Vijay Solvex Limited

October 23, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term / Short Term Bank Facilities	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed at CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* and Withdrawn
Long Term Bank Facilities	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed at CARE BB; Stable; ISSUER NOT COOPERATING* and Withdrawn
Long Term Bank Facilities^	-	-	Withdrawn
Short Term Bank Facilities	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed at CARE A4; ISSUER NOT COOPERATING* and Withdrawn

Details of instruments/facilities in Annexure-1
*Issuer did not cooperate; based on best available information.
^refers to term loan facility

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has reaffirmed and withdrawn the outstanding ratings of CARE BB; Stable; ISSUER NOT COOPERATING/ CARE A4; ISSUER NOT COOPERATING (Double B; Outlook: Stable; ISSUER NOT COOPERATING/ A four; ISSUER NOT COOPERATING) assigned to the bank facilities of Vijay Solvex Limited (VSL) with immediate effect. The above action has been taken at the request of VSL along with No Objection Certificates from the banks those have extended the facilities rated by CareEdge Ratings. Further, the Careedge Ratings has withdrawn the rating assigned to the term loan facility with immediate effect as VSL has repaid the facility availed as well as declared that it has not availed the proposed fund-based facility rated by CareEdge Ratings.

The ratings assigned to the bank facilities of VSL continue to remain constrained on account of moderate scale of operations with low profitability in FY25(A) (Audited refers to the period from April 01 to March 31) and Q1FY26(UA) (Unaudited refers to the period from April 01 to June 30). The ratings further remained constrained on account of high fragmentation and competition among domestic participants due to low entry barriers within edible oils and threat from cheap imports, vulnerability of profitability to volatility in prices of raw materials, foreign exchange fluctuations and pending litigations against the company.
The ratings, however, derive strength from wide experience of promoters in edible oil industry and operational synergies with group entities, comfortable capital structure albeit moderate debt coverage indicators, strategic location of manufacturing units with proximity to raw material sources.

Analytical approach: Standalone with factored in operational linkages with group companies [i.e. Deepak Vegpro Private Limited (DVPL) and VDSD Foods Private Limited (VDSD)]. VSL has other group entities which are engaged in same line of business and have strong operational linkages.

Outlook: Stable

Detailed description of the key rating drivers:

At the time of last rating dated May 14, 2025, the following were the rating strengths and weaknesses (updated from the information available from stock exchange fillings)

Key Weaknesses

Moderate scale of operations with thin profitability in FY25 and Q1FY26

As per FY25 the scale of operation as marked by total operating income has been remained in stable on Y-o-Y basis at Rs.1830.73 Crores during FY25 as against Rs.1829.23 Crores during FY24 stable revenue generation from Edible oils and Ceramic segments. In Q1FY26, VSL has reported total income from operations worth Rs. 460.55 crore.
Profitability of VSL improved on back of lower cost of material albeit remained low owing to its low value-added nature of business as marked by PBILDT margin of 1.46% during FY25 compared to 0.24% in FY24. Resultantly, PAT margins have improved and remained low of 1.00% during FY25 as against 0.13% during FY24. VSL has reported cash profit (GCA) of Rs.

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

19.35 crore during FY25 as against Rs. 5.35 crore during FY24. In Q1FY26 profitability continued to remained low with PBILDT margin of 0.60% and PAT margin of 0.22%.

High fragmentation and competition among domestic participants due to low entry barriers within edible oils and threat from cheap imports:
The Indian edible oil industry is highly fragmented with large number of players operating in organized and unorganized market attributable to low entry barriers such as low capital and low technical requirements of the business and a liberal policy regime. There is also presence of large integrated players such as Adani Wilmar Ltd, Ruchi Soya Industries Ltd (Now Patanjali Foods Ltd), Emami Agrotech Ltd, Marico Ltd. etc. having a sizeable oil processing and packaging scale with wide distribution network with logistics and supply chain capability. Also, imported oil from overseas market posed further competition for domestic edible oil players. However, the government time to time revises the import duties and import tariffs on crude and refined edible oils in order to protect interest of domestic extractors and refineries. On other hand, VSL is major importer of crude soybean oil and any adverse change in import duty by the government would increase cost of raw material for the company and can impact profitability margins.

Vulnerability of profitability to volatility in prices of raw materials and foreign exchange fluctuations:
VSL uses mustard seeds and oil cakes as the key raw material for the extraction process whereas crude oil extracted from mustard oil cakes and imported crude soya oil are used as key raw material for refined mustard oil and blended soya oil respectively. Furthermore, mustard seeds being an agricultural commodity, prices to a certain extent are affected by various factors like monsoon during the year, area under cultivation, global pricing scenario (linked to global demand supply) and government policies leading to volatility in the same. Furthermore, profitability is vulnerable to the movement in the prices of mustard-based products like mustard seeds, mustard oil cake and mustard DOC, mustard refined oil and other substitute oils, since edible oil is a price-sensitive product. Further, VSL imports crude soya oil mainly from Argentina and Brazil (directly as well as though group entities). The company does not have any active hedging policy for foreign currency payables; however, it uses foreign exchange forward contracts to mitigate exposure in foreign currency risk to certain extent as per market scenario. Hence, profitability of the company is exposed to any adverse movement in foreign exchange rates on unhedged portion.

Pending litigations against the company
As articulated by the management, VSL is the registered owner of 'Scooter' trademark/device/logo and copyright holder for the artwork of SCOOTER Wavy device which is registered with Registrar of Trade Mark and Copyright and is defending its right before the Hon'ble Courts and Tribunals, wherever the challenges against use of 'Scooter' and /or any other intellectual property rights of the Company have been made. Further, during FY10, some shareholders had moved petition before National Company Law Tribunal (NCLT; erstwhile Company Law Board) under Section 397-398 of the Companies Act, 1956 for mismanagement of affairs of the company. The said case is still subjudice before the Hon'ble National Company Law Tribunal, Jaipur/Kolkata which is yet to be heard finally by the NCLT. Furthermore, the company has outstanding receivable of Rs.0.80 crore held with enforcement directorate, against matter pending before Appellate Authority (PMLA) New Delhi under Prevention of Money Laundering Act, 2002 (PMLA).

Key Strengths

Wide experience of promoters in edible oil industry and operational synergies with group entities:
Being part of Nirajan Lal Data group (NLDG), top management of VSL has vast experience in edible oil industry. Mr Vijay Data, Managing Director, has more than three decades of experience in edible oil industry and looks after day to day operations of edible oil division. Mr. Daya Kishan Data, whole time director and Mechanical Engineer by qualification, has more than two decades of experience and looks after ceramic division of the company. VSL has operational synergies with its group entities, viz., Deepak Vegpro Private Limited and VDSD Foods Private Limited. VSL purchases mustard oil cake and crude soyabean from group companies whereas partly sells refined oil through group companies.

Comfortable capital structure albeit moderate debt coverage indicators
Despite increase in total debt mainly in form of working capital borrowing, the capital structure was comfortable as marked by an overall gearing ratio of 0.11x as on March 31, 2025 as against 0.03x as on March 31, 2024 owing to a healthy networth base. The company's debt coverage indicators improved as a result of increased operating profitability in absolute terms and remained satisfactory as marked by interest coverage ratio of 7.67x during FY25 against 4.30x during FY24(Audited). Further, Total Debt/GCA also remained satisfactory at 1.71 years as on March 31, 2025 against 1.72 years as on March 31, 2024.

Strategic location of manufacturing units with proximity to raw material sources:
VSL's processing facilities are located at Alwar, Rajasthan, strategically located in one of the largest mustard producing regions of India which makes it easier for the company to access its primary raw material. The promoters of VSL have developed good business relations with the suppliers (nearby mandis and extractors) from whom it procures its requirement of mustard seeds and oil cakes. Due to the proximity to raw material (mustard seed and Mustard Oil Cake) producing region, VSL has access to mustard seeds and oil cakes throughout the year which makes it possible for VSL to provide oil and DOC on demand to its customers. However, the company also imports crude soya oil through Kandla port (Gujarat) which is located at a long distance from VSL's plants.

Assumptions/Covenants: Not Applicable

Environment, social, and governance (ESG) risks: Not Applicable

Applicable criteria

CARE Ratings' Policy on Withdrawal of Ratings
Criteria on Information Adequacy Risk and Issuer Non-Cooperation
CARE Ratings' Policy on Default Recognition
Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings
CARE Ratings' Criteria on Rating of Short Term Instruments
Financial Ratios – Non-Financial Sector
Rating Methodology - Manufacturing Companies
Factoring Linkages in Rating

About the company

Alwar (Rajasthan) based VSL (CIN: L15142RJ1987PLC004232) (ISIN Number: INE362D01010) was incorporated in 1987 by Mr. Niranjan Lal Data and family and it is the flagship company of NLDG and is engaged in processing of crude and refined edible oil, Vanaspati Ghee and mustard oil cake from mustard seeds. The company sells De-oiled cake (DOC); a by-product produced through further processing of mustard oil cake. The company also sells refined blended edible oils. The solvent extraction plant and refinery of the company are located in Alwar (Rajasthan). The group sells edible oil in the domestic market through more than 150 distributors mainly in North East, Bihar, Rajasthan, Haryana and Delhi under the established brand names of 'Scooter', 'Chancellor', 'Oligo', 'Shiv,' 'Sikandar', 'Neeraj' and 'Hanuman'. VSL is also engaged in wind power generation, manufacturing of fine bone china crockery and High Tension (HT) porcelain insulators. Manufacturing facilities for Ceramic division is located in Jaipur whereas Wind mill is installed in Jaisalmer, Rajasthan with power generation capacity of 2.30 Megawatt (MW). Group has also promoted DVPL and VDSD, engaged manufacturing of mustard oil and trading of crude and refined edible oil with operational linkages with VSL.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26 (UA)
Total operating income	1829.23	1830.73	460.55
PBILDT	4.33	26.66	2.76
PAT	2.35	18.37	1.02
Overall gearing (times)	0.03	0.11	-
Interest coverage (times)	4.30	7.67	-

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Covenants of rated instrument / facility: Annexure-3

Complexity level of various 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		-	-	-	0.00	Withdrawn
Fund-based - LT/ ST-Cash Credit		-	-	-	0.00	Withdrawn
Fund-based - ST Term loan		-	-	March 31, 2023	0.00	Withdrawn
Non-fund-based - ST-Letter of credit		-	-	-	0.00	Withdrawn

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	-	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (14-May-25) 2)CARE BB; Stable; ISSUER NOT COOPERATING* (23-Oct-25)	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (23-Feb-24)	1)CARE BBB; Stable (06-Jan-23)
2	Non-fund-based - ST-Letter of credit	ST	-	-	1)CARE A4; ISSUER NOT COOPERATING* (14-May-25) 2)CARE A4; ISSUER NOT COOPERATING* (23-Oct-25)	-	1)CARE A4+; ISSUER NOT COOPERATING* (23-Feb-24)	1)CARE A3+ (06-Jan-23)
3	Fund-based - ST-Term loan	ST	-	-	1)CARE A4; ISSUER NOT COOPERATING* (14-May-25)	-	1)CARE A4+; ISSUER NOT COOPERATING* (23-Feb-24)	1)CARE A3+ (06-Jan-23)
4	Fund-based - LT/ ST-Cash Credit	LT/ST	-	-	1)CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* (14-May-25) 2) CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* (23-Oct-25)	-	1)CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING* (23-Feb-24)	1)CARE BBB; Stable / CARE A3+ (06-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	Fund-based - LT/ ST-Cash Credit	Simple
3	Fund-based - ST-Term loan	Simple
4	Non-fund-based - ST-Letter of credit	Simple

Annexure-5: Lender details

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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About us:
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