Aditya Extractions Private Limited

March 09, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	5.00	CARE BB-; Stable	Assigned
Long Term Bank Facilities	13.95 (Enhanced from 13.93)	CARE BB-; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation in the rating assigned to the bank facilities of Aditya Extractions Private Limited (AEPL) continues to remain constrained on account of its moderate financial risk profile marked by moderate scale of operations and profitability, leveraged capital structure and weak debt coverage indicators along with stretched liquidity position. Rating further remains constrained on account of susceptibility of profitability margins to fluctuation in raw material prices and its presence in a fragmented industry with low entry barriers. Rating, however, derives strength from experienced management.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in scale of operations marked by Total operating income (TOI) above Rs.150 crore coupled with PAT margin above 2%
- Improvement in capital structure marked by overall gearing ratio of below 1.50 times

Negative factors

- Increase in working capital cycle to more than 300 days on a sustained basis which further puts stretch on liquidity
- Any major debt funded capex putting pressure on capital structure, profitability, and liquidity

Analytical approach: Standalone

Outlook: Stable

CARE Ratings Limited (CareEdge Ratings) believes that the company shall sustain its moderate financial risk profile in the medium term.

Detailed description of key rating drivers:

Key weaknesses

Moderate scale of operations and profitability

AEPL's scale of operations remained stable as marked by TOI of Rs.60.48 crore during FY25 as against Rs.59.72 crore during FY24. Profitability position improved marginally as marked by PBILDT margin of 8.57% during FY25 as against 7.96% during FY24 with reduction in power cost following the benefit received from installation of solar power plant. However, PAT margin remained stable at 0.17% during FY25 as against 0.16% during FY24 with increase in depreciation and finance cost during FY25. AEPL registered TOI of Rs.95 crore in 10MFY26 and expects to achieve ~Rs.120 crore in FY26. Profitability remained moderate as marked by PBILDT margin of 4.69% due to higher trading of soyabean oil during 10MFY26.

Leveraged capital structure with weak debt coverage indicators

Capital structure continues to remain leveraged as marked by overall gearing of 3.74x as on March 31, 2025, as against 3.39x as on March 31, 2024. The deterioration is due to infusion of unsecured loans from promoters to support increase in scale of operations during FY25. Further, overall gearing remained at 3.51x as on January 31, 2026. Debt coverage indicators continue to remain weak as marked by interest coverage of 2.35x during FY25 as against 2.47x during FY24. TDGCA also remained high at 11.85 years in FY25 as against 11.20 years in FY24 with increase in debt level as on March 31, 2025. Debt coverage metrics improved marginally during 10MFY26 as marked by interest coverage of 2.99x and TDGCA of 10.18 years.

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Susceptibility of profit margins to fluctuation in raw material prices

AEPL is primarily engaged in the processing of wheat, dal and oil processing. Raw materials being agricultural produce and staple food, its price is subject to intervention by the government. In the past, the prices of its raw materials have remained volatile mainly on account of the government policies with respect to Minimum Support Price (MSP). The prices are also sensitive to seasonality in wheat and chana dal production, which is highly dependent on monsoon. Prices of oil is affected by prices of other edible oils as well. Any volatility in the prices will have an adverse impact on the performance of the flour mill and consequently their profit margins.

Presence in a fragmented industry with low entry barriers

The commodity nature of the product makes the industry highly fragmented with more than two-third of the total number of players being in unorganized sector with very less product differentiation. Due to the fragmented nature and low entry barriers in the industry, the flour mill units have limited flexibility over pricing their products which also results in low profit margins.

Key strengths

Experienced management

AEPL's overall operations are looked after by Mr. Ashwani Bhardwaj, Director, who is a graduate by qualification and has more than three decades of experience, along with Mrs. Sujata Bhardwaj, Mr. Aditya Bhardwaj and Mrs. Anjali Bhardwaj. The directors are supported by a team of qualified employees having long standing experience in their respective fields in smooth functioning of the company.

Liquidity: Stretched

Liquidity position remained stretched as marked by high working capital utilization, elongated operating cycle and low cash flow from operations. Average utilization of working capital limits remained almost full for past 12 months ended January 31, 2026. Operating cycle elongated to 157 days in FY25 as against 131 days in FY24 due to high inventory holding of 132 days in FY25 (PY: 107 days) as the company needs to build up inventory in the month of March to meet higher consumer demand during April–May. Cash flow from operations remained at Rs.0.27 crore in FY25 as against Rs.1.16 crore in FY24 with high inventory level. However, GCA remained sufficient at Rs.2.80 crore in FY25 against repayment obligation of Rs.1.35 crore arising in FY26. Current ratio remained at 2.10x during as on March 31, 2025. Free cash and bank balance stood at Rs.0.41 crore as on March 31, 2025.

Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Fast Moving Consumer Goods	Fast Moving Consumer Goods	Agricultural Food & other Products	Other Agricultural Products

Neemuch (Madhya Pradesh) based, Aditya Extractions Private Limited (AEPL) was incorporated in 1991 by Mr. Ashwani Bhardwaj. AEPL is engaged in trading of soyabean oil and processing of wheat products (wheat flour, maida, suji, rawa, and bran), chana dal, kabuli chana and spices (coriander seeds, fenugreek seeds). The manufacturing facility is located at Neemuch with installed capacity of 175 metric tonne per day (MTPD) as on March 31, 2025. Products are sold under the brand name 'Aditya,' supported by two sales counters located in Neemuch (Madhya Pradesh) and Pune (Maharashtra). Additionally, the company processes groundnut oil and mustard oil with a capacity of 30 MTPD as on March 31, 2025.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total operating income	59.72	60.48	94.97
PBILDT*	4.75	5.18	4.45
Profit after tax (PAT)	0.10	0.10	0.56
Overall gearing (x)	3.39	3.74	3.51
Interest coverage (x)	2.47	2.35	2.99

A: Audited UA: Unaudited; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	13.50	CARE BB-; Stable
Fund-based - LT-Term Loan		-	-	30/11/2026	0.45	CARE BB-; Stable
Fund-based - LT-Working Capital Limits		-	-	-	5.00	CARE BB-; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Cash Credit	LT	13.50	CARE BB-; Stable	-	1)CARE BB-; Stable (05-Feb-25)	1)CARE BB-; Stable (26-Feb-24)	1)CARE BB-; Stable (28-Mar-23)
2	Fund-based - LT-Term Loan	LT	0.45	CARE BB-; Stable	-	1)CARE BB-; Stable (05-Feb-25)	1)CARE BB-; Stable (26-Feb-24)	1)CARE BB-; Stable (28-Mar-23)
3	Fund-based - LT-Working Capital Limits	LT	5.00	CARE BB-; Stable				

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - LT-Working Capital Limits	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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