



Press Release

Sheetal Cool Products Limited

May 31, 2022

Ratings

Instrument / Facility	Amount (Rs. Crore)	Ratings	Rating Action	Complexity Indicator (Simple / High / Complex)
<u>Long Term Facilities – Term Loan</u>	22.25	IVR BB+; ISSUER NOT COOPERATING (IVR Double BB Plus; ISSUER NOT COOPERATING*	Revised from IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook) and moved to ISSUER NOT COOPERATING category	Simple
<u>Long Term Facilities – Cash Credit</u>	27.75	IVR BB+; ISSUER NOT COOPERATING (IVR Double BB Plus; ISSUER NOT COOPERATING*	Revised from IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook) and moved to ISSUER NOT COOPERATING category	Simple
Total	50.00			

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

Details of Facilities are in Annexure 1

Detailed Rationale

The revision in the ratings assigned to the bank facilities of Sheetal Cool Products Limited reflects lack of adequate information available about the performance of the company and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the rating revision.

Note on non-cooperation

Infomerics has repeatedly followed up with the company to provide information to monitor the ratings vide emails February 28, 2022, March 15, 2022 and May 16, 2022, along with telephonic conversations. However, despite repeated requests, the company has failed to submit data for review.

Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the ratings assigned to the bank loan facilities of Sheetal Cool Products Limited aggregating to Rs. 50 Crore to the



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'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BB+; ISSUER NOT COOPERATING for the long-term bank facilities and IVR A4+; ISSUER NOT COOPERATING for the short-term bank facilities.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)

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

[Guidelines on What Constitutes Non-cooperation by clients](#)

About the Company

Sheetal Cool Products Limited (SCPL) was established in the year 2000 as a proprietorship firm by late Shri Jagdishbhai D. Bhuva as M/s. Shree Shital Industries for the purpose of carrying out the business of manufacturing Ice-Cream under the name, Sheetal and J'adore, at Amreli (Gujarat). The company manufactures ice-cream, milk and milk products (lassi, buttermilk, and flavored milk), frozen foods, confectionery items, and snacks.

Financials (Standalone)*:

(INR Crore)

For the year ended/ As On	3/31/2020	3/31/2021
	(Audited)	(Audited)
Total Operating Income	258.93	231.89
EBITDA	32.15	22.97
PAT	9.81	6.10
Total Debt	51.80	71.34
Tangible Net worth	48.51	54.65
Ratios		
EBITDA Margin (%)	12.42	9.91
PAT Margin (%)	3.77	2.56
Overall Gearing Ratio (x)	1.07	1.31

* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: None

Any other information: Nil



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Rating History for last three years:

Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 (Apr 05, 2021)	Date(s) & Rating(s) assigned in 2020-21 (Feb 26, 2020)	Date(s) & Rating(s) assigned in 2019-20
1.	Cash Credit	Long Term	27.75	IVR BB+; ISSUER NOT COOPERATING *	IVR BBB- / Stable	IVR BBB- / Stable	-
2.	Term Loan	Long Term	22.25	IVR BB+; ISSUER NOT COOPERATING *	IVR BBB- / Stable	IVR BBB- / Stable	-

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

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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations. For more information visit www.infomerics.com



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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, suspend 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.

Annexure 1: Details of Facilities: Not Applicable

Annexure 2: List of companies considered for consolidated analysis: Not Applicable.

Annexure 3: Facility wise lender details: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

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.