



Press Release

RAMDEVBABA SOLVENT LIMITED (ERSTWHILE RAMDEVBABA SOLVENT PRIVATE LIMITED)

September 01, 2025

Rating Assigned and Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	9.34	ACUITE BBB Stable Assigned	-
Bank Loan Ratings	77.62	ACUITE BBB Stable Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	86.96	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE BBB**' (read as **ACUITE triple B**) on the Rs. 77.62 Cr. bank facilities of Ramdevbaba Solvent Limited (Erstwhile Ramdevbaba Solvent Private Limited) (RSL). The outlook is revised from '**Positive**' to '**Stable**.'

Further, Acuite has assigned the long-term rating of '**ACUITE BBB**' (read as **ACUITE triple B**) on the Rs. 9.34 Cr. bank facilities of Ramdevbaba Solvent Limited (Erstwhile Ramdevbaba Solvent Private Limited) (RSL). The outlook is '**Stable**'.

Rationale for rating and outlook revision

The outlook revision takes into account the significant onboarding of debt arising from ongoing ethanol manufacturing capital expenditure in the company's subsidiary i.e RBS Renewables Private Limited, which has led to a moderation in its financial risk profile. Furthermore, post completion of the capex by September 2025, the subsidiary's ability to successfully bid for tenders and secure orders will be a key monitorable. The rating reaffirmation reflects the significant improvement in RSL's operational performance in FY2025 albeit moderation in profitability margins. The reaffirmation of the rating also factors in strong resource mobilisation ability of the group driven by equity infusion through the initial public offer and preferential issue, as well as the group's established track record, experienced management team, and moderate working capital cycle. However, the rating is constrained by the group's exposure to raw material price volatility and elevated leverage levels arising from the debt-funded expansion.

About the Company

Incorporated in 2008, Ramdevbaba Solvent Limited (RSL) is a company based out of Maharashtra and is currently engaged in manufacturing and refining of rice bran oil and rice bran de-oiled cake. The company is also engaged in trading of other oils under its brand name. The company is currently ongoing capex for corn oil processing of 300 TPD, expected to commence operations from October 2025. It has three manufacturing plants located in Maharashtra. Mr. Nilesh Suresh Mohata is the Managing Director of the company.

About the Group

RBS Renewables Private Limited

Chandrapur based RBS Renewables Private Limited was incorporated in 2021. The company is a subsidiary of RSL (stake increased from 30% to 50.82% w.e.f March 2025). The company is currently setting up a manufacturing unit to produce grain-based ethanol with an installed capacity of 200 KLPD. The operations are expected to commence from September 2025 onwards. The company is also setting up a 6MW power plant for captive use.

Mr. Nilesh Mohata and Mr. Niraj Mohata are the directors of the company.

Too Gud FMCG Products Private Limited

The Nagpur based company was incorporated in 2023 and is a subsidiary of RSL. The operations of the company

are yet to commence. Mr. Aayush Bhaiya, Mr. Pranav Mohata and Ms. Kavita Mohata are the directors of the company.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

• Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuite has considered the consolidated financial and business risk profile of RSL including its subsidiaries as against standalone approach previously. The change in approach factors the common promoter group, significant financial and operational linkages between the entities.

Key Rating Drivers

Strengths

Established track record of operations with experienced management

Headquartered in Maharashtra, RSL was incorporated in 2008 and has been operational for more than two decades. The group is promoted by Mr. Pashant Kisanlal Bhaiya, who brings more than 30 years of expertise in the edible oil industry through his work experience with MKB Foods Private Limited. The broad experience of the promoters has enabled them to expand its capacity and diversify its operations into corn-based oil processing and ethanol manufacturing.

Growing scale of operations through capacity expansion and business diversification

The revenue of the group improved significantly in FY2025 to Rs. 934.98 Cr. in FY2025 from Rs. 692.83 Cr. in FY2024 on account of increase in the sales volumes as well as realization price. The increase in sales volumes is on account of capacity expansion undertaken by the company at its plants in the previous years. However, the EBITDA margin moderated to 3.43 percent in FY2025 from 4.55 percent in FY2024 due to increase in the share of trading revenue where margins are lower as compared to manufacturing. Post commencement of operations of the ethanol plant & corn oil processing, the revenue and profitability of the group is expected to further improve over the medium term.

Moderate working capital operations

The moderately efficient working capital operations of the group are evident from gross current assets (GCA) of 67 days in FY2025 as against 74 days in FY2024. The GCA days are driven by inventory and debtor days which stood at 31 and 13 days respectively in FY2025. Further, the creditor days stood at 14 days in FY2025. However, the bank limit utilisation stood high 97.83% primarily due to the ongoing requirements at group capex.

Weaknesses

Average financial risk profile

The financial risk profile of the group is marked average driven by moderate networth, high gearing and moderate debt protection indicators. At a consolidated level, while the gearing improved in FY2025 due to fund infusion by initial public offer (Rs 44.61 Cr. in April 2024) & preferential issue (Rs. 18.14 Cr. in February 2025), it continues to remain high at 1.64 times (2.13 times in FY2024) due to capex leverage. Further, the debt service coverage ratio remain moderate at 1.06 times, however, interest coverage ratio stood healthy at 4.09 times as on March 31, 2025.

The financial risk profile of the group is expected to improve post completion of capex but remain elevated due to high debt levels.

Implementation and stabilisation risks

The group is currently undertaking two capex projects; a corn oil processing unit and ethanol manufacturing unit with 6 MW power plant. The capex for the corn oil processing unit of ~30.43 Cr. was fully funded through equity infusion. On the other hand the capex for the ethanol manufacturing unit estimated at a cost of Rs. 256.06 Cr. is funded through long term debt of Rs. 145.12 Cr, unsecured loans of Rs. 11.50 Cr. and balance through promoter contribution. The corn oil unit is expected to commence operations from October 2025 onwards and ethanol unit is expected to commence operations from September 2025 onwards. Therefore, timely completion of capex without cost overruns and materialisation of the same will be a key rating sensitivity.

Inherent challenges of solvent extraction industry

The solvent extraction industry faces various challenges such as availability of adequate and quality raw material, volatility in realization prices and fluctuating demand. Rice bran is the major raw material for rice bran oil and deoiled rice bran cakes. The availability of rice bran is affected by several factors such as rice production, climatic conditions, government policies, etc. The quality of rice bran also plays a major role in the extraction process, as low quality of rice bran may affect the output quantity. Further, the demand and price for rice bran oil is sensitive to alternate edible oil prices and the prices of oil seeds. The prices of edible oil is also influenced by other factors such as government policies, climatic conditions, oil seed availability, global demand, etc.

Rating Sensitivities

- Improvement in profitability margins while sustaining revenue growth
- Deterioration in financial risk profile leading to stretch in liquidity position
- Timely completion of capex without cost over run

Liquidity Position Adequate

The adequate liquidity position is supported by the generation of sufficient net cash accruals (NCAs) of Rs. 19.83 Cr against repayment obligations of Rs. 18.34 Cr in FY2025. Going forward, the NCAs are expected to remain in the range of Rs. 26 – 45 Cr against maturing payments of Rs. 14 - 22 Cr for FY2026 and FY2027. The current ratio stood moderate at 1.53 times in FY2025. Further, the group had a cash and bank balance of Rs. 3.38 Cr on March 31, 2025. However, the average bank limit utilisation stood high at 97.83 percent for the last six months ended March 2025.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	934.98	692.83
PAT	Rs. Cr.	15.00	13.03
PAT Margin	(%)	1.60	1.88
Total Debt/Tangible Net Worth	Times	1.64	2.13
PBDIT/Interest	Times	4.09	3.27

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any Other Information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook	
05 Jun 2024	Cash Credit	Long Term	25.00	ACUITE BBB	Positive (Assigned)
	Cash Credit	Long Term	25.00	ACUITE BBB	Positive (Assigned)
	Covid Emergency Line.	Long Term	2.68	ACUITE BBB	Positive (Assigned)
	Covid Emergency Line.	Long Term	0.94	ACUITE BBB	Positive (Assigned)
	Term Loan	Long Term	9.16	ACUITE BBB	Positive (Reaffirmed)
	Term Loan	Long Term	2.85	ACUITE BBB	Positive (Reaffirmed)
	Term Loan	Long Term	8.19	ACUITE BBB	Positive (Reaffirmed)
	Covid Emergency Line.	Long Term	3.80	ACUITE BBB	Positive (Reaffirmed)
08 Mar 2023	Term Loan	Long Term	10.50	ACUITE BBB	Stable (Reaffirmed)
	Term Loan	Long Term	3.50	ACUITE BBB	Stable (Reaffirmed)
	Term Loan	Long Term	10.00	ACUITE BBB	Stable (Reaffirmed)
01 Mar 2022	Cash Credit	Long Term	15.00	ACUITE BBB	Stable (Assigned)
	Term Loan	Long Term	9.00	ACUITE BBB	Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE BBB Stable Reaffirmed Positive to Stable
Saraswat Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE BBB Stable Reaffirmed Positive to Stable
Saraswat Bank	Not avl. / Not appl.	Covid Emergency Line.	Not avl. / Not appl.	Not avl. / Not appl.	15 Feb 2028	2.60	Simple	ACUITE BBB Stable Reaffirmed Positive to Stable
HDFC Bank Ltd	Not avl. / Not appl.	Covid Emergency Line.	Not avl. / Not appl.	Not avl. / Not appl.	01 Apr 2027	3.29	Simple	ACUITE BBB Stable Reaffirmed Positive to Stable
Saraswat Bank	Not avl. / Not appl.	Term Loan	25 Mar 2025	Not avl. / Not appl.	25 Mar 2030	0.65	Simple	ACUITE BBB Stable Reaffirmed Positive to Stable
Saraswat Bank	Not avl. / Not appl.	Term Loan	03 Mar 2022	Not avl. / Not appl.	03 Mar 2029	7.31	Simple	ACUITE BBB Stable Reaffirmed Positive to Stable
Saraswat Bank	Not avl. / Not appl.	Term Loan	16 Mar 2022	Not avl. / Not appl.	16 Nov 2028	2.24	Simple	ACUITE BBB Stable Reaffirmed Positive to Stable
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	27 May 2022	Not avl. / Not appl.	27 Feb 2029	6.53	Simple	ACUITE BBB Stable Reaffirmed Positive to Stable
Saraswat Bank	Not avl. / Not appl.	Term Loan	25 Mar 2025	Not avl. / Not appl.	25 Mar 2030	9.34	Simple	ACUITE BBB Stable Assigned

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr No.	Company Name
1	Ramdevbaba Solvent Limited
2	RBS Renewabales Private Limited
3	Too Gud FMCG Products Private Limited

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About Acuité Ratings & Research

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