Reliance on Supplier : The company depends on suppliers for the supply of key raw materials such as chilli, coriander, wheat products, cumin and turmeric. As of June 30, 2025, they had a base of 216 raw material suppliers and 125 packaging material suppliers. Their top ten suppliers contributed to 37.9% in the three months ended June 30, 2025 and 33.7% of total purchases in Fiscal 2025. Any loss of suppliers or interruptions in the timely delivery of supplies could have an adverse impact on the business, financial condition, cash flows and results of operations.

Regional Concentration Risk : The sale of the company's products is concentrated in South India, particularly in the core markets of Karnataka, Kerala, Andhra Pradesh and Telangana. South India is contributing 70% and 70.2% of the company's revenue from sale of products in the last 3 months ended June 30, 2024 and in Fiscal 2025. Additionally, eight of their nine owned manufacturing facilities and 15 of their 18 contract manufacturing facilities in India are located in South India, as of June 30, 2025 . As a result, they may be adversely affected by unfavorable events affecting this region.

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)
Orkla India Ltd.	NA	1	39.03*	18.7**	18.7**	13.8	135.3
Peers:-							
Tata Consumer Products Ltd.	1149.00	1	81.33	13.1	13.1	6.4	202.1

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

Summary

India is the world's largest producer, consumer, and exporter of spices. It contributes nearly 70% of global spice production by volume and accounts for approximately 43% of global spice exports by value as of Fiscal 2024. The Indian spices market has grown at a 11.5% CAGR approximately to ₹1,230 billion in Fiscal 2024 vs Fiscal 2019 and is expected to grow to ₹2,080 billion in Fiscal 2029. The projected high growth rate of the spices market can be attributed to various growth drivers, including increasing population, rising disposable income, increasing urbanisation, rapidly growing e-commerce/quick-commerce platforms, need for convenience and the growing trend of spices being used for their medicinal properties and as functional foods.

Orkla India Limited is an Indian food company, offering a diverse range of food products, from breakfast to lunch and dinner, snacks, beverages, and desserts. It has a collection of iconic Indian heritage brands - MTR Foods, Eastern Condiments, and Rasoi Magic. The company serves customers across the country with significant presence in core markets; Karnataka, Kerala, Andhra Pradesh and Telangana. As of June 30, 2025, it has over 400 products across categories. In fiscal 2025, the company has sold 2.3 million units on average every day. As of March 31, 2025, the company owns 9 manufacturing facilities in India, with a total installed capacity of 182,270 TPA. The company has a strong network distribution with 834 distributors and 1,888 sub-distributors across 28 states and 6 union territories.

The company's spices segment account for 66% of the company's revenue, while the remaining comes from its convenience foods segment. Strong brands like MTR and Eastern have helped the company withstand inflationary pressures. Government measures such as reduced interest rates, GST, and income tax are expected to create a consumption boom and spur the economy. This should benefit the company as consumers shift to more trusted brands from the unorganized segment.

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

DISCLAIMER

Prepared By:

Research Analyst : Anmol Grover

Email ID: anmolgrover@adroitfinancial.com

Research Associate : Bhavin Tharwani

Email ID: bhavintharwani@adroitfinancial.com

Phone Number: 0120-4550300*270/388

Adroit Financial Services Private Limited (hereinafter referred to as "Adroit") is a registered Member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited and Metropolitan Stock Exchange Limited. It is also registered as a Depository Participant with CDSL and NSDL. **Adroit Financial Services Private Limited is a registered entity with SEBI for Research Analyst in terms of SEBI (Research Analyst) Regulations, 2014 vide Registration Number INH100003084.** Adroit or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities Market. Adroit or its associates/analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months.

This document is solely for the personal information of the recipient, and must not be singularly used as the basis of any investment decision. Nothing in this document should be construed as investment or financial advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in the securities of the companies referred to in this document (including the merits and risks involved), and should consult their own advisors to determine the merits and risks of such an investment. The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true, but They do not represent that it is accurate or complete and it should not be relied on as such, as this document is for general guidance only. Neither Adroit, nor its directors, employees or affiliates shall be liable for any loss or damage that may arise from or in connection with the use of this information. Adroit Financial Services Private Limited has not independently verified all the information contained within this document. Accordingly, They cannot testify, nor make any representation or warranty, express or implied, to the accuracy, contents or data contained within this document.