

## Ice Make Refrigeration Limited

January 08, 2026

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	62.07 (Enhanced from 55.81)	CARE A-; Stable	Reaffirmed
Long Term / Short Term Bank Facilities	125.00 (Enhanced from 90.00)	CARE A-; Stable / CARE A2+	Reaffirmed

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

The ratings assigned to bank facilities of Ice Make Refrigeration Limited (IMRL) continue to derive strength from longstanding experience of its promoters in refrigeration equipment industry, moderate profitability, diversified product portfolio and its established clientele. The ratings further take into consideration its comfortable capital structure albeit moderation in Current Financial Year (CFY) (FY refers to period from April 01 to March 31), comfortable debt coverage indicators and its adequate liquidity.

The ratings, however, continue to remain constrained on account of IMRL's moderate scale of operations and network, with stiff competition from large players, susceptibility of profitability to volatile raw material prices and subdued performance of its subsidiaries present in the same line of business. This apart, ratings also take cognizance of scaling up risk associated with recently concluded debt funded capex for setting up new manufacturing facility and new product lines.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Volume driven growth in total operating income (TOI) of IMRL resulting in growth in TOI beyond ₹650 crore along with PBILDT margin of more than 14% and ROCE of over 20%, on sustained basis.
- Sustenance of overall gearing below 0.35x

#### Negative factors

- Decline in TOI below ₹300 crore and/or decline in PBILDT margin below 8%, on a sustained basis.
- Deterioration in overall gearing beyond 0.75x times and Total Debt/PBILDT above 2x.
- Elongation in working capital cycle to beyond 90 days with increase in external borrowings to fund these requirements.

#### Analytical approach: Consolidated

CARE Ratings Limited (CareEdge Ratings) has considered the consolidated performance of IMRL for its analysis. Both the subsidiaries are engaged in similar line of business though cater to different geographies. Furthermore, Bharat Refrigeration Private Limited (BRPL) is managed by promoters of IMRL, while Ice Best Private Limited (IBPL, 60% held by IMRL), is jointly managed by promoters of IMRL and other promoters. Furthermore, IMRL has also been providing need-based support to BRPL and is likely to support IBPL, if required. The details of Subsidiaries have been mentioned in Annexure: 6

#### Outlook: Stable

Stable outlook reflects CareEdge Ratings' expectations that the company will continue to benefit from the vast experience of its promoters and sustain its financial risk profile in near to medium term, supported by growth in scale of operations through product and geographical diversification.

### Detailed description of key rating drivers:

#### Key strengths

##### Moderate albeit growing scale of operations along with moderate profitability

During FY25, IMRL's Total Operating Income (TOI) grew by 26.72% y-o-y to ₹479.56 crore (₹378.45 cr. in FY24) due to healthy growth in sales volume and realisation backed by strong demand across its product portfolio. However, Operating margin (PBILDT margin) moderated to 8.89% during FY25 compared to 10.30% in FY24 due to increase in raw material cost, employee costs and other overhead expenses with respect to new plant setup for continuous panels and commercial refrigeration system. In H1FY26, IMRL's TOI further improved to ₹259.20 cr. as compared to ₹189.39 cr. during H1FY25. However, PBILDT margin moderated to 5.48% in H1FY26 as compared to 7.76% in H1FY25 on account of high employee costs and raw material costs. CareEdge Ratings

<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.

expects IMRL's TOI to grow further in FY26 supported by a healthy order book of ₹211.60 crore as on December 10, 2025, which is expected to get executed in December – March, just before the onset of summer. The company's recently operationalised facility for manufacturing of Continuous panels and commercial refrigeration system, envisaged to contribute ~₹100 crore of revenue in FY26. Further, PBILDT margin is expected to improve with growth in scale of operations and remain around 8% in FY26.

#### **Comfortable leverage and debt coverage indicators, however moderated due to debt funded capex**

The capital structure of IMRL remains comfortable, marked by overall gearing of 0.70 times as March 31, 2025, (P.Y. end: 0.27 times) on consolidated basis. It moderated with increase in term loan for capex of continuous panels and increase in working capital borrowings. It is expected to moderate in FY26 with avilment of additional term loan in current year. IMRL availed term loan of ₹17 crore in current year as reimbursement term loan for capex undertaken in last year. Further, IMRL availed additional working capital demand loan of ₹10 crore and short-term revolving loan of ₹13 cr. for capex in H1FY26 and for general corporate purpose respectively. In current year, company incurred capex of around ₹14.44 mainly towards land and building for corporate office of IMRL funded from short term revolving loan and remaining through internal accruals. Considering above, overall gearing is expected to moderate for FY26 end. Further, IMRL's debt coverage indicators on a consolidated basis stood moderate marked by PBILDT interest coverage and total debt/GCA of 10.31 times (P.Y.: 19.31) and 2.75x as on March 31, 2025 (P.Y. 0.91x).

#### **Established and diversified clientele along with diversified product portfolio**

Over the years, IMRL has established strong clientele and provides refrigeration solutions to pharmaceuticals, dairy and ice-cream, healthcare, and food products industries. Furthermore, the diversification in IMRL's client profile also remained healthy with top clients contributing only around 20-40% of its total revenue over the last three years ended FY25. Around 70% of IMRL's revenue is generated from direct sales whereas the balance is through its dealers and distributors spread across the country. In addition, IMRL's product profile is balanced, wherein cold room storage solution contributes highest around 51% in FY25 (P.Y. 47%), as these are generally large ticket size solutions with on-site installation and commissioning requirements. Contribution from commercial refrigeration and other refrigeration products stood at 16% (P.Y. 20%) and 9% (P.Y.19%) respectively of the total sales. The share of transport refrigeration and industrial refrigeration remained stable at 8% and 4% respectively in FY25 (P.Y. 9% and 4% respectively). The share of Continuous panels and commercial fridge (new divisions) remained around 5% total sales for FY25 (got operational in November 2024), but same is expected to increase in FY26.

#### **Promoters' experience in the refrigeration equipment industry**

IMRL's key promoter, Mr. Chandrakant Patel, has over two decades of experience in the refrigeration equipment manufacturing industry. He looks after the overall operations along with co-promoters, Mr. Rajendra Patel & Mr. Vipul Patel, who also have an experience of over two decades in the refrigeration equipment industry. They both look after the production, purchase, accounts, and finance at IMRL.

#### **Key weaknesses**

##### **Susceptibility of operating profitability to volatility in input costs**

The main raw material used by IMRL in manufacturing comprise of polyurethane (PU) chemical and galvanized steel sheets along with components made from copper and aluminium. Prices of these products are volatile in nature (as PU is a crude oil derivative, while prices of metals are inherently volatile), which exposes IMRL's profitability to adverse movement in these prices. Considering raw material cost constitutes ~75% of Cost of Sales, any adverse variability in the same could affect IMRL's profitability. While IMRL largely operates under fixed price orders wherein it partially books the raw material required in advance to insulate from the price volatility risk, it also holds ready inventory of some of these products to cater to the time bound requirement of its clients. The execution cycle of few orders is small and IMRL partially passes on any price increase in newly bagged orders, however, high competitive intensity in the industry acts as a major challenge for its profitability.

#### **Competition from established players and subdued performance of its subsidiary viz. BRPL**

Refrigeration equipment industry is majorly characterized by presence of few reputed organized players. These players have higher scale of operations which provides them with better operational and financial flexibility. This also limits the bargaining power of players such as IMRL vis-à-vis its customers, limiting its profitability. IMRL positions itself as a complete solutions provider in the refrigeration equipment business and has been able to gradually grow its TOI over the last few years, which also reflects the increased demand for its products and underlines their quality; however, its scale has remained moderate owing to the competitive industry. Furthermore, financial performance of IMRL's subsidiary i.e. BRPL, though improved, remained subdued with TOI of ₹34.64 crore (P.Y.: ₹23.80 crore) and operating margin of 2.49% (P.Y.2.18% in FY24). BRPL reported net profit of ₹0.20 crore (P.Y. net loss of ₹0.18 crore) in FY25 Furthermore, for geographical expansion, IMRL had setup another subsidiary in FY24, viz. IBPL in East India in joint venture with Sujata Mandal, wherein IMRL holds 60% stake. It is expected to save logistics cost and expand its presence in Eastern India. The TOI of IBPL remained at ₹2.76 cr. in FY25.

### Scaling up risk associated with recently concluded capex

IMRL has setup continuous panel manufacturing plant in Bavla, Gujarat. The project's total cost of ₹79 crore was funded in the debt: equity ratio of 1.55:1. The capex has been concluded and operations commenced from November 2024 onwards. Apart from this, company has also setup plant for manufacturing commercial fridge (economical range) in FY25 with overall outlay of ₹17 crore and entirely funded from internal accruals. The plant began operations in December 2024. IMRL registered TOI of around ₹23 cr. in FY5 and ₹43 cr. in H1FY26 from these new divisions. Scaling up of the aforesaid debt-funded capex and realisation of envisaged benefits would remain crucial for the company.

### Liquidity: Adequate

IMRL's liquidity remains adequate marked by sufficient cushion in accruals vis-à-vis its repayment obligations and moderate utilization of its fund based working capital limits with positive cash flow from operations. Cash flow from operations stood at ₹28.13 crore in FY25 (P.Y. ₹9.85 crore in FY24) Average fund-based utilization of working capital limits for the past 12 month ended November 2025 remained moderate at around 70%.

IMRL's operating cycle remained moderate at 62 days in FY25 compared to 61 days in FY24. As the industry is dominated by few large players, IMRL extends credit days of ~50-60 days to its customers. Moreover, seasonality in the business owing to majority of the commissioning in Q4 of a financial year results in higher receivables at the end of the year. IMRL's collection period is offset to a large extent by credit period of ~50-70 days received from its suppliers. IMRL also maintains an inventory of ~60-80 days to ensure smooth delivery to its customers and to avail quantity discounts from its suppliers. Going forward, the company is expected to generate cash accruals of ₹30-50 crore against the envisaged annual debt repayment of ₹10-12 crore.

### Applicable criteria

[Consolidation](#)

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

### About the company and industry

#### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital Goods	Industrial Products	Other Industrial Products

Gandhinagar (Gujarat)-based IMRL, erstwhile known as Ice Make Refrigeration Pvt. Ltd., was originally established as a partnership firm and was subsequently reconstituted in 2009 as a private limited company. In November 2017, IMRL raised ₹23.71 crore through its Initial Public Offer (IPO) and was subsequently listed on NSE – Emerge. IMRL has migrated to NSE – Capital Market Segment (Main Board) from October 12, 2020. IMRL, promoted by Chandrakant Patel, Rajendra Patel and Vipul Patel, is engaged in manufacturing wide range of refrigeration products under the brand name 'Ice Make'. IMRL's manufacturing facilities are located at Gandhinagar, Gujarat, and recently new unit has been set up in Bavla, Gujarat.

The company provides refrigeration solutions, including cooling, pre-cooling, mobile pre-cooling, blast chilling, blast freezing, storage, and display. IMRL's products are broadly classified into six categories, cold room & storage products, commercial refrigeration products, transport refrigeration products, industrial refrigeration products, continuous panels and others including ammonia-based refrigeration products. In December 2016, IMRL acquired BRPL, a Chennai-based entity with operations of over two decades in the refrigeration industry for a total consideration of ₹2.26 crore to expand its footprint in the South Indian market. In FY24, IMRL had setup IBPL, acquiring a 60% equity stake for a total consideration of ₹2.00 crore, with the objective of expanding its presence in the eastern market

Brief Financials (₹ crore)- Consolidated	March 31, 2024 (A)	March 31, 2025 (A)	H1FY26 (Prov.)
Total operating income	378.45	479.56	259.20

PBILDT*	40.83	42.64	14.20
Profit after tax (PAT)	26.14	22.90	0.55
Overall gearing (x)	0.27	0.70	1.38
Interest coverage (x)	19.31	10.35	2.83

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

**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
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG		-	-	-	100.00	CARE A-; Stable / CARE A2+
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	25.00	CARE A-; Stable / CARE A2+
Term Loan-Long Term		-	-	June 2026	62.07	CARE A-; Stable

**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	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST	100.00	CARE A-; Stable / CARE A2+	-	1)CARE A-; Stable / CARE A2+ (20-Dec-24)	1)CARE BBB+; Stable / CARE A2 (05-Jan-24)	1)CARE BBB+; Stable / CARE A2 (23-Dec-22)
2	Term Loan-Long Term	LT	62.07	CARE A-; Stable	-	1)CARE A-; Stable (20-Dec-24)	1)CARE BBB+; Stable (05-Jan-24)	1)CARE BBB+; Stable (23-Dec-22)
3	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	25.00	CARE A-; Stable / CARE A2+	-	1)CARE A-; Stable / CARE A2+ (20-Dec-24)	1)CARE BBB+; Stable / CARE A2 (05-Jan-24)	-

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	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	Simple
2	Non-fund-based - LT/ ST-Bank Guarantee	Simple
3	Term Loan-Long Term	Simple

**Annexure-5: Lender details**

To view lender-wise details of bank facilities please [click here](#)

**Annexure-6: List of entities consolidated**

Sr. No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Bharat Refrigeration Private Limited	Full	Subsidiary
2	Ice Best Private Limited	Full	Subsidiary

**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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