



Press Release

Sheetal Cool Products Limited

July 04, 2023

Ratings

Instrument / Facility	Amount (Rs. crore)	Ratings	Rating Action	<u>Complexity Indicator</u>
Long Term Facilities – Term Loan	22.25	IVR BB/ Negative; ISSUER NOT COOPERATING (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING)	Rating Revised, Outlook assigned and continued at Issuer Not Cooperating Category	Simple
Long Term Facilities – Cash Credit	27.75	IVR BB/ Negative; ISSUER NOT COOPERATING (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING)	Rating Revised and continued at 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, non-payment of annual surveillance fees 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 lender, investors and other market participants are thus advised to exercise appropriate caution while using this rating as this rating may not adequately reflect the credit risk profile of the entity.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data, results to monitor its assigned rating to the bank facilities, vide E-mail communications dated



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May 30, 2023, June 06, 2023, June 12, 2023 and June 14, 2023 concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details required for monitoring the ratings. Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the ratings for the bank facilities of SCPL aggregating Rs 50.00 crore has been moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB with Negative outlook ISSUER NOT COOPERATING based on no available information.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing companies](#)

[Guidelines on what Constitute Non-Cooperation by Client](#)

[Criteria of assigning Rating Outlook](#)

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

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)*:

	(Rs. Crore)	
For the year ended / As on	31-Mar-2022 (Audited)	31-Mar-2023 (Audited)
Total Operating Income	329.93	341.98
EBITDA	40.52	44.83
PAT	18.33	20.47
Total Debt	74.98	86.80
Tangible Net worth	73.11	92.88
EBITDA Margin (%)	12.28	13.11
PAT Margin (%)	5.56	5.99
Overall Gearing Ratio (times)	1.03	0.93



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**Classification as per Infomerics standards*

Status of non-cooperation with previous CRA: None

Any other information: Nil

Rating History for last three years:

Sr. No	Name of Instrument / Facilities	Type	Current Ratings (Year 2023-24)		Rating History for the past 3 years		
			Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-2021
	PR Date				May 31, 2022	April 05, 2021	February 26, 2020
1.	Cash Credit	Long Term	27.75	IVR BB/Negative; ISSUER NOT COOPERATING	IVR BB+/ISSUER NOT COOPERATING*	IVR BBB-/Stable	IVR BBB-/Stable
2.	Term Loan	Long Term	22..25	IVR BB/Negative; ISSUER NOT COOPERATING	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 Valuation and Rating Private Ltd (Infomerics) 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



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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 visit 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.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	27.75	IVR BB/Negative; ISSUER NOT COOPERATING*
Term Loan	-	-	-	22..25	IVR BB/Negative; ISSUER NOT COOPERATING*

* Issuer did not cooperate; Based on best available information

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

Annexure 3: Facility wise lender details: Not Applicable



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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.

