

## Ramani Icecream Company Limited

January 02, 2026

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	23.77	CARE BB-; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB; Stable and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has been seeking information from Ramani Icecream Company Limited (RICL) to monitor the rating vide e-mail communications dated November 07, 2025, November 17, 2025, November 26, 2025, December 03, 2025, December 09, 2025, December 15, 2025, December 19, 2025 and December 23, 2025 among others and numerous phone calls. However, despite our repeated requests, the firm has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Limited (CareEdge Ratings) has reviewed the rating on the basis of the best available information which however, in CARE Ratings Limited (CareEdge Ratings)'s opinion is not sufficient to arrive at a fair rating. The ratings on RICL's bank facilities will now be denoted as '**CARE BB-; Stable; ISSUER NOT COOPERATING..**

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

The ratings assigned to the bank facilities of Ramani Icecream Company Limited (RICL) have been revised on account of non-availability of requisite information. Further, Rating continues to remain constrained on account of its seasonal demand for ice creams resulting in working capital intensive operations, susceptibility of its profitability to volatility in raw material prices, and high competition in the ice cream segment.

Rating, however, continue to derive strength from experienced promoter group with diverse business profile and established operations with good brand recognition in Madhya Pradesh (MP) along with other parts of Central India. The rating also favorably considered moderate scale of operations with profitability and improvement in financial risk profile in FY24 and H1FY25.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers

At the time of last rating on January 10, 2025 the following were the rating strengths and weaknesses.

#### Key weaknesses

##### Susceptibility to volatility in raw material prices

Raw material cost (including packing and freight) is the biggest operating cost in ice cream manufacturing. The major raw materials for RICL include skimmed milk powder, milk, butter and sugar. Skimmed milk powder is procured from the dairies in Madhya Pradesh and Uttar Pradesh. Other ingredients like refined sugar, colors, flavors, dry fruits and fruits are procured from the local market. RICL focuses on procuring the major Skimmed milk powder requirement for the upcoming summer season (as they have proper storage facility available for the same) during October to March to avail the benefit of lower raw material prices and uninterrupted supply during summer.

##### Seasonal demand for ice-creams leads to working capital intensive operations

The sales of the company are mainly concentrated during the summer period, reflecting the seasonality of the business. Hence, the working capital intensity is at its peak in the last two quarters of the financial year as it has to accumulate raw material inventory for the upcoming season i.e. 1st quarter of the next financial year. Business is also susceptible to changing tastes of consumers. As such, the company has to constantly invest/innovate to come up with new products, flavours etc. in line with the changes in the industry as well as changing customer preferences.

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

## Competitive intensity and capital-intensive nature of ice cream industry

Ice cream manufacturing and distribution industry is capital intensive in nature requiring significant investment in production facility, innovation in products in terms of introduction of new flavors and packaging (which requires specialized machinery) as well as marketing assets like cold chains (owned/leased), deep freezers at retail outlets/ to dealers and refrigeration equipped delivery vehicles.

Indian ice-cream market is largely dominated by un-organised players with innumerable small and seasonal regionally concentrated companies, along with few large entities having nation-wide presence which leads to intense competition. However, there is a huge opportunity for growth since India is one of the fastest-growing markets for ice-cream consumption due to its large population and growing per capita income.

## Key strengths

### Improvement in financial risk profile

RICL's overall financial risk profile improved over the past two years, ended FY24 and further in H1FY25 marked by an overall gearing of 1.58x as on March 31, 2024, and 0.91x as on September 30, 2024, as compared with 3.82x as on March 31, 2022. The improvement was on account of accretion of healthy profits leading to moderate net-worth base of Rs.39.22 crore as on September 30, 2024 (Rs.20.72 crore as on March 31, 2022). Total debt of the company reduced significantly from Rs.79.25 crore as on March 31, 2022, to Rs.35.83 crore as on September 30, 2024, on account of reduction in the working capital debt and schedule repayment of the term loans. Furthermore, with reduction in overall debt level and moderate profitability, debt coverage indicators of the company also improved, marked by moderate PBILDT interest coverage and total debt to gross cash accruals (TDGCA) of 5.82x (P.Y.: 3.58x) and 2.68x (P.Y.: 4.15x) respectively in FY24 and 25.07x and 1.19x respectively in H1FY25.

### Moderate scale of operations and profitability

RICL's TOI remained moderate at Rs.188.66 crore in FY24 (FY23: Rs.183.07). Profitability continued to remain stable on y-o-y basis marked by PBILDT margin of 11.71% in FY24 (FY23: 11.03%) and profit after tax (PAT) margin at 3% in FY24 (FY23: 2.33%). GCA remained adequate at Rs.18.02 crore in FY24 (FY23: Rs.16.69 crore). In H1FY25, RICL's TOI remained stable on a y-o-y basis at Rs.121.83 crore (Rs.125.69 crore) with a PBILDT margin of 15.43%.

### Experienced promoter group with diverse business profile

In 1970, the first ice cream parlour of 'Top 'N Town' was started by Late Mr. Balchand Kukreja, in Bhopal. Currently, the entire business operations are looked after by the third generation of his family. Mr. Arun Hariramani, Director, looks after the overall operation of the company. He is a management graduate with experience of more than two and half decades in the ice cream industry. He is well supported by his brother, Mr. Vijay Hariramani, who looks after finance and public relations. Besides RICL, the promoters of Ramani group have presence in other businesses i.e. education, real estate and bakery.

### Established operations with good brand recognition in Madhya Pradesh along with other parts of Central India

RICL has an operational track record of almost three decades and currently has a presence across four states in India. RICL has a strong foothold in MP and has a good presence in Maharashtra, Chhattisgarh and Uttar Pradesh. MP continued to contribute a major portion of RICL's gross sales followed by Maharashtra and Chhattisgarh. Going forward in near term, RICL is expected to focus more on increasing its market share in MP and Chhattisgarh. RICL sells ice-cream under the brand name of 'Top 'N Town'.

**Assumptions/Covenants:** Not applicable

**Environment, social, and governance (ESG) risks:** Not applicable

### Applicable Criteria:

[Criteria on Information Adequacy Risk and Issuer Non-Cooperation](#)

[Policy on Default Recognition](#)

[Criteria on assigning outlook and credit watch](#)

[Financial Ratios – Non-financial Sector](#)

[Rating Methodology - Manufacturing Companies](#)

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Fast Moving Consumer Goods	Fast Moving Consumer Goods	Food Products	Dairy Products

Ramani Ice cream Company Limited (RICL; CIN: U15544MP1991PLC006612), a closely held company, was incorporated by Late Mr. Balchand Kukreja. Initially constituted as Ramani Ice Cream Company Pvt. Ltd. in 1991, it was later converted into a public limited company in 2011. Ramani group has been engaged in the manufacturing of ice cream since 1970. RICL sells ice-cream under the brand name of 'Top 'N Town' which has a dominant presence in Madhya Pradesh. As on March 31, 2024, RICL had daily production capacity of 1,25,000 liters at its operational plant located in Bhopal, Madhya Pradesh. RICL has another ice cream manufacturing plant in Chhattisgarh with daily manufacturing capacity of 30,000 liters. The Chhattisgarh plant was temporarily shut down during COVID-19 period. RICL is planning to reopen it from 2026 onwards.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	H1FY25 (Prov.)
Total operating income	183.07	188.66	121.83
PBILDT*	20.20	22.10	18.80
Profit after tax (PAT)	4.26	5.66	8.58
Overall gearing (x)	2.77	1.58	0.91
Interest coverage (x)	3.58	5.82	25.07

A: Audited, Prov. - Provisional; 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

**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		-	-	-	14.00	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	June 2026	9.77	CARE BB-; Stable; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information.

**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-Term Loan	LT	9.77	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable (10-Jan-25)	1)CARE B+; Stable (14-Feb-24)	1)CARE D (04-Jan-23) 2)CARE B; Stable (03-Nov-22)
2	Fund-based - LT-Cash Credit	LT	14.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable (10-Jan-25)	1)CARE B+; Stable (14-Feb-24)	1)CARE D (04-Jan-23) 2)CARE B; Stable (03-Nov-22)

\*Issuer did not cooperate; based on best available information.

LT: Long 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

**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.

## Contact us

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