



# RANA SUGARS LIMITED

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CIN: L15322CH1991PLC011537, Website: [www.ranasugars.com](http://www.ranasugars.com), E-mail: [info@ranagroup.com](mailto:info@ranagroup.com)  
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RSL/25-26/CS

11<sup>th</sup> December, 2025

To,

Department of Corporate Services (DCS)  
The BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400001.

National Stock Exchange of India Limited  
Exchange Plaza,  
Bandra-Kurla Complex,  
Bandra (E), Mumbai- 400051.

Ref: Scrip Code: 507490,

Company Symbol: RANASUG

**Subject: Disclosure of Credit Rating pursuant to Regulation 30(6) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

Dear Sir/Ma'am,

Pursuant to Regulation 30(6) read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulation"), we would like to inform that "INFOMERICS Valuation and Rating Private Limited is a SEBI registered and RBI authorized credit rating agency that has reviewed the corporate credit rating facility vide the letter dated 10<sup>th</sup> December, 2025.

Copy of the Credit Rating is enclosed as an Annexure to this letter.

The above information will also be available on the website of the Company at [www.ranasugars.com](http://www.ranasugars.com)

You are requested to kindly take the above on your records.

Thanking you,  
Yours sincerely,

**For RANA SUGARS LIMITED**

**Madhur Bain Singh**  
Company Secretary cum Compliance Officer

Encl: as above



## Press Release

### Rana Sugars Limited

**December 10, 2025**

#### **Ratings**

<b>Instrument / Facility</b>	<b>Amount (Rs. crore)</b>	<b>Current Ratings</b>	<b>Previous Ratings</b>	<b>Rating Action</b>	<b><u>Complexity Indicator</u></b>
Long Term Facilities	163.80 (Increased from 161.15)	IVR BBB-; Rating watch with Developing Implications (IVR Triple B Minus; Rating watch with Developing Implications)	IVR BBB-; Rating watch with Developing Implications (IVR Triple B Minus; Rating watch with Developing Implications)	Rating reaffirmed and continued on watch with developing implications	<b>Simple</b>
Short Term Facilities	2.00	IVR A3; Rating watch with Developing Implications (IVR A Three; Rating watch with Developing Implications)	IVR A3; Rating watch with Developing Implications (IVR A Three; Rating watch with Developing Implications)	Rating reaffirmed and continued on watch with developing implications	<b>Simple</b>
<b>Total</b>	<b>165.80 (Rupees One Hundred and Sixty-Five Crore and Eighty Lakhs only)</b>				

**Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.**

#### **Detailed Rationale**

Infomerics has continued to place the rating of Rana Sugars Limited (RSL) under watch with developing implications in view of the search and seizure operations conducted by the Securities and Exchange Board of India (SEBI), the Directorate of Enforcement (ED), and the Income Tax Department (IT) over the past 15 months ending November 2025. The potential implications or any adverse findings arising from these actions against RSL or its management are still not ascertainable. Any negative outcome may adversely affect the company's financial and operational performance. The developments and any resultant findings will remain key rating monitorable for Infomerics.

The affirmation of the rating reflects expected improvement in performance in H2FY26 and beyond. Further, the rating continues to take comfort from the healthy financial risk profile,



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extensive experience of promoters and management with long track record in sugar industry, integrated nature of operations and long-term Power Purchase Agreements (PPAs) providing revenue visibility.

The rating however remains constrained by ongoing litigations against RSL by various government agencies like SEBI, IT department and ED, working capital-intensive operations, sugarcane crop being exposed to vagaries of nature, exposure to risk related to government regulations and cyclical nature of the sugar business.

### **Key Rating Sensitivities:**

#### **Upward Factors**

- Sustained increase in scale of operation of more than 15% in coming years with improvement in cash accruals.
- Improvement in profitability metrics with EBITDA margin above 13% on a sustained basis
- Improvement in capital structure with reduction in overall gearing below 0.10x.

#### **Downward Factors**

- Any adverse impact on the company's operational / financial performance on account of SEBI order, ED order or adverse findings from the Income Tax (IT) search and seizure conducted
- Sharp decline in sugar prices, cane crushing volumes, recovery rate or an increase in cane costs; or any significant decline in ethanol realizations or material change in Government policies resulting in moderation of profitability and debt coverage metrics.
- Deterioration in working capital management impacting the liquidity or sizeable capital expenditure weakening the financial risk profile.

### **List of Key Rating Drivers with Detailed Description**

#### **Key Rating Strengths**

- **Healthy financial risk profile**  
RSL's total operating income (TOI) increased by 7.55% in FY25 (refers to the period from April 01, 2024 to March 31, 2025) as compared to FY24 (refers to the period from April 01,



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2023 to March 31, 2024) and stood at Rs.1712.79 crore (FY24: Rs.1592.62 crore), as a result of increase in the turnover in the distillery segment. However, at the same time the margins continued to decline with EBITDA margin of 4.15% and PAT margin of 1.97% (FY24 : 5.20% & 1.74%) respectively. Due to the impact of the increase in the TOI, however with a reduction in the profitability levels, the company reported almost stable GCA of Rs.67.96 crore in FY25 from Rs.66.63 crore in FY24. The overall gearing and TOL/TNW ratios continued to remain comfortable at 0.74x and 1.76x respectively as on March 31, 2025 as against 0.84x and 1.95x reported as on March 31, 2024, respectively, mainly due to the accretion of the profits earned for the year to the reserves. Due to the decline in profitability on y-o-y basis, the interest coverage ratio moderated from 2.92x to 2.12x reported as on March 31, 2024 & March 31, 2025 respectively. The company's revenue has increased slightly at 3% in H1FY26 compared to H1FY25, mainly due to the increase in distillery segment sales. However the company reported lower EBITDA for the period with decline of ~ 121% in H1FY26 as compared to H1FY25, mainly due to fall in sugar prices in the second quarter of FY26 as compared to same period last year.

- **Extensive experience of promoters and management with long track record in sugar industry**

The company is managed by the promoter, Mr. Rana Veer Pratap Singh (Managing Director) and Mr. Rana Ranjit Singh (Director) who have established healthy customer and suppliers' relations over the years. Rana Veer Pratap Singh has extensive experience from the same company and other group companies. Besides, the Company has experienced and well qualified team of managers who are Chartered Accountants, Company Secretaries, lawyers, finance postgraduate among others who have experience of more than two to three decades in running business operations.

- **Integrated nature of operations**

RSL operations are fully integrated in nature which has led to better absorption of fixed cost and any increase in the raw material costs. The company is having its operations in the State of Punjab and Uttar Pradesh and is principally engaged in the manufacturing of sugar, ethanol and cogeneration of power. The cogeneration and distillery units provide alternate revenue streams and some cushion against cyclicity in sugar business.



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Furthermore, integrated nature of operations supports overall profitability of RSL. As a result of the integrated nature of operations the operating margin of the RSL have ranged between 4-7% over the last three years.

- **Long term Power Purchase Agreements (PPAs) providing revenue visibility**

RSL has installed a 102 MW co-generation power plant. Power is used captively as well as exported to the State Grids of Punjab and Uttar Pradesh respectively under long term Power Purchase Agreements (PPA). The company has 3 PPA for its 3 units in Moradabad, Rampur and Buttar with various tenure of the agreement.

### Key Rating Weaknesses

- **Ongoing litigations against RSL by various government agencies like SEBI , IT department and ED**

SEBI, vide order dated August 27, 2024, under Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 ("PFUTP Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("LODR Regulations"), investigated the financials of RSL for a period starting from FY15 to FY21. Upon investigation SEBI alleged that the company along with its promoter directors including its Managing Director, Chairman and other family members has diverted funds to the accounts of the promoter group companies. RSL has filed an appeal against the order with Securities Appellate Tribunal (SAT) and availed a stay against any coercive action taken against RSL and its promoters. The case is ongoing with SAT, the next hearing is in January 2026. Subsequently in the month of February 2025, the Income tax department conducted a search and seizure on all the premises of RSL as well as its group companies and its directors. The outcome of the search has not been ascertained yet and the impact of the said search is not yet established. Also, ED, Jalandhar has seized immovable properties worth Rs. 22.02 Crore of Rana Sugars Ltd under section 37A of the Foreign Exchange Management Act (FEMA), 1999 for holding foreign exchange outside India in contravention of Section 4 of FEMA, 1999. Currently, the matter is sub-judice and is due for hearing by the end of December 2025. Any adverse developments regarding these litigations will remain a key rating monitorable.



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- **Working capital intensive operations**

Sugar is an agro-based commodity and is mostly grown during rainy season and harvested from Oct-Nov to March-April in areas on Punjab and Uttar Pradesh. The sugar inventory is piled up during the crushing season and gradually released till the commencement of the next crushing season, resulting into high inventory carrying cost, high inventory days and requirement of higher working capital. RSL's operating cycle continued to remain moderate at 68 days as on March 31, 2025. However, RSL's inventory days remained elongated at 129 days, which was funded from the creditor holding period of 94 days, as on balance sheet date and this was mainly in line with the nature of business of the company.

- **Sugarcane crop being exposed to vagaries of nature**

Being an agro-based industry, performance of RSL is dependent on the availability of sugarcane crop and its yield, which may get adversely affected due to adverse weather conditions. The climatic conditions and pest related attacks have a bearing on the cane output, which is the primary feedstock for a sugar producer. Climatic conditions, to be precise the monsoons, influence various operational structures for a sugar entity, such as the crushing period and sugar recovery levels. Furthermore, the red rot disease prevailing in the entire state of UP and recently heavy floods in Punjab region during July to September 2025 has adversely impacted the sugarcane production. New seeds has been developed to cater to this red rot problem, however the effectiveness will be established in due course. In addition, the degree of dispersion of monsoon precipitation across the sugar cane growing areas also leads to fluctuating trends in sugar production in different regions.

- **Exposure to risk related to government regulations**

The Sugar industry is highly exposed to risks related to Government regulations. Various Government Acts virtually governs all aspects of the business, which include the availability and pricing of sugarcane, sugar trade and by - product pricing. Government intervention also exists to control the sugar prices to curb food inflation and stabilize the sugar prices in the domestic market. Moreover, ethanol-blending policy is also highly





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regulated by the government. Vulnerability in business due to Government regulations is likely to continue over the medium term.

- **Cyclical nature of the sugar business**

The key parameters of the sugar supply in the domestic market for a given sugar season are typically controlled by factor like domestic sugar production, opening sugar stock levels and global sugar production and sugar imports. The industry is highly cyclical in nature because of variations in the sugarcane production in the country with typical sugar cycles lasting three to five years, as production adjusts to the fall in prices, which in turn leads to lower supplies, price increase and higher production.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Manufacturing Companies.](#)

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

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

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

[Policy for Placing Ratings on Rating Watch](#)

**Liquidity – Adequate**

RSL's liquidity position remained adequate marked by average repayment of around Rs.20-32 crore in the projected period from FY26 to FY28, against the GCA envisaged of Rs.75-96 crore. Due to the increase in the working capital requirements and capex expansion in the year FY23-FY25 through a mix of term loans and internal accruals, the current ratio moderated on y-o-y basis to 1.11x, albeit remained above unity. Due to the nature of the business and the seasonality of the product, the inventory remained high as on March 31, 2025, leading to elongated inventory holding cycle of 129 days as on March 31, 2025, primarily funded through high creditor holding period of 94 days. Cash and Cash equivalents stood at Rs.41.24 crore as on FY25 end. Further, RSL has envisaged capex of ~ Rs.45 crore during FY26-FY28 which will be majorly funded through internal accruals.



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### About the Company

RSL was incorporated in 1991. RSL operates in Punjab and Uttar Pradesh, and is primarily engaged in the manufacturing of sugar, ethanol and co-generation of power. Power is used captively as well as sold to the State Grids of Punjab and Uttar Pradesh respectively under long term PPAs. RSL has sugar manufacturing facilities at three locations in India viz. Buttar (Punjab), Moradabad (Uttar Pradesh) and Rampur (Uttar Pradesh) with the total sugarcane crushing capacity of 20,500 TCD.

### **Financials (Standalone):**

For the year ended/ As on*	(Rs. crore)	
	31-03-2024	31-03-2025
	<b>Audited</b>	<b>Audited</b>
Total Operating Income	1592.62	1712.79
EBITDA	82.79	71.06
PAT	27.98	34.39
Total Debt	407.42	395.86
Tangible Net Worth	494.64	538.44
EBITDA Margin (%)	5.20	4.15
PAT Margin (%)	1.74	1.97
Overall Gearing Ratio (x)	0.84	0.74
Interest Coverage (x)	2.92	2.12

\* Classification as per Infomerics' standards.

**Status of non-cooperation with previous CRA: Nil**

**Any other information: None**





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Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (2025-26)			Rating History for the past 3 years				
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25			Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					February 19, 2025	January 16, 2025	September 05, 2024	August 23, 2023	May 24, 2022
1.	Cash Credit	Long term	139.50	IVR BBB-; Rating watch with Developing Implications	IVR BBB-; Rating watch with Developing Implications	IVR BBB-; Stable	IVR BB; Rating watch with Negative Implications	IVR BBB-; Stable	IVR BBB-; Stable
2.	Term Loan	Long term	24.30	IVR BBB-; Rating watch with Developing Implications	IVR BBB-; Rating watch with Developing Implications	IVR BBB-; Stable	IVR BB; Rating watch with Negative Implications	IVR BBB-; Stable	IVR BBB-; Stable
3.	Letter of Credit / Bank Guarantee	Short term	2.00	IVR A3 Rating watch with Developing Implications	IVR A3 Rating watch with Developing Implications	IVR A3	IVR A4; Rating watch with Negative Implications	IVR A3	IVR A3

### Analytical Contacts:

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### About Infomerics:

Infomerics Valuation And Rating Ltd. (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd.] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit [www.infomerics.com](http://www.infomerics.com).

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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### Annexure 1: Instrument/Facility Details

Name of Facility/Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	-	120.00	IVR BBB-; Rating watch with Developing Implications
Cash Credit	-	-	-	-	14.30	IVR BBB-; Rating watch with Developing Implications
Proposed Cash Credit	-	-	-	-	5.20	IVR BBB-; Rating watch with Developing Implications
Term Loan	-	-	-	March 2026	3.94	IVR BBB-; Rating watch with Developing Implications
Term Loan	-	-	-	June 2029	5.67	IVR BBB-; Rating watch with Developing Implications
Term Loan	-	-	-	March 2029	6.81	IVR BBB-; Rating watch with Developing Implications
Term Loan	-	-	-	October 2027	3.95	IVR BBB-; Rating watch with Developing Implications
Term Loan	-	-	-	October 2027	3.93	IVR BBB-; Rating watch with Developing Implications
Letter of Credit / Bank Guarantee	-	-	-	-	2.00	IVR A3; Rating watch with Developing Implications

### Annexure 2: Facility wise lender details:

[https://infomericstorage.blob.core.windows.net/uploads/LEN\\_Rana\\_Sugars10\\_Dec25\\_22031f19fd.pdf](https://infomericstorage.blob.core.windows.net/uploads/LEN_Rana_Sugars10_Dec25_22031f19fd.pdf)

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

**Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable**



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**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).