

Trivatinath Sugars & Chemicals Private Limited

September 03, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	77.68	CARE BB-; Stable	Reaffirmed
Long Term / Short Term Bank Facilities	2.32	CARE BB-; Stable / CARE A4	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation of ratings assigned to the bank facilities of Trivatinath Sugars and Chemicals Private Limited (TSCPL) factors in project implementation and stabilization risk of the greenfield project and inexperience of promoters in the sugar industry. The ratings are further constrained on account of cyclical and regulated nature of sugar industry. However, these rating weaknesses are partially offset by locational advantage of the plant in terms of availability of raw material, favourable industry prospect and majority of the capex already incurred with term loan sanctioned.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Timely commencement of operations and stabilization of project along with achievement of envisaged revenue and profitability.

Negative factors

- Any higher-than-expected debt funded capex resulting in deterioration in overall financial risk profile of the company.
- Adverse regulatory changes having significant impact on the operations/ financials.

Analytical approach: Standalone

Outlook: Stable

Stable outlook reflects CARE's expectation of timely completion of the project within the envisaged cost.

Detailed description of key rating drivers:

Key weaknesses

Delayed Project Implementation and Stabilization Risk

The commencement of operations at the plant has been delayed by one year, with the revised expected start date set for October 2025 (earlier envisaged COD (Commercial operations date) was October, 2024). The delay is due to capacity enhancement from 2,000 TCD (tonnes of cane per day) to 2,500 TCD and due to prolonged rainfall last year. As a result of increase in capacity, the project cost has been revised from 80.95 crore (cost envisaged earlier) to Rs.106.45 crore (current project cost). The same is to be funded from term loan (Rs.69.00 crore) (sanctioned), equity of Rs.23.00 crore, and remaining Rs.14.45 crore in the form of unsecured loans. Till August 22, 2025, the company had incurred capex of Rs.92.00 crore funded through term loan (Rs.59.00 crore), equity of Rs.23.00 crore, and unsecured loans from promoters to the tune of Rs.10.00 crore. Timely completion of the project without any cost overrun coupled with start of commercial production would remain a key monitorable.

Inexperience of promoters in the Sugar Industry

The promoters though having intensive experience of 15+ years have no experience in the sugar industry as they were earlier associated with manufacturing and trading of plywood. The experience though does provide the necessary entrepreneurial experience but will be critical to provide the visibility and market accessibility enabling early stabilization of the operations.

Cyclical nature of the sugar business

The industry is cyclical in nature on account of variations in the sugarcane production in the country. The farmers reduce the area under cultivation for sugarcane in the country on delays in sugarcane payments to the farmers by the mill owners. The reduction in area results in lower sugarcane availability thus driving the sugar prices to higher levels. The farmers increase the area under sugarcane cultivation on expectation of higher sugar prices.

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

Regulated nature of sugar business

The industry is cyclical by nature and is vulnerable to the government policies for various reasons like its importance in the Wholesale Price Index (WPI) as it is classified as an essential commodity. The government on its part resorts to various regulations like fixing the raw material prices in the form of State Advised Prices (SAP) and Fair & Remunerative Prices (FRP). All these factors impact the cultivation patterns of sugarcane in the country and thus affect the profitability of the sugar companies

Key strengths

Favourable Location of the Plant:

The plant is located in Bahadur ganj, Bareilly, and the area has high productivity in the sugarcane growing, so there would be large amount of availability of raw material at reasonable price. Of the total production of sugar around the area, only 12% to 17% from will be required for the proposed project

Advance stage of execution of project with funding tied up

TSCPL is in the advanced stage of project execution, with funding already tied up. As of August 22, 2025, the entire proposed equity infusion of Rs 23.00 crores has been fully deployed into the project. Additionally, the company has received Rs 10.00 crores as unsecured loans. Out of the sanctioned term loan of Rs 69.00 crores, Rs 59.00 crores has been disbursed and utilized in the project to date. All requisite statutory and regulatory clearances have been obtained. With the groundwork substantially completed, the company is on track to commence operations by October 2025.

Liquidity: Adequate

TSCPL's liquidity profile is well-supported by a equity infusion of Rs 23.00 crores by the promoters, along with unsecured loans amounting to Rs 10.00 crores as of August 22, 2025. Furthermore, debt funding has been fully tied up for both phases of the project, with a sanctioned term loan of Rs 69.00 crores. The company's liquidity position is expected to remain stable, backed by resourceful promoters, timely commissioning of the project, and the successful ramp-up of operations. TSCPL is projected to commence operations by October 2025 and is expected to generate a Gross Cash Accrual (GCA) of Rs 7.59 crores in FY26, comfortably covering its repayment obligations of Rs 2.79 crores for the same period.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Sugar Sector](#)

[Financial Ratios – Non financial Sector](#)

[Project stage companies](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Fast Moving Consumer Goods	Fast Moving Consumer Goods	Agricultural Food & other Products	Sugar

TSCPL was incorporated on April 17,2023, to set up a greenfield plant for production of sugar with a capacity of 2,500 TCD. The total projected cost of setting up the plant is estimated at Rs 106.45 Cr and the commencement of operations are expected by October 2025.The company is promoted by experienced individuals, who have 15+ years of experience in the trading and manufacturing business. The promoters also have extensive entrepreneurship experience and currently hold many companies under their umbrella

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (P)
Total operating income	0.00	0.00
PBILDT	0.00	0.00
PAT	0.00	0.00
Overall gearing (times)	3.25	3.38
Interest coverage (times)	0.00	Nil

A: Audited P: Provisional; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of 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		-	-	-	23.68	CARE BB-; Stable
Fund-based - LT-Term Loan		-	-	01-04-2033	54.00	CARE BB-; Stable
Non-fund-based - LT/ST-Bank Guarantee		-	-	-	1.00	CARE BB-; Stable / CARE A4
Non-fund-based - LT/ST-Derivative Limits		-	-	-	1.32	CARE BB-; Stable / CARE A4

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	Non-fund-based - LT/ ST-Derivative Limits	LT/ST	1.32	CARE BB-; Stable / CARE A4	-	1)CARE BB-; Stable / CARE A4 (31-Jul-24)	-	-
2	Fund-based - LT-Cash Credit	LT	23.68	CARE BB-; Stable	-	1)CARE BB-; Stable (31-Jul-24)	-	-
3	Fund-based - LT-Term Loan	LT	54.00	CARE BB-; Stable	-	1)CARE BB-; Stable (31-Jul-24)	-	-
4	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	1.00	CARE BB-; Stable / CARE A4	-	1)CARE BB-; Stable / CARE A4 (31-Jul-24)	-	-

LT: Long 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-Term Loan	Simple
3	Non-fund-based - LT/ ST-Bank Guarantee	Simple
4	Non-fund-based - LT/ ST-Derivative Limits	Simple

Annexure-5: Lender detailsTo 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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