# B.R. Oil Industries Private Limited

March 09, 2026

| Facilities/Instruments | Amount (₹ crore) | Rating[1] | Rating Action |
|---|---|---|---|
| Long Term Bank Facilities | 39.50 | CARE BBB-; Stable; ISSUER NOT COOPERATING* | Rating moved to ISSUER NOT COOPERATING category |

Details of instruments/facilities in Annexure-1.
*Issuer did not cooperate; based on best available information.

## Rationale and key rating drivers

B.R Oil Industries Private Limited (BROPL) has not paid the surveillance fees for the rating exercise agreed to in its Rating Agreement. In line with the extant SEBI guidelines, CARE Ratings Ltd.'s rating on BROPL bank facilities will now be denoted as CARE BBB-; Stable; ISSUER NOT COOPERATING*.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

The rating assigned to the bank facilities of B.R. Oil Industries Private Limited (BROPL) continues to factor in vast experience of promoters of more than two decades in the edible oil industry, its established track record of operations with a moderate scale, comfortable capital structure and debt coverage indicators and adequate liquidity. It also factors in proximity to raw material procurement region and stable demand outlook. The ratings however continue to remain constrained by its moderate net-worth base, thin profitability, susceptibility to volatile commodity prices, government regulations and forex fluctuations and its presence in a highly competitive and fragmented edible oil industry.

**Analytical approach:** Standalone

**Outlook:** Stable

## Detailed description of key rating drivers:

At the time of last rating on January 09, 2026 the following were the rating strengths and weaknesses.

## Key strengths

### Moderate scale of operations

The scale of operations of BROPL remained moderate at Rs.842.79 cr. in FY25 as compared to Rs.939.26 cr. in FY24. The TOI of the company declined by 10.27% in FY25 with decline in sales volume and sales realization of DOC in FY25. However, it improved in current year and BROPL registered TOI of Rs.491.06 cr. in H1FY26 and is envisaged to register TOI of around Rs.1000 cr. in FY26 with increase in sales volume and sales realisations in current year.

### Comfortable capital structure and moderate debt coverage indicators albeit moderate net worth base

BROPL had a comfortable overall gearing of 0.25x as on March 31, 2025 (0.27x in FY24). Debt coverage indicators of the company marginally moderated and remained moderate marked by PBILDT interest coverage of 3.75x times (P.Y.: 7.00x) and total debt/ GCA of 2.86x (P.Y.: 2.57x) in FY25. It is expected to remain comfortable in projected period as company has no capex plans in near future. Net worth base of the entity however remains moderate at around Rs.85.72 crore at FY25 end (P.Y.Rs.82.12 cr.) owing to low profitability inherent in its business. Further, BROPL has investments/advances to group companies of Rs.25.93 cr. in FY25 (Rs.13.80 cr. in FY24). Of this, Rs.14.91 crore was advanced to a newly incorporated group entity, B.R. Ecopet India Private Limited, during FY25; the outstanding amount currently stands at around Rs.1 crore. These advances were largely temporary in nature and were extended until the said group company availed a new term loan.

### Experienced promoters in edible oil industry along with established track record of operations

Being present in the edible oil industry for around two decades with experience in trading of edible oil through other family owned entities, the promoters have developed considerable understanding of demand supply position of the products in the market. Suresh Chandra Agarwal, key promoter, has more than two decades of experience in the industry and is at helm of affairs of the company. Further, he is supported by his sons Mr. Sanjeev Kumar Agarwal and Mr. Jugal Kishore Agarwal, who together look after the sale and purchase functions of the company. Both the directors have more than a decade's experience in the edible oil

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

industry and are assisted by a team of qualified managerial personnel and technical team having relevant experience in their respective fields. Furthermore, entity has an established operational track record of over a decade in this business.

**Strategic location of manufacturing unit with proximity to raw material sources**
BROPL's manufacturing facility is located in Madhya Pradesh which ranks first in terms of production of soya seeds with large number of units involved in extraction process and also is in proximity to mustard/rapeseed growing regions (along with around 15% of production of mustard being in MP). This makes it easier for the company to access its primary raw materials at effective price as well as results in benefit derived from lower logistic expenditure (both on transportation and storage). BROPL has developed good business relations with the suppliers (various local traders, agents and extractors) from whom it procures its requirement of crude oil and mustard cakes.

**Stable demand outlook albeit intense competition in the industry**
The demand for edible oil is anticipated to grow at 4% in the medium term, with increasing disposable incomes, rising urbanization rates, changing dietary habits and the growth of the food processing sector; along with low per capita consumption of oil in India as compared to global standards. Furthermore, consumption of mustard oil is around 40% in total oil consumption of India. The varied application of mustard oil (as an antiseptic and for holy purposes) are expected to sustain its demand. Furthermore, India is a major participant in the export market for DOC and is one of the largest exporters of DOC. Moreover, there is a rising demand for DOC from the domestic poultry and cattle feed industry to meet the requirement for animal protein products. However, the industry is highly fragmented and competitive with presence of many unorganised players apart from few large organised players, which limits the pricing power and profitability of the players.

## Key weaknesses

**Thin Profitability**
Profitability of the company has remained thin during past two years on account of limited value addition along with its presence in the highly fragmented and competitive industry with volatile raw material prices. During FY25, PBILDT margin of the company improved to 1.40% as compared to 1.33% in FY24. It further improved to 1.90% in H1FY26 with better sales realisations of edible oil.

**Susceptibility to commodity prices as well as government regulation and forex fluctuations**
BROPL uses crude mustard edible oil as the key raw material for the refining process and uses mustard cakes for the extraction process. The raw material and end products are agricultural commodities, hence their prices to a certain extent are affected by various factors such as monsoon, area under cultivation, prices of other edible oils as well as minimum support prices (MSP) decided by the government in the domestic market along with demand-supply gap and weather conditions in major crop growing nations. Company also relies to some extent on imports (through high seas purchases) and thus remains exposed to forex fluctuations

## **Liquidity**: Adequate

Company's liquidity remains adequate marked by sufficiency of cash accruals vis-à-vis repayment obligations and moderate working capital utilisation. Reliance on working capital bank borrowings continued to remain low due to efficient working capital management owing to lean working capital cycle of around 15-17 days during the last three financial years ended FY25 as BROPL majorly does purchase and sale as per demand, with minimal inventory on hand. BROPL's average utilization of its fund-based cash credit limit stood low at around 40% for past 6 months ended November 2025. Company has repayments below Rs.2.50 crore in FY26-FY28, expected to be met out of its cash accruals. BROPL has free cash and bank balance of Rs.0.33 cr. in FY25 (Rs.0.20 cr. in FY24)

## Applicable criteria

Definition of Default
Information Adequacy Risk and Issuer Non-Cooperation
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 | Edible Oil |

Morena (Madhya Pradesh) based B.R. Oil Industries Private Limited (BROPL) was incorporated in 2009 by Mr. Suresh Chandra Agarwal and Mr. Sanjeev Kumar Agarwal for the extraction of crude oil and De-oiled cake (DOC) derived through processing of mustard oil cake as well as refining of crude edible oil (including soya and mustard). BROPL started its commercial production in 2013 and operates out of its sole manufacturing unit located at Morena (Madhya Pradesh) having DOC extraction capacity of 1000 Metric ton (MT) per day and oil refining capacity of 50 MT per day as of September 30, 2025. In addition to its extracted/processed products, the company also trades in different types of crude edible oil, DOC along with Agro commodities like rice, based on available opportunities. The company sells edible refined oil as well as DOC in the domestic market to different export houses and traders. The company sells edible oil in bulk in the domestic market.

| Brief Financials (₹ crore) | March 31, 2024 (A) | March 31, 2025 (A) | H1FY26 (Prov.) |
|---|---|---|---|
| Total operating income | 939.26 | 842.79 | 491.06 |
| PBILDT* | 12.45 | 11.80 | 9.28 |
| Profit after tax (PAT) | 3.39 | 3.60 | 4.85 |
| Overall gearing (x) | 0.27 | 0.25 | NA |
| Interest coverage (x) | 7.00 | 3.75 | 11.75 |

A: Audited, Prov.: Provisional, NA: Not Applicable; Note: these are latest available financial results

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

**Status of non-cooperation with previous CRA:**

**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 | | - | - | - | 30.00 | CARE BBB-; Stable; ISSUER NOT COOPERATING* |
| Term Loan-Long Term | | - | - | November 2028 | 9.50 | CARE BBB-; Stable; ISSUER NOT COOPERATING* |

*Issuer did not cooperate; based on best available information.

### 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 | 30.00 | CARE BBB-; Stable; ISSUER NOT COOPERATING* | 1)CARE BBB-; Stable (09-Jan-26) | 1)CARE BBB-; Stable (27-Dec-24) | 1)CARE BBB-; Stable (04-Jan-24) | 1)CARE BBB-; Stable (31-Jan-23) |
| 2 | Term Loan-Long Term | LT | 9.50 | CARE BBB-; Stable; ISSUER NOT COOPERATING* | 1)CARE BBB-; Stable (09-Jan-26) | 1)CARE BBB-; Stable (27-Dec-24) | 1)CARE BBB-; Stable (04-Jan-24) | 1)CARE BBB-; Stable (31-Jan-23) |

*Issuer did not cooperate; based on best available information.
LT: Long term; ST: Short term; LT/ST: Long term/Short 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 | Term Loan-Long Term | Simple |

### Annexure-5: Lender details

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|---|
| 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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