



February 15, 2025

**National Stock Exchange of India Limited**

Exchange Plaza, Plot No. C / 1, G Block,  
BandraKurla Complex – Bandra (E)  
Mumbai – 400051

**NSE Symbol: ICEMAKE**

**Sub: Intimation under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'listing Regulations') - Earnings Call Transcript for the quarter ended Q3FY25 December 31, 2024**

We are enclosing herewith the Earnings Call Transcript of investor conference concall held on February 12, 2025, Wednesday, pertaining to the Financial Results for the quarter ended Q3FY25 December 31, 2024 of the Company.

Please take note of the same.

Thanking you,  
Yours faithfully,  
For **Ice Make Refrigeration Limited**

**Mandar Desai**  
**Company Secretary & Compliance Officer**

Encl: As above

## **ICE MAKE REFRIGERATION LTD.**

AN ISO 9001 : 2015, ISO 14001 : 2015 & ISO 45001 : 2018 CERTIFIED COMPANY

Commercial & Industrial Refrigeration Equipment Manufacturer

---

**Office** : B/1, Vasupujya Chambers, Income Tax Cross Road, Ashram Road, Ahmedabad – 380014. Phone: +91-79 - 2754 0630

Telefax : +91-79-2754 0620

**Factory**: 226, Dantali Industrial Estate, Gota-Vadsar Road, At: Dantali, Ta: Kalol, Dist: Gandhinagar - 382721 (Gujarat)

Phone: +91 9879107881 / 84 Fax: +91-2764-248376 Email: info@icemakeindia.com, Website : www.icemakeindia.com

**C.I.NO: L29220GJ2009PLC056482**

# Ice Make Refrigeration Limited

## Q3 & 9M Earnings Conference Call

### February 12, 2025

---

**Moderator:** Good afternoon, ladies and gentlemen. I'm Sagar, the moderator for this conference call. Welcome to the earnings conference call of Ice Make Refrigeration Limited, arranged by Aaryana Matasco, to discuss the financial results for Q3 and nine months FY25.

At this moment, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. At that time, if you have a question, please press '\*' and '1' on your touchtone keypad. Please note that this conference is being recorded. I now hand the conference over to Mr. Aryan Rana. Thank you, and over to you, sir.

**Aryan Rana:** Thank you, Sagar. Good evening, everyone. Thank you for joining us today for Ice Make Refrigeration Limited's Q3FY25 earnings conference call to discuss our financial performance for the quarter ended December 31<sup>st</sup>, 2024.

We are pleased to report another stronger quarter driven by our commitment to innovation, operational excellence, and the diverse portfolio of over 50 refrigeration products and solutions. Our consistent revenue growth, both quarterly and annually underscores our strong market presence and expanding sales performance. Notably, our market valuation is nearly 1,000% over the past five years, reflecting investor confidence and business excellence. Our financial results for the quarter are available on our website and stock exchanges.

I would like to remind everyone that today's discussion may include forward-looking statements which are subject to known or unknown risk and uncertainty that could impact future performance. We encourage you to consider these in conjunction with the risk factors outlined in our disclosures.

Joining us today to discuss results and address your questions, we have our esteemed management team, Mr. Chandrakant P. Patel, Chairman & Managing Director; Mr. Nikhil Bhatt, Vice President, strategy; Mr. Ankit Patel, Chief Financial Officer; and Mr. Mandar Desai, Company Secretary & Compliance Officer. During today's call, we will walk you

through our financial performance for the Q3FY25 to discuss our strategic initiatives, explore market opportunities and share our future outlook.

With that, I would now like to invite our Chairman & Managing director Mr. Chandrakant P. Patel to take the floor. Sir, over to you. Thank you.

**Chandrakant P. Patel:** Good evening, everyone. It is my pleasure to share the results for the Q3FY2025. We have grown revenue by 34% year-on-year due to strong demand and good sales. Net profit growth considering the revenue growth, is low due to higher employee cost, finance cost and the operational cost. Talking about the new vertical, the Continuous PUF panels has sales of Rs. 1.8 crore and commercial Refrigeration has sales of Rs. 1.8 crore. Our pending order book is Rs. 167 crore.

I am confident that we will achieve the topline of Rs. 500 crore this year. And we will achieve our target of Rs. 1,000 crore by 2028. Our focus will be to keep EBITDA margin behind 9.5% to 10.5%.

Once again I thank everyone for joining with us. Now our CFO Mr. Ankit Patel will discuss the financial performance and Vice President Mr. Nikhil Bhatt will update about strategic business update. Thank you.

**Ankit Patel:** Thank you, MD sir. And good evening to everyone. I am pleased to present our financial performance for the third quarter and nine-month period for the fiscal 2025. Our consistent quarter-on-quarter growth reflects our commitment to sustainable expansion, operational efficiency, and financial discipline.

Some key financial highlights for quarter-on-quarter performance for Q3FY25 versus Q3FY24. Revenue from operations stood at Rs. 110.56 crore versus Rs. 82.43 crore in previous quarter. That demonstrates 34% year-on-year growth. EBITDA in amount stood at Rs. 6.89 crore versus Rs. 4.41 crore in previous financial year. In terms of amount, the growth is 56% year-on-year quarterly. Next profit, that is PAT, stood at Rs. 2.81 crore versus Rs. 2 crore in previous quarter demonstrate 39% year-on-year growth. Earnings per share EPS stood at 1.82 versus 1.28 of previous corresponding quarter. For 9 months performance of FY25 and FY24, our total income stood at Rs. 299.60 crore versus 238.85 crore that is 25% year-on-year growth. EBITDA stood at Rs. 21.59 crore versus Rs. 20.45 crore that is 5% year-on-year growth. EBITDA margin of 9 months stood at 7.21% versus 8.57% on 9-month basis. Our net profit PAT stood at Rs. 11.24 crore versus Rs. 11.86 crore on 9-month comparative basis. That is below less by 5% year-on-year.

While we witnessed strong topline growth, our net profit for the 9-month period remained moderate due to increased operational cost that is because of continuous panel and commercial freezer plant. Production prerequisites as well as marketing activities and related manpower needs to be organized well in advance. The revenue from operation has just started as our MD sir has already informed, till date we have achieved Rs. 9 crore sales in continuous panel plant and more than 1.5 crore sales for commercial freezer plant. We are optimistic about contributions of our new plant in coming quarter and further we are aiming to achieve EBITDA margin as our suggested targeted range 9.5% to 10.5% for full year FY25.

Thank you. Now I invite Mr. Nikhil Bhatt on update on business.

**Nikhil Bhatt:**

Thank you, Ankitji. Ladies and gentlemen, Ice Make's strong revenue growth highlights our growing market leadership and the sustained demand for our diverse set of refrigeration products and solutions. Our strategic focus on innovation, product diversification, and sales channels expansion has been instrumental in driving our consistent performance. Despite inflationary pressures, subdued business, environment, and global uncertainties, the refrigeration sector has demonstrated remarkable adaptability. By leveraging technology and innovation, the company continues to thrive, playing a crucial role in our industry segment growth. At Ice Make, we have successfully navigated these challenges, achieving impressive topline growth. This has been driven by a strong domestic economy and rising consumption trends, stable low material prices and increased demand across our key verticals, cold room, commercial refrigeration, ammonia refrigeration, transport refrigeration and industrial refrigeration. To sustain this growth momentum, we are focusing on expanding our market reach, that is strengthening our presence in emerging and high growth sectors, innovation and product development, introducing cutting-edge energy efficient and refrigeration solutions, capacity enhancements scaling up production to meet the growing demand, leveraging government incentives, utilizing policies that support infrastructure development, credit and sustainable manufacturing. With this strategic initiative, we have confidence in exceeding our revenue milestone in the upcoming fiscal years and paving the way for further expansion. Looking ahead, we remain optimistic about our sector's potential to drive economic progress, generate employment and establish India as a global manufacturing and innovation hub.

Coming to the growth and opportunity in e-commerce or say quick commerce business, last year we have received Rs. 11.5 crore of business from the leading brand which is operating in the quick commerce business. And the current financial it reached up to the Rs. 45 crore of the business we have generated in January. So we are optimistic for the quick commerce

business and as our MD says we are confident to achieve these Rs. 500 crore of milestones in current financial year.

Thank you for your continued support and now we look forward for your questions.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question, may press \* then 1 on their touchtone telephone. If you wish to remove yourself from the question queue, you may press \* then 2. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

Our first question comes from the line of Arnav Sakhuja from Ambit. Please go ahead.

**Arnav Sakhuja:** Hi, thanks for taking my question. I just wanted to know, could you please give an update on the current CAPEX plan? I think earlier we were considering investing around Rs. 100 crore in the continuous PUF panel factory. So what is the status on that?

**Ankit Patel:** Your voice is not coming through. Can you just repeat your question?

**Arnav Sakhuja:** Could you please give an update on your CAPEX plans? So I think in the last call you had mentioned that you'll be considering around Rs. 100 crore CAPEX on continuous PUF panel factory. So what is the status on that?

**Ankit Patel:** So far we have invested Rs. 100 crore as you rightly said, in the CAPEX plan. And going forward we are having a CAPEX plan of about Rs. 150 crore plus. But as of now, our first target is to stabilize these two product business. And then we will review in the next financial year, let's say April or May, and we decide further to expand the other plan.

**Arnav Sakhuja:** Okay, sure. And would this CAPEX, would it be funded by internal accruals or through debt or through some other method?

**Ankit Patel:** New CAPEX you are talking about?

**Arnav Sakhuja:** Yes, the new one.

**Ankit Patel:** Currently, we have not finalized what will be the mode of new CAPEX sources, but it is still very open. We are also looking for the cash flow generation of our just to finalize capex of our continuous panel and commercial filters. How the cash flow and business support this, according to after 2-3 months maybe after the current financial year end, we will review it

and maybe within 2-3 months we will take up a call how we should go for the second phase of CAPEX.

**Arnav Sakhuja:** Okay, thanks for taking my question.

**Moderator:** Thank you. Next question comes from the line of Zaki Nasir, an Individual Investor. Please go ahead.

**Zaki Nasir:** Sir, my question was how is the plant of our continuous panel stabilizing and how long will it reach 80%-85% capacity? Question number two, is the new products introduced, commercial innovative products retail, how has that taken off? Because I think that has happened in the past 3 to 4 months. Thank you.

**Chandrakant P. Patel:** The production of continuous PUF panels has been established since November and December. We have also done billing for 1.6 crore. Order for 8.8 CR has also been done for continuous PUF panes. Senior sales team recruitment also has been done. And in 4-5 organization, our product approval, product sampling, all this is happening. So it seems that in this fourth quarter, we will do good in continuous panel. And the commercial freezer, the new product, the second CAPEX, that too, you can say that it has been established since February. We have 200 piece per shift production capacity designed. We are manufacturing 120 machines per day. By the end of February, we will be at 200. So, almost both the new CAPEX, and the new manufacturing sites problems have been solved. There is a season in the fourth quarter, so we will do good work.

**Zaki Nasir:** Thank you, sir, and best wishes for the year. Thank you.

**Chandrakant P. Patel:** Thank you.

**Moderator:** Thank you. Next question comes from the line of Dhananjay Kumar Yadav. Please go ahead.

**Dhananjay Kumar Yadav:** Sir, our previous two quarter, the new CAPEX around, the EBITDA margin are going low, how long will it take to get established?

**Ankit Patel:** We have set the target of this year internally, because Q4 is always outperforming and our current pending order is also Rs. 167 crore in which we will achieve the topline of 500 crore. So our EBITDA level will be around 9.5 crore for the whole year.

**Dhananjay Kumar Yadav:** So sir, from next year, our EBITDA will be between 9 and 9.5?

**Ankit Patel:** Yes.

**Dhananjay Kumar Yadav:** My second question is, the ticket size of the orders we get, is it small or big?

**Ankit Patel:** It depends. There are small orders, there are big orders, there are some orders that come in this month and executed in this month itself, some orders are for next month, some are for projects whose deliverable period is 6 months to 12 months. This is summer season, so in this summer season, you can take it as a business cycle, that any CAPEX or any big investment, its immediate payback starts, that's how it is planned. So, in Q4, all our big orders, all the execution is at the final stage. So that when the setup is installed, the benefits start in the summer season. So take the momentum of the season, take the momentum of the summer, even take the pressure of completing loans and project files from the bank side. So Q4 will always be outperforming.

**Dhananjay Kumar Yadav:** Okay. Thank you, sir. No question from my side. Thank you.

**Moderator:** Thank you. The next question is from Tej Patel from Niveshaay. Please go ahead.

**Tej Patel:** Thank you so much for the opportunity and congratulations for your new CAPEX. Sir, the 9 crore commercial you are talking about is till January, right?

**Ankit Patel:** Numbers till date.

**Tej Patel:** Okay, and how much can we expect this year from the new CAPEX, that is PUF panel and commercial?

**Ankit Patel:** PUF panel will be Rs. 25 crore-Rs. 30 crore topline this time.

**Tej Patel:** Okay. And commercial?

**Ankit Patel:** For now we have taken the target to be Rs. 12 crore, it started from February.

**Tej Patel:** And how much both can do in the peak period, PUF panel and commercial at full utilization?

**Ankit Patel:** Cold room you can take it as Rs. 280 crore for continuous PUF panel, 250 crore – Rs. 280 crore. And the commercial is Rs. 200 crore.

**Tej Patel:** Okay. Got it. And sir, when will the break even come on the commercial? What number will come and the EBITDA will be a bit positive?

**Ankit Patel:** By the way, our internal target in the commercial will be Rs. 50 crore sales. That will be at par. But still, we are doing something new and new recruitment. So that will be more stabilized and then the figures can fluctuate or change a bit.

**Tej Patel:** Got it. And the impact of this quarter on EBITDA, let's say, or close to 1% which was purely because of the fixed cost of this new CAPEX?

**Ankit Patel:** Yes, major change has been because of the new CAPEX. And the thing is that most of the recruitment of our employees, laborers, we have to do this before the plan starts. There are some pre-marketing activities too. So, the expense that has come on the books is more for salary and labor. And because of that, this quarter is impactful.

**Tej Patel:** Got it. Next year can we expect that like you said you will close at 200, so by next year we will be at 80%-85% utilization?

**Ankit Patel:** Next year 80%-85% will be a little more as of now, but maybe in 3-4 years we will achieve that.

**Tej Patel:** Okay, got it. And sir, our current facility, I am not talking about new CAPEX, our peak revenue could be 800 crore from the old capacity. Is my understanding right? 800 crore can be done from the old capacity itself?

**Ankit Patel:** 800 crore, our topline will come with this CAPEX.

**Tej Patel:** Okay, and how much can we do max from the old CAPEX in terms of revenue?

**Ankit Patel:** We have kept 450 crore as topline. But we have kept that in the internal consideration. In the coming time, the installed capacity may increase a little due to space. But as of now, we can generate 450 crore to 500 crore from this facility.

**Tej Patel:** Got it. Interesting. And sir, can you Eastern plant, please could you update us on the order book?

**Ankit Patel:** The plan for east is that, the capacity is also low. So, the business we have done till now around Rs. 2 crore. And the order booking is, these are running book type. So, the order mostly gets executed in a month or in the 15-20 days.

**Tej Patel:** Got it. And sir, as we are thinking about the warehouse facility and small capacity, so as of now, will you do after these new capacities will stabilize, right?



**Ankit Patel:** Yes, actually we will observe these 2-3 months and see how it stabilizes. And going forward, we will take some decisions in financials, whether it is further CAPEX or expansion.

**Tej Patel:** Also, in terms of export, we got certificate for exporting into the US market. So, if we are planning to export going forward, what is your thought?

**Ankit Patel:** Actually, US certification is at the final stage. This process will be done somewhere in the unit. And it is likely that we may receive the certification shortly, I think by end of this current financial year. So it will help to export our product to the US market.

**Tej Patel:** Okay, got it. And sir, can you tell us about the status of your south plant?

**Chandrakant P. Patel:** The south plant is doing well for last few years. This year, it's performance has been good. And from an expansion point of view, we are working on building construction on this new land.

**Tej Patel:** So construction work is going on?

**Chandrakant P. Patel:** Yes.

**Tej Patel:** And when will that start?

**Chandrakant P. Patel:** End of the Q1 of next financial, I think it would be ready for the shifting.

**Tej Patel:** And how much more CAPEX will be there?

**Chandrakant P. Patel:** We had planned for around 10-odd crore including land building machinery.

**Tej Patel:** So, it will cost 10 crore more, right?

**Chandrakant P. Patel:** No, that is in process. It is in pipeline. The construction has not been completed yet. So it will be in work in progress.

**Tej Patel:** Got it. Okay. Thank you so much sir and all the best for the future.

**Moderator:** Thank you. Next question comes from the line of Shane D'Silva, Individual Investor. Please go ahead. Thank you for the opportunity.

**Shane D'Silva:** Sir, my first question is, your current order book, can you please give a break of the same vertical wise?

**Ankit Patel::** In cold room we have pending order of Rs.39 crore, in cold room vertical. In commercial around Rs. 29.68, so around Rs. 30 crore pending order. And in industrial refrigeration around Rs. 4.5 crore Transport refrigeration 5.25 crore. Ammonia refrigeration, 29.4 crore. Then commercial freezer, we have a pending order book of Rs. 1.5 crore. Continuous panel is Rs. 9.5 crore. And the rest is project business. We have a pending order book of about Rs. 51 crore.

**Shane D'Silva:** Okay. And sir, in your continuous panel and new commercial products, what do you think about the order wise? Like in the next quarter, next six months, order wise what are you seeing in the market?

**Chandrakant P. Patel:** I didn't understand, the order wise?

**Shane D'Silva:** No, I mean, like your new CAPEX is the market. What will be the order growth in these new verticals compared to the old verticals?

**Chandrakant P. Patel:** New verticals, actually the product was established. We outsource the continuous panel and used to do the Rs. 20 crore business earlier also. We have our own manufacturing, we will do well. Apart from cold room, we have a good opportunity in infrastructure. We have recruited a senior salesperson of the industry, who has been working in this industry for the last 15 years. So we have a good future in the continuous panel. In the current year, we have both, and we have a Rs. 120 crore revenue generation plan also, that we will take out from the continuous panel and new CF products. And the commercial season has almost started. After a couple of months, the short supply starts. So this season runs until June 15<sup>th</sup>. So it is a good time for commercials, it is a peak time and season time. And for Continuous Panel, there is no such season. Leaving the monsoon, the rest three quarters have good business.

**Shane D'Silva:** Okay, thank you, sir. And the guidance you have given for EBITDA, that on a yearly basis, you will maintain between 9.5 and 10.5 this year, so going by that guidance for the Q4 quarter, you have to have EBITDA around 14%. So do you think that EBITDA margin is sustainable? I mean, can 9.5 achieve for this year?

**Chandrakant P. Patel:** Most of our expenses, like salaries, labor, those expenses are fixed in nature. Whatever our exponential growth is, if we want to generate Rs. 500 crore, we have to generate a topline of 200 crore. So, the majority of our fixed expenses will remain in Rs. 200 crore. So, according to that, the majority of the contribution, the gross profit, it will be converted into profit. So, in the last quarter also if you see, our EBITDA was quite high. So, if we neutralize

that with increasing expense, the EBITDA of 9.5% is not high. We can achieve that much in Q4,s sure shot. I am talking about overall.

**Shane D'Silva:** Yes. I understand. And my last question was, the new plant that you were setting up and switching in South, what benefits will you get from that? Can you tell us about that?

**Chandrakant P. Patel:** The rented premises that we are in now, there is a space constraint. It is difficult to develop new products there and to store them. Plus, the rent expense is also high there. Our rent expense is Rs. 60 lakhs yearly. And the new premises is three times bigger than the existing premises. We will increase the reach of the product, we will do storage, and the market's reach will also increase, and because of that, our business will also grow. So, the expenses will also be saved, and the product's reach and the market's reach will also increase because of new CAPEX.

**Shane D'Silva:** Okay, thank you. That was all my question.

**Chandrakant P. Patel:** Thank you.

**Moderator:** Thank you. The next question is from the line of Parthasarathy Ramasamy, an Investor. Please go ahead.

**Parthasarathy Ramasami:** Good morning sir. Sir, my question was, you are increasing the fourth quarter, so which sector do you think will get the progress? And that you will be able to meet the shortfall of last three quarters in this quarter itself. And which sector will help you more in the fourth quarter?

**Chandrakant P. Patel:** Actually, our Q4 is always in top. And it is the nature of the industry that the people who are always on peak before the hot summer or hot season, even because of the financial year ending, the CAPEX plan of all people is there, so that also has an effect that they stay at the top in the Q4. And the other segments or sectors that we talk about, we also have a good projection of quick commerce, business that will support us. Other than that our cold room segment or commercial business, these will support us. And also, the two new products that we have added this year, which have already been operated, and we are getting good feedback from the market. So, we have a positive figure. Accordingly, we feel that Q4 will be very good for us.

**Parthasarathy Ramasami:** Sir, what is the margin wise improvement in the new sector you mentioned?

**Chandrakant P. Patel:** In margin, if we talk about top three verticals, then cold storage, commercial and industrial refrigeration. These three segments are good in our margin. In ammonia projects, in most cases, the margin is less in terms of the turnkey solution. But in that, our inventory or capital involvement in terms of assets in factories, that is very little.

**Parthasarathy Ramasami:** So in the fourth quarter, you are very confident that you will be able to match this Rs. 500 crore and you will be able to come with a margin of 9.5%-10%. Overall, you will get it. You hope for it.

**Chandrakant P. Patel:** Continuous panel and commercial freezers. These are two verticals that the company has not operated in the past. This vertical business will be an additional business. Additional business, I mean, this vertical has never contributed in the past year. So, the contribution of the company and the capacity of our normal business, the installed capacity, the pending order book is so high, so we should accept the growth. And the benefit of the season, the pending order book is 167 crore. So, if we execute a lower one, then the topline of 200 crore can be reached anyhow. So, the calculation point of the pending order book is, and the per day 2-3 crore of daily dispatches are going on. Sometimes it is 4 crore, sometimes 1.5-2 crore. So, the dispatches are increasing. So, we don't think that we can't reach 500 crore in a year.

**Parthasarathy Ramasami:** Okay. Thank you, sir. Congratulations, sir. Sir, I am a very long investor. I am with the company. I am happy to be with the company. Thank you so much. Thank you.

**Chandrakant P. Patel:** Thank you for your appreciating words. Thank you very much.

**Moderator:** Thank you. The next question comes from the line of Deepthi Jain from Rewas. Please go ahead.

**Deepthi Jain:** I wanted to know why has our borrowing grown up high this quarter? It's showing as 81, in September quarter? It was around 60.

**Ankit Patel:** I mean, we have taken many loans. First of all, we have two types of borrowing. One is long term borrowing. Our CAPEX has started. So, the total long term borrowing has reached the peak. Majority, I mean more than 95% of the disbursement of the term loan has been done. And its interest has also started coming into our books. So, the interest cost has increased because of that. We have to also do raw material procurement in the new verticals. So, that is why our raw material stock and our capital involvement has increased. As their operations have started, money is coming in, so working capital has started to be neutralized again.

**Deepthi Jain:** Thank you, sir. And also, our new capacities, all these three visi-cooler by when will our margins and other things be good, when will our revenue margins reflect next year?

**Ankit Patel:** By the way, the two new CAPEX that we have done, the gross margin is less. But because of automation, the cost of labor and handling is very low. So, at EBITDA level, our existing will be complemented going forward. And EBITDA margin will be complemented, but what happened in the current year is that the projects that we were expecting, their commercial production started little delayed. And the labor, their salary cost, we have to procure some material for trial, capital involvement is there. We have to pay that costs before it starts. The commercial operation has just begun in Q4. So, if any initial CAPEX starts, the initial cost that we have to bear, due to its impact, the margin is still a little depleted. But going forward, our 9.5, 10.5 margin, I think in this year, the EBITDA margin of 9-9 plus will remain ours.

**Deepthi Jain:** And that's nice. Thank you.

**Moderator:** Thank you. The next question comes from the line of Tej Patel from Niveshaay. Please go ahead.

**Tej Patel:** Thank you so much for the opportunity again. Sir, I wanted to know a little bit about the competitiveness of the PUF panel. So if you could just throw some light that the market is a little fragmented or there are a couple of players who are sitting with a majority share, can you tell us a little bit about that? And if who is the biggest player, what is their name in this? And probably how much of the topline they will be doing right now?

**Chandrakant P. Patel:** In Continuous PUF Panel Jindal, Metecho, Lloyd, Rinac these four players have been working well in India for the past 10 years. And the product logistics cost also matters. So in India, there are two or three plants, manufacturing facilities. So they can compete by neutralizing the logistics cost. In commercial region, you have Blue Star, Voltas, Western these are three big players with big market share.

**Tej Patel:** Thank you. That is from my side. Thank you so much.

**Moderator:** Thank you. Participants, you may press '\*' and '1' to ask a question. The next question comes from the line of Mosam Shah from Wealth Guardian. Please go ahead.

**Mosam Shah:** Thank you for the opportunity. I just wanted to ask, can you break up our sales mix?

**Ankit Patel:** Quarter three or the whole nine month?

**Mosam Shah:** Quarter three.

**Ankit Patel:** Cold room is major contributing vertical. We are now getting good orders from Quick commerce and e-commerce. Lot of dispatch is happening. 62% contribution is from the cold room. Next is commercial, 12% contribution is there. Transport, refrigeration, vapor vane and ammonia, both have 66%. Industrial refrigeration is 4% and dairy and project business is 9%.

**Mosam Shah:** Okay, thank you.

**Moderator:** Thank you. Participants, you may press ‘\*’ and ‘1’ to ask a question. Our next question comes from Tej Patil from Niveshaay. Please go ahead.

**Tej Patel:** Again, thank you so much sir. As you say in quick commerce, you have got a good demand. You have already told us that you have a good market share. So, in terms of pipeline, how was the number of inquiries, how is the number of inquiries and pipeline now? And you know, this segment for you, can this segment become a big chunk of your revenue going forward? Do you give a perspective on the demand side of this or can this become a very good chunk of your revenue?

**Chandrakant P. Patel:** We think that the potential is that we work with good e-commerce and quick commerce. Everyone is forecasting that we will do the Dark Store in the next 2-3 years. So if we add everyone who is a quick commerce player, it seems that we will make a revenue of 900 crore. Every year revenue would be around Rs. 300 crore-Rs. 400 crore. We have 15% market share in quick commerce.

**Moderator::** Thank you. We have our next question coming from the line of Ms. Swati Madnani from Madhwani Wealth Solutions LLP. Please go ahead.

**Swati Madnani:** Sir, last con-call, you mentioned about water cooler. Can you give us some details about the new products in your pipeline?

**Chandrakant P. Patel:** Their product development is going on. And BIS is also applicable in the product. So, after the final manufacturing design, the product will go to BIS. So, it is possible that we will be able to start our work from the end of the first quarter next year.

**Swati Madnani:** Okay, sir. It is FY26?

**Chandrakant P. Patel:** Yes. First quarter.

**Swati Madnani:** Okay.

**Moderator:** Any other questions?

**Swati Madnani:** No, that's it. Thank you.

**Moderator:** Thank you. Ladies and gentlemen, the next question comes from the line of Resha Mehta from GreenEdge Wealth. Please go ahead.

**Resha Mehta:** Thank you. Actually, I joined late, so I'm not sure if this question has been asked or not. But, the margin profile that we have seen in Q3, it has become 6%. So, now how will we go back to the 8%-10% band? And what timeline will we reach back to the margins? And the related question is that because our two new plants will start commercial production, so their fixed costs will start. So where do we see the margins going?

**Ankit Patel:** Regarding margin profile, the main reason for the EBITDA compromise is that the new vertical is coming, in that the recruitment, labor, travelling, all the expenditures have started. There a lot of premarketing activities. So the cost has started incurring in our books, but its contribution or sales has not started. Now in Q4 major contribution will come and the majority expenditure has been in the books. Maybe only a portion can be added. The rest is the majority of the expenses. As soon as sales increase or business starts according to our expectations, the margin will be back to normal. Secondly, what will be the margin for this year's EBITDA? We will achieve a topline of Rs. 500 crore this year. So, we will be able to generate the EBITDA of around 9.5% this year.

**Resha Mehta:** Okay. And sir, when we say that we will come to normal margins once these two plants start the revenue contribution, what does normal margins mean? Is it 9 to 10% or?

**Ankit Patel:** We have kept the margin of the EBITDA of 9.5% to 10.5% to the topline of 1000 crore in our aim that we will achieve. Maybe after 1,000, we might decide to focus on bottom-line and improve it or not at that time. But till the topline of 1000 crore, the EBITDA margin of 9.5-10.5 will remain in books. This is our focus area.

**Resha Mehta:** Right, so these two plans will start revenue contributions, so the normal band can go back to 9.5-10.5%. Right? Yes?

**Ankit Patel:** Yes, very well.

**Resha Mehta:** And the current employee cost of this quarter, the run rate is 6.5 crore and depreciation is roughly 2 crore. So, have these two new plants' cost come in the quarterly run rate completely or is it more expected? Basically, I want to understand what will be the quarterly run rate of employee cost and depreciation after these two plants start commercial production?

**Ankit Patel:** In this time, madam, we have seen that the big employee costs have come. It may be that some employee may be November or it had started coming since last year. If we talk about the employee. I mean, periodically, they joined the company. Majority staff, technicians, production team had already joined. It may be that one or two may be late joining. Maybe in terms of Jan or Feb, or the Q4, but the big employee costs have gone up. So, it won't increase.

**Resha Mehta:** Right, so we can understand the run rate of Rs. 6.5-7 crore for employee costs.

**Ankit Patel:** Are you talking about quarterly?

**Resha Mehta:** Quarterly, yes.

**Ankit Patel:** Quarterly, employee costs will be around Rs. 7 crore.

**Resha Mehta:** Right, and depreciation?

**Ankit Patel:** I think depreciation will come around Rs. 7 crore.

**Resha Mehta:** And this will be our standard run rate?

**Ankit Patel:** That is also WBV, so going forward it will keep on reducing. At the initial time, when the plan starts, maximum depreciation will come on books. Then after that, going forward, depreciation will decrease. 7.5, 7, 6, gradually it will reduce.

**Resha Mehta:** Understood. And secondly, these two new plants, what will be the break even on their utilization? When are we expecting a break-even Ma'am?

**Ankit Patel:** In our continuous PUF panel, our break-even will come after 30-35 crore. And maybe in the commercial freezer, our break even came around 45 or 50. There are some recruitment. Many times our sales strategy and in its mix, if we change, the break-even can be a little early. This product is for us now, I mean, we are launching it for the first time in the market. So to capture the market, as of now, we may have some different strategy that for once, we should be a little price competitive for the entry. But going forward, once product's



acceptability comes, our dealer network becomes strong, after a big customer or tie-up or dispatch, our repo builds up. Then after that, we will also make the sales price a little reasonable. So that too can impact on the break even.

**Resha Mehta:** Right. So by when we are expecting that we will reach Rs 30 crore-Rs. 35 crore and freezers Rs. 40 crore-Rs. 45 crore revenue?

**Ankit Patel:** In the next financial year, both these verticals will be profitable.

**Resha Mehta:** Meaning, FY26 end it will become profitable.

**Ankit Patel:** Yes, in the next financial year. In the next 12 months, both these verticals will be profitable.

**Resha Mehta:** Okay. And from a classification point of view, will we be representing these continuous PUF panels and commercial freezers from a reporting standpoint in a different business vertical?

**Ankit Patel:** We will be reporting them in a different vertical.

**Resha Mehta:** Understood. So sir, if I sum up whatever you have told, basically the margin pressure, the effective margin pressure will remain for the next one year, right? Because as you have told, the depreciation cost will also impact the PAT margin and for breakeven, will be till FY26 end. So maybe FY27 onwards is when we expect that we can go back to the margin band of 9.5-10.5. Would that be our expectation.

**Ankit Patel:** In the same financial year we are expecting margin to be between 9-9.5. So next financial year 9.5-10.5 is a bit tough but will happen. So Inside EBITDA, if we plus depreciation or interest, say depreciation increase or interest increase, the EBITDA margin will be 9.5-10. Depreciation or interest will not impact EBITDA.

**Resha Mehta:** Right, but at the PAT level, obviously the depreciation ka impact will come accelerated in the starting, right?

**Ankit Patel:** Yes.

**Resha Mehta:** So that will not impact the PAT margin.

**Ankit Patel:** Right

**Resha Mehta:** So that PAT margin will go to the earlier level, so that will take, means will it go till FY27 or not? What is the expectation internally?

**Chandrakant P. Patel:** I understand. I mean, if I talk about this financial year, we are expecting a PAT of around Rs. 20 crore plus this year also, I mean If I talk about the full financial year, it's not like that because of the depreciation our PAT will be wiped out. Because in front of that, new contributions and business opportunities growth chances are quite high. And our industry segment is growing on a pace. So, we don't face any difficulties or challenges that after bearing the depreciation and interest costs, our PAT will wipe out.

**Resha Mehta:** Right, because our PAT margins, like in FY23-FY24, are in the range of 6.5% to 7%. I think that will be under pressure in FY26.

**Chandrakant P. Patel:** Yes, that margin will be under pressure till the loan and depreciation impact is there. But after a year or two, if we achieve our sales projection, then the PAT will come to that level too.

**Resha Mehta:** Right. And debt, what is the schedule for repayment? Like, we want debt free as soon as possible. How are we planning for that?

**Chandrakant P. Patel:** To repay debt is not in our priority. The loan we have taken from HDFC Bank of Rs. 48 crore, as of now, its interest is 8.09% or 8.10%. So, we have got a term loan at a very good rate. So, we don't have any mindset to repay the debt quickly. In fact, from next year, our new vertical, continuous PUF panel, it will start to repay the debt. Existing business verticals will grow with the same pace and cash flow. So, debt repayment is not a challenge for us. We are doing aggressive growth. So, it may be a profit that we will redeploy in the business. So, cash flow is not a challenge for us. And the growth that is coming, we are not going to do it by keeping the operating cash flow on stake.

**Resha Mehta:** Understood. Very clear. Thank you and all the best.

**Chandrakant P. Patel:** Thank you.

**Moderator:** Thank you. The question is from Mosam Shah from Wealth Guardian. Please go ahead.

**Mosam Shah:** Hello. Thank you for the opportunity again. Sir, I wanted to ask, what product is your USA certification for?

**Chandrakant P. Patel:** Refridgeration system for the room, refrigeration equipment.

**Mosam Shah:** Okay fine. And how much scope is there in this?

**Chandrakant P. Patel:** Are you talking about potential or?

**Mosam Shah:** Yes, potential.

**Chandrakant P. Patel:** In the US market, China was there. Now there is favorable condition for India due to China's tariff policy. Our buyer market, the motel, stores, there are the main markets where we have to sell. So many good Indians are connected in this industry. We have good contacts. Regarding the warehouse facility, technical team, they have local licensing for these. It's a good opportunity. After this happens we think we can do very well.

**Mosam Shah:** Thank you.

**Moderator:** Thank you. Next question is from Vijay Chug, who's an Individual Investor. Please go ahead.

**Vijay Chug:** Thank you for giving me the opportunity. Sir, I would like to know what are the short-term boring numbers at the moment?

**Ankit Patel:** Right now, our working capital utilization is around Rs. 35 crore.

**Vijay Chug:** Short term?

**Ankit Patel:** Yes, short term, working capital.

**Vijay Chug:** Okay, so previously it was actually 2-3 crore-5 crore. Now it has increased to probably 2.35 crore?

**Ankit Patel:** No, it was not 2-3 crore previously also.

**Vijay Chug:** Quarterly.

**Ankit Patel:** That could be somewhere around 20 crore-25 crore range.

**Vijay Chug:** Okay. Are we still getting any advance from customers?

**Ankit Patel:** Our cold room, which is our major contributing vertical. At the time of booking we take around 20% as advance. So before dispatch our 80%-90% dues are cleared. It's only 5%-10% that we get after installation.

**Vijay Chug:** So the entire product line is of the same basis, like 5% to 10% on the delivery and the rest is on the advance, you mean to say?

**Ankit Patel:** Vertical wise, project wise, it is different. If there is a big project or tender, then it has its own terms. If a direct business like ours is from ammonia vertical, it is not through tender, like Haldiram, then they also have different corporate terms. The dealer and distributor network, we give standard 20 days to 45 days credit is given.

**Moderator:** Thank you. The next question is from Tej Patel from Niveshaay. Please go ahead.

**Tej Patel:** Thank you for the opportunity again. I'm sorry sir, my line dropped for some reason. You have planned to open 2,000 dark stores in quick commerce. Is it possible?

**Chandrakant P. Patel:** In quick commerce, all the people we worked with, they all say we will make 2,000 dark stores in India. If we add all the revenue, then the market potential of Rs. 900 crore-Rs. 1000 crore is in the next 2-3 years. Every year, they will be generating revenue of Rs. 300 crore - 800 crore. We will generate revenue of 50 crore from our quick commerce. So, 15% revenue is our market share.

**Tej Patel:** Okay, got it. One more question. Previous participant was saying that next year we will be EBITDA positive almost 50-60 crore sales in both the new CAPEX, still we will maintain about let's say 9% margin even on that fixed cost. But going forward let's say that after 3-4 years when our utilization is at peak for the new CAPEX and even the older capacities operating at an optimal level, can we expect margin 11% or 12% because our new business is almost at breakeven. If we are doing 9.5% in our full business, then when it goes to full utilization, then can we expect at a console level that our 11%-12% margin can be there?

**Ankit Patel:** By the way, until we come to the top-line of 1000 crore, till then our focus will not be on expanding this. Plus going forward, we are also planning the second CAPEX. Like this was the first phase of CAPEX. With the recruitment or the profit from 1 or 2 quarters was impactful, it may be that in the coming years, not next financial year, maybe in the next-to-next financial year, there may be some such impact, so that our margin gets neutralized. And by then, we will be able to achieve the topline of 1000 crore. At that point of time, we will decide that this bottom-line margin should be kept it in the scope of expansion or not? The size point of view, 500 crore companies is not that big. Until we do the market release of Pan India or sizeable top-line, we are not in the focus of expanding it. It is possible that our margin may go in plus for one or two years. But to increase the market range, we can also pass on it to the customer.

**Moderator:** Thank you very much. We'll take that as the last question. I would now like to hand the conference over to Mr. Mandar Desai for closing comments.

**Mandar Desai:** Ice Make Refrigeration continues its strong growth trajectory driven by strategic execution, innovation and market expansion. While navigating cost pressures, we remain focused on profitability and long-term value creation. With a robust demand outlook, we are confident in achieving our growth targets and further strengthening our industry leadership. On behalf of the Board of Directors and management team, I extend our heartfelt gratitude to our shareholders, employees, and partners for their unwavering support. We remain committed to delivering sustained value and look forward to continued strong performance in the coming quarters. If you have any questions or require further information, please feel free to reach out to us or our Investor Relations Advisor. We are here to assist you. Thank you.

**Moderator:** On behalf of Ice Make Refrigeration Limited, that concludes this conference. Thank you for joining us, ladies and gentlemen. You may now disconnect your lines.

**Disclaimer:** This is a transcript and may contain transcription errors. The Company or sender takes no responsibility for such errors, although an effort has been made to ensure high level of accuracy.