moneywise. be wise.

MILKY MIST DAIRY FOOD LIMITED

August 10, 2026

Milky Mist

SMC Ranking

★★½☆☆ (2.5/5)

Issue Highlights

Industry	**FMCG**
Offer for sale (Shares)	89,28,570
Fresh Issue (Shares)	102,014,623
Net Offer to the Public	110,943,193
Issue Size (Rs. Cr.)	1475-1553
Price Band (Rs.)	133-140
Employee Discount	13
Offer Date	11-Aug-26
Close Date	13-Aug-26
Face Value	2
Lot Size	107

Issue Composition

	In shares
Total Issue for Sale	110,943,193
QIB	55,471,597
NIB	16,641,479
Retail	38,830,118

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	93.00%	79.51%
QIB	7.00%	13.28%
NIB	0.00%	2.16%
Retail	0.00%	5.04%
Total	**100.00%**	**100.00%**

*calculated on the upper price band

Objects of the Issue

The Company proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Repayment/ prepayment, in full or in part, of certain outstanding borrowings availed by Company
2. Financing the capital expenditure requirements in relation to the expansion and modernisation of Perundurai Manufacturing Facility
3. Deployment of visi coolers, ice cream freezers and chocolate coolers
4. General corporate purposes

Book Running Lead Manager

- JM Financial Limited
- Axis Capital Limited
- IIFL Capital Services Limited

Name of the registrar

- KFin Technologies Limited

About the company

Incorporated in July 2014, Milky Mist Dairy Food Limited is one of India's fastest-growing packaged food companies specializing in premium value-added dairy products. The company offers a diversified portfolio comprising cheese, paneer, butter, curd, ghee, yogurt, ice cream, UHT products, frozen foods, ready-to-eat (RTE), ready-to-cook (RTC) foods, and chocolates under the flagship Milky Mist brand, along with sub-brands including SmartChef, Capella, Misty Lite, Briyas, and Asal. It operates an integrated farm-to-consumer business model, directly procuring milk from farmers and processing it through advanced automated manufacturing facilities. Backed by an extensive cold-chain logistics network, a multi-channel distribution platform, advanced manufacturing capabilities, technology-driven operations, experienced management, and a workforce of 1,317 permanent employees, Milky Mist Dairy Food Limited serves customers across India with a strong focus on innovation, premiumization, and sustainable manufacturing.

Strength

Fastest-growing packaged food company in India with strong brand leadership: Milky Mist Dairy Food Limited is India's fastest-growing packaged food company among peers with revenue above ₹15,000 million, recording a 31.26% revenue CAGR between Fiscal 2024 and Fiscal 2026 (Source: 1Lattice). The company focuses exclusively on premium value-added dairy products, including paneer, cheese, curd, butter, ghee, yogurt, ice cream, UHT products, frozen foods, RTE/RTC products and chocolates. Unlike traditional dairy players dependent on liquid milk, it operates with an FMCG-led model supported by premium pricing, superior margins and strong brand equity. High product realization, expanding value-added markets and continuous innovation position Milky Mist Dairy Food Limited for sustained long-term growth.

Diversified and expanding product portfolio focused on evolving consumer needs : Milky Mist Dairy Food Limited has built a diversified portfolio comprising 22 product categories and 640 SKUs, catering to changing consumer preferences through premium dairy, frozen foods, RTE/RTC products and chocolates. Between Fiscal 2022 and Fiscal 2026, the company introduced five new product categories and 538 new SKUs, contributing over 28% of Fiscal 2026 revenue. Continuous innovation in protein-rich, lactose-free, reduced-salt and diabetic-friendly products strengthens its premium positioning. Established categories such as paneer, cheese and curd continue delivering robust growth, while newer categories like ice cream and yogurt are scaling rapidly, creating multiple growth engines and reducing dependence on any single product.

Advanced manufacturing capabilities supported by automation and technology: Milky Mist Dairy Food Limited operates a highly automated manufacturing facility at Perundurai, Tamil Nadu, equipped with advanced paneer, cheese, UHT, yogurt, whey powder and ice cream production lines. Continuous investments in robotics, aseptic packaging and automated quality control enhance hygiene, efficiency and product consistency. The company pioneered automated large-scale paneer production in India by adapting European cheese-making technology. Its facility is supported by an in-house laboratory, stringent multi-stage quality testing and international certifications, including U.S. FDA approval. Ongoing capacity expansion and efficient milk balancing enable optimal utilization of raw milk while supporting growing demand across premium dairy categories.

Direct sourcing model with strong farmer engagement : Milky Mist Dairy Food Limited procures raw milk directly from over 74,600 farmers across four states, eliminating intermediaries and ensuring transparency, better farmer realization and timely payments. The company has established an extensive procurement network supported by over 3,900 Automatic Milk Collection Units and 29 chilling centres. A rigorous three-stage quality testing process ensures superior raw milk quality before processing. Beyond procurement, the company strengthens farmer relationships through veterinary support, cattle nutrition programs, fodder development, artificial insemination services and financial assistance. Its technology-enabled procurement system, direct bank payments and SMS-based transaction updates foster trust while ensuring a reliable and high-quality milk supply.

Multi-channel distribution supported by integrated logistics: Milky Mist Dairy Food Limited has developed a strong multi-channel distribution network spanning general trade, modern trade, HoReCa, e-commerce, quick commerce and exclusive retail parlours across 22 states and five Union Territories. The company has expanded its distributor base to over 4,000 while increasing sales beyond South India. A fully integrated in-house logistics network, including milk tankers, reefer trucks and ambient vehicles, ensures temperature-controlled deliveries and product freshness. More than 15,000 visi coolers strengthen retail visibility and shelf space. Technology-enabled fleet management, optimized logistics and exports to over 15 countries further enhance operational efficiency and brand reach.

Strong commitment to sustainability: Milky Mist Dairy Food Limited integrates sustainability across its operations through renewable energy, water conservation and environmentally responsible manufacturing practices. The company meets nearly 75% of its energy requirements through solar and wind power while expanding renewable energy capacity. Advanced wastewater recycling facilities convert process water into reusable water, and methane generated during effluent treatment is utilized as an energy source. Tree plantation, desilting projects, veterinary support for farmers and increasing adoption of electric vehicles further reinforce its ESG initiatives. These sustainability measures improve resource efficiency, reduce environmental impact and support long-term operational resilience while creating value for stakeholders.

Experienced management driving consistent growth: Milky Mist Dairy Food Limited is led by an experienced management team with extensive expertise in the dairy and food industry. Chairman and Managing Director Sathishkumar T, Whole-time Director Anitha S and CEO Dr. K. Rathnam bring decades of operational, technical and strategic experience. Their leadership has been instrumental in expanding the company's product portfolio, strengthening manufacturing capabilities, widening distribution and accelerating geographic expansion. Supported by an experienced Board and independent directors, the management team continues to drive innovation, operational excellence and disciplined execution. This strong leadership foundation positions Milky Mist Dairy Food Limited to capitalize on emerging opportunities and sustain profitable long-term growth.

Strategy

Strengthen Position in Southern India and Expand Presence Across Other Regions : Milky Mist Dairy Food Limited aims to strengthen its leadership across Southern India while expanding its presence in western, northern, and eastern markets to accelerate sales growth. The company plans to drive market penetration through e-commerce, quick commerce, modern trade, and an expanded distributor network, supported by higher advertising investments. It also intends to significantly increase the deployment of visi coolers, ice cream freezers, and chocolate coolers to improve retail visibility and product availability. Additionally, Milky Mist Dairy Food Limited plans to expand its exclusive parlour network across key states, enhance direct consumer engagement, strengthen brand loyalty, increase exports to new international markets, and invest in logistics infrastructure through additional refrigerated and ambient transport vehicles.

Expand Production Capacity and Strengthen Milk Procurement Network : Milky Mist Dairy Food Limited plans to expand production capacity by investing in advanced manufacturing technologies and value-added dairy products. The company intends to establish new facilities for whey protein concentrate, lactose, yogurt, fresh cheese, and processed cheese at its Perundurai manufacturing facility. Continuous investments in automation, product innovation, and quality enhancement are expected to improve operational efficiency and product capabilities. Alongside capacity expansion, Milky Mist Dairy Food Limited aims to strengthen its milk procurement network by deepening relationships with dairy farmers through quality-based incentives, cattle feed support, veterinary services, artificial insemination, financing assistance, and expanding tech-enabled automated milk collection centres.

Strengthen Brand Visibility and Brand Equity : Milky Mist Dairy Food Limited intends to further strengthen the visibility and equity of its flagship and sub-brands through integrated marketing initiatives across traditional, digital, and social media platforms. The company plans to leverage brand ambassadors, strategic sponsorships, influencer collaborations, and experiential events to enhance consumer engagement and reinforce brand recognition. It also aims to increase investments in performance marketing initiatives, including search engine optimization and pay-per-click advertising, to improve online visibility and accelerate awareness for new product launches. These initiatives are expected to enhance customer reach, strengthen brand recall, increase consumer loyalty, and support sustainable long-term revenue growth.

Pursue Inorganic Growth Through Strategic Acquisitions : Milky Mist Dairy Food Limited intends to pursue inorganic growth by evaluating strategic acquisitions that complement its long-term expansion strategy and create operational synergies. The company has already expanded its portfolio through acquisitions related to tofu, frozen foods, ready-to-eat, and ready-to-cook product categories. Going forward, it plans to identify opportunities that strengthen its presence across new product segments, customer bases, geographic markets, and end-user industries. Milky Mist Dairy Food Limited will adopt a disciplined acquisition approach by evaluating management quality, operational scale, technology capabilities, product portfolio, customer relationships, valuation, integration costs, and cultural compatibility before pursuing any future transactions.

Leverage Technology to Improve Operational and Cost Efficiency : Milky Mist Dairy Food Limited intends to leverage advanced technologies to enhance operational efficiency, reduce costs, and strengthen its competitive position. The company plans to expand automation across manufacturing processes, improve logistics through IoT-enabled fleet management and route optimization, and integrate advanced monitoring systems for utilities and production efficiency. It also aims to reduce energy and water consumption by expanding solar power capacity, installing energy meters, and establishing a sludge digestion plant for natural gas generation. Additionally, Milky Mist Dairy Food Limited intends to deploy advanced data analytics and consumer research to better understand market trends, optimize sales strategies, improve decision-making, and support scalable business growth.

Key Risk Factors

- Milky Mist Dairy Food Limited is highly dependent on raw milk procurement from Tamil Nadu. Any disruption in milk availability, quality, or pricing could adversely impact its business and financial performance.
- The company generates a majority of its revenue from South India. Any adverse developments in the region could negatively affect its operations, revenue, and profitability.
- It derives a significant share of its revenue from paneer, cheese, and curd. Changes in consumer preferences or product quality issues could reduce demand and impact its financial performance.
- It relies on its manufacturing facility in Perundurai, Tamil Nadu, and its network of chilling centres. Any operational disruption or regional adverse event could affect production and business performance.

Peer Comparison

Company	Total Sales	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
Nestle India	24360.77	3811.17	19.22	78.04	56.09	26.74	1	1500.00	289247.15
Britannia Inds.	19287.72	2604.12	105.13	51.65	25.61	212.01	1	5430.00	130791.48
Tata Consumer	20860.40	1635.13	16.67	65.39	4.95	220.15	1	1090.00	107876.21
Hatsun Agro	10459.43	354.70	15.64	59.22	11.28	82.11	1	926.20	20630.94
Bikaji Foods	3018.01	258.51	10.43	59.87	9.74	64.09	1	624.45	15657.23
Dodla Dairy	4316.27	244.78	41.00	25.55	3.77	277.50	10	1047.40	6318.73
Parag Milk Foods	3910.55	129.51	11.16	20.18	2.25	100.24	10	225.20	2828.73
Milky Mist Dairy Food Limited	3138.36	127.01	1.65	84.86	5.70	24.57	2	140.00	10777.81

*Peer companies financials are TTM based

*** Milky Mist Dairy Food Limited financials are based on FY26

Valuation:

Considering the P/E valuation, on the upper end of the price band of Rs.140, the stock is priced at pre issue P/E of 73.61x on annualized FY2026 EPS of Rs.1.90. Post issue, the stock is priced at a P/E of 84.86x on its EPS of Rs. 1.65. Looking at the P/B ratio at Rs.140 pre issue, book value of Rs.6.93 of P/Bvx 20.19x. Post issue, book value of Rs.24.57 of P/Bvx 5.70x.

Considering the P/E valuation, on the lower end of the price band of Rs.133, the stock is priced at pre issue P/E of 69.93 x on annualized FY 2026 EPS of Rs. 1.90. Post issue, the stock is priced at a P/E of 80.62x on its EPS of Rs. 1.65. Looking at the P/B ratio at Rs. 133 pre issue, book value of Rs. 6.93 of P/Bvx 19.18x. Post issue, book value of Rs.24.57 of P/Bvx 5.41x.

Industry Overview

India's food and beverage (F&B) industry is one of the country's fastest-growing consumer sectors, contributing around 3% to GDP in CY25. The market is estimated at INR 74.0 trillion in FY26 and is projected to reach INR 111.6 trillion by FY31, registering a CAGR of 8.6%. Growth is supported by rising disposable incomes, rapid urbanization, evolving consumer preferences, health and wellness awareness, and supportive government policies. The packaged food segment is expected to outpace the broader market, driven by increasing demand for convenience, premiumization, value-added dairy products, ready-to-eat and ready-to-cook foods, wider modern retail and e-commerce penetration, technological innovation, and continued formalization of the industry.

Outlook

Milky Mist Dairy Food Limited is well positioned to sustain strong growth, supported by its leadership in value-added dairy products, expanding product portfolio, advanced manufacturing capabilities and robust distribution network. Planned capacity expansion, wider geographic reach, stronger brand investments and technology-led operational efficiencies are expected to drive long-term growth. However, dependence on Tamil Nadu for milk procurement and South India for revenue remains a key monitorable risk.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
IPO Open Date	Tue, Aug 11, 2026
IPO Close Date	Thu, Aug 13, 2026
Tentative Allotment	Fri, Aug 14, 2026
Initiation of Refunds	Mon, Aug 17, 2026
Credit of Shares to Demat	Mon, Aug 17, 2026
Tentative Listing Date	Tue, Aug 18, 2026

smc
moneywise. be wise.

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 31-Mar-26 (12 Months)	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)
Revenue from operations	3138.36	2349.50	1821.61
Total expenditure	2709.79	2044.45	1604.53
Operating Profit	**428.57**	**305.06**	**217.08**
OPM%	13.66	12.98	11.92
Other Income	6.65	5.29	5.25
Total Net Income	**435.22**	**310.35**	**222.33**
Interest	106.27	86.34	72.22
PBDT	**328.95**	**224.01**	**150.11**
Depreciation	170.46	136.46	107.42
PBT	**158.49**	**87.54**	**42.68**
Tax	31.48	41.47	23.24
Profit & Loss	**127.01**	**46.07**	**19.44**

Balance sheet is on next page

moneywise. be wise.

Balance Sheet

Rs. in Cr.

Particulars	As on 31-Mar-26	As on 31-Mar-25	As on 31-Mar-24
Non-current assets			
Property Plant & Equipment	1605.69	1325.94	1135.12
Capital Work In Progress	371.31	242.79	95.14
Investment property	1.57	1.58	1.59
Right-of-use assets	54.22	5.46	4.69
Goodwill	1.30	1.30	0.00
Other Intangible assets	9.98	0.72	0.82
Financial assets			
Other financial assets	13.84	10.65	9.74
Non-current tax assets	0.00	0.08	0.20
Other non-current assets	26.30	143.24	23.82
Total non-current assets	**2084.20**	**1731.75**	**1271.11**
Current asset			
Inventories	344.18	262.12	208.69
Financial Assets			
Trade receivables	176.51	102.23	81.84
Cash and cash equivalents	10.54	13.97	11.31
Bank balances other than (ii) above	3.05	6.92	4.81
Other financial assets	1.61	8 .47	0.31
Other current assets	56.37	32.76	28.20
Total current assets	**592.26**	**417.99**	**335.15**
Total Assets	**2676.46**	**2149.74**	**1606.26**
Non-current liabilities			
Financial liabilities			
Borrowings	1240.67	1032.06	719.82
Lease liabilities	3.70	3.93	3.29
Other financial liabilities	17.72	12.42	14.52
Provisions	7.08	4.10	3.35
Deferred tax liabilities (net)	121.40	118.08	92.99
Other non-current liabilities	2.01	2.13	1.04
Total Non- Current liabilities	**1392.58**	**1172.70**	**835.01**
Current liabilities			
Financial Liabilities			
Borrowings	431.18	344.32	316.90
Lease liabilities	1.17	1.69	1.64
Trade Payables			
- Total outstanding dues of MSME	2.87	3.11	1.00
- Total outstanding dues of creditors other than MSME	106.83	91.30	44.07
Other financial liabilities	255.46	196.77	116.11
Other current liabilities	15.36	6.30	7.82
Provisions	2.22	2.19	1.66
Current Tax Liabilities (Net)	5.77	4.42	0.00
Total - Current Liabilities	**820.87**	**650.09**	**489.19**
Total Liabilities	**2213.45**	**1822.80**	**1324.19**
Net worth represented by:			
Equity share capital	128.46	126.00	3.50
Other equity	0.00	2.46	0.07
Non-controlling interest	334.56	199.34	278.50
Total Equity	**463.02**	**327.79**	**282.07**

moneywise. be wise.

RANKING METHODOLOGY

WEAK ★

NEUTRAL ★ ★

FAIR ★ ★ ★

GOOD ★ ★ ★ ★

EXCELLENT ★ ★ ★ ★ ★

E-mail: smc.care@smcindiaonline.com

moneywise. be wise.

Corporate Office:
11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com

Mumbai Office:
Lotus Corporate Park, A Wing 401 / 402 , 4th Floor , Graham Firth Steel Compound, Off Western Express Highway, Jay Coach Signal, Goreagon (East) Mumbai - 400063
Tel: 91-22-67341600, Fax: 91-22-67341697

Kolkata Office:
18, Rabindra Sarani, Poddar Court, Gate No-4,
5th Floor, Kolkata - 700001
Tel.: 033 6612 7000/033 4058 7000
Fax: 033 6612 7004/033 4058 7004