

# VALUATION ANALYSIS OF

## MILKFOOD LIMITED

**CIN: L15201PB1973PLC003746**

**Registered Office:**

Bahadurgarh Distt Patiala, Punjab, India, 147021

**Valuation Date : June 25, 2026**

**Report Date : June 30, 2026**

Prepared by:



**CA. Kapil Dev Dhir**

Chartered Accountant

IBBI Registered Valuer (SFA)

IBBI Registration No. IBBI/RV/06/2021/14028

ICAI RVO Enr. No. ICAIRVO/06/RV-P004/2021-2022

Date: June 30, 2026

To,

Board of Directors

**Milkfood Limited**

Bahadurgarh Distt Patiala, Punjab, India, 147021

**Subject: Determination of fair value of equity shares of Milkfood Limited in compliance with Regulation 165 of SEBI (Issue of Capital and Disclosures Requirement) Regulations, 2018 and subsequent amendments thereto.**

**Dear Sir,**

I, Kapil Dev Dhir (hereinafter referred to as the ("Valuer" or "We"), have been engaged by **Milkfood Limited** (hereinafter referred to as "MFL" or the "Company") to assess the Fair Market Value of the equity shares of Milkfood Limited. This valuation is being undertaken in connection with the proposed issue of convertible warrants, in compliance with Regulation 165 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.

Further in compliance with Regulation 165 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended, we confirm that we are Independent Registered Valuer.

This report must be considered in the above-mentioned context only and is not an advisory document for any other purpose. The report may not be distributed, reproduced, or used, without our express written consent for any purpose other than those mentioned above. The term "Fair Value" is defined by ICAI Valuation Standard 102 – Valuation Basis as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date".

In rendering the aforementioned advisory services, we reviewed and relied upon various materials/ information provided by the management of the Company (the "Management") and its advisors. Our report is based on the historical financial information and projected financial Statements provided to us by the Management. Because of the limited purpose of this report, the financial information presented in this report may be incomplete and contain departures from generally accepted accounting principles.



**CA Kapil Dev Dhir**

*B.Com, FCA, DISA, Insolvency Professional, Registered Valuer (SFA), Forensic Accountant*  
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We have not audited, reviewed, or compiled the financial information provided by the Management and express no assurance on it. Had we audited or reviewed the financial information, matters may have come to our attention that could have resulted in our use of the amounts and assumptions that differ from those used. Accordingly, we take no responsibility for the underlying data presented in this report.

**Based on our study and analytical review procedures, and subject to the limitations expressed within this report, our opinion of the fair market value of each equity share of the company as of June 25, 2026, is INR 28.97**

**Yours Faithfully,**

**For CA Kapil Dev Dhir**



ICAI M.No. 509962

IBBI Regn No.: IBBI/RV/06/2021/14028

ICAI RVO Enr No.: ICAIRVO/06/RV-P004/2021-2022

UDIN: 26509962TRSRAN4727

Date: June 30, 2026

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## PURPOSE

We have been engaged by MFL to assess the Fair Market Value of the equity shares of Milkfood Limited. This valuation is being undertaken in connection with the proposed issue of convertible warrants, in compliance with Regulation 165 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.

The information contained herein, and our report is confidential. It is intended only for the sole use and information of the Investor, and only in connection with the purpose mentioned above. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the purpose as aforesaid, can be done only with our prior permission in writing.

## KEY DATES

**Appointment Date:** We have been appointed by the management vide letter dated June 24, 2026.

**Valuation Date:** The valuation exercise has been performed based on the information available to us as of June 25, 2026. The value of equity share should be considered to be the fair value as on this date.

**Report Date:** Valuation report has been submitted as of June 30, 2026.

## APPOINTING AUTHORITY

I, Kapil Dev Dhir, registered with IBBI as Registered Valuer under Asset Class Securities and Financial Assets having registration No. IBBI/RV/06/2021/14028 have been appointed by Board of Directors of Milkfood Limited.

## VALUATION BASES / PREMISES

**Valuation Bases:** Fair Valuation of equity shares of the company in compliance with the provisions of Regulation 165 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended.

**Valuation Premises:** The premise of the value determination is “Going Concern” and the enterprise is expected to continue to operate in the future.

## ABOUT THE VALUER

Kapil Dev Dhir (the “Valuer”), is Registered Valuer having Registration No. IBBI/RV/06/2021/14028. The Valuer is registered with the Insolvency and Bankruptcy Board of India (IBBI) to undertake the Valuation of Securities and Financial Assets of the Companies.



Kapil is a Chartered Accountant (Fellow member of ICAI). He is also registered with the Insolvency and Bankruptcy Board of India (IBBI) as Insolvency Professional and Registered Valuer (Securities & Financial Assets).

## DISCLOSURE OF VALUER INTEREST OR CONFLICT

We hereby certify that the valuer(s) is / are suitably qualified and authorized to practice as a valuer; does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Company (including the parties with whom the Company is dealing, including the lender or selling agent, if any). The valuer (s) accept instructions to value the Company only from the appointing authority or eligible instructing party.

We have no present or planned future interest in the Company or its group companies, if any and the fee payable for this valuation is not contingent upon the value of shares reported herein.

## COMPANY OUTLOOK

### Milkfood Limited

Milkfood Limited (CIN: L15201PB1973PLC003746) was incorporated on March 31, 1973. MFL registered address is situated at Bahadurgarh Distt Patiala, Punjab, India, 147021. MFL is a non-govt company and further Milkfood Limited is classified as a company limited by shares. "MFL" is incorporated and registered under its relevant statute by the Registrar of Companies - Chandigarh.

Milkfood Limited is engaged in the business of manufacturing and marketing dairy products and value-added milk extracts. The Company specializes in innovative uses of milk and manufactures products such as Skimmed Milk Powder, Full Cream Milk Powder, Pure Ghee, Edible Acid Casein, Demineralized Whey Powder and Dairy Creamer. These products cater to various food processing and industrial applications including chocolates, ice cream, nutritional beverages, bakery products, coffee whiteners and pharmaceutical applications.

The Company operates as a part of the Jagatjit Group and has established manufacturing operations in milk-rich regions of India. Its manufacturing facilities are equipped with ultra-modern machinery, fully automated and PLC-controlled plants, and integrated laboratories dedicated to research & development and continuous improvement of product lines. The Company has manufacturing facilities at Patiala, Hamira and Moradabad, each with substantial milk processing capacities.

Milkfood Limited emphasizes product quality, operational efficiency and technological advancement. The Company's products are manufactured using natural raw materials and are positioned towards both domestic and export markets. The Company has stated its focus on value-added dairy ingredients and high-end milk extracts for competitive international markets.



The Company has obtained various quality and food safety certifications including ISO 22000 for Food Safety Management Systems, ISO 14001 for Environmental Management Systems, FSSAI licensing and approvals from export-related regulatory authorities.

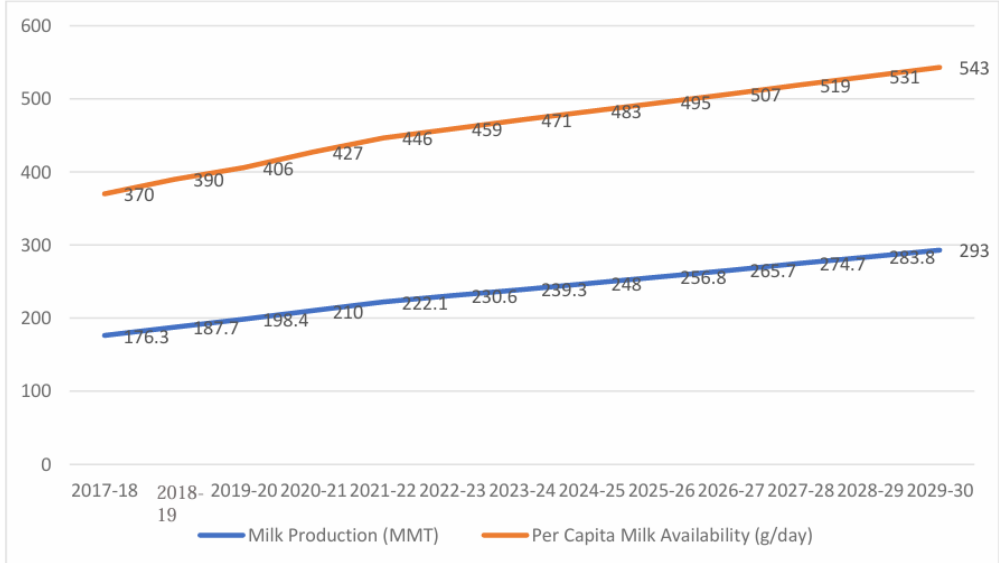
Milkfood Limited supplies products to various domestic and international customers, including participants in the retail, food processing and dairy sectors. The Company’s website highlights relationships with reputed domestic and overseas customers and reflects its presence in both Indian and export markets.

(Source: [Company Website](#))

**INDUSTRY OVERVIEW**

India is the world’s largest milk producer and the dairy sector constitutes one of the most significant segments of the Indian food processing industry. According to the Department of Animal Husbandry & Dairying, Government of India, milk production in India increased from approximately 146 million tonnes in FY15 to over 239 million tonnes in FY24, reflecting a compound annual growth driven by rising consumption, increasing organized procurement, and expansion of dairy processing infrastructure. India contributes more than 24% of global milk production.

**Figure 1: India’s Milk Production (MMT)**



CAGR for Dairy Production- **5.62%**

The Indian dairy market has experienced steady growth supported by increasing population, urbanization, rising disposable income, and changing food consumption patterns. The market size of the Indian dairy industry is estimated at over INR 18–20 lakh crore and continues to expand due to increasing demand for packaged and value-added dairy products. Organized dairy players are gradually increasing their share within the industry through branded offerings and wider distribution reach. ([www.ibef.org](http://www.ibef.org))

The dairy sector includes liquid milk, milk powder, ghee and butter, cheese and fermented products, whey and dairy ingredients, nutritional and value-added dairy products.

Among these, value-added dairy products have been growing at a relatively faster pace compared to traditional liquid milk consumption. Increasing demand from food processing industries, bakeries, confectionery manufacturers, quick-service restaurants, and nutritional product manufacturers has contributed to the growth of dairy ingredients such as skimmed milk powder, whey derivatives, acid casein and dairy creamers.

India's per capita milk availability has also increased significantly, rising from approximately 322 grams per day in FY15 to over 471 grams per day in FY24, indicating sustained growth in domestic dairy consumption. ([www.dahd.gov.in](http://www.dahd.gov.in))

India also exports dairy products including skimmed milk powder, casein, ghee, and whey products to international markets. Growth in processed food consumption and demand for protein-based nutritional products is expected to support long-term expansion of the dairy ingredients segment. ([apeda.gov.in](http://apeda.gov.in))

However, the industry remains sensitive to multiple factors including raw milk price volatility, seasonal procurement fluctuations, feed and fodder cost inflation, regulatory and food safety compliance requirements and competitive pricing pressures.

Despite these challenges, the long-term outlook for the Indian dairy industry remains positive due to favourable demographic trends, increasing organized sector penetration, technological advancement in dairy processing, and growing demand for value-added dairy products and ingredients across domestic and export markets.

## SOURCES OF INFORMATION

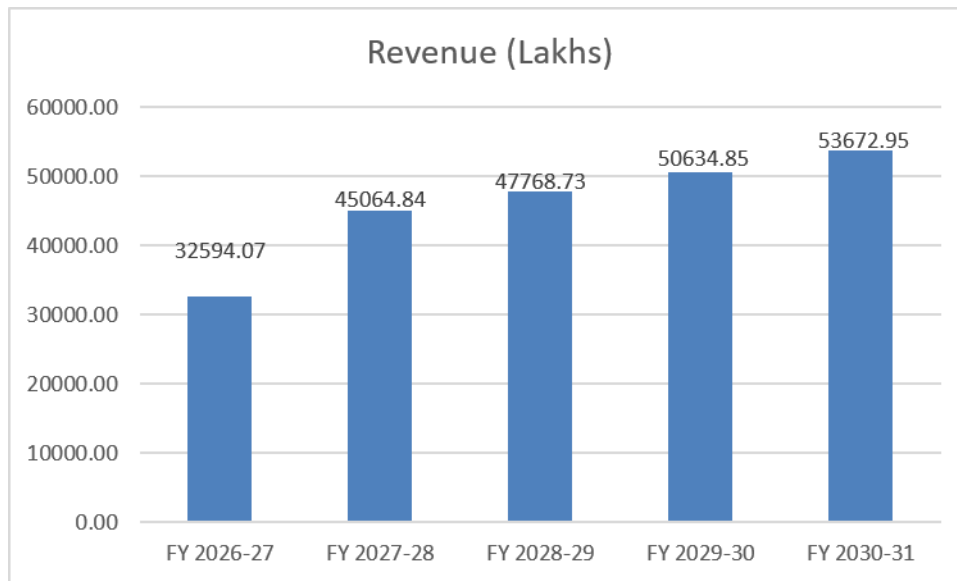
We were provided with the following information by the management of MFL for the valuation purpose as aforesaid:

- Audited Financial Statement for the period ending March 31, 2026.
- Projected financial statement for the period June 26, 2026, to March 31, 2031.
- The total number of equity shares outstanding as of June 25, 2026, is 2,55,96,180.
- We have also received the necessary explanations and information which we believe were relevant to the present valuation exercise from the executives and management of the Company.

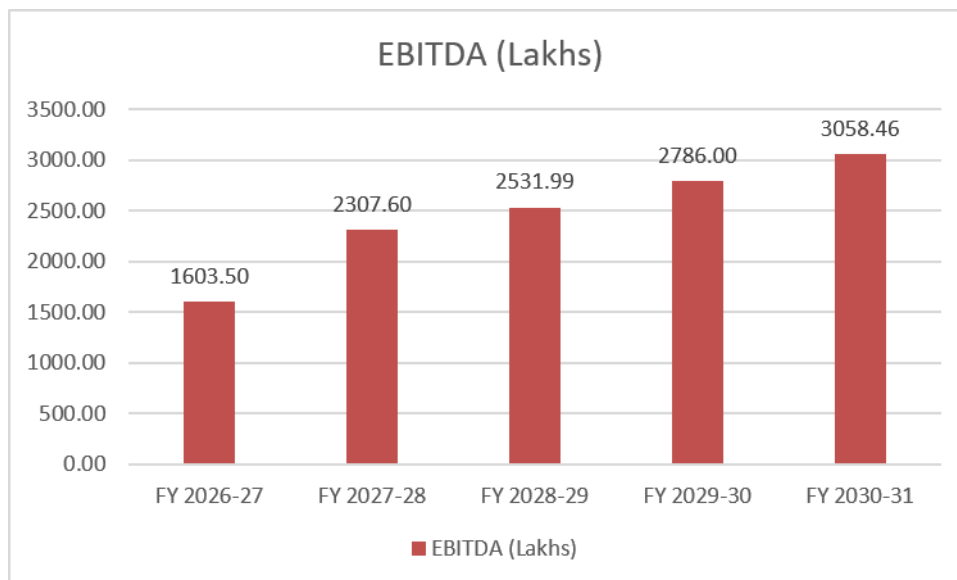


## PROJECTED REVENUE & EBITDA HIGHLIGHTS

Company's financial projections assume a continued growth in revenue and profitability.



The Company's projected revenue demonstrates a steady upward trend over the forecast period, increasing from INR 32,594.07 lakhs (9.2 months) in FY 2026-27 to INR 53,672.95 lakhs in FY 2030-31. The projections indicate consistent business growth and reflect management's expectation of gradual expansion in operations over the projected period.



EBITDA, as considered for the purpose of valuation, has been computed after considering all operating revenues and operating expenses attributable to the business operations of the Company. The computation reflects the operational performance of the business and forms the basis for assessing the Company's earning capacity and future cash-generating potential.



## VALUATION APPROACHES AND METHODOLOGIES

### General Principle for Valuation

There is no single definition of the term ‘Value’ that is suitable for all purposes or at all times. The value of a particular asset may vary according to different valuation methodologies that are adopted to ascertain the value for a specific purpose. Valuation of securities is an inexact science. It may sometimes involve a set of judgments and assumptions that may be subject to certain uncertainties.

A brief explanation of each valuation approach is provided below:

### Income Approach

The income approach provides an estimate of the present value of the monetary benefits expected to flow to the owners of the business. It requires the projection of the cash flows that the business is expected to generate. These cash flows are then converted to their present value by means of discounting, using a rate of return that accounts for the time value of money and the appropriate degree of risk in the investment. The value of the business is the sum of the discounted cash flows.

### Market Approach

The market approach considers actual arm’s-length transactions for which the market value of investments alternative to the subject company can be observed. The value of a company or an ownership interest in the company can be estimated by developing relevant multiples for the comparative companies that relate value to underlying revenue, earnings, or cash flow variable, and then applying these multiples to the comparable underlying revenue, earnings, or cash flow variable for the subject company. The value multiples can be derived from guideline public company and guideline transactions of the publicly traded company or private companies.

### Cost (Asset-Based) Approach

The asset-based (net underlying assets) approach is a form of the cost approach. The values of the individual assets (i.e., current, fixed, and intangible) of the business are estimated. The sum of the individual asset values represents the total asset value of the enterprise. The enterprise’s liabilities related to working capital are deducted to arrive at an indication of value for the invested capital of the business. Because the cost approach does not always reflect the full value of intangible assets, it is often not appropriate to value an operating business completely on the basis of this approach without giving weights to other valuation methods. Cost approach may be relevant to the value of an operating business that is not sufficiently profitable and whose “breakup” values may be greater than its going concern value.

### Valuation Methodologies

The valuation methodology to be adopted varies from case to case depending upon different factors affecting valuation. Different methodologies are adopted for the valuation of manufacturing, investment, consultancy and trading companies. Though there are no thumb rules for valuation, the method to be adopted has to be appropriate to the particular purpose for which valuation is being

done as well as the attendant circumstances of each case. For example, a manufacturing company is generally valued on the combination of asset value and the earning potential of the business.

However, the value is specific to the point in time and may change with the passage of time. The value is derived in the context of an existing environment that includes economic conditions, state of industry/market and state of business activities of companies being valued etc. as on the appointed date of valuation. The basis of valuation would depend upon the purpose of valuation, the type of business, the future prospects and other attendant circumstances.

**A brief discussion on various valuation methods under the three approaches is presented below:**

### **Discounted Cash Flow Method (DCF) – Income Approach**

The DCF method values the asset by discounting the cash flows expected to be generated by the asset for the explicit forecast period and also the perpetuity value (or terminal value) in case of assets with an indefinite life. The DCF method is one of the most common methods for valuing various assets such as shares, businesses, real estate projects, debt instruments, etc. This method involves discounting of future cash flows expected to be generated by an asset over its life using an appropriate discount rate to arrive at the present value. The important inputs for the DCF method are (a) Projected Cash flows; (b) Discount rate; and (c) Terminal value.

The following are the cash flows which are used for the projections:

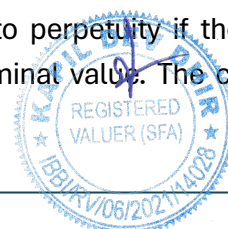
(a) Free Cash Flows to Firm (“FCFF”): FCFF refers to cash flows that are available to all the providers of capital, i.e., equity shareholders, preference shareholders and lenders. Therefore, cash flows required to service lenders and preference shareholders such as interest, dividend, repayment of principal amount and even additional fund-raising are not considered in the calculation of FCFF.

(b) Free Cash Flows to Equity (“FCFE”): FCFE refers to cash flows available to equity shareholders and therefore, cash flows after interest, dividend to preference shareholders, principal repayment and additional funds raised from lenders/preference shareholders are considered.

Appropriate Discount Rate - The discount Rate is the return expected by a market participant from a particular investment and shall reflect not only the time value of money but also the risk inherent in the asset being valued as well as the risk inherent in achieving future cash flows. In discounting the FCFF the appropriate discount rate is the weighted average cost of capital, which results in the enterprise value of the company.

Whereas, in the case of FCFE the appropriate discount rate is the cost of equity, which results in the equity value of the company.

Terminal value – It represents the present value at the end of the explicit forecast period of all subsequent cash flows to the end of the life of the asset or into perpetuity if the asset has an indefinite life. There are different methods for estimating the terminal value. The commonly used methods are:



(a) Gordon (Constant) Growth Model; and

(b) Exit Multiple.

Milkfood Limited is an established operating company engaged in the dairy and food products business with an ongoing revenue-generating business model and projected future cash flows. Accordingly, the Discounted Cash Flow (DCF) Method has been considered relevant and has been applied as one of the valuation approaches for determining the fair value of the Company.

### **Capitalization of Free Cash Flows Method – Income Approach**

The Capitalization of Free Cash Flows Method is an income-based approach used to value a business based on its expected future free cash flows to equity or free cash flows to the firm. Under this method, the maintainable level of future cash flows is capitalized using an appropriate capitalization rate to determine the value of the business. The method establishes a relationship between the estimated future economic benefits of the business and the required rate of return expected by investors.

This method is generally appropriate for mature and stable companies that are expected to generate a sustainable and consistent level of cash flows over the long term. The method assumes a relatively stable growth pattern and operating performance in future periods.

Although Milkfood Limited is an established operating company, the Company's business remains subject to fluctuations arising from raw material prices, commodity cycles, market conditions, and operational factors impacting profitability and cash flows. Accordingly, considering the dynamic nature of the business and the availability of more appropriate valuation methodologies, the Capitalization of Free Cash Flows Method has not been considered appropriate for the present valuation exercise.

### **Comparable Company Multiple Method (CCM) – Market Approach**

This method involves reviewing transaction multiples for companies that are in the same or similar line of business as the company being valued and then applying the relevant transaction multiples to the subject company to determine its value. The transaction multiples are determined for the comparable transactions for which financial details are available in the public domain. The theory behind this approach is that valuation measures of similar companies, as manifest through market transactions (i.e., acquisition or equity funding), should represent a good proxy for the specific company being valued. Depending on the source of data available and the underlying company being valued, a variety of valuation measures might be used including Enterprise Value (EV) to Sales, EV to EBITDA, Price to Earnings, etc.

The Comparable Companies Multiple (CCM) Method has been applied in the present valuation. Under this method, valuation multiples of selected publicly traded companies operating in similar businesses and possessing comparable operational and financial characteristics have been analyzed. Appropriate adjustments and professional judgment have been exercised to account for differences in size, profitability, growth prospects, and risk profile between the Company and the

selected comparable companies. Based on the analysis of the relevant valuation multiples, the CCM Method has been considered for the present valuation exercise.

### **Market Price Method- Market Approach**

The Market Price Method uses the quoted market price of a listed company's shares as an observable indicator of fair value, based on the premise that the market price reflects publicly available information and investor expectations. Under this method, the Volume Weighted Average Price (VWAP) over an appropriate period is considered to reduce the impact of short-term market fluctuations and provide a more stable indication of value.

In the present case, although the shares of the Company are listed, the Market Price Method has not been applied for the purpose of valuation. The trading volume and frequency of transactions in the Company's shares were not considered sufficient to reflect the fair value of the shares. Accordingly, the Market Price Method has not been considered appropriate for the present valuation exercise, and greater reliance has been placed on other valuation approaches deemed more relevant in the facts and circumstances of the case.

### **Net Assets Value Method – Cost (Asset-Based) Approach**

The Net Asset Value (“NAV”) Method is an asset-based approach used to determine the value of a business based on the fair value of its underlying assets less liabilities. Under this method, the carrying value of assets and liabilities reflected in the balance sheet is reviewed and adjusted, wherever considered necessary, to reflect their realizable or fair values as on the valuation date. The resultant adjusted net assets represent the value attributable to the equity shareholders of the Company.

The NAV Method is generally considered appropriate in cases where the value of the Company is substantially derived from its underlying assets and investments. This method is particularly relevant where the asset base forms a significant component of the overall value of the business.

Milkfood Limited is an established operating company engaged in the dairy and food products business with significant underlying tangible assets and investments. Accordingly, the Net Asset Value Method has been considered relevant and has been applied as one of the valuation approaches for determining the fair value of the Company.

## **SELECTION OF VALUATION METHODOLOGY**

The objective of the valuation process is to arrive at the best reasonable estimate of the fair value of the shares of the Company. For this purpose, multiple valuation approaches, including the Discounted Cash Flow (DCF) Method under the Income Approach, the Net Asset Value (NAV) Method under the Asset Approach, and the Comparable Company Method under the Market Approach, have been considered. Each method reflects a different perspective of value, including

the Company's future earning potential, underlying net assets, and observable market-based indicators.

## Valuation of the Company

### Valuation of the Company via the Adjusted Net Asset Value Method

The adjusted net asset value method is an asset-based approach to valuation, where the value of the business is based on the difference between the fair market value of the assets and liabilities of the business. The net asset value has been computed based on the Company's balance sheet as of March 31, 2026, which has been considered as the base, with the value of investments appropriately adjusted to reflect their position as on the valuation date as mentioned below.

For the purpose of our valuation of the Company, we have considered the audited balance sheet of the Company as of March 31, 2026 and have used it as a reasonable proxy for the Company's financial position as of the valuation date, June 25, 2026.

#### Net Asset Value Method

Particulars	As of 31 March, 2026 (Rs. In Lakhs)
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	13,338
Capital work in progress	3
Other Intangible Assets	3,364
Right -of -use -assets	-
Biological assets other than bearer plant	394
Financial assets	
- Investments	2
- Trade receivable	130
- Other financial assets	95
Other non-current assets	1,540
<b>Total non - current assets</b>	<b>18,866</b>
<b>Current assets</b>	
Inventories	4,590.00
Financial assets	
- Trade receivables	5,548.00
- Cash and cash equivalents	20.00
- Bank balances other than above	81.00
- Other financial assets	4,715.00
Other current assets	5,271.00
Current tax assets (net)	222.00
<b>Total current assets</b>	<b>20,447.00</b>
<b>Total Assets (A)</b>	<b>39,313.00</b>

<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Financial liabilities	
- Borrowings	2,687.00
- Lease Liabilities	-
- Other financial liabilities	902.00
Deferred tax liabilities (net)	1,180.00
Provisions	172.00
<b>Total Non-current Liabilities</b>	<b>4,941.00</b>
<b>Current liabilities</b>	
Financial liabilities	
- Borrowings	8,030.00
- Lease Liabilities	-
- Trade payable	
(i) Total outstanding dues of micro and small enterprises	65.00
(ii) Total outstanding dues other than micro and small enterprises	3,118.00
- Other financial liabilities	167.00
Other current liabilities	406.00
Provisions	129.00
<b>Total Current Liabilities</b>	<b>11,915.00</b>
<b>Total Liabilities (B)</b>	<b>16,856.00</b>
<b>Net Assets Value (A-B)</b>	<b>22,457.00</b>
Total no. of shares	2,55,96,180
<b>Fair Value per Share (INR)</b>	<b>87.74</b>

Right of Use Asset and Lease Liabilities: The right-of-use asset represents the leasehold assets taken by the Company. The right-of-use asset represents accounting adjustments and does not represent any tangible or intangible asset from which the Company might derive any economic benefit in the future.

As a result, we have adjusted off the value of right of use asset to determine the adjusted net asset value. Lease liability represents the present value of future rent payable for the leased assets. As we did not consider the book value of right of use asset, for our valuation, we have also adjusted off the lease liability outstanding against the right of use asset as of the valuation date.

### Valuation of the Company via the Comparable Companies Multiple (CCM) Method

The Comparable Companies Multiple (CCM) Method is a market-based approach to valuation, wherein the value of the Company is determined by reference to valuation multiples of comparable publicly traded companies operating in similar businesses. Under this method, the Enterprise Value

to Revenue (EV/Revenue) multiple of selected comparable companies has been analyzed and applied to the Company's revenue to derive its Enterprise Value. Appropriate consideration has been given to the operational, financial, and business characteristics of the selected comparable companies in assessing their comparability with the Company. Based on the derived Enterprise Value, adjustments for net debt and other relevant items, where applicable, have been made to arrive at the Equity Value of the Company as of the valuation date.

<b>Ticker</b>	<b>Company Name</b>	<b>EV/REVENUE</b>
(BSE:519457)	Virat Crane Industries Limited	0.50
(BSE:519287)	Modern Dairies Limited	0.30
(BSE:544201)	Dindigul Farm Product Limited	0.70
<b>Median</b>		<b>0.50</b>
<b>Discount @10%</b>		<b>0.05</b>
<b>Adjusted Median</b>		<b>0.45</b>
Revenue (INR in Lakhs)		41,293
<b>Enterprise Value</b>		<b>18,582</b>
Add: Cash & Cash Equivalent		101
Add: Investments		2
Less: Debt		-11,040
<b>Equity Value</b>		<b>7,644.85</b>
No of Equity Shares		2,55,96,180
<b>Share Price R/off</b>		<b>29.87</b>

### Valuation of the Company via the Discounted Cash Flow Method

The Discounted Cash Flow (“DCF”) Method is an income-based approach to valuation, where the value of the business is derived based on the present value of the projected future cash flows expected to be generated by the Company. Under this method, the projected free cash flows of the Company have been discounted to their present value using an appropriate discount rate reflecting the risks associated with the business and the expected return requirements of investors. The valuation has been computed based on the projected financial information and assumptions provided by the management, as considered appropriate for the purpose of the present valuation exercise.



## Milkfood Limited

Discounted Cash Flow Statement - Free Cash Flow to Equity

INR in Lakhs

Valuation Date	25-Jun-26	Projections					
		FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	Terminal Year
Particulars	Rate	9.2	12	12	12	12	
Months							
<b>Total Operating Revenue</b>		<b>32,594.07</b>	<b>45,064.84</b>	<b>47,768.73</b>	<b>50,634.85</b>	<b>53,672.95</b>	<b>56,088.23</b>
<i>Y-O-Y</i>			38%	6%	6%	6%	4.5%
<b>EBITDA</b>		<b>1,603.50</b>	<b>2,307.60</b>	<b>2,531.99</b>	<b>2,786.00</b>	<b>3,058.46</b>	<b>3,196.09</b>
<i>EBITDA Margin</i>		4.92%	5.12%	5.30%	5.50%	5.70%	5.70%
Less: Depreciation and Amortization		414.00	594.00	653.40	718.74	790.61	790.61
Less: Finance Cost		1,073.33	1,540.00	1,694.00	1,863.40	2,049.74	-
<b>EBT</b>		<b>116.17</b>	<b>173.60</b>	<b>184.59</b>	<b>203.86</b>	<b>218.11</b>	<b>2,405.48</b>
<i>EBT Margin</i>		0.36%	0.39%	0.39%	0.40%	0.41%	4.29%
Less: Marginal Tax	25.17%	29.24	43.69	46.46	51.31	54.89	605.41
<b>PAT</b>		<b>86.93</b>	<b>129.91</b>	<b>138.13</b>	<b>152.55</b>	<b>163.21</b>	<b>1,800.07</b>
<b>Adjustments:</b>							
Add: Depreciation and Amortization		414.00	594.00	653.40	718.74	790.61	790.61
Less /Add: (Increase) / Decrease in Working Capital		2,871.66	439.00	(461.00)	(722.00)	(764.00)	(366.81)
Less: Capex		(1,839.87)	(1,410.00)	(560.00)	(365.00)	(430.00)	(790.61)
Add/Less: Changes in Debt		(1,755.51)	225.00	225.00	225.00	225.00	-
<b>Free Cash Flow to Equity</b>		<b>(222.78)</b>	<b>(22.09)</b>	<b>(4.47)</b>	<b>9.29</b>	<b>(15.17)</b>	<b>1,433.26</b>
<b>Terminal Value</b>							<b>9,668.89</b>
Mid Year Convention Period		0.38	1.27	2.27	3.27	4.27	
Discount Factor	19.32%	0.93	0.80	0.67	0.56	0.47	
<b>Present Value of FCFE</b>		<b>(208.19)</b>	<b>(17.66)</b>	<b>(2.99)</b>	<b>5.22</b>	<b>(7.14)</b>	

Terminal Growth Rate	4.50%
Tax Rate	25.17%

INR in Lakhs

Sum of Present Value - Explicit Period	-230.77
PV of Terminal Value	4,550.03
<b>Sum of Present Value of Future Cash Flows</b>	<b>4,319.25</b>
Add: Investments	2.00
Add: Cash & Cash Equivalent	101.00
Less: Borrowings	-861.87
<b>Concluded Value of Equity (After DLOM)</b>	<b>3,560.38</b>
Total no. of Equity Shares on Diluted Basis	2,55,96,180
<b>Fair Value Per Equity Share (INR)</b>	<b>13.91</b>



<b>Computation of Cost of Equity</b>	
Risk Free Rate of Return (1)	6.77%
Add: Beta Adjusted Risk Premium:	2.55%
Market Equity Risk Premium (2)	5.24%
Multiply by: Beta (3)	0.49
Add: Entity Specific Risk Premium (4)	10.00%
Cost of Equity (Ke)	<u>19.32%</u>
<b>Concluded Cost of Equity</b>	<b>19.32%</b>
1. This rate is based on 10-Year Indian Government Bond Yield of 6.774% as on June 25, 2026.	
2. Market Equity Risk Premium has been taken from Prof. Aswath Damodaran's database updated on January 1, 2026.	
3. Beta- For our analysis we have taken beta of 0.49 based on the past 5 years market data of the company.	
4. Company Specific Risk premium (CSRP) is based on a qualitative analysis of the inherent risk factors in the subject company' cash flow projections. We have assumed CSRP as 10% to account for risk associated with operations , projection. The CSRP considers factors such as geographic scope, diversity of product lines, customer concentration, depth of management, financial strength, perceived risk in achieving projections, risk associated with size of operations (size risk) and other company-specific factors.	

## VALUATION & CONCLUSION

In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments etc. which are not evident from the face of the balance sheets but which will strongly influence the total worth.

Though different values may have been arrived at under each of the valuation methods discussed above, for the purpose of recommending a fair value, it is necessary to arrive at a single value for the Company. Accordingly, the Discounted Cash Flow (DCF) Method under the Income Approach, the Net Asset Value (NAV) Method under the Asset Approach, and the Market Price Method under the Market Approach have been considered in the present valuation exercise.

Considering the nature of the business, the Company's future earning potential, underlying asset base, and observable market indicators, appropriate weightage has been assigned to each methodology based on its relevance and applicability in the present case to arrive at the fair value of the shares of the Company.

In the light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined in this report, we have estimated the fair value of each equity share of the Company to be **INR 28.97**



## Summary

**Milkfood Limited**

**Valuation Date**

**25-Jun-26**

Valuation Methodology	Equity Share Price	Weight	Weighted Average Equity Share Price
Net Asset Value Method	87.74	15%	₹ 13.16
Comparable Companies Method	29.87	25%	₹ 7.47
Discounted Cash Flow Method	13.91	60%	₹ 8.35
<b>Weighted Average Equity Share Price</b>		<b>100%</b>	<b>₹ 28.97</b>

### **Rationale for Weightage**

The Discounted Cash Flow (DCF) Method has been assigned a weightage of 60%, as it best captures the intrinsic value of the Company by reflecting its projected future cash flows, earning potential, and expected operational performance on a going-concern basis.

The Comparable Companies Multiple (CCM) Method has been assigned a weightage of 25%, as it reflects prevailing market valuations of comparable listed companies operating in similar businesses. A lower weightage has been assigned given the inherent differences between the Company and the selected comparables.

The Net Asset Value (NAV) Method has been assigned a weightage of 15%, as the Company's value is primarily driven by its future business prospects and earning potential as a going concern, rather than the realizable value of its net assets.



## CAVEATS, LIMITATIONS AND DISCLAIMERS

- i. **Specific Purpose:** Valuation analysis and its results are specific to the purpose of valuation as mentioned in the section “Purpose”. It may not be relevant for any other purpose or entity. This Report is prepared exclusively for the above-stated purpose and must not be copied, disclosed or circulated or referred to in correspondence or discussion with any other party. Neither this report nor its content may be used for any other purpose without our prior written consent.
- ii. The present valuation report gives an opinion about valuation based on information and explanation given to us at the time of preparation of this report. This report does not solicit or recommend or invite any investment proposal. Anyone dealing with the company shall use their own discretion and due diligence before making any decision in this regard.
- iii. **Valuation Date:** The valuation of the Company contained herein is not intended to be represented at any time other than the date that is specifically stated in this report. We do not have any responsibility to update this report for events and circumstances occurring after the valuation date.
- iv. **Reliance on Information Provided:** We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us. We have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the Company. In the course of the valuation exercise, we have obtained both oral and written data, including market, technical, operational and financial information. We have evaluated such information through a broad comparative analysis and enquiry.
- v. **Actual results may differ:** The valuation of companies and businesses is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. The assumptions used in the preparation of this report are based on the management’s present expectation of both – the most likely set of future business events and the management’s course of action related to them. Wherever we have not received detailed information from the management, we used our assessment of value based on experiences and circumstances of the case. Usually, in most of the cases, some events and circumstances do not occur as expected or are not anticipated. No investigation into the Company’s claim to the title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.



- vi. **Complete Report:** This report shall at all times be read and interpreted in full, no part of it shall be read independently for any reason whatsoever.
- vii. **Liability:** In the particular circumstances of this case, we shall be liable only to the Management. We shall have no liability (in contract or under statute or otherwise) to any other party for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage is caused other than in cases of fraud, gross negligence or willful misconduct, or on account of any natural calamities, shall be limited to the amount of fees actually received by us as laid out in the engagement letter, for such valuation work.
- viii. Our Valuation report should not be construed as investment advice; specifically, we do not express any opinion on the suitability of or otherwise of entering into the proposed transaction.
- ix. This Report does not look into the business reasons behind the transaction nor the likely benefits arising out of the same. In addition, we express no opinion or recommendation, and the stakeholders are expected to exercise their own discretion.
- x. It must be understood that the valuation is for the future and it is a future stream of earnings which are of utmost significance in the process of valuation. The conclusion arrived at is a valuation result or a calculation result depends upon the nature of the financial information provided and reliance placed on the same by the valuer. The financial projections have been provided to us by the Company, which we have completely relied upon. We do not make any representations or warranty, express or implied, regarding the achievability of forecasts and accuracy or completeness of such other information as provided by the Management. As part of our evaluation process, we have evaluated the reasonableness of the projections prepared by the Management and had detailed round of discussions with the Management to understand the basis and assumptions for the preparation of the projections. The relevant information and support documents provided by the Management in relation to the projections have not been independently verified by us with any third party or any other sources and are believed to be true and reliable. The information contained herein is based on the analysis of information available at the time when this report was prepared.
- xi. It should be specifically noted that the valuation assumes the business will be competently managed and maintained over the expected period of ownership. This appraisal engagement does not entail an evaluation of management's effectiveness, nor are we responsible for future marketing efforts and other management or ownership actions upon which actual results will depend. While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the MFL existing business records. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness

of any information provided by and on behalf of MFL. Our report is subject to the scope and limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

- xii. The actual market price achieved may be higher or lower than our estimate depending upon the circumstances of the transaction (for example the competitive bidding environment), the nature of the business (for example the purchaser's perception of potential synergies). The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect actual market price achieved. Accordingly, our valuation conclusion may not necessarily be the price at which any agreement proceeds. The final transaction price is something on which the parties themselves have to agree. We also emphasize that our opinion is not the only factor that should be considered by the parties in agreeing the transaction price.
- xiii. Our report is meant for the purpose of determining fair value of shares and filing the same with regulatory authorities, including Registrar of companies and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.
- xiv. While all reasonable care has been taken to ensure that the facts stated in the Report are accurate and opinions given are fair and reasonable, we, in any way, shall not be responsible for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such statements. we expressly disclaim any and all liabilities which may arise based upon the information used in this Report.
- xv. We are independent of the MFL and have no current or expected interest in the Company or its assets. The fee paid for our services in no way influenced the results of our analysis.
- xvi. We are not advisors with respect to accounting, legal, tax and regulatory matters. Therefore, no responsibility is assumed for matters of a legal nature.
- xvii. We assume that the Company complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated and will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, we have given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the financial statements.



- xviii. An analysis of such nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.
- xix. We are fully aware that based on the opinion of value expressed in this report, we may be required to give testimony or attend court / judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and my / our tendering evidence before such authority shall be under the applicable laws.
- xx. A draft of this report was shared with the Company, prior to finalization of report, as part of our standard practice to make sure that factual inaccuracy/omission are avoided.

Thanks & Regards



**CA Kapil Dev Dhir**

Registered Valuer

Securities and Financial Assets (SFA)

IBBI Regn. No. IBBI/RV/06/2021/14028

Date: June 30, 2026

Place: New Delhi

UDIN: 26509962TRSRAN4727