



IPO Note

ORKLA INDIA LIMITED

Oct 29th, 2025



Oct 29th, 2025**Details of the Issue**

Price Band	₹ 695 - ₹ 730
Issue Size	₹ 1,667.54 Cr
Face Value	₹ 1
Bid Lot	20
Listing on	BSE, NSE
Post Issue Mcap	₹ 10,000.21Cr
Investment Range	₹ 13,900 - ₹ 14,600

Important Indicative Dates (2025)

Opening	29 - Oct
Closing	31 - Oct
Basis of Allotment	03 - Nov
Refund Initiation	04 - Nov
Credit to Demat	04 - Nov
Listing Date	06 - Nov

Lead Manager

ICICI Securities Ltd
Citigroup Global Markets India Pvt Ltd
J.P. Morgan India Pvt Ltd
Kotak Mahindra Capital Company Ltd

Offer Details

Offer Size	₹ 1,667.54 Cr
Fresh Issue	-
OFS	₹ 1,667.54 Cr

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	834	11.42	12.00	50
NII	250	3.43	3.60	15
Retail	586	8.00	8.40	35
Em-ploy.	-	-	-	-
Total	1,668	22.84	23.99	100

Invest Now**Company Profile**

Incorporated in 1996, Orkla India Limited is a leading Indian food company offering a wide range of products spanning breakfast, lunch, dinner, snacks, beverages, and desserts. It houses iconic Indian heritage brands – MTR Foods, Eastern Condiments, and Rasoi Magic. MTR Foods offers instant mixes, ready-to-eat meals, masalas, breakfast mixes, snacks, and beverages, while Eastern Condiments focuses on spices and convenience foods. The company has a strong presence across Karnataka, Kerala, Andhra Pradesh, and Telangana, and exports to 42 countries, including GCC nations, the US, and Canada.

As of June 30, 2025, Orkla India offers over 400 products and sells an average of 2.3 million units daily. It operates through nine manufacturing facilities in India with a total installed capacity of 182,270 TPA, supported by contract manufacturing units in India, the UAE, Thailand, and Malaysia. Its robust distribution network includes 834 distributors and 1,888 sub-distributors covering 28 states and 6 union territories.

GEPL's Insights & Investment Thesis:

- Orkla India Ltd offers a wide range of products under iconic brands, including MTR Foods, Eastern Condiments, and Rasoi Magic. The company operates a total installed capacity of 182,270 TPA, supported by contract manufacturing units in India.
- The company has delivered Revenue/EBITDA/PAT CAGR growth of 5%/12.6%/-13.2% between FY23-25. Furthermore, the sale of Orkla's products is concentrated in the South India region, contributing 70% to the total revenue.
- Based on the FY25 earnings, relative to the company's post-IPO paid up capital, the issue is priced at a P/E ratio of 39.5x. We believe that the issue is overly valued compared to its financial performance and growth prospects and faces geographic concentration risk. Therefore, we recommend a “Avoid” rating for the issue.

Business Highlights & Services

Orkla India Limited has built strong leadership in South India's packaged spices market through its iconic brands MTR and Eastern, leveraging deep regional insights, brand equity, and a robust distribution network. With a 31.2% market share in Karnataka, 41.8% in Kerala, and 15.2% in Andhra Pradesh and Telangana, the company's success stems from its localization strategy, offering region-specific products and tailored recipes. Following the 2021 acquisition of Eastern, household reach in blended spices has grown multifold across southern states, driven by expanded distribution, modernized branding, and category diversification into higher-margin segments. Eastern also remains India's largest branded spice exporter for 24 consecutive years.

Orkla continues to drive growth through innovation-led launches such as MTR Minute Fresh batters, 3-Minute Breakfast range, Ready-to-Eat sweets, and the new Pan-Asian brand “Wok N Roll.” Supported by two Cuisine Centres of Excellence in Bengaluru and Kochi and a 37-member product development team, the company efficiently develops new products with an asset-light model using flexible production lines and contract manufacturing. With over 4,000 proprietary recipes and a first-mover advantage in several categories, Orkla India is well-positioned to sustain long-term growth, expand margins, and strengthen its leadership in India's packaged food market.

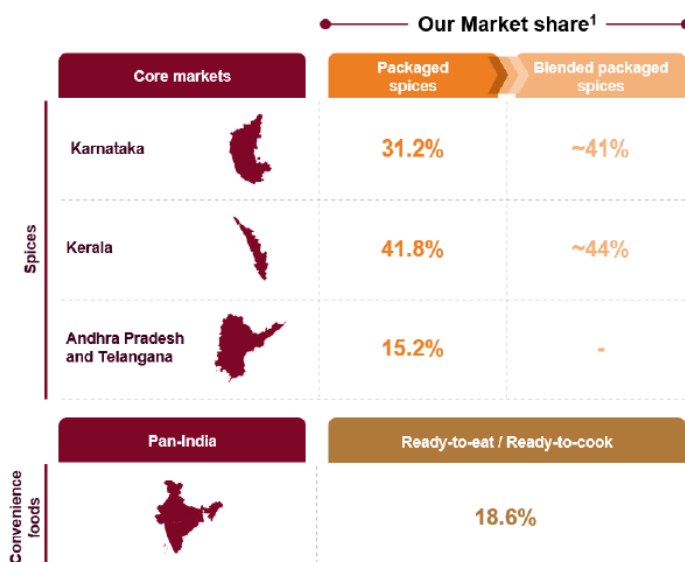


The company operates through 834 distributors and 1,888 sub-distributors across 28 states and six union territories, supported by 42 modern trade and six e-commerce and quick-commerce partners. Its brands MTR and Eastern enjoy unmatched retail penetration, present in 67.5% of Karnataka and 70.4% of Kerala outlets versus the industry average of 30-40%, reaching nine out of ten households in both states. Digital integration through a Distribution Management System (DMS), automated replenishment systems, and predictive tools like the Suggestive Order Module (SOM) enhances sales efficiency, stock visibility, and retail execution. The company's e-commerce and quick-commerce revenues doubled between FY23 and FY25, reflecting strong digital traction. Orkla also exports to 45 countries, partnering with leading retailers across the GCC, US, Canada, Australia, and New Zealand, positioning its brands as global ambassadors of Indian cuisine. With MTR's vegetarian and Eastern's non-vegetarian portfolios catering to diverse dietary preferences, Orkla is well-placed to capitalize on the global rise in demand for South Indian flavors.

Orkla India is strategically positioned to capitalize on the growing demand for convenient, high-quality, and innovative food solutions driven by evolving consumer lifestyles. The company continues to enhance its product portfolio with a strong innovation pipeline aimed at simplifying meal preparation and broadening its appeal across categories. Recent launches such as MTR Minute Fresh Batters, Ready-to-Eat Sweets, and the 3-Minute Breakfast range demonstrate its agility in addressing convenience-led consumption trends, while its focus on short shelf-life products like Fresh Idli, Dosa Batters, and Malabar Parotas underscores its commitment to freshness and authenticity. The expansion of blended spice offerings, including regionally inspired variants like Kerala Street Food, Chicken Sukka, and Fish Pulimunchi, reflects its strategy to deepen regional relevance and drive category penetration. Further, the introduction of the "Wok N Roll" Asian cuisine range and "Flavours of Arabia" under the Eastern brand positions Orkla India to tap into emerging international flavor trends gaining traction in the Indian market. Backed by strong brand equity, consumer insight-driven innovation, and a diversified product strategy, Orkla India is well-placed to sustain market leadership and capture incremental growth opportunities in India's fast-evolving packaged food segment.

Orkla India is strategically focused on enhancing operational efficiency and margin expansion through continuous value chain optimization and technology-driven transformation. The company is actively improving its product mix toward higher-margin, value-added categories such as blended spices, Ready-to-Cook (RTC), and Ready-to-Eat (RTE) foods to strengthen profitability. On the manufacturing front, Orkla is driving cost efficiencies through recipe optimization, process improvement, and minimization of production losses, while its local sourcing strategy ensures reduced logistics costs and supply chain agility. The company is further optimizing its manufacturing footprint by outsourcing lower value-added categories and consolidating production to improve fixed-cost leverage. Technology remains a key enabler—Orkla has implemented digital supply chain solutions like automated replenishment, paperless warehouse operations, and IoT-enabled manufacturing for real-time monitoring and predictive maintenance. By integrating data analytics into demand forecasting, inventory management, and trade promotion optimization, the company is enhancing operational precision, reducing lead times, and improving sales efficiency. This comprehensive focus on efficiency, cost control, and technological integration positions

[ORKLA INDIA Market Share](#)





Distribution Network

Particular	FY25		FY24		FY23	
	Amount (in Cr)	% of growth/(decline)	Amount (in Cr)	% of growth/(decline)	Amount (in Cr)	% of growth/(decline)
General Trade	1,484	-4.80%	1,559	3.90%	820	
Modern Trade	248	10.20%	225	13.50%	11	
E-Commerce and Quick Commerce	140	46.50%	96	36.80%	9	

Product wise revenue breakup

Particular	FY25		FY24		FY23	
	Amount (in Cr)	% of Sale	Amount (in Cr)	% of Sale	Amount (in Cr)	% of Sale
Spices	390	66.60%	1,591	68.50%	1,439	67.30%
Convenience foods	198	33.40%	731	31.50%	699	32.70%
Total	588	100.00%	2,322	100.00%	2,138	100.00%

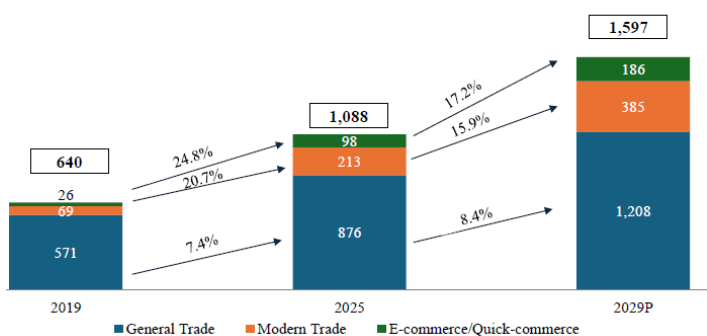
Product Portfolio

Product Portfolio

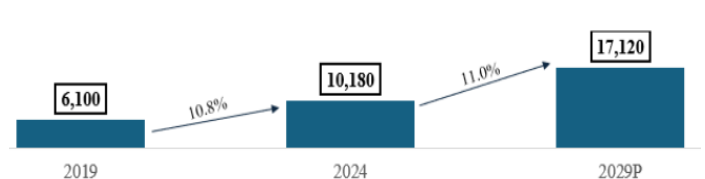


Industry Outlook

Overall Retail Market (in USD Billion) (Fiscal); CAGR (%)



Indian Packaged Food Market (in INR billion) (Fiscal); CAGR (%)



Category	2019	Share 2019	2024	Share 2024	2029 P	Share 2029 P	CAGR 2019-2024	CAGR 2024-2029
Packaged Staples	2,250	36.9%	3,755	36.9%	6,080	35.5%	10.9%	10.2%
Other Packaged Food	2,220	36.4%	3,605	35.4%	6,245	36.5%	10.2%	11.6%
Packaged Dairy (Fresh)	1,100	18.0%	2,005	19.7%	3,380	19.7%	12.8%	11.0%
Packaged Beverages	390	6.4%	620	6.1%	1,100	6.4%	9.7%	12.2%
Packaged Meat	140	2.3%	195	1.9%	315	1.8%	6.9%	10.1%
Total Packaged Food	6,100		10,180		17,120		10.8%	11.0%



Peers Comparisons

Name of the company	Face Value (₹)	Total Revenue (In Cr)	EPS	P/E (x)	NAV (In INR)	RoNW(%)
Orkla India Ltd	1	2,455	18.7	NA	135	13.8
Peers Group						
Tata Consumer Products Ltd	1	17,812	13.1	90.1	202	6.4

Company's Competitive Strength

- Category market leader with the ability to build and scale household food brands through an in-depth understanding of local consumer tastes.
- Multi-category food company with a focus on product innovation.
- Extensive distribution infrastructure with deep regional network and wide global reach.
- Efficient, large-scale manufacturing with stringent quality control and a robust supply chain.
- Experienced and tenured management team supported by strong global parentage.
- Capital efficient business model with a track record of delivering profitable growth.

Key Strategies Implemented by Company

- Drive household penetration and usage of the products in core markets.
- Expand presence in international markets through a robust growth strategy.
- Drive operational efficiencies to improve margins and cash conversion.
- Strategically acquire leading brands and businesses.

Particular (INR in Cr)	Q1 FY26	FY25	FY24	FY23
Equity Capital	14	14	13	12
Reserves and Surplus	2,524	2,446	2,793	2,227
Net Worth	2,537	2,460	2,807	2,240
Revenue	597	2,395	2,356	2,172
Growth (%)		2%	8%	
EBITDA	112	363	344	310
EBITDAM (%)	19%	15%	15%	14%
PAT	79	256	226	339
PATM (%)	13.2%	10.7%	9.6%	15.6%
ROCE (%)	8.90%	32.70%	20.70%	32.10%



Notes

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