

Milky Mist, headquartered in Tamil Nadu (Erode district), began its journey in 1992, and focuses on the Indian dairy space with 100% thrust on value-added segments. The company's revenue as of FY25 stands at Rs24bn; it operates across 23 product categories supported by 416 SKUs and four key brands—Milky Mist, SmartChef, Capella, and Misty Lite. The company has recently acquired brands Briyas as well as Asal, to focus on tofu as well as RTC and RTE products, respectively. Given its thrust on value-added segments, it is now clocking better margin – of around 13% in FY25. However, given its leveraged position toward addressing steady capex needs (~21% of revenue for the last three years), its net margin at ~2%, net block turns at 1.5x, working capital requirements (at 40 days), and returns profile (RoCE at ~10%) are weaker than that of listed peers. With the proposed IPO, Milky Mist is looking to raise Rs20.35bn, of which fresh fund-raise of Rs17.85bn will help debt repayment of Rs7.5bn and capex needs of Rs5.44bn. Key risks: a) concentrated sourcing, manufacturing facility, and sales in South India, b) product concentration, c) concentrated category and d) leveraged position.

Value-added dairy play, with focus on B2C business expansion

Milky Mist has been active in value-added dairy segments, and is addressing pan-India needs with its dairy product production concentrated in Tamil Nadu, which is also the source of ~98% of its milk requirements. Five southern states contribute to 71% of its revenue, followed by 18% revenue from the West, 5% from the North, and ~4% from exports. In the value-added portfolio (VAP), it has 30% revenue from *paneer* (~17% market share), followed by 17% from cheese (12% share in the South; 5% share pan-India), and 16% from curd (~7% share in South India). Overall, it has presence in 23 categories, with 416 SKUs under brands *Milky Mist* (VAD products), *SmartChef* (RTC), *Capella* (chocolate), and *Misty Lite* (fat spread). The company has recently acquired brands *Briyas* (Tofu) and *Asal* (fresh RTC and RTE products). In recent years, amid a surge in competition, its trade discount has expanded from ~4% in FY23 to ~10% in FY25. The company has presence in 22 states and 5 union territories (UTs), all serviced from its single integrated facility via 3,062 distributors addressing the demand of ~350k outlets. For enhanced brand engagement and visibility, the company has 108 Milky Mist exclusive parlors across eight states (6 owned, the rest franchised). It generates 43% of its revenue from general trade and quick commerce, 24% of its revenue is from modern trade, 16% from HoReCa, 10% from e-com platforms, and 6% from B2B sales.

Portfolio drive helps margins, though a leveraged position hurts return profile

Amid listed dairy peers, Milky Mist is clocking industry-best gross margin at ~34% (as of FY25), which helps log peer-best EBITDA margin at 13%. However, with its leveraged position, its net margin at ~2% is relatively weak. The company has a high effective tax rate (at 47% for FY25) given the MAT credit, though the mgmt is evaluating a shift to the new tax regime for availing lower corporate tax rate. Its leveraged position (gross debt: Rs13.8bn; LT debt: Rs10.3bn) has a bearing on its RoCE profile, which is sub-par – ~10% for FY25. The company has resorted to borrowing for funding its steady capex needs (last 3Y at ~21% of revenue; positioned to capitalize on expected 12% CAGR in the traditional value-added dairy products market to Rs9trillion by FY30). Additionally, it has higher working capital needs (than peers) in the business, of ~40 days.

Balance sheet health key ahead; 42% of fresh issues to help reduce debt

With a proposed fund-raise of Rs20.35bn, the company targets a fresh fund-raise of Rs17.85bn and an offer for sale of Rs2.5bn. Of the fresh funds raised, it is looking to use funds mainly for a) repayment of debt of Rs7.5bn, b) addressing capex needs of Rs4.15bn, and c) enhancing cooling infrastructure with Rs1.29bn. Promoters Sathishkumar T and Anitha S together control 92.39% ownership; the other promoter group holds 5.7% stake. Key risks for the company include i) concentration of procurement in Tamil Nadu (98% milk sourcing), ii) concentration of sales in South India (71% for FY25), iii) concentrated manufacturing, iv) concentrated category stream (paneer, cheese, and curd together contribute ~63% of revenue as of FY25), v) high leveraged position (debt service coverage ratio at 1.16x; debt-to-equity at 4.2x).

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Balancing the return profile with growth aspirations is key

Exhibit 1: Peer comparison (based on data for FY25)

	Milky Mist	Hatsun Agro	Dodla Dairy	Heritage Foods	Parag Milk
Market capital (Rs mn; 26-Nov-25)	Unlisted	235,820	75,950	44,330	42,410
Promoter holding	98.1%	73.4%	58.9%	41.5%	42.6%
Revenue (Rs mn)	23,495	86,998	37,201	41,346	34,322
- Milk	0%	NA	66%	62%	23%
- VAP	100%	NA	34%	38%	77%
EBITDA (Rs mn)	3,051	10,101	3,808	3,310	2,527
Adj PAT (Rs mn)	461	2,788	2,599	2,039	1,188
OCF (Rs mn)	3,149	14,502	3,887	2,139	2,120
FCF (Rs mn)	-2,316	8,051	2,809	423	872
B2B revenue	6%	0%	4%	0%	30%
No of distributors	3,062	NA	2,190	NA	4,500
Revenue – 3Y CAGR	34%	11%	18%	16%	17%
EBITDA – 3Y CAGR	25%	12%	22%	20%	20%
Adj PAT -3Y CAGR	24%	4%	25%	22%	55%
Gross margin	33.9%	30.7%	27.4%	31.3%	25.8%
EBITDA margin	13.0%	11.6%	10.2%	8.0%	7.4%
EBIT margin	7.2%	6.2%	8.2%	6.3%	5.4%
PBT margin	3.7%	4.3%	9.6%	6.6%	3.9%
Adj PAT margin	2.0%	3.2%	7.0%	4.9%	3.5%
Net block	15,778	35,580	7,623	8,155	5,969
Net block turns	1.5	2.5	4.9	5.1	5.8
Gross debt	13,764	20,965	288	1,364	6,155
Gross debt-to-equity	4.2	1.2	0.0	0.1	0.6
Net debt	13,555	20,255	-7,036	-1,195	5,904
Net debt-to-equity	4.1	1.2	-0.5	-0.1	0.6
Net Working Capital days# (no of)	40	42	13	16	63
Return on Equity (RoE) ^	15%	17%	20%	21%	12%
Return on capital employed (ROCE) ^^	10%	13%	23%	24%	12%

Source: Company, 1Lattice Analysis, Emkay Research

^ RoE = Adj PAT/average equity

^^RoCE = EBIT/average capital employed; capital employed = equity + long-term debt + short-term debt + non-current liabilities

Net working capital requirement is based on revenue

Indian dairy well poised for fast formalization

Indian dairy players have commenced their journey with liquid milk, with initial thrust on building sourcing capability and gradually entering the value-added segments. A closer look at the revenue stream suggests a visible concentration of curd and ghee in value-added segments, where consumers have moved from home-based curd and adopted packaged curd (Rs760bn category, 10% organized) and ghee (~Rs1trillion category, 25% of the category is organized). Paneer is next in line, where long-shelf-life products are seeing faster consumer adoption, though the share of organized is still at ~5% (a ~Rs850bn category).

This report is intended for Team White Marque Solutions (team.emkay@whitemarquessolutions)

Exhibit 2: Indian value-added dairy segments – Category size, growth expectations, and margin profile

	Overall category size (Rs bn)	Organized share	FY25 - Organized category	CAGR (FY25-30P)	Margin
Ghee	1,065	25%	266	12%	12%
Khoa	1,059	2%	21	27%	12%
Paneer	846	5%	41	20%	12%
Curd	758	10%	72	17%	10%
Dairy sweets	503	45%	226	11%	NA
Ice-cream	283	75%	212	14%	37%
Buttermilk and lassi	256	25%	64	23%	13%
Skimmed milk powder	181	100%	181	3%	15%
Butter	88	25%	21	13%	14%
Whey and Whey products	85	100%	85	15%	22%
Cheese	85	100%	85	19%	20%
Milkshake	73	100%	8	15%	15%
Plain, flavored & frozen yogurt	13	100%	13	18%	22%
RTE/RTC	143	90%	129	18%	30-40%

Source: 1Lattice Analysis, Emkay Research

Under the recent GST rate revision, paneer has seen a duty revision to nil, while butter, cheese, and ghee are now taxed at 5%. The industry is likely to see fast formalization ahead, as tax arbitrage for regional unorganized players reduces. In this light, there is a fair opportunity for a large, organized player to benefit from formalization.

With only 23% of the raw milk supply with organized players (35% of the marketable surplus milk), we see a structural long-term growth opportunity for dairy players. Of the organized supplies, only half of the supplies are with private players.

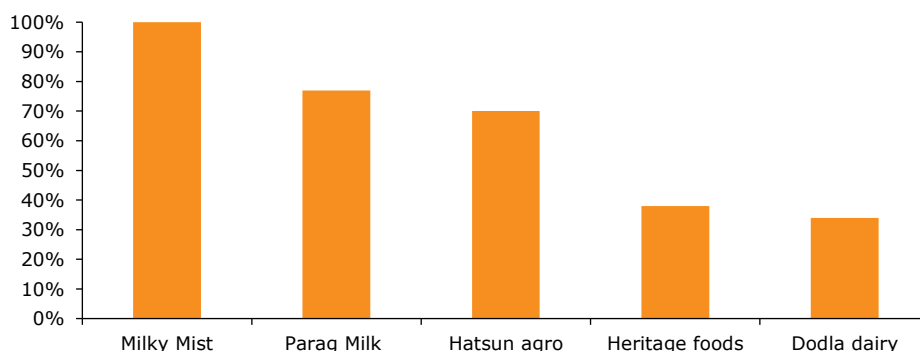
Exhibit 3: Value-added categories with GST rates

Category	Old GST rate	GST rate effective 22-Sep-25
Ghee	12%	5%
Ice-cream	18%	5%
Dairy-based drinkables	18% or 12%	5%
Curd	Nil	Nil
Paneer	12%	5%

Source: Emkay Research

Journey from milk to value-added dairy products accelerates

With consumers looking to address health needs, protein has seen growing attention post-Covid, with Indians adapting to multiple dairy categories. We have seen fast growth in emerging segments like milk-based beverages (chaas, lassi, flavored milk), cheese, whey products, and yogurt. These categories are likely to see mid-teen to sub-20% growth in the next five years. Such categories also produce a better margin profile. Ice-cream, a ~Rs285bn worth category, is likely to see mid-teen growth ahead; here, the margin is better compared to that of any dairy category (at >30%). The biggest factor for brands is to create a positioning in the segment and enhance visibility. Brands that have established themselves are seeing faster growth and able to enjoy better margins. Product pricing and margin are largely dependent on the brand recall in the minds of consumers. Sensing the growth opportunity and margin potential, large dairy players are now focusing on branding and creating capacities.

Exhibit 4: Value-added revenue mix for Indian dairy companies

Source: Company, Emkay Research

The company's brand portfolio

	Value-added dairy products
	RTC products
	Chocolates
	Fat spread
	Tofu
	Fresh RTC and RTE products

In South India, Milky Mist has 12% market share in cheese and 7% in curd; while on pan-India basis, it has market share of 17% in paneer, 5% in cheese, and 7% in yogurt

Listed dairy players are expanding the mix of VAP in their portfolio

Amid four listed dairy players, Hatsun Agro has created a sizable revenue of Rs87bn, while the other four players have near-similar revenue of ~Rs35-40bn in revenue. Across players, we have seen a gradual shift in revenue, from milk to value-added dairy products. While the data for Hatsun is not available, we assume share of VAP at >70%; for Parag Milk, it is 77% (with B2B salience of 30%) and for Doodla and Heritage, it is 35-40%. Milky Mist is an outlier, with its 100% focus on value-added segments. Milky Mist's focus on the fast-growth VAP segment is reflective of over 30% revenue CAGR in the last three years. On the back of its portfolio thrust, the company has industry-leading gross margin of ~34%, which helps it clock improved EBITDA margin, of 13%. Amid peers, Hatsun has seen a relatively modest 11% revenue CAGR in the last three years, while others have witnessed high-teen revenue CAGR over the same period (for Parag Milk, we have considered 4-year CAGR).

VAP thrust requires high capex and working capital

A closer look at the financials of listed dairy players clearly indicates that VAP products require capacity build-up, which calls for higher capex needs. Additionally, VAP products have a higher shelf life and this does not require regional production, as players that offer such products seek integrated facilities. This is the reason Milky Mist and Hatsun have a relatively higher net block with lower net block turns at 1.5-3x vs peers operating with block in the Rs6-8bn block, with net block turns at 5-6x. From the distribution perspective, players need to hold inventory and operate with higher number of receivable days that requires higher working capital. Milky Mist and Hatsun have relatively higher working capital requirements at 40-42 days vs requirement of 10-15 days for peers, except Parag Milk, which has higher working capital needs, of 63 days. Milky Mist and Hatsun have managed their capex requirements as well as their high working capital needs well, given their leveraged position.

Higher funding needs keep returns low for VAP-heavy players

A closer look at the capital employed of dairy companies reveals that players with higher capex requirements and working-capital needs have higher funding requirements; this has a bearing on the returns profile. Milky Mist's net debt-to-equity at 4x is a factor of debt at Rs13bn and equity at Rs3bn. Hatsun has a higher leverage position with debt of Rs21bn, and its net debt-to-equity stands at 1.2x. For Parag, with debt of Rs6bn, net debt-to-equity stands at 0.6x. Dodla and Heritage have net cash position. Return on capital employed for Milky Mist (at ~10%), Hatsun (~13%), and Parag Milk (12%) is weaker vs Dodla Dairy (at 23%) and Heritage Foods (at 24%). Overall, based on these financials, we conclude that balancing the sales mix would be crucial for the returns profile. As VAP has accelerated expansion ahead, players can choose to build capability, but the returns profile is likely to be weak in the build-up stage.

Exhibit 5: Management meet updates on Doodla Dairy and Heritage Foods

Not Rated Heritage Foods			NOT RATED Doodla Dairy		
Voice of the head – Branded value-added play in Indian dairy			Voice of the head – Sourcing edge to aid sustainable scale-up		
Consumer Goods • Company Update • September 16, 2025			Consumer Goods • Visit Note • October 14, 2025		
CMP (Rs.) 459 TP (Rs.) NA			CMP (Rs.) 2,295 TP (Rs.) NA		
We engaged with Srideep Kawan, CEO - Heritage Foods (HFL), to gain insight into the company's execution and industry outlook. The management is focusing on pan-India expansion with special emphasis on value-added products, which currently contribute 32% of FY25 revenue and are seeing faster growth. Milk, comprising 57% of revenue, is expected to remain a regional play due to its perishable nature. HFL is gradually making inroads into newer markets, expanding footprint beyond its traditional domain strongholds. Leveraging its strong farm practices, HFL views milk procurement as crucial for such geographic expansion. The mgmt has set a growth target in the mid-teens, and anticipates expanding operating margin to a low double-digit from a high single digit via focused improvement in brand equity and sales mix. Given GST rate reductions for most value-added products, the management is optimistic about accelerated growth prospects, driven by formalization in this segment. Pure play dairy company with 96% of milk directly sourced from farmers. Started in 1992, Heritage Foods is now a professionally run business with focus on enhancing its value-added play, which is now ~32% of revenue (expanded by 60ppt in the last four years). The company generates 57% of its revenue from milk, which is the backbone of the business. Unlike common perception of establishing Farm Connect and sourcing being a difficult task, the management noted it is the least cumbersome part of the business. The company sources 96% of its milk requirement directly from farmers. In FY25, the company sourced 1.72mls liter per day of milk, while selling 1.65mls liter a day. The company distributes products via >7,400 distributors to 205k retail outlets. It generates a high teen revenue from modern retail channels. It has its own network of 659 'Heritage Parlours' (exclusive outlets selling the whole range of Heritage products) and 421 'Happiness Pointers' (ie exclusive distribution wings; 5-6% of revenue). Thrust on value-added products for growth and profitability The management is upbeat about its strategy of focusing on the value-added part of the business, which now has the tailwind of GST rate reduction for a number of its value-added products. Its value-added product range includes curd, drinkables, ice cream, paneer, and sweets - gross margin for this range is 20-35%, while FY25 weighted average stands at 25%. With a portfolio that aligns with consumer needs and given its marketing efforts for enhancing brand equity, the company is looking at faster growth in the portfolio. In the FMV products segment (8% of revenue), the management is prioritizing above more butter for rumsals where it has chosen rumsals with flavoured cream.			We engaged with Doodla's management team - comprising Doodla Sunil Reddy (MD and founder), Ravi Reddy (COO), and Musali Mohan Raju R (CFO) - to gain insights into company's journey and future outlook. The management sees strong sourcing capabilities as a key edge, enabling it to meet wider consumer needs and sustain a 15% revenue CAGR in the long term. Value-added products (VAP), contributing 35% of revenue, remain a focus. With core markets formalized, Doodla aims to drive growth through expansion into newer markets. The international business, contributing 10% of revenue with operations in Uganda and Kenya, is expected to double in the next 3-5 years. While VAP deliver better margins across both domestic and international markets, the company aims to maintain 9-10% margins to support growth momentum. Aiming for 15% CAGR, led by organic, inorganic, and capacity expansion The management considers its efficient milk procurement for Indian and overseas operations (in Uganda and Kenya) an enabler for sustainable scale-up. In India, the company has strengthened its position in Karnataka and Tamil Nadu through MBAs; it has recently entered eastern region in India also through an MBA. At the same time, it is augmenting its Maharashtra capacity through a capex of Rs2.8bn, which could add Rs20bn in revenue. Going ahead, the management is exploring opportunities to enhance its direct sourcing, which will fuel its top-line aspirations. It is looking to double revenue in the next 3-5 years, at a 15% CAGR (with a 7-10% volume CAGR). Milk procurement is key: VAP scale-up needs market expansion Doodla sources roughly 1.7mln liters milk per day in India from 145,000 farmers spread across more than 9,000 villages, operating extensive 8x village level collection and chilling centers (200+ chilling centers and 500+ transport vehicles). In the international segment, it sources ~200k liters per day. Given the strong sourcing, it generated ~35% revenue from VAP for FY25 (international revenue, 10% of overall revenue, 25% sales in yogurt; in India, 27% revenue comes from non-fat VAP and 8% from fat products). The company derives 61% of its domestic revenue from fresh milk. It generates 4% revenue from animal feed. Mix improvement to aid margin, albeit growth threat to limit expansion The management is aiming to maintain 9-10% margins, led by high single digit margin in milk and high-teen margins in VAP and international business. This outlook appears conservative, given the steady improvement in product mix and ongoing business scale-		
Target Price - 12M Change in TP (%) Current facts Previous facts Upside/(Downside) (%)			Target Price - 12M Change in TP (%) Current facts Previous facts Upside/(Downside) (%)		
Stock Data 52-week High (Rs) 52-week Low (Rs) Shares outstanding (mn) Market-cap (Rs bn) Market-cap (USD mn) Free float (%) ADTV-3M (mn shares) ADTV-3M (Rs mn) ADTV-3M (USD mn) Free float (%) Nifty-50 30-day CPO			Stock Data 52-week High (Rs) 52-week Low (Rs) Shares outstanding (mn) Market-cap (Rs bn) Market-cap (USD mn) Free float (%) ADTV-3M (mn shares) ADTV-3M (Rs mn) ADTV-3M (USD mn) Free float (%) Nifty-50 30-day CPO		
Shareholding-Jun-25 Promoters (%) PPUs/MPs (%)			Shareholding-Jun-25 Promoters (%) PPUs/MPs (%)		
Price Performance (%) Absolute Rel. to Nifty			Price Performance (%) Absolute Rel. to Nifty		
3-Year share price trend (Rs)			3-Year share price trend (Rs)		

Source: Emkay Research

Exhibit 6: Milky Mist has provided discounts ahead of its IPO, to boost topline

(Rs bn)	FY23	FY24	FY25	FY23	FY24	FY25	FY23	FY24	FY25	FY23	FY24	FY25	FY23	FY24	FY25
	Milky Mist			Hatsun Agro			Parag Milk Foods			Doodla Dairy			Heritage Foods		
Contracted price	14.5	20.0	25.7	72.5	80.3	87.4	29.5	32.5	35.4	28.4	31.6	37.7	33.7	39.4	42.9
Discount/rebate	0.6	1.9	2.4	0.2	0.5	0.6	1.0	1.7	2.1	0.3	0.4	0.5	1.3	1.4	1.5
Discount/rebate as a % of sale of product	4.2%	10.4%	10.2%	0.3%	0.7%	0.7%	3.4%	5.4%	6.3%	1.1%	1.2%	1.3%	4.0%	3.7%	3.6%
Revenue from sale of product	13.9	18.1	23.3	72.3	79.7	86.8	28.6	30.8	33.3	28.1	31.3	37.2	32.4	38.0	41.4

Source: Company, Emkay Research

Exhibit 7: The company manages its own logistics, while peers are third-party dependent

(Rs mn)	FY23	FY24	FY25	FY23	FY24	FY25	FY23	FY24	FY25	FY23	FY24	FY25	FY23	FY24	FY25
	Milky mist			Hatsun agro			Parag milk foods			Doodla dairy			Heritage foods		
A&P spends	164	206	711	1,381	1,569	1,837	743	1,305	1,344	98	142	344	2	2	2
as a % of revenue	1.2%	1.1%	3.0%	1.9%	2.0%	2.1%	2.6%	4.2%	3.9%	0.3%	0.5%	0.9%	0.0%	0.0%	0.0%
Logistic costs	503	655	815	2,791	2,803	3,009	871	978	1,219	2,060	2,384	2,560	945	1,058	1,232
as a % of revenue	3.6%	3.6%	3.5%	3.9%	3.5%	3.5%	3.0%	3.1%	3.6%	7.3%	7.6%	6.9%	2.9%	2.8%	3.0%

Source: Company, Emkay Research

Exhibit 8: Milky Mist is utilizing Rs7.5bn of its IPO for debt repayment which will significantly help the company in bottom-line expansion

(Rs bn)	FY23	FY24	FY25	FY23	FY24	FY25	FY23	FY24	FY25	FY23	FY24	FY25	FY23	FY24	FY25
	Milky Mist			Hatsun Agro			Parag Milk Foods			Doodla Dairy			Heritage Foods		
Equity	2.6	2.8	3.3	14.4	15.7	17.2	8.1	9.1	10.2	9.7	11.4	14.1	7.3	8.1	9.7
Gross debt	8.0	10.4	13.8	14.5	22.7	21.0	5.9	5.8	6.2	0.2	0.3	0.3	1.3	0.9	1.4
Capital employed	11.6	14.3	18.4	32.3	42.1	42.3	14.1	15.3	16.9	10.4	12.2	14.9	9.4	9.9	12.1
Net profit	0.27	0.19	0.46	1.66	2.67	2.79	0.53	0.91	1.19	1.22	1.67	2.60	0.66	1.13	2.04

Source: Company, Emkay Research

Exhibit 9: The company is raising Rs20.35bn, of which Rs17.85bn will be fresh issue

Component	(Rs bn)	Details
Fresh Issue	17.85	
Offer for Sale	2.50	This amount will be received by the Promoter Selling Shareholders (Sathishkumar T and Anitha S)
Total offer size	20.35	

Source: Company, Emkay Research

Exhibit 10: Utilization of net proceeds, as quantified by the company

	(Rs bn)
Debt repayment	7.50
Capex for Perundurai manufacturing facility	4.15
Deployment of visi coolers, ice cream freezers, and chocolate coolers	1.29
General corporate purposes	To be determined by the offer price

Source: Company, Emkay Research

Exhibit 11: Deployment of fresh issue over the years

		Deployment (Rs bn)		
Purpose	(Rs bn)	FY26	FY27	FY28
Debt repayment	7.50	7.50	NA	NA
Capex for Perundurai manufacturing facility	4.15*	1.24	1.66	1.24
Deployment of visi coolers, ice cream freezers, and chocolate coolers	1.29^	0.39	0.52	0.39
General corporate purposes		To be determined based on offer price		

Source: Company, Emkay Research

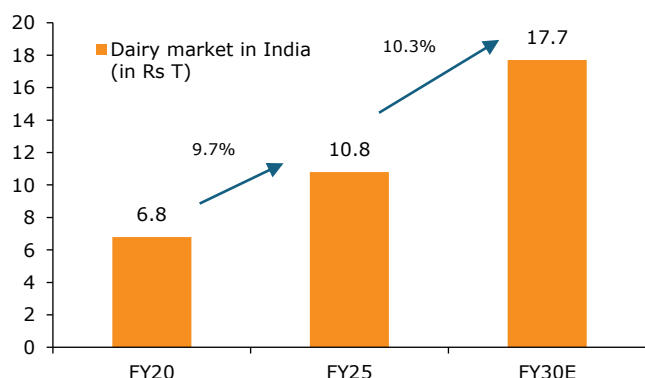
*Capex is for setting up new product lines and expansion (Rs3.5bn, including whey protein concentrate, lactose, yogurt, cream cheese, and processed cheese), a warehouse for cold and dry products (Rs250mn), and procurement of 100 trucks (Rs420mn)

^The deployment of Rs1.29bn is meant for procuring 25,000 ice-cream freezers, 20,000 visi-coolers, and 10,000 chocolate freezers

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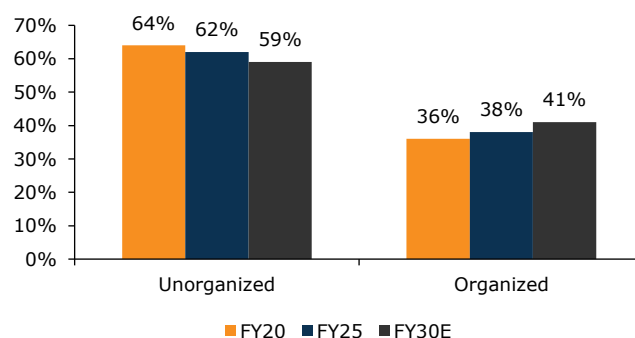
Dairy industry poised for healthy growth ahead

Exhibit 12: Indian dairy industry – Likely to sustain ~10% CAGR over the next five years; a similar trend seen in the last five



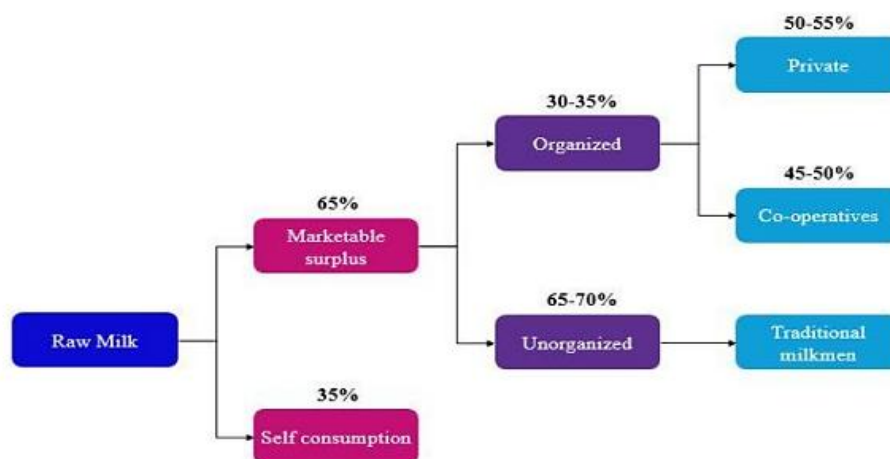
Source: Company, 1Lattice Analysis, Emkay Research

Exhibit 13: Indian dairy industry – Likely to sustain formalization; pace to accelerate with rising costs, changing consumer preferences, and growing demand for packaged VADP products



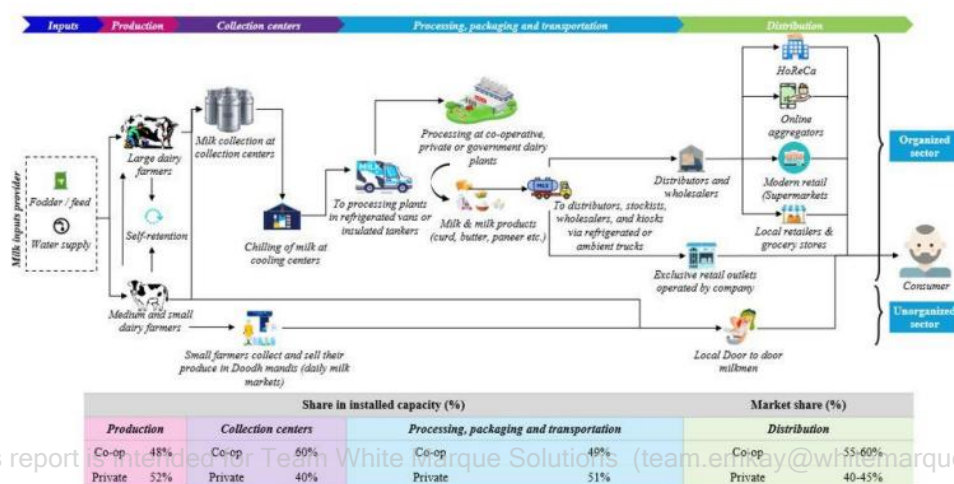
Source: Company, 1Lattice Analysis, Emkay Research

Exhibit 14: Of the total milk supplies, ~11% is being processed by private organized players

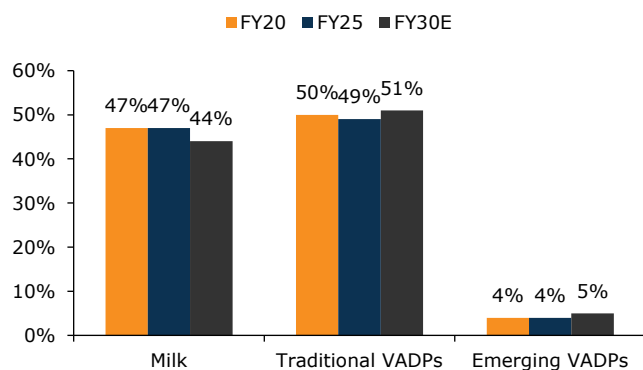


Source: Company, 1Lattice Analysis, Emkay Research

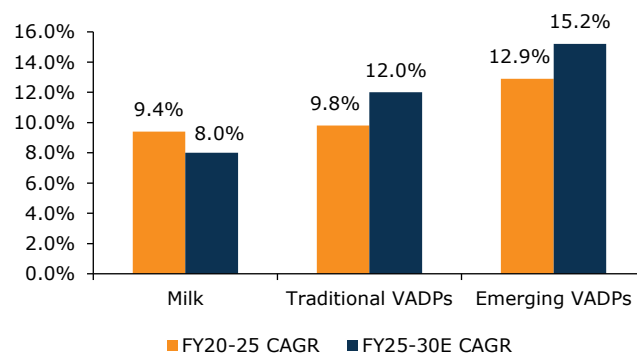
Exhibit 15: Indian dairy supply chain



Source: Company, 1Lattice Analysis, Emkay Research

Exhibit 16: Indian dairy is likely to see a faster shift to VADPs

Source: Company, 1Lattice Analysis, Emkay Research
 Traditional VADPs: Butter, ghee, paneer, curd, buttermilk, lassi
 Emerging VADPs: Cheese, yogurt, probiotic dairy products, UHT milk, cream)

Exhibit 17: Emerging VADPs poised to see 15% CAGR; traditional VADPs to see 12% CAGR over the next five years

Source: Company, 1Lattice Analysis, Emkay Research

Exhibit 18: Growth forecast healthy across traditional and emerging VADPs; large corporates focusing on driving salience of high-margin categories

	Overall category size (Rs bn)	Organized share	CAGR (FY25-30P)	Margin
Traditional VADPs				
Ghee	1065	25%	12%	12%
Khoa	1059	2%	27%	12%
Paneer	846	5%	20%	12%
Curd	758	10%	17%	10%
Dairy sweets	503	45%	11%	NA
Ice-cream	283	75%	14%	37%
Buttermilk and lassi	256	25%	23%	13%
Skimmed milk powder	181	100%	3%	15%
Butter	88	25%	13%	14%
Milkshake	73	100%	15%	15%
Emerging VADPs				
Cheese	85	100%	19%	20%
Whey and whey products	85	100%	15%	22%
Plain, flavored & frozen yogurt	13	100%	18%	22%

Source: Company, 1Lattice Analysis, Emkay Research

Exhibit 19: The rising trend is driven by a health-conscious lifestyle, premiumization, convenience, and better availability

Growth drivers for VADPs	
 Rising health and nutrition awareness	- As people become more health-conscious, the demand for nutritious, low-fat, and protein-rich foods is driving the growth of VADPs - Consumers are increasingly opting for products that help them achieve their health goals, including VADPs like whey protein, yogurt, paneer, curd, probiotic drinks, etc.
 Innovation and premiumization	- As disposable incomes rise, there's a growing preference for premium and gourmet products, with consumers willing to invest in innovative, high-quality dairy options - This trend includes items like artisanal cheese, A2 butters, organic paneer, and organic A2 ghee, along with new product innovations in flavors and variations
 Convenience and ready-to-eat options	- As lifestyles get busier, people have less time to cook, so they are increasingly opting for ready-to-eat options - This shift has led to a rise in demand for packaged dairy products like flavored milk, yogurt, lassi, and buttermilk, which offer convenience and nutrition for busy, on-the-go consumers
 Technological advancements	- As technological advancements are integrated into production processes, innovations such as automated machinery and improved packaging techniques are enhancing the efficiency, shelf life, and overall quality of dairy products - These innovations are helping to improve the accessibility and freshness of dairy products, driving growth in categories such as flavored milk, paneer, curd, and skimmed milk powder
 Distribution and accessibility	- Improving cold storage and transportation systems is helping dairy products stay fresh and reach more people, making it easier for customers to find products like khoa, flavored milk, and ice cream - Accelerated growth of quick-commerce and e-commerce platforms supports rapid delivery, catering specifically to urban consumers who value convenience, freshness, and doorstep accessibility
 Cultural and seasonal significance	- Dairy products like khoa, lassi, curd, buttermilk, and ghee are deeply rooted in Indian culture and traditions - These products are especially popular during festivals and celebrations when people enjoy making and sharing dairy-based sweets and drinks. This cultural connection keeps the demand for these products strong throughout the year, with a peak during festive seasons

Source: Company, 1Lattice Analysis, Emkay Research

Exhibit 20: Key growth drivers

Growth drivers	Description
 Urbanization & changing lifestyles	- Demand for value-added dairy products (VADPs) such as paneer, cheese, curd, buttermilk, ghee, butter, and ice cream is being driven by the growth of the urban population and middle class, as well as the increasing number of nuclear families - Urbanization, lifestyle changes & rising health consciousness is boosting the market for pro-biotic and fortified milk foods
 Rising preference for packaged dairy products	- Preference for packaged dairy products is driven by rising disposable incomes and increasing number of working women - Packaged dairy products offers superior hygiene, ease of storage, consistent quality, and easy availability, making it a preferred choice for consumers. Milk pouches are particularly popular due to their cost-effectiveness
 Advancement in dairy supply	- Enhanced packaging, longer shelf-life, and better quality are driving the penetration of processed milk products - Improvements in cold storage, transportation, and supply chain infrastructure are enabling companies to reach more towns and villages, increasing the availability and consumption of processed dairy products
 New supply channels	- Quick commerce platforms are enabling faster deliveries and facilitating consumption on demand - This shift towards immediate gratification and the convenience of obtaining fresh products swiftly has led to an increase in both impulse buys and the overall consumption of dairy products
 Government initiatives and support	- Government initiatives like the National Dairy Plan & the White Revolution have contributed to the growth of dairy sector, with milk production increasing from ~21M tonnes in 1970 to ~239M tonnes in 2024, growing at a CAGR of ~5% - Priority sector lending status, better access to credit, and various policy reforms have encouraged farmers to adopt better yielding cross-bred cows, enhancing milk production
 Protein-focused consumption	Rising awareness around protein intake is driving demand for dairy-based protein sources such as paneer, milk, curd, and yogurt, especially among fitness-conscious and young urban consumers

Source: Company, Emkay Research

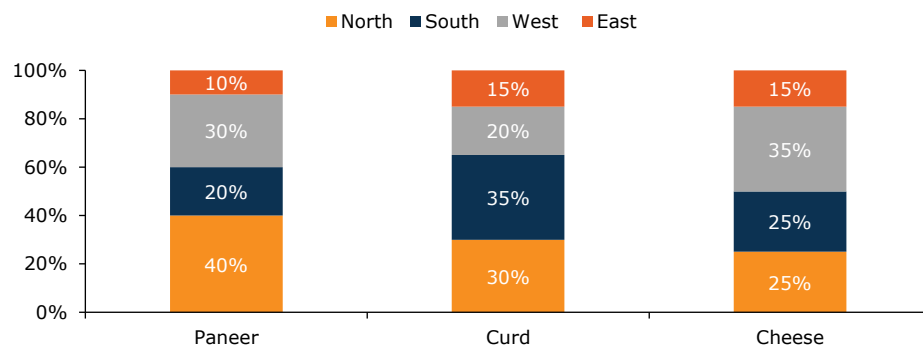
Exhibit 21: Key challenges

Challenges	Description
 Volatility in milk procurement costs	- The cost of procuring milk is inherently unstable, influenced by factors such as feed and fodder prices, which fluctuate due to weather conditions, crop yields, and market demand - These fluctuations make dairy pricing unpredictable. In contrast, products like cheese and yogurt maintain more stable prices due to their longer shelf lives and premium positioning
 Milk supply seasonality	- Seasonal fluctuations in milk production can lead to periods of surplus and deficit, complicating inventory and pricing strategies - This seasonal variability challenges processors to stabilize supply and demand. VADPs, processed and stored during peak times, are less affected by these swings.
 Dominance of co-operatives	- Cooperatives control a significant portion of the market, often resulting in limited competition and higher barriers for new entrants - This dominance can restrict pricing and innovation. However, VADPs offer niches that smaller producers can exploit, mitigating cooperative influence
 Shorter shelf life	- Liquid milk has a shorter shelf life compared to many other food products, necessitating careful handling to maintain freshness - The quick spoilage potential underscores the importance of robust logistics strategies within the dairy industry to prevent significant financial losses
 Low margins on liquid milk	- The liquid milk market is highly competitive with numerous players, including local dairy farms and large corporations, driving liquid milk prices down, squeezing profit margins as it's the most sold item - Consumers are highly price-sensitive when purchasing liquid milk, limiting producers' ability to increase prices. VADPs, positioned as premium offerings, face less price sensitivity and allow for better margin expansion

Source: Company, Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarqueresolutions.com)

Exhibit 22: VADPs driven by strong regional preferences; paneer is popular in the north, while cheese is favored in the west, with the south consuming curd more than other regions



Source: Company, 1Lattice Analysis, Emkay Research

Exhibit 23: Regional dairy players gaining scale pan-India; with multiple players operating without profitability, consolidation is a possible scenario ahead



Source: Company, Emkay Research

Milky Mist, a pure-play value-added dairy player

The company is exclusively focused on VADPs (value-added dairy products), which are considered premium. It is unlike a traditional dairy business, where the focus is on liquid milk—a less profitable segment. Milky Mist has an extended portfolio of paneer, cheese, curd, butter, ghee, yogurt, ice cream, UHT long-shelf-life products, frozen foods, RTE/RTC products, and chocolates. The company positions itself as providing premium products, on account of its ability to charge 10-25% above the average market price of large Indian brands; this has enabled the company to achieve a Rs74 realization per liter of milk procured in FY25 (the highest vs listed peers).

It is the first private company to have launched branded packaged paneer in India and, subsequently, to have established product categories through introduction of curd, ghee, butter, cheese, yogurt, ice cream, UHT long-shelf-life products, chocolates, and sweetened condensed milk, over the years.

Exhibit 24: Milky Mist – The journey



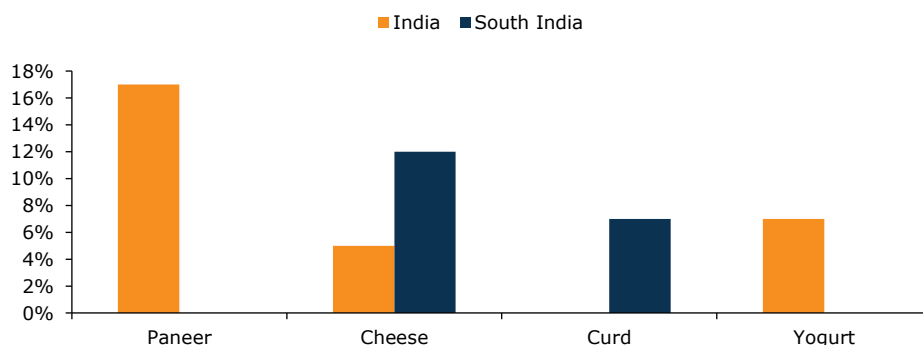
Source: Company, Emkay Research

VADP focus reflects the company's rising market share

- **Paneer**: Milky Mist is the largest private packaged paneer brand in the organized market, with market share of ~17% in terms of the organized packaged paneer market value in FY25, in India.
- **Cheese**: It is the largest private packaged cheese brand in South India, with market share of ~12% in terms of market value in the southern region's organized cheese segment; it is also nationally ranked third among private players, with market share of ~5% in terms of market value.
- **Curd**: It has ~7% of the market share in terms of market value, in the organized curd market in South India, as of FY25

- **Yogurt:** It is among the top-three private packaged yogurt brands as of FY25, with market share of ~ 7% in terms of market value in the organized yogurt market in India.

Exhibit 25: Milky Mist has been gaining share in VADP



Source: Company, Emkay Research

Exhibit 26: Milky Mist has created a house of brands, to address the diverse needs of Indian consumers in the dairy and ready-to-eat/ready-to-cook segments; its diversification effort helps it cater to emerging consumer needs "for the entire day, from breakfast to dinner"

Brand Name	Logo	Products
Milky Mist		Value-added dairy products
SmartChef		RTC products
Capella		Chocolates
Misty Lite		Fat spread
Briyas		Tofu
Asal		Fresh RTC and RTE products

Source: Company, Emkay Research

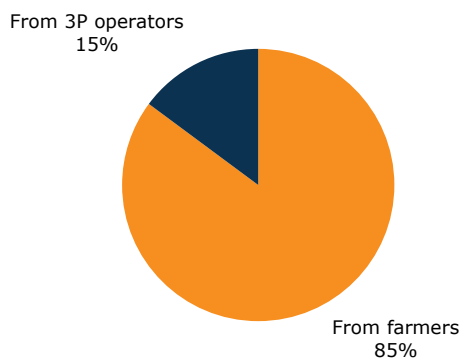
Integrated farm to retail infrastructure in place

The company has an integrated 'farm to retail' infrastructure. It sources the majority of raw milk directly from farmers (~85%). In FY25, the company sourced raw milk from 67,615 farmers, located in 22 districts across the states of Tamil Nadu, Andhra Pradesh, and Karnataka, all within a 400-kilometer radius from its manufacturing facility at Perundurai, Erode district, Tamil Nadu. The company fosters long-standing relationships with farmers by eliminating middlemen, providing them with higher realization and making direct payments every 7-10 days, thereby ensuring their loyalty.

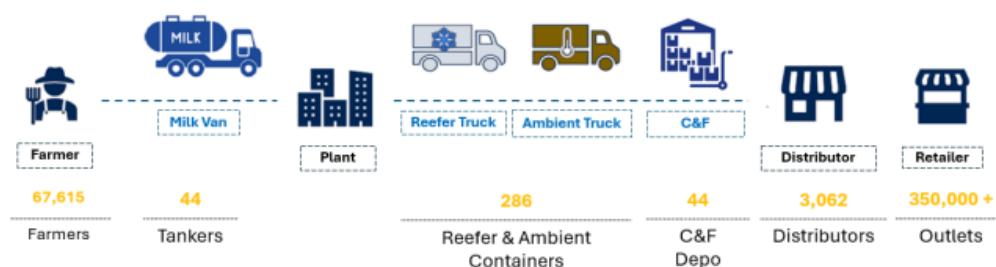
Milk procurement concentrated in Tamil Nadu

The company procures raw milk through a three-tier structure, to ensure quality: farmers deposit milk at its tech-enabled automated milk collection units (AMCUs) for initial testing. The milk is then transported to chilling centers (comprising milk 'chilling centers' and 'bulk milk coolers') for further analysis and, finally, undergoes additional testing at its Perundurai Manufacturing Facility before processing. As of 31-Mar-25, it has 3,460 AMCUs across Tamil Nadu and Karnataka. Further, as of the date of this Draft Red Herring Prospectus, it has 21 chilling centers (comprising milk 'chilling centers' and 'bulk milk coolers').

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

Exhibit 27: Milk procurement (~307.2mn liters in FY25)

Source: Company, Emkay Research

Exhibit 28: Integrated Farm-to-Retailer Infrastructure

Source: Company, Emkay Research

Production facilities concentrated in Tamil Nadu and Karnataka

The company operates two manufacturing facilities, one of which is located in Perundurai, Erode district, Tamil Nadu and is dedicated to the production value-added dairy products. The other facility is located in Bengaluru, Karnataka which manufactures frozen foods, including RTE and RTC products.

- **Perundurai manufacturing facility** (built up area: 100,001sqft) capitalizes on the region's robust dairy farming community which ensures a consistent supply of high-quality raw milk. As of 31-Mar-2025, the company's has installed paneer capacity stands at 72mt, making it the largest in India among organized private peers. The facility is USFDA approved, assuring quality production.

Exhibit 29: Perundurai manufacturing facility

Source: Company, Emkay Research

Exhibit 30: Perundurai manufacturing facility – Capacity and utilization

(mt)	Installed capacity	Available capacity	Actual production	Utilization
Paneer#	26,280	17,820	19,689	110.49% [@]
Pouch curd [^]	86,400	55,800	23,502	42.12%
Set Curd [^]	1,75,200	1,11,600	21,479	19.25%
Yogurt	8,760	5,580	4,306	77.17%
Ghee	8,760	5,580	4,004	71.76%
Butter	21,900	13,950	3,271	23.45%
Cheddar cheese	5,694	3,627	3,232	89.10%
Mozzarella cheese	17,520	11,160	5,238	46.93%
Processed cheese	15,768	10,044	4,445	44.25%
Shrikhand	2,190	1,395	511	36.63%
Khoa	3,504	2,232	1,270	56.90%
Ice Cream	65,700	41,850	8,020	19.16%
Sweet and Condensed Milk ^{^^}	17,520	11,160	518	4.64%
Chocolate ^{^^}	6,307	4,018	383	9.52%
Whey Powder [*]	37,843	25,661	9,107	35.49%

Source: Company, Emkay Research

[@] Optimization of the standard CIP hours to less than 4 hours and improving the efficiency ratio of the production lines above 90% resulted in more capacity utilization (>100%) than the available capacity

Paneer capacity increased in Jun-25, from 72 metric tons per day to 192 metric tons per day

[^] Increased installed capacity of set curd, from 120 metric tons per day to 240 metric tons per day, and of pouch curd, from 240 metric tons per day to 480 metric tons per day, in FY25

^{^^} Started production from FY24

^{*} Increased installed capacity of whey powder, from 36 metric tons per day to 104 metric tons per day, in FY25

- Bengaluru manufacturing facility (built up area: 1,465sqft) is dedicated to the production frozen foods, including RTE and RTC products. This facility has lease validity till Jan-27. The company intends to move production of this facility to its Perundurai manufacturing facility.

Exhibit 31: Bengaluru manufacturing facility – Capacity and utilization

(mt)	Installed capacity	Available capacity	Actual production	Utilization
Batter	6,570	4,455	4195	94.16%
Parotta	2,190	1,485	1282	86.33%
Chapati	876	594	472	79.46%
Peanut bar	197	134	117	87.31%

Source: Company, Emkay Research

The company is in the process of increasing the installed capacity of batter from 18 metric tons per day to 80 metric tons per day, of parotta from 6 metric tons per day to 10 metric tons per day, and of chapathi from 2.4 metric tons per day to 5 metric tons per day

Thrust on own logistics

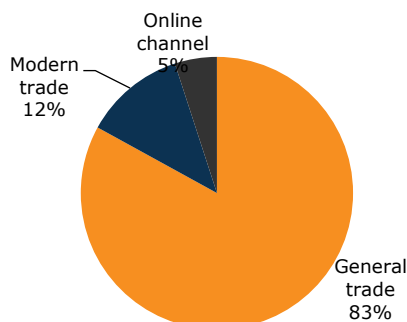
The company manages its own logistics to ensure that its diverse product range, which requires chilled, ambient, or frozen conditions, maintains its quality, from procurement of raw materials to the point of sale of the product. As of 31-Mar-2025, its fleet comprises 44 milk vans for transporting milk from farmers to the Perundurai manufacturing facility, 252 reefer trucks with in-built refrigeration for carrying perishable products from manufacturing facilities to distributors, 34 ambient trucks for transporting non-perishable products from manufacturing facilities to distributors.

Robust distribution set up to focus on Pan-India demand

Over the years, the company has expanded its presence through multiple sales channels, which include general trade, modern trade, hotels, restaurants, and cafes ('HoReCa'), online platforms (including, other e-commerce platforms and quick commerce platforms), and Milky Mist exclusive parlors. The company sells products in 22 states and 5 union territories in India as of 31-Mar-2025, with 3,062 distributors, thus enabling it to reach >350,000 retail touchpoints. It also has 44 clearing and forwarding (C&F) depots in 44 cities across 13 states

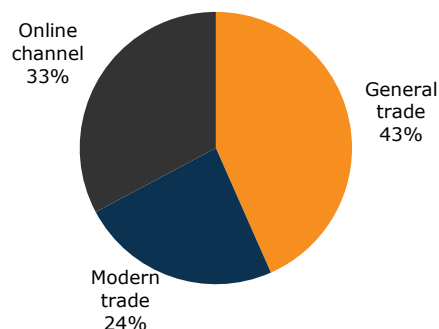
in India as of 31-Mar-2025; these play a crucial role in managing logistics and ensuring efficient supply chain management. Further, over FY22-25, the company exported products to more than 15 countries, including Singapore, US, the Middle East, and Australia.

Exhibit 32: Indian VADP channel sales concentration



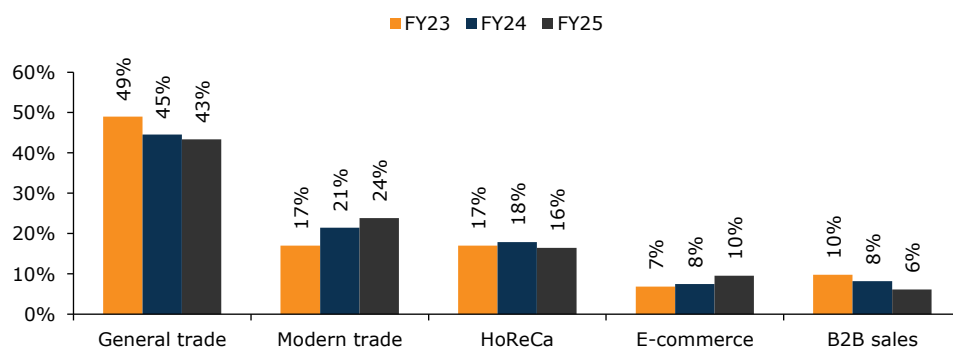
Source: Company, Emkay Research

Exhibit 33: Milky Mist channel concentration



Source: Company, Emkay Research

Exhibit 34: The company is successful in diversifying its revenue streams

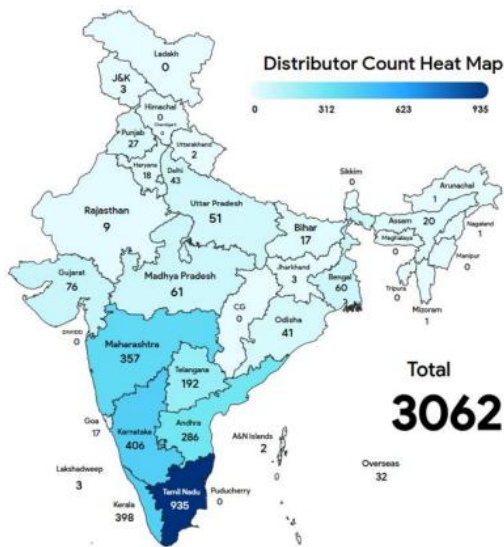


Source: Company, Emkay Research

108 Milky Mist parlors in South India

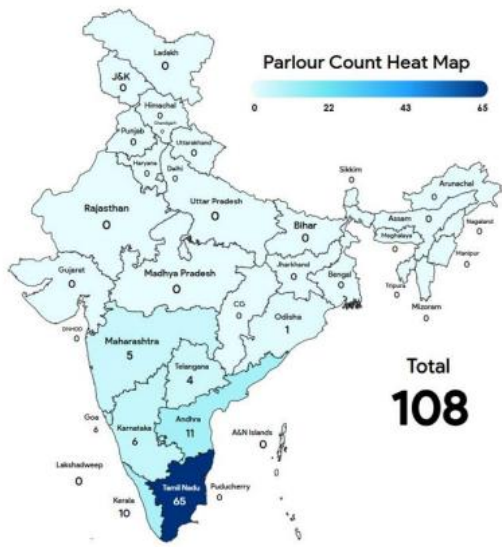
As on the date of Draft Red Herring Prospectus, the company has 108 Milky Mist exclusive parlors across eight states in India, including Tamil Nadu, Andhra Pradesh, and Kerala. This enhances its brand engagement and visibility. Of these, 6 are company-operated and the remaining are managed through franchise agreements.

Exhibit 35: Distributors count across India



Source: Company, Emkay Research

Exhibit 36: Milky Mist’s exclusive parlor presence



Source: Company, Emkay Research

Exhibit 37: Milky Mist has 108 exclusive ice-cream parlors, of which 6 are company-operated and the remainder being franchises; these parlors utilize third-party apps to streamline e-commerce orders

State	No of exclusive parlors
Tamil Nadu	65
Andhra Pradesh	11
Kerala	10
Karnataka	6
Goa	6
Maharashtra`	5
Telangana	4
Odisha	1

Source: Company, Emkay Research

Exhibit 38: Milky Mist’s exclusive parlors



Source: Company, Emkay Research

On-ground visibility with visi coolers, freezers, and chocolate coolers

Milky Mist is one of the first food-products companies in India that provides visi coolers (a refrigeration unit used for displaying dairy products and other perishable products) to retailers, and has deployed 13,885 visi coolers as of 31-Mar-2025. In addition to this, it has deployed ice cream freezers for its growing range of ice creams, as well as specialized chocolate coolers to support new product categories in this segment. As on 31-Mar-2025, it has deployed 13,804 ice cream freezers and 559 chocolate coolers. Further, it has installed visi coolers, ice cream freezers, and chocolate coolers in 4,065 retail outlets across various states in India, including Tamil Nadu, Karnataka, Kerala, and Telangana, contributing to its on-ground presence and driving retail traction.

It has intent to deploy 25,000 ice-cream freezers, 20,000 visi-coolers, and 10,000 chocolate coolers during FY26-28. The company also has 108 Milky Mist exclusive parlors across 8 states in India which enables brand engagement and direct consumer reach.

Exhibit 39: The company has deployed visi coolers, ice cream freezers, and chocolate coolers across various states in India, including Tamil Nadu, Karnataka, Kerala, and Telangana



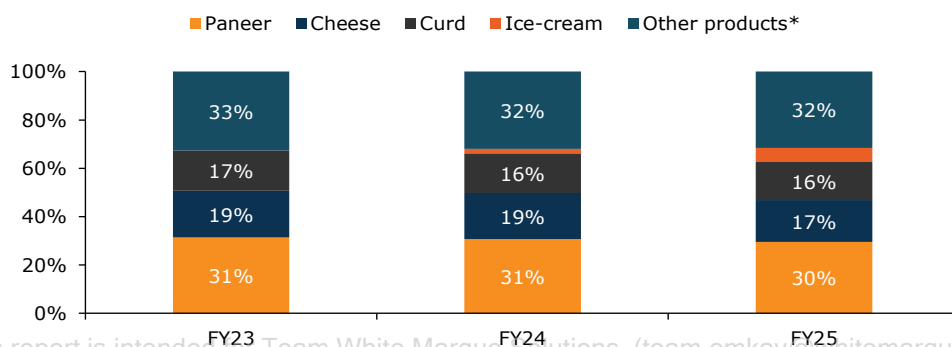
Source: Company, Emkay Research

Diversified VADP focus

Over the years, Milky Mist has synergistically diversified product categories to include a range of value-added dairy products, including paneer, cheese, curd, butter, ghee, yogurt, ice cream, UHT long-shelf life products, as well as other products such as frozen foods, RTE and RTC products, and chocolates, which the company offers under its umbrella brand 'Milky Mist', and sub-brands such as 'SmartChef', 'Capella', 'Misty Lite', 'Briyas', and 'Asal'.

It has a diversified product portfolio, comprising 23 product categories with 416 SKUs, as of 31-Mar-2025. During FY22-25, it introduced 4 product categories, including UHT long-shelf-life range of products, ice creams, chocolates, and sweetened condensed milk.

Exhibit 40: Milky Mist strategically focuses on producing ice cream when milk supply experiences a relative drop during the summer season



Source: Company, Emkay Research

Thrust on innovation

The company focuses on innovation, helping it stay competitive. It focuses on addressing the emerging needs of consumers by offering products designed to meet specific dietary requirements.

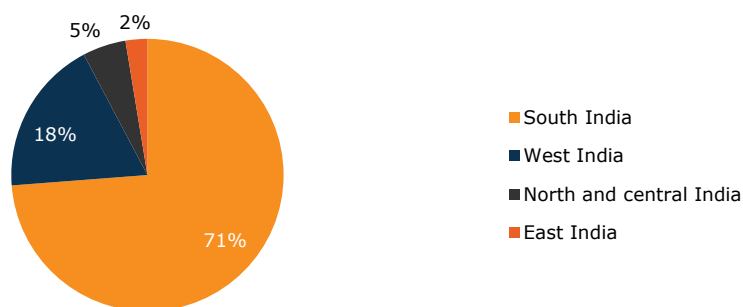
- It has introduced **products with protein-enriched contents** such as 'Skr Yogurt', 'Greek Yogurt', 'high protein paneer', and 'tofu', to cater to the rising demand from health-conscious consumers.
- It has introduced products with lactose-free alternatives, reduced-salt content, and sugar-reduced choices for diabetics.
- It has also introduced '**Filler Cheese**', designed to enhance snacks, including pizzas, fries, and sandwiches, and 'Fusion Shake', a dairy-based beverage with real fruit, providing a tasty and convenient option for consumers.

It has recently acquired the 'Asal' and 'Briyas' brands to venture into non-dairy, value-added RTE and RTC product categories.

Sales concentration in South India

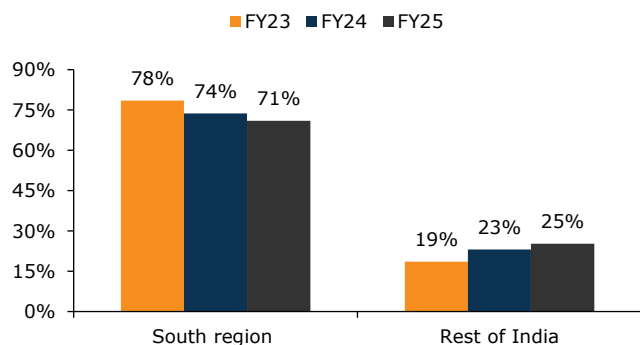
Milky Mist derives a significant portion of its revenue (~71% for FY25) from southern India. The company has also expanded beyond the South over the years, and is working with distributors to reach multiple regions. The company intends to gain market share in the South through e-com/quick commerce/modern trade channels.

Exhibit 41: Milky Mist is significantly concentrated in the South, and its reliance on Tamil Nadu is even higher now, considering the substantial raw-material procurement (~98%) in FY25



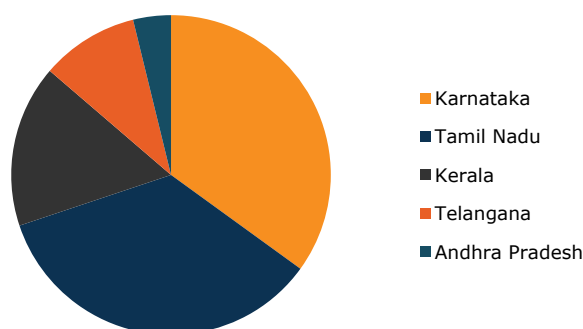
Source: Company, Emkay Research

Exhibit 42: The company's strategy is to strengthen its market position in the southern region, while establishing a stronger presence in other regions as well



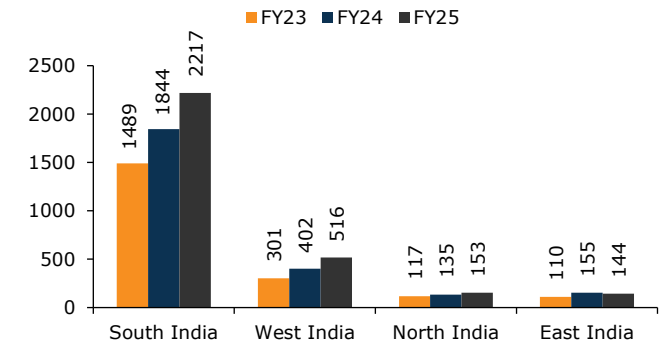
Source: Company, Emkay Research; Excludes the 4% for exports in FY25

Exhibit 43: Tamil Nadu and Karnataka remain the dominant states, collectively accounting for ~50% of the total revenue in FY25



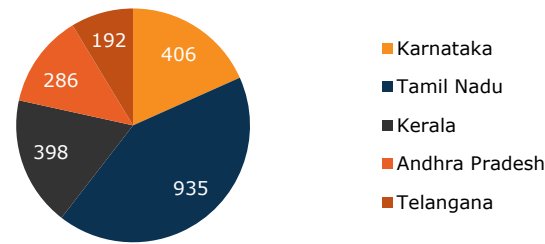
Source: Company, Emkay Research; Excludes the 4% for exports in FY25

Exhibit 44: Saliency of distributors across regions



Source: Company, Emkay Research; Excludes the 4% for exports in FY25

Exhibit 45: Tamil Nadu holds the largest concentration of distributors, which represent ~31% of the total network; the state is also the primary source of raw milk procurement



Source: Company, Emkay Research; Excludes the 4% for exports in FY25

Financials

Exhibit 46: Income statement

(Rs mn)	FY23	FY24	FY25
Revenue from operations	13,942	18,216	23,495
growth		30.7%	29.0%
COGS	9,419	12,531	15,533
growth		33.0%	24.0%
Cost of materials consumed	9,163	12,802	15,445
Purchase of stock-in-trade	497	490	510
Changes in inventories	-242	-762	-422
Gross Profit	4,523	5,685	7,962
growth		25.7%	40.1%
Gross margin	32.4%	31.2%	33.9%
Employee benefits expense	825	1,158	1,448
growth		40.4%	25.1%
as a % of revenue	5.9%	6.4%	6.2%
Other expenses	1,732	2,356	3,463
growth		36.1%	47.0%
as a % of revenue	12.4%	12.9%	14.7%
EBITDA	1,966	2,171	3,051
growth		10.4%	40.5%
EBITDA margin	14.1%	11.9%	13.0%
Depreciation and amortization expense	805	1,074	1,365
growth		33.5%	27.0%
as a % of net block	8.9%	10.6%	11.1%
as a % of revenue	5.8%	5.9%	5.8%
EBIT	1,162	1,097	1,686
EBIT margin	8.3%	6.0%	7.2%
Finance costs	575	722	863
growth		25.7%	19.5%
as a % of debt	7.2%	7.9%	7.2%
as a % of revenue	4.1%	4.0%	3.7%
Other income	48	52	53
PBT	635	427	875
growth		-32.7%	105.1%
PBT margin	4.6%	2.3%	3.7%
Tax Expense	362	232	415
- Current Tax	121	88	162
- Deferred tax	252	144	253
- Earlier years	-10	1	-0
Effective tax rate	57.1%	54.4%	47.4%
PAT	272	194	461
growth		-28.6%	137.0%
PAT margin	2.0%	1.1%	2.0%
Basic EPS (Rs)	0.43	0.31	0.73
Diluted EPS (Rs)	0.42	0.30	0.72

Source: Company, Emkay Research

Surge in other expenses for FY25 is attributed to surge in sales and distribution (+134% YoY to Rs1.2bn) to boost sales. Adjusted for sales and distribution expenses, other expenses increased 22% YoY in FY25

Exhibit 47: Balance Sheet

(Rs mn)	FY23	FY24	FY25
Equity share capital	35	35	1,260
Instruments entirely equity in nature	1	1	25
Other equity	2,588	2,785	1,993
Total equity	2,624	2,821	3,278
RoE		7.1%	15.1%
Long-term debt	6,182	7,198	10,321
- Term loan	5,969	6,909	9,790
- Vehicle loan	202	277	517
- Loan from directors	11	12	14
Short-term debt	1,798	3,169	3,443
- Working capital loan from bank	918	1,811	2,184
- Current maturity of long-term debt	849	1,356	1,259
- Loan from Director	31	3	0
Total debt	7,981	10,367	13,764
Gross Debt / Equity	3x	4x	4x
Non-current provisions	19	34	41
Deferred tax liabilities (net)	785	930	1,181
Lease liability	43	33	39
Other non-current liabilities	125	156	145
Capital employed	11,576	14,340	18,448
ROCE		8.5%	10.3%
Property, plant and equipment	9,001	11,351	13,259
Capital work-in-progress	1,474	951	2,428
Investment property	16	16	16
Right-of-use assets	56	47	55
Goodwill	-	-	13
Other Intangible assets	10	8	7
Other non-current assets (largely capital advances)	305	333	1,540
Inventories	1,058	2,087	2,621
Days (no of)	28	32	37
Trade receivables	703	818	1,022
Days (no of)	18	15	14
Cash	90	113	140
Bank	37	48	69
Other current assets	144	289	336
Current assets	2,032	3,356	4,188
Lease liability	14	16	17
Trade payables	286	451	944
Days (no of)	7	7	11
Other current liabilities	1,006	1,239	2,075
- Creditors for capital goods	367	378	849
Provisions	12	17	22
Current liabilities	1,318	1,723	3,058
Net current assets	714	1,633	1,131
Capital employed	11,576	14,340	18,448

Source: Company, Emkay Research

Exhibit 48: Cashflow Statement

(Rs mn)	FY23	FY24	FY25
Net profit before taxation	635	427	875
Depreciation on Assets other than Right of Use Assets	790	1056	1345
Depreciation on Right of Use Assets	14	18	20
Finance cost	575	852	1047
Provision for Expected Credit Loss	23	38	35
Interest income	-6	-7	-11
Others	-17	-34	0
Operating profit before working capital changes	2013	2350	3311
Adjustments for Working Capital Changes (Net)	-118	-873	-1
Income tax refunded/(paid)	-145	-74	-161
Net cash from operating activities	1,750	1,403	3,149
Purchase of PPE/intangibles	-3916	-2919	-5951
Adjustment for capital creditors & proceeds from sale of assets	230	12	487
Interest received and rental income	7	8	11
Net cash from investing activities	-3,679	-2,900	-5,453
Proceeds from long-term borrowings	2441	1521	3025
Lease Liability Repayment	-16	-20	-23
Proceeds from/(Repayment of) current borrowings (net)	124	864	371
Interest paid	-569	-845	-1041
Net cash from financing activities	1,980	1,520	2,331
Net increase in cash and cash equivalents	52	23	27
Cash at the beginning of the year	39	90	113
Cash at the end of the year	90	113	140

Source: Company, Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

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REDUCE	5% upside to 15% downside
SELL	>15% downside

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