ADVAITHA SUGARS PRIVATE LIMITED

August 10, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long Term Bank Facilities	RBI	130.00	CARE BB-; Stable	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Rating assigned to the bank facility of Advaitha Sugars Private Limited (ASPL) primarily factors in the nascent stage of project implementation; albeit debt tie up in place, leverage capital structure with project debt to equity at 2.09x. The rating is also tempered given the cyclical nature of sugar business, sugar being highly regulated exposing it to regulatory risk. However, the aforesaid weaknesses are partially offset by experienced promoters with the managing director having experience of over 2.5 decades in sugar and sugar by-products.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Timely commencement of operations within the envisaged cost and time and accrue benefits.

Negative factors

- Any higher-than-expected debt funded capex resulting in deterioration in overall financial risk profile of the company
- Delay in commencement of operations or lower than envisaged revenue and profitability
- Adverse regulatory changes having significant impact on the operations/ financials**.**

Analytical approach: Standalone

Outlook: Stable

Stable outlook reflects the belief of CARE Ratings Limited (CareEdge Ratings) that ASPL will benefit from its experienced promoters to complete the project in timely manner.

Detailed description of key rating drivers

Key weaknesses

Nascent stage of project implementation

ASPL is setting up a 3500 TCD Sugar Plant and 16 MW Co- generation plant, to be located at Bhopalapura Village, Rona Taluk, Gadag District, Karn. The total cost of the project is estimated at ₹192.35 crore to be funded out of ₹130.00 crore term loan and balance from promoter contribution (Equity and USL). As per the latest CA certificate shared dated July 28, 2026, the company has incurred cost of ₹5.87 crore towards pre-operative expenses. With nascent stages of project implementation, it is inherently exposed to execution related risks.

Leveraged capital structure of the proposed project

The project debt to equity works out to 2.09x indicating moderately leveraged position. There has been delay in project commencement as certain approvals took longer than envisaged time, however it hasn't impacted the cost of the project. Any further delay in project implementation thus increasing the overall cost lower than envisaged revenue and profitability could negatively impact the financial risk profile of the entity. Hence ability of the company to complete the project withing cost and time and to achieve envisaged scale and profitability remain key monitorable.

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

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

[2]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

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.

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 project is located in Gdag district in Karnataka, which ample availability of sugar cane. The cane availability report for the 4 district mainly, Gadag, Bagalkot, Belagavi and Vijayapura (prepared by ITCOT Limited). Considering the cane requirement for additional 3500 TCD at 100% capacity utilization for 140 season days, ASPL will require about 4.90 lakh MT of sugarcane. Considering the present sugarcane availability of 176.67 lakh MT in command area, the requirement can be made available.

Experienced promoters with strong networth base; albeit has floated multiple entities majority of which are at planning stage

ASPL is promoted by Mr. Ramesh Panchakattimath, Mr. Siddharth Wasennavar and Dr. Uday Govind Karjol, who have vast experience in sugar and trading of sugar. Mr. Panchakattimath is also involved in trading of Sugar, Ethanol, DDGS and other bi products since last two decades. Mr. Wadennawar who has held various position in Satish Sugars Limited and retired as Managing Director of Satish Sugars Limited and Belagavi Sugars Limited, brings vast experience of managing sugar and ethanol plant.

Liquidity: Stretched

With nascent stages of project implementation, it is inherently exposed to execution and stabilization related risks which could impact the project viability and exert pressure on liquidity profile. Nonetheless, promoters have infused ₹18.78 crore of amount as on July 28, 2026 which is half of the required contribution. With bank funding also tied up, funding risk is mitigated largely. Cash and equivalents amount to ₹25.76 crore as on July 28, 2026.

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 Entities

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

Advaitha Sugars Pvt. Ltd (ASPL) is a Private Limited Company, incorporated on December 01, 2022. ASPL is promoted by Shri. Gopal Govind Karjol, Shri. Uday Karjol, Shri. Siddharth Wadennavar, Shri. Ramesh Panchagattimath, Shri. Arun Govind Karjol and Shri. Umesh Govind Karjol. ASPL is setting up a 3500 TCD Sugar Plant and 16 MW Co- generation plant, at Bhopalapura Village, Rona Taluk, Gadag District, Karnataka State.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (UA)
Total operating income	0.00	0.00
PBILDT*	0.00	0.00
Profit after tax (PAT)	0.00	0.08

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (UA)
Overall gearing (x)	0.16	1.56
Interest coverage (x)	0.00	-16.90

A: Audited; UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:
A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan	RBI	Simple	-	-	-	-*	130.00	CARE BB-; Stable

*The maturity date cannot be determined at this stage as it is linked to the first disbursement, which the company has not yet availed.

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 2026-2027	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
1	Fund-based - LT-Term Loan	LT	130.00	CARE BB-; Stable				

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: 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.

Contact us

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About us:

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