

Ramani Icecream Company Limited

March 31, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed at CARE BB-; Stable; ISSUER NOT COOPERATING* and Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Ltd. (CareEdge Ratings) has reaffirmed and withdrawn outstanding rating of 'CARE BB-; Stable; ISSUER NOT COOPERATING (Double B minus; Outlook: Stable; ISSUER NOT COOPERATING) assigned to the bank facilities of Ramani Icecream Company Limited (RICL) with immediate effect. The above action has been taken at the request of RICL as well as a No Objection Certificate received from the banks that has extended the facilities rated by CareEdge Ratings.

The ratings assigned to the bank facilities of Ramani Icecream Company Limited (RICL) continue 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 favourably considered moderate scale of operations with profitability and improvement in financial risk profile in FY25 (Audited- refers to the period from April 01 to March 31).

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

At the time of last rating dated January 02, 2026, the following were the rating weaknesses and strengths(updated based on information shared by client)

Key weaknesses

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.

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.

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.

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

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

As on March 31, 2025, the capital structure of RICL has improved due to improved tangible networth level as indicated by overall gearing ratio of 0.94x as on March 31, 2025, as compared with 1.58x as on March 31, 2024. Furthermore, with reduction in overall debt level and reduced interest charges, debt coverage indicators of the company also improved, marked by satisfactory PBILDT interest coverage of 13.11x in FY25 (P.Y.: 5.82x) and total debt to gross cash accruals (TDGCA) of 1.95 years as on March 31, 2025 (P.Y.: 2.68 years).

Moderate scale of operations and profitability

RICL's TOI has slightly declined but remained moderate at Rs.187.72 crore in FY25 (FY24: Rs. 188.66). Further, due to increased material costs as well as employee costs, PBILDT margin has marginally declined but remained moderate to 10.69% in FY25 (FY24: 11.71%). However, due to reduced interest costs, PAT margin has improved and remained at 3.21% in FY25 (FY24: 3.00%).

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:

[Withdrawal Policy](#)

[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

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, 2024 (A)	March 31, 2025 (A)
Total operating income	188.66	187.72
PBILDT*	22.10	20.07
Profit after tax (PAT)	5.66	6.02
Overall gearing (x)	1.58	0.94
Interest coverage (x)	5.82	13.11

A: Audited; Note: 'the above results are latest financial results available'

*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		-	-	-	0.00	Withdrawn
Fund-based - LT-Term Loan		-	-	June 2026	0.00	Withdrawn

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	-	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (31-03-26) 2)CARE BB-; Stable; ISSUER NOT COOPERATING* (02-Jan-26)	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	-	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (31-03-26) 2)CARE BB-; Stable; ISSUER NOT COOPERATING* (02-Jan-26)	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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