

IPO Note:

Milky Mist Dairy Food Ltd.

Industry: FMCG

Date: August 07, 2026

Issue Snapshot		Issue Break up		
Company Name	Milky Mist Dairy Food Ltd.	QIB ex Anchor	20%	2,21,57,143
Issue Opens	August 11, 2026 to August 13, 2026	Anchor Investor	30%	3,32,35,714
Price Band	Rs. 133 – Rs. 140	HNI<Rs. 10 Lakhs	5%	55,39,286
Bid Lot	107 Equity Shares and in multiples thereof.	HNI>Rs. 10 Lakhs	10%	1,10,78,571
The Offer	Public issue of 11,09,28,571 Equity shares of face value Rs. 2 each, (Comprising of fresh issue of 10,20,00,000 Equity Shares* (Rs. 1,428.0 cr.) and Offer for Sale of 89,28,571 Equity Shares* (Rs. 125.0 cr.) by Selling Shareholder).	RII	35%	3,87,75,000
		Total Public	100%	11,07,85,714
Issue Size	Rs. 1,553.0 Crores	Employee Reservation		1,42,857
IPO Process	100% Book Building	Total		11,09,28,571
Face Value	Rs. 2.00			
Exchanges	NSE & BSE	Equity Share Pre Issue (Nos. Cr.)		66.8
BRLM	JM Financial Ltd., Axis Capital Ltd., IIFL Capital Services Ltd.	Fresh Share (Nos. Cr.)		10.2
Registrar	Kfin Technologies Ltd.	OFS Share (Nos. Cr.)		0.9
		Equity Share Post Issue (Nos. Cr.)		77.0
		Market Cap (Rs. Cr.)		10,777.6
		Equity Dilution		13.2%
		Stake Sale by OFS		1.2%

Objects Of The Offer

Offer for Sale

The Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders. (up to Rs. 750.00 million by Sathishkumar T, up to Rs. 500.00 million by Anitha S)

Fresh Issue

- Repayment/ prepayment, in full or in part, of certain outstanding borrowings availed by the Company (Rs. 496.9 crore);
- Financing the capital expenditure requirements in relation to the expansion and modernisation of the Perundurai Manufacturing Facility (Rs. 469.2 crore);
- Deployment of visi coolers, ice cream freezers and chocolate coolers (Rs. 155.3 crore); and
- General corporate purposes.

COMPANY HIGHLIGHTS

- Milky Mist Dairy Food Ltd. (MMDFL) is the fastest-growing packaged food company in India among peers with revenues exceeding Rs. 1,500 crore, having achieved a 31.26% revenue CAGR during FY24–26. The company is exclusively focused on premium value-added dairy products and follows a product-led strategy to cater to consumer needs across all meal occasions. It has built a diversified portfolio comprising cheese, paneer, butter, curd, ghee, yogurt, ice cream, UHT products, chocolates, frozen foods, and ready-to-eat/ready-to-cook

offerings, marketed under the Milky Mist brand along with sub-brands SmartChef, Capella and Misty Lite, and recently acquired brands Briyas and Asal. It was also among the first private companies to launch branded packaged paneer in India and has since expanded across multiple dairy categories.

- MMFDL commands premium pricing, with paneer and curd prices typically 10% to 30% higher than the average market price of Indian brands. This premium positioning has resulted in highest realisation per litre of milk procured among listed peers, at ~Rs. 77.79 per litre in FY26. The company's focus on value-added dairy products aligns its operating profile more closely with FMCG companies in terms of margins, distribution model and pricing.
- Milky Mist operates an integrated farm-to-retail model, sourcing most of its raw milk directly from 74,654 farmers across 25 districts in Tamil Nadu, Andhra Pradesh and Karnataka, all within a 400-km radius of its Perundurai manufacturing facility. Direct procurement accounted for 74.34% of total milk procurement in FY26, supported by timely payments and long-term farmer engagement initiatives. The company strengthens farmer relationships through training, veterinary care, vaccinations, artificial insemination, fodder supply, clean milk programmes and cattle financing assistance, while ensuring milk quality through a three-tier procurement process supported by 3,907 automated milk collection units (AMCUs) and 29 chilling centres as of March 31, 2026.
- The company operates one manufacturing facility: the Perundurai Manufacturing Facility in Tamil Nadu for value-added dairy products. As of March 31, 2026, the installed paneer capacity stood at 192 metric tons per day, the largest among organised private peers. The Perundurai

facility is U.S. FDA approved and equipped with advanced, fully automated machinery to ensure efficiency, hygiene and consistent product quality.

- Milky Mist manages its own tech-enabled logistics network to maintain product quality across chilled, frozen and ambient categories. As of March 31, 2026, its fleet comprised 63 milk vans, 282 refrigerated trucks and 34 ambient trucks. Load optimisation, return freight utilisation and IoT-based fleet monitoring have helped the company achieve one of the lowest transportation costs as a percentage of revenue among its peers.
- MMFDL has built a diversified sales network across general trade, modern trade, HoReCa, e-commerce, quick-commerce and exclusive parlours, enabling distribution across 22 states and 5 union territories as of March 31, 2026. The company operates through 4,001 distributors, reaching over 375,000 retail touchpoints, supported by 57 clearing and forwarding depots across 15 states for efficient logistics and inventory management. It also has an established export presence, with products exported to more than 15 countries, including Singapore, US, Middle Eastern and Australia.
- Milky Mist operates 144 exclusive parlours across eight states and one union territory, including Tamil Nadu, Andhra Pradesh and Kerala, with six company-operated outlets and the remainder run through franchisees, enhancing brand visibility and consumer engagement. The company was among the first food products companies in India to deploy visi coolers at retail outlets and, as of March 31, 2026, had installed 15,062 visi coolers, 25,824 ice cream freezers and 573 chocolate coolers, supported by a dedicated sales, distribution and marketing team.

VIEW

- Milky Mist has established itself as a leading premium value-added dairy player with an FMCG-like business model. The company is the fastest-growing packaged food company in India among companies with revenues <Rs. 1,500 crore. Its exclusive focus on value-added dairy products enables premium pricing, higher gross margins and superior milk realisations, while specialised offerings further strengthen its premium positioning and profitability.
- The Indian value-added dairy products market is witnessing strong structural growth, driven by rising disposable incomes, increasing health awareness, premiumisation and higher demand for protein-rich products. The traditional value-added dairy products (TVADP) market is expected to grow from ~Rs. 5.6 trillion in FY26 to ~Rs. 10 trillion by FY31 at a CAGR of 12.1%. Paneer, the company's largest category, is the fastest-growing TVADP segment, while organised paneer and emerging value-added dairy products are also expected to witness strong double-digit growth, providing a favourable long-term demand environment.
- MMFDL intends to strengthen its market share in Southern India while selectively expanding into other regions to drive higher sales and revenues. To improve point-of-sale visibility and consumer engagement, it plans to scale up deployment of visi coolers, ice cream freezers, and chocolate coolers, while expanding its Milky Mist exclusive parlour network in select high-potential states. In addition, the Company aims to deepen exports in select overseas markets and strengthen logistics infrastructure through fleet additions, supporting wider distribution, faster deliveries, and consistent product quality.
- The company has consistently invested in capacity expansion, technology upgradation and new product development across its manufacturing facilities. MMFDL intends to further expand production capacity at its Perundurai Manufacturing Facility through the installation of a whey protein concentrate and lactose manufacturing plant, a yogurt manufacturing plant with packing line, fresh cheese manufacturing facilities, and additional processed cheese capacity through continuous cooker and chiplet packing lines.
- MMFDL intends to pursue selective acquisitions that are aligned with its growth strategy and create operational and product synergies. In line with this approach, it has entered arrangements during FY25 to acquire assets related to tofu manufacturing from Briyas Foods and acquire Asal Food Products enabling expansion into frozen foods, RTE and RTC product categories. Going forward, it plans to evaluate acquisition opportunities that provide access to new end-markets, geographies, customers, and products.
- The Company intends to enhance operational and cost efficiencies to strengthen its competitive position. Going forward, the Company plans to further increase automation in manufacturing, reduce energy and water consumption by installing energy meters, expand the Arasanur solar power plant by 10 MW, and establish a sludge digestion plant to produce natural gas.
- MMFDL's diversified product portfolio, multi-channel sales strategy and geographical expansion have collectively contributed to its sustained financial growth. The company has recorded Revenue/EBITDA/PAT CAGR of 31.3%/40.5%/155.6% respectively over the FY24-FY26 period.
- In terms of the valuations, on the higher price band, MMFDL demands P/E multiple of 84.9x on FY26 diluted EPS.

Revenue from Operations

	FY24		FY25		FY26	
	Revenue (Rs. Cr.)	% of Revenue	Revenue (Rs. Cr.)	% of Revenue	Revenue (Rs. Cr.)	% of Revenue
Sale of Products	1,808.1	99.3%	2,332.9	99.3%	3,120.4	99.4%
Sale of manufactured goods	1,755.4	96.4%	2,275.6	96.9%	3,061.5	97.5%
Sale of traded goods	52.7	2.9%	57.3	2.4%	59.0	1.9%
Other operating revenue	13.5	0.7%	16.7	0.7%	17.9	0.6%
Freight recovery	13.3	0.7%	16.3	0.7%	17.2	0.5%
Export incentive	0.3	0.0%	0.4	0.0%	0.7	0.0%
Revenue from operations	1,821.6	100.0%	2,349.5	100.0%	3,138.4	100.0%
Product-wise Revenue						
Paneer	558.9	30.7%	693.6	29.5%	923.2	29.4%
Cheese	347.3	19.1%	407.8	17.4%	513.7	16.4%
Curd	299.1	16.4%	370.1	15.8%	416.1	13.3%
Ice-cream	34.5	1.9%	137.7	5.9%	211.1	6.7%
Ghee	163.7	9.0%	217.5	9.3%	308.2	9.8%
Butter	134.7	7.4%	157.3	6.7%	190.9	6.1%
UHT long-shelf-life products	100.0	5.5%	115.1	4.9%	90.8	2.9%
Yoghurt	49.6	2.7%	96.7	4.1%	194.5	6.2%
Powder	86.9	4.8%	84.3	3.6%	167.6	5.3%
Khova	30.4	1.7%	34.4	1.5%	43.6	1.4%
Other product categories	16.6	0.9%	35.1	1.5%	78.8	2.5%
Revenue from operations	1,821.6	100.0%	2,349.5	100.0%	3,138.4	100.0%
Disaggregation of Revenue						
Revenue from the sale of products in Southern region	1,342.1	73.7%	1,668.1	71.0%	2,172.7	69.2%
Revenue from the sale of products in the rest of India	419.9	23.1%	592.8	25.2%	833.4	26.6%
Revenue from Export	59.5	3.3%	88.6	3.8%	132.2	4.2%
Revenue from operations	1,821.6	100.0%	2,349.5	100.0%	3,138.4	100.0%
Top Stock Keeping Units (SKUs)						
Top 3 SKUs	530.9	29.1%	643.6	27.4%	786.4	25.1%
Top 5 SKUs	666.9	36.6%	819.9	34.9%	1,010.4	32.2%
Top 10 SKUs	919.3	50.5%	1,116.7	47.5%	1,433.3	45.7%
Channel-wise Breakdown						
General trade	811.2	44.5%	1,019.2	43.4%	1,182.7	37.7%
Modern trade	391.1	21.5%	559.9	23.8%	724.0	23.1%
HoReCA	326.1	17.9%	386.9	16.5%	524.2	16.7%
E-commerce platform	136.9	7.5%	224.7	9.6%	430.0	13.7%
B2B sales	148.6	8.2%	144.6	6.2%	253.3	8.1%
B2C sales	7.8	0.4%	14.3	0.6%	24.2	0.8%
Revenue from operations	1,821.6	100.0%	2,349.5	100.0%	3,138.4	100.0%

Key Performance Indicators

	FY24	FY25	FY26
Return on Capital Employed (RoCE) (%)	8.14%	9.54%	11.73%
Return on Equity (RoE) (%)	7.14%	15.11%	32.12%
Working Capital Days (Days)	49	42	48
Fixed Asset Turnover Ratio (x)	1.79	1.91	2.14
Total Debt (Rs. Cr.)	1036.723	1376.376	1671.853
Debt to Equity Ratio (x)	3.68	4.2	3.61
Net Debt to EBITDA Ratio (x)	4.59	4.37	3.81
Number of Distributors/Dealers	2,558	3,062	4,001
Total Milk Procured (Litres in Million)	272.8	307.2	396.15
Realisation per Litre of Milk (Rs.)	65.93	74.16	77.79
Revenue from Offline Channels (Rs. Cr.)	1684.757	2124.801	2708.405
% of Revenue (%)	92.49%	90.44%	86.30%
Revenue from Online Channels (Rs. Cr.)	136.852	224.702	429.959
% of Revenue (%)	7.51%	9.56%	13.70%

Installed Capacities and Capacity Utilisation

	Installed Capacity (FY26)	FY25			FY26		
		Available Capacity	Actual Production	Capacity Utilization (%)	Available Capacity	Actual Production	Capacity Utilization (%)
Paneer (MT)	70,080	17,820	19,689	110.5%	47,520	24,920	52.4%
Pouch Curd (MT)	87,600	55,800	23,502	42.1%	55,800	23,568	42.3%
Set Curd (MT)	1,75,200	1,11,600	21,479	19.3%	1,11,600	25,946	23.3%
Ghee (MT)	17,520	5,580	4,004	71.8%	11,160	5,441	48.8%
Butter (MT)	21,900	13,950	3,271	23.5%	13,950	5,373	38.5%
Cheddar Cheese (MT)	5,694	3,627	3,232	89.1%	3,627	4,149	114.4%
Mozzarella Cheese (MT)	17,520	11,160	5,238	46.9%	11,160	6,574	58.9%
Processed Cheese (MT)	15,768	10,044	4,272	42.5%	10,044	5,171	51.5%
Yoghurt (MT)	8,760	5,580	3,064	54.9%	5,580	3,447	61.8%
Cream Cheese, Greek Yogurt & Skyr (MT)	13,140	6,696	1,414	21.1%	6,696	3,771	56.3%
Shrikhand (MT)	2,190	1,395	511	36.6%	1,395	582	41.7%
Khoa (MT)	3,504	2,232	1,270	56.9%	2,232	1,560	69.9%
Ice Cream (KL)	65,700	41,850	8,020	19.2%	41,850	12,304	29.4%
Sweet & Condensed Milk (MT)	17,520	11,160	518	4.6%	11,160	1,312	11.8%
Chocolate (MT)	6,307	4,018	383	9.5%	4,018	178	4.4%
Whey Powder (MT)	37,843	25,661	9,107	35.5%	25,661	12,555	48.9%
Batter (MT)	14,600	4,455	4,195	94.2%	9,950	2,236	22.5%
Parotta (MT)	3,650	1,485	1,282	86.4%	2,475	1,043	42.2%
Chapati (MT)	1,040	594	472	79.5%	705	413	58.5%
Peanut Bar (MT)	-	134	117	87.7%	-	-	-
Tofu (MT)	2,190	-	-	-	1,238	602	48.6%

Financial Statement

(In Rs. Cr)	FY24	FY25	FY26
Share Capital	3.5	126.0	128.5
Net Worth	282.1	327.8	463.0
Long Term Borrowings	719.8	1,032.1	1,240.7
Other Long Term Liabilities	115.2	140.6	151.9
Short-term borrowings	316.9	344.3	431.2
Other Current Liabilities	172.3	305.8	389.7
Fixed Assets	1,237.4	1,577.8	2,044.1
Non Current Assets	1,270.3	154.0	40.1
Current Assets	335.1	418.8	592.3
Total Assets	1,606.3	2,150.6	2,676.5
Revenue from Operations	1,821.6	2,349.5	3,138.4
Revenue Growth (%)		29.0	33.6
EBITDA	217.1	305.1	428.6
EBITDA Margin (%)	11.9	13.0	13.7
Net Profit	19.4	46.1	127.0
Net Profit Margin (%)	1.1	2.0	4.0
Earnings Per Share (Rs.)	0.3	0.7	2.0
Return on Networth (%)	9.9	19.0	33.6
Net Asset Value per Share (Rs.)	3.1	3.8	5.9

Source: RHP, Ashika Research

Cash Flow Statement

(In Rs. Cr)	FY24	FY25	FY26
Cash flow from Operations Activities	140.3	314.9	301.8
Cash flow from Investing Activities	-290.0	-545.3	-469.7
Cash flow from Financing Activities	152.0	233.1	164.5
Net increase/(decrease) in cash and cash equivalents	2.3	2.7	-3.4
Cash and cash equivalents at the beginning of the year	9.0	11.3	14.0
Cash and cash equivalents at the end of the year	11.3	14.0	10.5

Source: RHP

Comparison with Listed Industry Peers

	Net Sales (Rs. Cr.)	OPM (%)	D/E (x)	ROCE (%)	RONW (%)	P/E (x)	P/BV (x)	EV/EBITDA (x)	MCap/Sales (x)	Market Cap (Rs. Cr.)
Milky Mist Dairy Food Ltd.	3,138.4	13.7	0.6	15.4	6.7	84.9	5.7	27.9	3.4	10,777.6
Nestle India Ltd.	23,154.6	22.9	0.0	98.3	76.3	75.9	47.2	50.3	11.9	2,89,247.1
Britannia Industries Ltd.	19,151.6	18.6	0.3	56.5	53.6	50.2	22.9	34.2	6.8	1,30,791.5
Tata Consumer Products Ltd.	20,290.4	14.6	0.1	10.1	7.8	66.0	4.9	34.3	5.2	1,07,876.2
Hatsun Agro Product Ltd.	8,699.8	11.8	1.2	14.6	16.9	59.2	10.9	18.6	2.1	20,630.9
Bikaji Foods International Ltd.	2,993.9	15.0	0.1	21.6	17.1	60.6	9.4	33.2	5.2	15,657.2
Dodla Dairy Ltd	4,125.2	8.8	0.0	18.1	17.3	25.8	3.7	17.6	1.5	6,318.7
Parag Milk Foods Ltd.	3,432.2	8.0	0.6	14.4	12.3	21.1	2.3	10.9	0.7	2,851.2

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