

RAMDEVBABA SOLVENT LIMITED

September 11, 2026

Rating Action

Total Bank Loan Facilities Rated	Rs. 83.40 Crore	Regulator[^]
Long Term Rating	IVR BBB/Stable (Rating Assigned)	RBI
^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.		

Refer Annexures for details of facilities/instruments, facility wise lender details, and detailed explanation of covenants.

Note: None of the Directors on Infomerics Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

Rationale

Infomerics Ratings has assigned long-term ratings to the bank facilities of Ramdevbaba Solvent Limited (RSL). The ratings derive strength from healthy scale of operations with stable operating profitability, experienced promoters with established track record in the agro-processing industry. However, the rating strengths are constrained by moderate financial risk profile, moderate working capital intensity, exposure to intense competition and raw material price volatility and likely requirement of support to group entity, RBS Renewables Private Limited (RRPL).

Outlook: Stable:

The Stable outlook reflects the company's established operational track record, adequate scale of operations and stable demand prospects

Analytical Approach

Approach	Comments
Consolidation/ Standalone	Consolidated For arriving at the rating, IVR has considered the consolidated financials of RSL. RSL has given corporate guarantee for the debt of RRPL. Also, there are operational linkages with RRPL
Parent/ Group Support	Not Applicable.

List of companies considered for consolidation/combined analysis is given at Annexure 4.

Key Rating Drivers with Detailed Description

Strengths

Healthy scale of operations with stable operating profitability

The company has an established scale of operations, with total operating income (TOI) of Rs. 823.26 crore in FY2026. While TOI moderated during FY26 from Rs.928.69 crore in FY2025 due to the company's strategic decision to reduce low-margin trading activities and focus on its core manufacturing business, it recorded a revenue CAGR of around 5.7% during FY2023-FY2026, reflecting steady growth in its core operations. Operating profitability remained stable, with EBITDA of Rs. 25.70 crore in FY2026 (FY2025: Rs. 25.80 crore), while EBITDA margin improved to 3.12% from 2.78%, supported by a favourable business mix and higher contribution from manufacturing operations. However, PAT moderated to Rs. 11.43 crore in FY2026 from Rs. 15.00 crore in FY2025, primarily due to lower non-operating income and higher finance costs. Further the 200KLPD ethanol plant under its subsidiary has commenced commercial operations since April 2, 2026, and will start contributing to the revenues in FY2027. Till July 2026, revenue of around Rs.64 crore has been achieved.

Experienced promoters with established track record in the agro-processing industry

RSL is promoted by the Bhaiya and Mohata families, who have been associated with the agro-based business since 1950 and possess extensive experience in rice milling, edible oil processing and allied agro businesses. The company is led by Mr. Prashant Kisanlal Bhaiya, Mr. Nilesh Suresh Mohata and Mr. Tushar Mohata, who collectively have over three decades of industry experience. Their extensive industry experience and established relationships with suppliers and customers have supported the company's capacity expansion, operational growth and strengthening of its market presence.

Weaknesses

Moderate financial risk profile

The company's financial risk profile remained moderate, although the capital structure moderated during FY2026. Tangible net worth improved to Rs. 173.57 crore as on March 31, 2026, from Rs. 162.18 crore as on March 31, 2025, supported by accretion to reserves. However, overall adjusted gearing increased to 2.10x as on March 31, 2026, from 1.67x as on March 31, 2025, while TOL/ATNW increased to 2.47x from 1.98x, primarily due to term debt disbursal in RRPL and increase in unsecured loan following the fire incident at its ethanol plant and the subsequent repair and stabilisation period and an increase in sundry creditors. The capital structure is leveraged primarily due to the debt at the subsidiary level. Debt protection metrics also moderated, with total debt/EBITDA deteriorating to 13.95x in FY2026 from 10.34x in

FY2025, while interest coverage ratio declined to 2.70x from 3.20x and DSCR declined to 1.06x from 1.11x during the same period. Nevertheless, the debt protection metrics remained adequate. Going forward, the financial risk profile is expected to remain moderate; there could be likely requirement of support to group entity, RRPL in case projected revenues as envisaged are not achieved.

Moderate working capital intensity

The company's working capital operations remained moderate, with the operating cycle increasing to 58 days in FY2026 from 32 days in FY2025, primarily due to higher inventory holding of 49 days (FY2025: 28 days) and an elongation in the average collection period to 21 days (FY2025: 14 days). The average utilisation of fund-based working capital limits remained high at 92.66% during the 12 months ended May 2026, indicating limited headroom in the available working capital facilities. Going forward, the working capital cycle is expected to remain at similar levels over the medium term, with the company's established operating profile supporting stability in working capital requirements.

Exposure to intense competition and raw material price volatility

The company operates in a highly competitive and fragmented edible oil and agro-processing industry, with competition from large integrated players as well as regional and unorganized participants. As a B2B player, the company faces competition in sourcing of raw materials and sales of finished products, limiting its pricing flexibility. Consequently, profitability remains inherently moderate and is susceptible to fluctuations in raw material prices, finished goods realizations, and availability of substitute products such as other edible oils and alternative feed ingredients. Further, the key raw material, rice bran, is subject to price volatility arising from seasonal availability and demand-supply dynamics. While the company maintains established supplier linkages, its ability to pass on increases in input costs remains constrained by the competitive environment and relatively low value additive nature of operations. Consequently, significant fluctuations in raw material prices or finished product realisations could exert pressure on operating margins and profitability

Liquidity –Adequate

The company's liquidity position remains adequate, supported by expected sufficient cash flow from operations to meet scheduled debt repayments of Rs. 21.47 crore in FY27, Rs. 23.27 crore in FY28 and Rs. 19.99 crore in FY29. However, the working capital-intensive nature of operations, as reflected in high average utilisation of fund-based working capital limits of 92.66% during the 12-month period ended May 2026, leaves limited headroom in the available working capital facilities. The company has cash and cash equivalents of Rs.1.22 crore as on March 31, 2026.

Rating Sensitivities

Upward Factors

- Sustained growth in scale of operations along with improvement in profitability, resulting in stronger cash accruals and liquidity.
- Sustained improvement in capital structure, with TOL/TNW reducing to below 1.50x.

Downward Factors

- Any further significant rise in working capital intensity or unplanned capex leading to a deterioration in the liquidity position.
- Decline in operating income and/or moderation in profitability, resulting in weakening of debt coverage indicators and cash accruals.
- Significant increase in working capital intensity or any unplanned capex, resulting in deterioration in capital structure and debt coverage metrics.

About the Group

The Ramdevbaba Group has an established presence in agro-based businesses, with operations across rice milling, rice bran extraction, edible oil processing and related activities. The group has also diversified into ethanol through RBS Renewables Private Limited and FMCG activities through Too Gud FMCG Products.

About the Company

Ramdevbaba Solvent Limited was incorporated in November 2008 and is engaged in the processing and refining of rice bran oil and the manufacturing of DORB and allied by-products. The company is promoted by the Bhaiya and Mohata families, who have been associated with the agro-based business since 1950. The company operates manufacturing facilities at Bramhapuri in Chandrapur district and Mahadula in Nagpur district of Maharashtra.

Key Financial Indicators (Consolidated):

For the year ended/ As on*	31-03-2025	31-03-2026
	Audited	Audited
Total Operating Income	928.69	823.26
EBITDA	25.80	25.70
PAT	15.00	11.43
Total Debt	266.74	358.63
Tangible Net Worth (TNW)	162.18	173.57
EBITDA Margin (%)	2.78	3.12
PAT Margin (%)	1.60	1.38
Overall Gearing (times)	1.64	2.07
Interest Coverage (times)	3.20	2.70

*Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company

** Not Meaningful

Key Financial Indicators (Standalone):

For the year ended/ As on*	31-03-2025	31-03-2026
	Audited	Audited
Total Operating Income	928.43	821.29
EBITDA	25.83	25.58
PAT	15.03	14.48
Total Debt	94.21	106.08
Tangible Net Worth (TNW)	151.52	165.99
EBITDA Margin (%)	2.78	3.11
PAT Margin (%)	1.61	1.75
Overall Gearing (times)	0.62	0.64
Interest Coverage (times)	3.22	2.73

*Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company

** Not Meaningful

Applicable Criteria

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria for assigning Rating outlook](#)

[Consolidation of Companies](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years

Sr. No.	Facilities/ Instruments	Current Ratings (Year 2026-27)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24
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1.	Fund-based facilities	LT	83.40	IVR BBB/ Stable	--	--	--

Annexure 1: Instrument/Facility Details

Name of Facility	IS IN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook	Listing Status	Regulator^	Complexity Indicator
Term loan	--	--	--	February 2029	4.44	IVR BBB/Stable	NA	RBI	Simple
Cash Credit	--	--	--	--	35.00	IVR BBB/Stable	NA	RBI	Simple
Term loan	--	--	--	March 2029	1.47	IVR BBB/Stable	NA	RBI	Simple
Term loan	--	--	--	March 2029	4.99	IVR BBB/Stable	NA	RBI	Simple
Term loan	--	--	--	March 2030	7.50	IVR BBB/Stable	NA	RBI	Simple
Cash Credit	--	--	--	--	30.00	IVR BBB/Stable	NA	RBI	Simple

^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure 2: Facility wise lender details:

https://infomericstorage.blob.core.windows.net/uploads/Len_Ramdevbaba_Solvent11_Sep26_7682538625.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for Consolidated analysis:

Name of the entity	Extent of Consolidation	Rationale for consolidation
RBS Renewables Private Limited	Full Consolidation	Subsidiary
Too Gud FMCG Products Private Limited	Full Consolidation	Subsidiary

Annexure 5: List of activities / instruments and names of regulators

Sr. No.	Instrument / activity Name	Regulator of the instruments
1	Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* \$	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)*	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11a	Fixed Deposits raised by NBFCs, HFCs, FIs	RBI



Sr. No.	Instrument / activity Name	Regulator of the instruments
11b	Fixed Deposits raised by Banks	+
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts \$	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (for Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/Fis)	+
22	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
23	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

Footnotes:

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Infomerics Valuation and Rating Limited shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.

\$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

+ To be finalized following a discussion with the regulatory authorities.

Note: For activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

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