

# A Study on Role and Performance of Edible Oil Manufacturing Companies in India



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*As of now India is the leading importer of edible oil worldwide. One of the main reasons influencing the demand for edible oil in India is the rise of the food processing Industry. Other important drivers include rising disposable incomes, rising urbanisation rates, changing dietary preferences, and changing dietary habits. The need for healthy edible oil is primarily being driven by the growing consumer health concerns around the increasing prevalence of gastrointestinal ailments, diabetes, obesity, and coronary heart disease. The industry is also being stimulated by the increased public knowledge of the numerous health advantages of eating edible oils that are organic and low in cholesterol. As a result, several regional firms are introducing omega-3, vitamin, and natural antioxidant-rich product versions. Additionally, the rising consumption of processed food items is a result of consumers' shifting eating habits and busy work schedules. The nation's market is expanding because of the increased demand for edible oil in the food processing industry as flavouring and food preservatives. Due to various growing customer living standards and the spread of worldwide culinary trends, there has been a rising demand for high-quality product options such olive oil, sesame oil, flaxseed oil, etc. The market is also being driven by the nation's developing farming industry and the introduction of several initiatives to raise the country's oilseed production. The Indian government is constantly striving to expand the domestic market of edible oil to reduce its dependency on imports. To effectively meet the country's consumption demands for edible oils such sesame oil, groundnut oil, safflower oil, and palm oil, among others, the government has proposed the National Mission on Edible Oil (NMEO). These reasons motivated the researchers to investigate the function of Edible Oil Companies in India and to attempt to examine the role and performance of oil companies in India.*

**Key words:** Oil, Energy, Market Capitalization, Pressed Oil, Economy, Export-Import Policy

## 1. Introduction

Edible oils are sources of nutritious fats that fulfil nutritional requirements, support growth, and are vital for the healthy operation of the brain, nervous system, and endocrine environment. Considering the important a part it plays in our meals and nutrition, its quantity and quality have a big impact on overall health. To produce oil that is safe for consumers' health, manufacturers must pay additional attention. Edible Oils have been used to prepare food ever since the dawn of humanity, and they now make up a large portion of the average person's diet. They are an excellent source of nutritional energy because they include more than twice as many calories as carbohydrates. These tasks are carried out by oils and fats, which improve the flavour and nutritional value of food. They act as a concentrated source of energy, provide the body with necessary building blocks, and convey minor but essential nutrients like vitamins.

At high temperatures edible oil works as a heat transfer medium to enhance taste perception. It will add texture and flavour to foods, acts as a source of energy and do all these things while supplying a wide variety of foods with texture and flavour. The components that make up fats and oils, known as fatty acids, are segregated into three units of glycerol to form triglycerides and one unit of glycerol. In contrast to water, they are soluble in most organic solvents. Their densities are lower than that of water, and at room temperature, they can be solid, semisolid, or transparent liquid. When they are liquid at room temperature and solid at that temperature, they are referred to as "oils" and "fats," respectively. The broad category of lipids, which comprises fats and oils, covers a variety of chemical substances.

Following is a classification based on the use of raw materials as:

**Animal Oil:** Oil made from beef, pig, and fish is referred to by this word.

**Vegetable oil:** It is an oil that has been extracted or processed from plant tissue such as the roots, stems, leaves, fruits, flowers, or seeds. Examples of Vegetable oils include Soy oil, Rapeseed oil, Cottonseed oil, Peanut oil, Sesame oil, Rice bran oil, Sunflower oil, Corn oil, Tea seed oil, Flaxseed oil, and Safflower seed oil.

**Microbial Oil:** Microbial oil refers to single-cell lipids, which are edible fats extracted and processed from microorganisms including yeast, fungus, and algae.

The edible oil is divided into the different groups according to the processing it undergoes as,

**Hot Pressed Oil:** Hot pressed oils are created by pressing them at high temperatures, which renders the oil extra which makes it lacking in several its natural qualities. Before using we must refine this oil.

**Cold Pressed Oil:** In contrast to hot-pressed oils, these oils are extracted at normal temperature, or about 27° which produces a low acid value.

**Leached Oil:** This is made by applying solvent to extract the oil out of a biomass mass composed of crushed plants or animals. The chemical composition of the Leached oil is ascertained by using a solvent to extract oil from a plant/animal biomass mass which are crushed. There are two important factors in the leaching process i.e extracted from solid material and the solvents chemical composition. This process is similar to the “like dissolves like” principle.

**Refined oil:** This is an edible oil that may be bought at the store. Refining, bleaching, and deodorization have all been applied to these oils. Each stage is used to carry out produce oil that has a constant stability, colour and flavor.

**Hydrogenated Oil:** There are several business use hydrogenations to change oils into solid and spreadable consistency since most of oils are liquid at room temperature.

During this process, molecules are added to alter the texture, stability, and shelf life of the finished product. Additionally, many baked goods are given a taste and texture boost using hydrogenated oils.

**Blended Edible Oil:** A blend of edible oils is the blending of any two edible oils. A minimum weight percentage of 20% is required for any edible oil added to the combination. Mineral oil, animal or non-edible oils are all prohibited from being included in the blended mixture. Furthermore, it needs to be clear and free of any foreign substances, suspended particles, or intractable materials.

## 2. Objectives of The Study

The research work is an attempt to obtain the following objectives.

1. To identify the significance of Edible Oil Companies in Indian Economy.
2. To study the role of Edible Oil companies in India.
3. To assess the financial performance of selected Edible Oil Companies.

## 3. Significance of The Study

Edible oils and oil seeds are two of the most fragile essential commodities. One of the top producers of oilseeds in the world, India would produce an estimated 40.50 million tonnes of more than nine oilseeds that were planted in the year 2020–21 growing season (November–October), according to the 3rd Advance Estimates, which were released by the Ministry of Agriculture on May 25, 2021. India is fortunate to have a wide range of oilseed crops in its varied agroclimatic zones. Castor, linseed, Niger seed, mustard, rapeseed, sesame, and safflower are some of the most common oilseeds grown traditionally. Sunflower and soybean have both become more popular in recent years. Neem oil is mostly utilised in the medical field, while rice bran oil is effective in preventing and treating stomach and colon cancer as well as diabetes, high blood pressure, high cholesterol, alcoholism, obesity, and AIDS. The coconut stands out as the most prominent plantation crop. The States of Andhra Pradesh, Karnataka, Tamil Nadu, and the North-Eastern area of the country are among those making an effort to develop oil palm, in addition to Kerala and the Andaman & Nicobar Islands. Cottonseed oil and rice bran oil are the two most essential non-conventional oils. Oilseeds with tree and forest origins are also a significant cause of oils; these plants are primarily found in tribally populated areas. The following data refer to the estimated output of the main cultivated oilseeds, the availability of edible oils from all domestic sources (from domestic and import sources), till 2021.

**Table 1** Production of Edible Oil in India (Quantity in lakh Tons)

Year of Production (Nov.- Oct.)	Production of Oilseeds*	Net availability of edible oils from all domestic sources	Imports**	Total Availability of Edible Oils
2010-11	324.79	97.82	72.42	170.24
2011-12	297.98	89.57	99.43	189.00
2012-13	309.43	92.19	106.05	198.24
2013-14	328.79	100.80	109.76	210.56
2014-15	266.75	89.78	127.31	217.09
2015-16	252.50	86.30	148.50	234.80
2016-17	312.76	100.99	153.17	254.16
2017-18	314.59	103.80	145.92	249.72
2018-19	315.22	103.52	155.70	259.22
2019-20	332.19	106.55	134.16	240.71
2020-21#	365.65	113.09	74.40 (Nov-May 21)	-

Source: Ministry of Agriculture and Directorate General of Commercial Intelligence & Statistics (Ministry of Commerce)

# Based on 3<sup>rd</sup> Advance Estimates (declared by Ministry of Agriculture on 25.05.2021).

### India's Edible Oil Consumption Pattern

India is a large and promising country, and individuals in several of its regions have developed distinctive preferences for oils based primarily on the oils available in the area. For instance, people in the East and North people use mustard as compare to those in the South and West who prefer groundnut oil. People who live on the northern plain prefer vanaspati because they consume a lot of fats. Vanaspati is a partially hydrogenated edible oil blend of oils like soyabean, sunflower, rice bran, and cottonseed oils. The vanaspati pathway has largely been used to introduce many new oils from oilseeds from trees and forests into the food chain. Many new oils from oilseeds from trees and forests have entered the food supply, mostly via the vanaspati route. A change has occurred recently. Modern scientific processes like physical refining, bleaching, and deodorization have

essentially rendered all oils tasteless, odorless, and interchangeable in the kitchen. New oils have unexpectedly entered the kitchen, including soybean oil, cottonseed oil, sunflower oil, rice bran oil, and palm oil and its liquid portion, palm olein. For all edible oils combined, the market's share of raw oil, refined oil, and vanaspati is generally estimated to be 35%, 60%, and 5%, respectively. Around 56% of the nation's edible oil requirements are met by imports, of which palm oil/palm olein accounts for about 54%. Refined palm olein, also known as RBD palm olein, is now commonly used in hotels, restaurants, and the production of a variety of gourmet goods. Along with its blending with other oils, its usage has grown dramatically over time.

#### 4. Methodology

This study is descriptive in nature and entirely supported by secondary data. For the data collection, information on the edible oil companies is taken from the Bombay Stock Exchange and the official website of Money control. Based on market capitalization, researchers selected the top 10 listed edible oil companies. The study will extend from 2018 to 2022 for a total of five years. In this study, the performance of Edible Oil Companies was evaluated using a variety of Ratio analysis tools, including the Margin ratio, Liquidity ratio, Return ratio, Valuation ratio, and Growth ratio.

#### 5. Analysis and Inferences

Table 2 Ratio Analysis – Margin Ratios

S.No.	Company Name	Gross Profit Ratio (%)					Net Profit Ratio (%)				
		2022	2021	2020	2019	2018	2022	2021	2020	2019	2018
1	Patanjali Foods	6.46	6.24	3.49	1.74	-41.8	3.33	4.17	58.48	0.6	-46.46
2	Agro Tech Foods	6.15	7.08	7.39	8.31	8.25	2.81	3.5	4.05	4.15	3.89
3	AVT Natural	20.66	16.43	16.16	13.5	13.88	13.02	9.33	8.57	6.14	7.38
4	Manorama Industry	16.9	20.04	26.45	30.97	8.44	8.65	8.79	12.39	18.52	4.53
5	Gokul Agro	20.66	16.43	16.16	13.5	13.88	13.02	9.33	8.57	6.14	7.38
6	BCL Industries	7.32	6.06	6.92	9.12	6.32	4.26	2.95	2.83	4.63	2.1
7	Vegetable Products	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
8	Vijay Solvex	2.93	4.06	2.58	2.24	2.3	1.99	3.1	1.41	1.03	1.16
9	Ajanta Soya	3.91	4.72	2.29	0.44	1.61	3.13	2.69	1.28	-0.05	0.27
10	Gokul Refoils	1.99	2.12	2.8	2.55	2.3	0.86	0.82	0.91	0.55	0.45

Source: Secondary Data

The ratio analysis of the top 10 oil companies listed on the Stock Exchange is shown in Table 2. Gross Profit and Net Profit from such companies during the previous five years were used to compute the Margin Ratio. The margin ratio gauges a company's capacity to convert Revenues into Earnings. With a score of 30.97%, Manorama Industry had the greatest gross profit ratio out of all the businesses in 2019. With identical performances of 20.66%, AVT Natural Products and Gokul Agro Enterprises took second and third place, respectively. BCL Industries performed better than both companies. The company Patanjali Foods has the greatest Net Profit Ratio score of 58.48% in the year 2020. With a score of 18.52% in 2019, Manorama Industry has the second-highest value. AVT Natural Products and Gokul Agro Companies, who scored 13.02% in 2022, kept third place. Since the value of the vegetable products company is zero in both Net Profit and Gross Profit Ratio, all other companies' margin performance is often well.

Table 3 Ratio Analysis – Return Ratios

S.No.	Company Name	Return on Equity (ROE)					Return on Capital Employed					Return on Assets				
		2022	2021	2020	2019	2018	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018
1	Patanjali Foods	16.51	16.75	<b>227.59</b>	-1.71	<b>0</b>	15.49	12.16	4.85	-1.88	<b>114.93</b>	7.02	7.55	<b>97.51</b>	0.96	-72.18
2	Agro Tech Foods	5.59	7.17	8.28	9.1	9.29	7.26	9.66	9.67	13.08	13.83	4.17	5.72	6.67	7.29	7.24
3	AVT Natural	19.75	14.59	12.37	8.28	10.15	26.53	19.69	17.03	12.49	15.38	16.23	10.64	9	5.36	7.34
4	Manorama Industry	9	12.58	18.33	18.34	<b>40.86</b>	13.04	22.79	32.86	29.66	72.15	6.1	7.34	8.41	14.41	<b>21.88</b>
5	Gokul Agro	26.13	14.87	7.5	4.63	6.98	<b>36.59</b>	32.63	31.12	33.55	33.06	7.15	2.87	1.31	0.83	1.18
6	BCL Industries	23.12	14.84	11.94	22.68	13.69	26.25	20.31	16.54	24.92	17.7	11.19	6.67	4.29	7.38	3.63
7	Vegetable Products	-3.18	-2.38	-1.88	0.13	1.74	-0.05	-0.09	-0.05	0.16	0.28	-0.35	-0.23	<b>-0.18</b>	<b>0.01</b>	0.17
8	Vijay Solvex	17.61	27.68	13.17	9.47	8.11	23.13	32.99	21.55	18.44	14.18	11.11	16.25	7.27	5.25	4.17
9	Ajanta Soya	<b>34.25</b>	31.68	18.11	<b>-0.9</b>	2.1	<b>39.26</b>	48.9	26.56	3.22	9.18	15.95	15.7	8.35	-0.26	0.8
10	Gokul Refoils	8.72	7.37	6.48	4.25	3.31	17.8	16.69	17.78	17.84	15.03	3.15	2.9	3.31	2	1.41

Source: Secondary Data

The Return Ratios among the top 10 Oil Companies listed on the Stock Exchange are indeed the focus of Table 3. Financial ratios that indicate the well an investment is managed include return ratios as a subset. Return on Equity, Return on Capital Employed, and Return on Assets return ratios were categorised here, and the calculated values were shown for the last five years. Return On Equity measures a company's profitability and the effectiveness with which it makes profit. A company's ability to turn equity financing into profits improves with higher ROE. Patanjali Foods is among the most significant enterprises,

and its Return on Equity peaked in 2020 at 227.59% before falling to 16.75% and 16.51% the following year. With a value of 40.86% in 2018, Manorama Industry has the next-highest value. Ajanta Soya Company will hold the third position in 2022 with a value of 34.25%.

Return on Capital Employed is an additional ratio used in return ratio. This ratio can be used to determine how effectively a business is turning a profit from the capital it is using. Patanjali Foods had a very high Return on Capital Employed ratio in the year 2018 with a value of 114.93%. Ajanta Soya came in second with a value of 39.26%, and Gokul Agro Company came in third with a value of 36.595%.

The next category is Return on Assets Ratio, which is a financial metric that shows the profitability of an organisation in relation to its total assets. Patanjali Foods' 2020 Return on Assets ratio, which was 97.15%, was also higher than average. In 2018, Manorama Industry came in second with a value of 21.88%. Vegetable Products and Ajanta Soya are two businesses where the Return on Assets turned negative, with Vegetable Products experiencing the lowest value in 2020 at -0.18%. Overall, a comparison of the three ratios among all the enterprises showed growth development.

**Table 4 Ratio Analysis – Liquidity Ratios**

S.No.	Company Name	Current Ratio (%)					Quick Ratio (%)				
		2022	2021	2020	2019	2018	2022	2021	2020	2019	2018
1	Patanjali Foods	2.82	2.13	2.13	<b>0.2</b>	0.18	<b>1.53</b>	0.77	1.03	0.1	0.08
2	Agro Tech Foods	2.09	2.56	3.01	3.01	2.36	0.85	1.1	1.88	1.93	1.2
3	AVT Natural	5.37	3.4	3.32	2.6	2.79	<b>2.64</b>	1.72	1.83	1.28	1.62
4	Manorama Industry	<b>2.95</b>	1.74	1.44	3.97	1.97	1.03	0.68	0.43	2.63	1.1
5	Gokul Agro	1.22	1.12	1.09	1.05	1.03	0.57	0.81	0.67	0.58	0.63
6	BCL Industries	1.49	1.67	1.44	1.42	1.39	0.73	0.74	0.34	0.46	0.35
7	Vegetable Products	16.47	16.32	23.03	<b>28.42</b>	<b>180.14</b>	16.47	16.32	23.03	<b>28.42</b>	<b>180.14</b>
8	Vijay Solvex	1.97	1.79	1.57	1.53	1.4	1.26	1.18	1.3	1.04	0.78
9	Ajanta Soya	1.58	1.58	1.34	1.09	1.22	0.6	1.03	0.65	0.59	0.56
10	Gokul Refoils	1.32	1.4	1.73	1.57	1.46	0.69	0.74	1.16	1.13	0.93

Source: Secondary Data

Table 4 compared the liquidity ratios of the selected oil companies that are listed on the stock exchange. The current ratio evaluates a company's capacity to cover its total current assets with its current liabilities due within a year. The better the ratio, the more liquid the company is. Table 4 shows that the current ratio of oil companies has improved over the past five years, whereas the current ratio of companies that produce vegetables is quite high in 2018 (180.14%), and then drops to 28.42% in 2019. With a score of 2.95%, Manorama Industry earned the position of second highest Current ratio in 2022. In the year 2019, Patanjali Foods received the lowest rating of 0.2%.

The quick ratio excludes inventory from current assets since it evaluates a company's capacity to pay short-term obligations with its most liquid assets. With the same result of 180.14% in 2018 and 28.42% in 2019, Vegetable Products Company has maintained its top spot in the Quick Ratio assessment. AVT Naturals, with a score of 2.64%, is in second place for the year 2022. With a score of 1.53 percent in 2022, Patanjali Foods will come in second. Gokul Agro Company received the lowest score, which was 0.57%. All of the company's liquid assets remained months of active and incrementally, as evidenced by the overall liquidity ratios.

**Table 5 Ratio Analysis – Turnover Ratios**

S.No.	Company Name	Asset Turnover Ratio (%)					Inventory Turnover Ratio (%)				
		2022	2021	2020	2019	2018	2022	2021	2020	2019	2018
1	Patanjali Foods	2.36	181.14	166.73	160.38	155.35	7.36	6.9	9.68	10.1	10.07
2	Agro Tech Foods	1.57	163.51	164.71	175.42	186.26	4.1	7.28	10.71	9.8	8.58
3	AVT Natural	1.24	113.98	104.98	87.23	99.51	1.49	2.96	3.24	2.36	3.49
4	Manorama Industry	0.87	83.53	67.84	77.79	483.06	1.25	1.95	1.25	2.78	12.16
5	Gokul Agro	6.87	<b>539.83</b>	382.88	349.42	387.76	<b>19.75</b>	22.81	11.92	9.62	12.23
6	BCL Industries	262.4	225.8	151.29	158.94	171.12	10.16	5.69	2.75	3.34	3.23
7	Vegetable Products	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
8	Vijay Solvex	<b>525.93</b>	503.74	509.76	505.33	357.47	20.77	20.63	<b>43.94</b>	24.69	12.39
9	Ajanta Soya	508.47	581.9	<b>648.26</b>	448.23	296.41	10.23	<b>22.92</b>	18.99	13.13	8.24
10	Gokul Refoils	363.22	349.99	362.28	362.24	310.93	9.03	8.79	13.37	15.6	10.17

Source: Secondary Data

The selected oil companies' performance represented in Table 5 by their turnover ratios. The ratio which is used to measure how much sales or revenues are compared to the value of its assets is called assets turnover ratio which will represent how well a company is using its resources to generate income. The Asset Turnover Ratio of Oil Companies advanced significantly over the previous five years, as shown in Table 5. In the year 2020, Ajanta Soya Company had the highest Asset Turnover Ratio with a score of 647.26%. Gokul Agro Company came in second place with a high score of 539.83% in 2021. Vijay Solvex

Company comes in third place with a score of 525.93%. Ironically, the asset turnover ratio for Vegetable Products Company has been Nil for the whole five-year period. In the year 2022, Manorama Industry had the lowest score, 0.87%.

The ratio for inventory turnover is covered in the second section of the table. The inventory turnover is a measurement of how frequently inventory is sold or used during a given time frame, such a year. Typically, a high turnover ratio denotes robust sales and low holding expenses. With a score of 43.94% in the year 2020, Vijay Solvex Company's inventory turnover ratio was very high when compared to all other businesses. The next-best scorer in 2021 is Ajanta Soya, who retains the top position with a score of 22.92%. Gokul Agro Company earned the third-highest score in 2022 with a percentage of 19.75%. Except for Vegetable Products Company, every company's turnover ratio has improved during the past five years.

**Table 6 Ratio Analysis – Valuation Ratios**

S.No.	Company Name	Price Earnings Ratio (%)					Price to Book Ratio (%)				
		2022	2021	2020	2019	2018	2022	2021	2020	2019	2018
1	Patanjali Foods	<b>35.14</b>	27.89	0.2	2.81	-0.09	<b>5.79</b>	4.67	1.5	-0.05	-0.11
2	Agro Tech Foods	<b>77.17</b>	63.06	26.64	40.8	46.91	4.45	4.69	2.28	3.85	4.54
3	AVT Natural	<b>27.29</b>	15.15	10.61	19.45	23.05	5.39	2.21	1.31	1.6	2.3
4	Manorama Industry	NA	NA	NA	NA	NA	5.17	<b>6.18</b>	2.67	2.11	0
5	Gokul Agro	8.17	5.96	5.79	13.92	15.77	2.24	0.89	0.42	0.67	1.12
6	BCL Industries	12.68	5.71	0	0	0	2.94	0.91	0.29	0.95	1.67
7	Vegetable Products	<b>-3907.5</b>	-253	-270	0	452	<b>134.6</b>	4.22	4.4	6.64	7.24
8	Vijay Solvex	10	4.32	5.05	5.5	14.97	1.76	1.2	0.67	0.52	1.22
9	Ajanta Soya	1.48	0.91	0.75	-15.92	16.29	2.53	1.44	0.68	0.72	1.7
10	Gokul Refoils	11.87	8.72	5.6	9.44	17.97	1.04	0.65	0.37	0.4	0.6

Source: Secondary Data

The valuation ratios of the top 10 listed edible oil companies on the stock exchange are shown in Table 6. Price Earnings Ratio and Price to Book Ratio are illustrations of valuation ratios. The Price Earnings Ratio indicates whether a company is overpriced or economical at the current market price. Agro Tech Food Company had the greatest price-to-earnings ratio of all the firms, scoring 77.17%, according to the assessment, in 2022. In the year 2022, Patanjali Foods had the second-highest Price to Earnings Ratio, measuring 35.14%. With a score of 27.29%, AVT Naturals Company has the third-best Price Earnings Ratio ranking for the year 2022. Vegetable Products Company had a result of -3907.5%, which was adverse. Vegetable Products Company recorded a negative value of -3907.5% in 2022. Ironically, the price-to-earnings ratio for Manorama Industry was nil.

The relationship between the total value of an organization's outstanding shares and the book value of its stock is called Price to Book Ratio. In terms of Price to Book Ratio, Vegetable Products Company maintains its top ranking in 2022 with the highest score of 134.6%. Manorama Company received the second-highest score in 2021 with a score of 6.18%, and Patanjali Foods received the next-highest score in 2022 with a score of 5.79%. Every company, except for the performance of the Vegetable Products Company, had a good Price Earnings Ratio and Price to Book Ratio overall.

**Table 7 Ratio Analysis – Growth Ratios**

S. No.	Company Name	CAGR Sales Ratio (%)					CAGR Net Profit Ratio (%)				
		2022	2021	2020	2019	2018	2022	2021	2020	2019	2018
1	Patanjali Foods	37.9	16.64	-15.85	-32.2	-34.91	224.19	-65.05	147.03	-73.12	856.4
2	Agro Tech Foods	5.49	4.91	1.88	2.62	3.32	-13.12	-0.46	10.6	21.53	-7.54
3	AVT Natural	28.43	21.62	12.84	11.16	12.03	86.97	36.77	17.92	-1.84	-4.22
4	Manorama Industry	<b>64.71</b>	-2.49	13.75	-11.39	28.62	12.56	35.86	311.17	320.1	225.02
5	Gokul Agro	51.19	28.73	13.94	11.83	<b>7,013.86</b>	236.11	70.02	-2.07	7.53	<b>293.19</b>
6	BCL Industries	49.4	29.79	17.65	<b>2,884.14</b>	2,810.81	43.3	53.75	62.74	542.5	322.26
7	Vegetable Products	-100	-100	-100	-100	-100	<b>347.21</b>	15.47	-63.94	-42.26	-46.55
8	Vijay Solvex	48.83	53.46	45.14	36.02	6.98	106.23	150.26	51.42	53.4	48.7
9	Ajanta Soya	39.16	64.06	4.2	9.52	-20.87	<b>927.13</b>	417.15	17.24	-71.97	-39.29
10	Gokul Refoils	17.87	11.36	7.91	-19.66	-41.83	47.68	1.91	185.89	4.34	46.57

Source: Secondary Data

Table 7 focuses on growth ratios, including the CAGR Sales ratio and the CAGR Net profit ratio with three years' worth of aggregate data. The rate of return necessary for an investment to increase from its starting balance to its ending balance, providing profits were reinvested at the conclusion of each period of the investment's lifetime, is known as the compounded annual growth rate (CAGR). With a score of 7013.86%, Gokul Agro Company's CAGR Sales Ratio was the highest of all the businesses in 2018. With a score of 2884.14%, BCL Industries had the next-highest value in 2019. With a score of 64.71%, Manorama Industry had the next-highest percentage in 2022. The Ajanta Soya Company recorded the greatest CAGR Net Profit Ratio in 2022 with a value of 927.13%. Vegetable Products Company had the second-highest value in 2022 with a score of 347.21%. In 2018 with a score of 293.19%, Gokul Agro Company came in second. With a few exceptions, notably Vegetable

Products, Agro Tech Foods, and Patanjali Foods Company, most of the companies' CAGR sales ratio and CAGR net profit ratio were quite good.

## 6. Findings and Suggestions

1. According to the report, some enterprises do not pay attention to margin ratios. Companies should focus on margin ratios if they want to enhance profits.
2. Vegetable Products Company performance on Return ratios turned negative among the top 10 firms. If a company's values are negative, it is crucial to concentrate on return ratios that can be used to determine whether the highest return feasible is being made on an investment.
3. The capacity to quickly transform assets into cash is known as liquidity. The best application of liquidity ratios is in comparison form. Both internal and external analyses may be used. All the company's liquidity positions were solid and positive according to the data analysis. It means that a corporation with a higher liquidity ratio is more liquid and has better coverage of its debt obligations.
4. A high asset turnover ratio is seen favourably since it suggests that receivables are paid promptly, fixed assets are used to their full extent, and minimal extra inventory is held on hand. Other companies' turnover ratios were good, according to the estimate, with the exception of Vegetable Products Company. This suggests a low requirement for invested capital and, thus, a good return on investment.
5. Valuation ratios place this knowledge in the context of a company's share price, where they act as helpful instruments for assessing investment possibilities. Vegetable Products Company Valuation Ratio was zero according to the investigation. For improved investment potential, Manorama Industry, AVT Naturals, and Agro Tech Food Companies should concentrate on valuation ratio.
6. Except for Vegetables Products Company, the growth ratios show a steady growth rate. These businesses provide possible investment opportunities that merit more thought from the investor.
7. When combined with other measures, investor ratio analysis can provide significant insight into a firm by providing a more comprehensive view of its financial health. To gain higher financial returns, it is advised that an investor review the ratios of the company before investing in any kind of assets.

## 7. Conclusion

Indian Edible oil Industry has witnessed financial stress due to droughts, rising production costs and cheaper imports thus forcing several small firms to shut shop. India imports nearly 67% of its edible oil requirements; the rest is being met from domestic production. Area expansion under palm oil fell by over 50% over the last couple of years due to low prices of crude palm oil and poor rainfall. Although the duty difference between crude and refined palm oil is 7.5%, edible oil merchants are finding it more convenient to import refined palm oil straight from Malaysia and Indonesia and sell it on the local market. The upshot is that the edible oil processing facilities are compelled to operate on the verge of profitability, or it can also be used as worst-case scenario when the units are smaller than operations are no longer financially sustainable. The success of the companies in the Edible would be influenced by the demand for CPO in India following the recent increase in import taxes on refined edible oils, movement in domestic edible oil prices, performance of the Indian Rupee against the US Dollar, anticipated sales volumes, and profitability margins from the specialty fats business with complete product range comprising bread shortening's, chocolate & confectionery fats, ice cream fats, and a variety of other factors.

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