

March 31, 2026

Epic Agro Products Private Limited: [ICRA]BBB- (Stable); assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long-term-Fund-based – Term loan	600.00	[ICRA]BBB- (Stable); assigned
Total	600.00	

*Instrument details are provided in Annexure I

Rationale

The assigned rating factors in the long operating track record of Epic Agro Products Private Limited (EAPPL), which is part of the Purbasha Group, in the FMCG contract manufacturing segment, and its established relationships with marquee customers such as Britannia Industries Limited (Britannia) and Reliance Consumer Products Limited (RCPL). The company has been engaged in contract manufacturing of biscuits and other bakery products for Britannia for over two decades and commenced manufacturing and bottling of non-alcoholic beverages for RCPL in FY2025. The company has assured offtake arrangements with both its clients, and raw material cost fluctuations are entirely passed on to customers, which ensures healthy capacity utilisation and protects its earnings. The company registered revenues of around Rs. 161 crore in 9M FY2026 at an operating margin of 22.4%, aided by steady conversion income from the biscuit and beverage lines and improved operational efficiencies.

EAPPL is undertaking a large greenfield capex for setting up a 2,283 bottles per minute (bpm) bottling plant at Begusarai, Bihar, for RCPL's Campa Cola brand at an estimated project cost of Rs. 872 crore, which is expected to be funded through term debt of Rs. 650 crore and promoter contribution of Rs. 222 crore. The project is expected to commence operations in Q1 FY2028. The timely completion of the project within the planned cost and schedule will be a key monitorable, especially given the seasonality involved in beverage sales. As per the proposed agreement, RCPL will commit to a minimum offtake of 65% of the installed capacity from the first year of operations, providing revenue visibility. Moreover, pricing would factor in raw material costs and other fixed overheads, including debt servicing obligations and return on capital, providing additional comfort. ICRA notes that while the definitive agreement for the proposed capacity addition is at an advanced stage of execution, it is yet to be finalised; any material deviation from the initially indicated terms remains monitorable. The rating factors in high project execution risks, given the nascent stage of construction. Moreover, the company is yet to tie up debt for the project. The rating considers customer concentration with reliance on a few principals; however, the long association with these customers and presence across multiple product categories provide comfort. The rating also factors in intense competition in the beverage industry from both organised and unorganised players, as well as the inherent seasonality of the carbonated soft drinks (CSD) business.

The Stable outlook reflects ICRA's expectation of successful and timely scale-up of operations of the new plant for RCPL, along with stable earnings from existing operations, which are expected to support improvement in debt metrics.

Key rating drivers and their description

Credit strengths

Extensive experience of promoters in contract manufacturing for FMCG industry – The company is part of the Kolkata-based Purbasha Group, which has over four decades of experience in contract manufacturing for the fast moving consumer goods (FMCG) industry and has served more than 25 FMCG brands. The group has a long operating track record of setting up and managing dedicated manufacturing facilities for large, reputed principals, including Britannia, ITC Limited, Hindustan Unilever Limited, etc. across multiple product categories.

Revenue visibility backed by long-term agreement with clients for existing capacity and expectation of favourable offtake terms for new capacity – EAPPL’s contract manufacturing arrangements with Britannia and RCPL assure volumes and earnings for the existing capacities in the bakery and beverage segments. As per the agreement, raw material costs are completely passed on to customers, which limits pricing risks. For the upcoming greenfield beverage capacity at Begusarai, Bihar, the company is expected to enter into a long-term agreement of 20 years with RCPL, with a minimum offtake of 65% from the first year of operations, supporting revenue visibility and mitigating demand risks. Apart from this, the company is also eligible for subsidies under the Bihar Industrial Incentive Policy.

Credit challenges

Project execution risk given the nascent stages of the project; as financial closure yet to be achieved for new project, funding risk remains – EAPPL remains exposed to project execution risks, given that the proposed greenfield beverage project at Begusarai is at a relatively nascent stage of construction, with significant capex yet to be incurred. However, the company has commenced civil construction and has placed orders for equipment with long lead times. Any delays in construction, equipment installation, or commissioning could adversely impact the envisaged scale-up. While the company is in advanced stages of discussions with lenders for tying up the debt funding, financial closure for the proposed borrowing is yet to be achieved. Apart from this, ICRA notes that the definitive agreement for the proposed new capacity is yet to be executed, although it is at an advanced stage; any material deviation from the initially indicative terms remains monitorable.

Exposed to customer concentration risk – EAPPL’s revenue profile is characterised by high customer concentration, with a substantial portion of revenues derived from Britannia and RCPL. The company’s operating performance remains dependent on the continuation of business from these counterparties. Although both Britannia and RCPL follow diversified sourcing strategies and are not exclusively reliant on EAPPL, comfort is derived from the long-established relationship with Britannia and the increasing strategic importance of EAPPL’s manufacturing footprint for RCPL. The proposed greenfield beverage facility at Begusarai is expected to emerge as a key manufacturing location for RCPL in eastern India, supporting stability in offtake over the medium term.

Presence in competitive beverages industry and seasonal nature of operations – The company operates in the beverage segment, which is characterised by intense competition. The industry is also inherently seasonal, with a significant portion of volumes concentrated in the summer months, which could lead to volatility in capacity utilisation and cash flows. Hence, timely commencement of the new facility (i.e., prior to the peak demand season) remains critical. However, EAPPL’s contract manufacturing model and the expected minimum offtake commitments from RCPL mitigate this risk to an extent.

Liquidity position: Adequate

Liquidity is expected to be adequate, supported by cash and investments of Rs. 127 crore as of December 2025, along with a buffer in working capital limits of Rs. 20.5 crore. The company’s retained cash flows are estimated at Rs. 90-100 crore in FY2027, against which it has a debt repayment obligation of Rs. 8.46 crore. The company is undertaking capex of around Rs. 872 crore over the period FY2026-27, which is expected to be funded through proposed term loans of Rs. 650 crore and promoter contributions / internal accruals of Rs. 222 crore. Promoters are expected to infuse Rs. 35 crore, which, along with the company’s existing investments and expected retained cash flows for FY2027, would be sufficient to meet the promoter’s contribution to the project.

Rating sensitivities

Positive factors – ICRA could upgrade EAPPL’s rating in case of timely completion of the project without any major time or cost overruns, coupled with a meaningful scale-up in operations from the same, leading to strengthening of debt coverage metrics and the overall liquidity position.

Negative factors – The company’s rating could be downgraded if there are any material deviations in the terms of the agreement with RCPL or the terms of sanctioned loans, impacting the company’s future earnings, debt metrics, or liquidity

position. Material overruns or delays in the commissioning of the project, or weakening of existing operations, could also trigger a downgrade. A specific credit metric that could lead to a downgrade includes TD/OPBDITA above 2.5 times on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology FMCG
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

Epic Agro Products Private Limited, incorporated in 2006 in Kolkata, is engaged in contract manufacturing of food products for leading FMCG brands. It has a longstanding relationship of over 20 years with Britannia, operating dedicated biscuit lines under a conversion-only arrangement with assured offtake. It started a bottling line with a capacity of 600 bpm for RCPL's Campa Cola brand in West Bengal and added a new line with a capacity of 470 bpm in November 2025. The company is setting up a greenfield beverage manufacturing and bottling facility in Bihar to manufacture a product range under the Campa Cola brand, leveraging its established operational capabilities and strong institutional customer relationships. The company plans to commence operations in April 2027. It is in the process of entering into a definitive agreement with RCPL, according to which there would be assured offtake of 65% from the first year of operations, providing revenue visibility.

Key financial indicators (audited)

EPPAL – Standalone	FY2024	FY2025	9M FY2026*
Operating income	79.2	154.6	160.9
PAT	24.4	6.8	19.2
OPBDITA/OI (%)	31.6%	16.6%	22.4%
PAT/OI (%)	30.8%	4.4%	11.9%
Total outside liabilities/Tangible net worth (times)	0.8	1.0	1.0
Total debt/OPBDITA (times)	2.2	3.0	2.4
Interest coverage (times)	39.1	4.3	8.0

Source: Company, ICRA Research; All ratios are as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDITA: Operating profit before depreciation, interest, taxes and amortisation; * Unaudited

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instruments	Type	Current (FY2026)		Chronology of rating history for the past 3 years					
		Amount rated (Rs. crore)	Mar 31, 2026	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Fund based – Term loan	Long-term	600.00	[ICRA]BBB- (Stable)	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term-Fund-based – Term loan	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Long-term-Fund-based – Term loan*	NA	NA	NA	600.00	[ICRA]BBB- (Stable)

Source: Company; * Proposed term loans

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis – Not applicable

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