SHREE REFRIGERATIONS

15th September 2026

To,
Department of Corporate Services/ Listing
BSE LIMITED
25th Floor, P. J. Towers,
Dalal Street, Mumbai-400001

Subject: Intimation of Upgradation/Assignment of Credit Rating for Bank Facilities

Reference: Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Scrip Code: 544458
ISIN: INE0FMZ01045

Dear Sir/Madam,

Pursuant to Regulation 30 read with Para A, Part A, Schedule III of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we hereby inform that the Credit Rating Agency of the Company ("CARE Ratings Limited") has **Upgraded and Assigned** the Credit Rating with respect to the bank facilities of the Company.

The details are as follows:

Facilities	Amount (₹ crore)	Rating	Rating Action
Long Term / Short Term Bank Facilities	15.00	CARE BBB-; **Stable** / CARE A3	Assigned
Long Term / Short Term Bank Facilities	68.25 (Reduced from 82.39)	CARE BBB-; **Stable** / CARE A3	Upgraded from CARE BB+; **Stable** / CARE A4+
Long Term Bank Facilities	6.75 (Reduced from 7.61)	CARE BBB-; **Stable**	Upgraded from CARE BB+; **Stable**

The press release for Upgradation / Assignment of credit rating received from CARE Ratings Limited is also enclosed herewith.

Shree Refrigerations Limited
CIN: L29191PN2006PLC128377 | Fax no.: +91 2164 272015
Plot No. 131/1/2/1, Opp. MSEB Stores, Viravde, Ogalewadi, Viravade, Satara, Karad, Maharashtra, India, 415105
cs@shreeref.com
+912164272015
www.shreeref.com

The said information will also be uploaded on the website of the company https://www.shreeref.com/ .

Kindly take the above information on your record.

Thanking You.
Yours faithfully,

For and on behalf of
Shree Refrigerations Limited

Tanmay Mukund Pethkar

Digitally signed by Tanmay Mukund Pethkar
Date: 2026.09.15 17:14:25 +05'30'

Tanmay Mukund Pethkar
Company Secretary and Compliance Officer
Membership No: A53618
Address: 6th Floor," Samarth House", Survey No.116/3/1, 3/3,3/10,
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Encl: Press Release (CARE Ratings)

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Shree Refrigerations Limited

September 15, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long-term / Short-term bank facilities	RBI	15.00	CARE BBB-; Stable / CARE A3	Assigned
Long-term / Short-term bank facilities	RBI	68.25 (Reduced from 82.39)	CARE BBB-; Stable / CARE A3	Upgraded from CARE BB+; Stable / CARE A4+
Long-term bank facilities	RBI	6.75 (Reduced from 7.61)	CARE BBB-; Stable	Upgraded from CARE BB+; Stable

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The upgrade in ratings assigned to bank facilities of Shree Refrigerations Limited (SRL) factors in improvement in SRL's scale of operations, operating cycle, and liquidity in FY26 (refers to April 1 to March 31).

Ratings continue to derive strength from experienced promoters, reputed clientele base, healthy profitability, moderate orderbook position reflecting medium-term revenue visibility, and comfortable capital structure and debt coverage indicators.

However, these rating strengths are partially offset by its moderate scale of operations and working capital intensive operations. Ratings are further constrained due to tender driven and competitive nature of business, raw material price volatility, and exposure to changes in government regulations.

CARE Ratings Limited (CareEdge Ratings) has also withdrawn ratings assigned to one of the bank facilities, which has been repaid in full and there are no dues outstanding against this facility.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in scale of operation above ₹200 crore while maintaining profitability on a sustained basis.
- Managing working capital cycle efficiently with improvement in overall operating cycle below 250 days on a sustained basis.

Negative factors

- Significant elongation in gross current asset days impacting liquidity.
- Any significant debt-funded expansion resulting in total debt to profit before interest, lease rentals, depreciation and taxation (PBILDT) above 3x on a sustained basis.
- Any significant investment into non-core activities impacting solvency or liquidity position.

Analytical approach: Consolidated

CareEdge Ratings has considered consolidated financials of SRL, including SRL and its wholly owned subsidiary Trezor Technologies Private Limited (TTPL) owing to managerial, financial, business, and operational linkages. Consolidated entities are mentioned in Annexure-5.

Outlook: Stable

The 'Stable' outlook on the rating reflects CareEdge Ratings' expectation that SRL will continue to benefit from its promoters' extensive experience and established relationships with its clients.

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority
[2]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Detailed description of key rating drivers

Key strengths

Long and established track record of promoters and key managerial personnel

The company is led by Ravalnath Gopinath Shende, Promoter and Managing Director, who brings extensive experience in sales, manufacturing, operations, and management. The Shende family oversees the financials and overall management of the company. Other key leaders bring significant industry expertise, including Commodore Sunil Kaushik, Whole-time Director, with over 35 years of experience in the Indian Navy and shipbuilding projects; Nandkumar Madhav Athawale, Independent Director, with vast experience in heavy engineering, defence, and aerospace; Umesh Ramaswamy Shastry, Independent Director, a qualified Chartered Accountant and Company Secretary with expertise in finance and internal audit; Col. Lalit Rai, Independent Director, a former army officer with leadership experience; and Vivek Karnavat, Independent Director, with a distinguished career in the Indian Navy. The leadership team's collective expertise, supported by professionals with domain-specific experience, strengthens the company's ability to secure additional defence projects.

Healthy profitability

SRL's profitability, though declined by 500 bps y-o-y, remained healthy, with the PBILDT margin declining to 19.43% in FY26 from 24.43% in FY25. The decline was primarily attributable to lower revenue from spares and services, and higher employee costs and other expenses related to testing and approval costs associated with new orders. Despite the moderation in operating profitability, the profit after tax (PAT) margin improved to 14.02% in FY26 from 12.78% in FY25, supported by lower interest and tax expenses and higher non-operating income.

Comfortable capital structure and debt coverage indicators

SRL's debt profile mainly comprises working capital borrowings, term loans and bank guarantee (BG)-backed customer advances. Capital structure of SRL continued to remain comfortable marked by overall gearing at 0.22x with a net worth base of ₹215.48 crore as on March 31, 2026, compared to 0.39x as on March 31, 2025. The improvement was driven by repayment of term debt and augmentation of net worth following fresh equity infusion through the initial public offer (IPO) undertaken in August 2025.

Debt coverage indicators continued to remain comfortable marked by total debt to gross cash accruals (TD/GCA) and interest coverage (PBILDT/interest) of 1.78x and 8.42x, respectively, in FY26 (PY: 2.76x and 5.29x, respectively).

Reputed clientele base

SRL primarily focuses on securing and executing naval (marine) orders, specialising in manufacturing and installing heating ventilation and air conditioning (HVAC) systems for ships and submarines. SRL has developed long-term established relationship with prominent industry players, including Garden Reach Shipbuilders and Engineers Limited (rated 'CARE AAA; Stable/ CARE A1+'); Mazagon Docks Shipbuilders Limited and Goa Shipyard Limited (rated 'CARE AAA; Stable/ CARE A1+'). SRL generated ~69% of its total operating income from its top three customers (PY: ~73%). This exposes the company's performance to orders from a limited customer base, which is partially mitigated by its established relationship that results in repeat orders.

Moderate orderbook position providing medium term revenue visibility

SRL was able to add new orders of ~₹209 crore in FY26. As on June 30, 2026, SRL had an order book worth ₹279.67 crore (1.82x of FY26 total operating income [TOI]), scheduled for execution over the next three years with major orders from defence contracts, ensuring medium-term revenue visibility. Timely project execution realisation of receivables will be crucial to maintaining healthy cash flows.

Key weaknesses

Growing yet moderate scale of operations

SRL's TOI increased by 55.53% y-o-y to ₹153.55 crore in FY26 from ₹98.73 crore in FY25, supported by the timely execution of projects. The company also inaugurated its Hanbarwadi plant in June 2026, which provides adequate infrastructure to support the execution of upcoming projects. Further, SRL plans to foray into distribution of oil-free cooling compressors for data centres over the medium-to-long term. TOI is expected to grow moderately over the medium term, supported by successful execution of current orderbook.

Working capital intensive nature of operations

SRL's operations continue to remain working capital intensive, primarily due to an elongated receivable cycle and high inventory levels. Operating cycle improved to 296 days in FY26 from 378 days in FY25, driven by a reduction in inventory and receivable days as on March 31, 2026. The elongated operating cycle is attributable to the long execution period of projects, which necessitates maintaining higher inventory, and multiple inspection and verification stages that can result in delays in customer approvals, blocking funds in receivables and inventory. The receivable cycle remains elongated due to the time lag between delivery of components and billing, as invoices are raised upon their installation and utilisation in the shipbuilding process. However, operating cycle is expected to improve going forward, as the type testing process for the projects has already been completed. Since type testing is a time-intensive stage, its completion is expected to shorten the overall project execution timeline. Effective management of operating cycle is expected to be a key monitorable over the long term.

Tender driven and competitive nature of business

The HVAC industry is characterised by fragmentation, with numerous prominent players operating at the national level. The company primarily supplies HVAC systems to the Indian Navy, where orders are awarded based on tenders, thus exposing the company to risks associated with tender-based business, which is also characterised by intense competition. The growth of business depends on SRL's ability to successfully bid for the tenders and emerge as the lowest bidder.

Volatility in raw material prices and regulated industry

The primary raw materials used in the production of industrial heaters and air-cooled condensers are steel sheets, plates, and tubes. SRL's profitability is highly sensitive to fluctuations in raw material prices and market conditions. Due to the inherent volatility in steel prices and the absence of a price adjustment clause in its contracts, the company is vulnerable to sudden price increases. Such fluctuations could significantly affect profitability, especially if costs rise unexpectedly and cannot be passed on to customers. Contracts with government entities are exposed to delays and uncertainties due to extensive internal procedures, frequent policy changes, and budgetary limitations. These factors can hinder the timely execution and completion of projects, posing a significant risk to operational performance.

Liquidity: Adequate

SRL's liquidity position remained adequate with expected cash accruals of ₹25-₹30 crore in FY27, against minimal debt repayment obligations of ₹3-4 crore. Average utilisation of fund-based and non-fund-based working capital limits over the 12 months ended June 30, 2026, stood at 56.09% and 53.40%, respectively. Cash flow from operations remained positive at ₹7.03 crore in FY26 (negative over past four years). The company also had free cash and liquid investments of ₹62.31 crore as on March 31, 2026.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

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
Withdrawal Policy

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital goods	Industrial products	Other industrial products

Based in Karad, Maharashtra, SRL was originally established as a partnership firm in 1990 before transitioning into a private limited company. In 2024, SRL further expanded its corporate structure, becoming a limited company. The company is engaged in manufacturing chillers, refrigeration, and air conditioning appliances and other parts of HVAC industry, offering array of advanced systems and equipment to industries majorly in domestic market. These products serve multiple industries, including automotive, marine, print media, chemical, pharma, and general engineering sectors. The company is also actively involved in manufacturing marine chillers, having approved supplier registrations from Directorate of Marine Engineering (DME), Directorate of Naval Architecture (DNA), and Directorate of Electrical Engineering (DEE) certifications, enabling the in-house manufacturing of chillers, turnkey HVAC solutions, and electrical control panels. In July 2025, SRL went public and was listed on the Bombay Stock Exchange (BSE) on August 01, 2025.

Brief Financials (₹ crore) – Consolidated – SRL	March 31, 2025 (A)	March 31, 2026 (A)
Total operating income	98.73	153.55
PBILDT*	24.12	29.84
Profit after tax (PAT)	12.61	21.53
Overall gearing (x)	0.39	0.22
Interest coverage (x)	5.31	8.42

A: Audited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Brief Financials (₹ crore) – Standalone – SRL	March 31, 2025 (A)	March 31, 2026 (A)
Total operating income	98.73	153.55
PBILDT*	24.12	29.84
Profit after tax (PAT)	13.00	21.40
Overall gearing (x)	0.41	0.22
Interest coverage (x)	5.38	8.01

A: Audited; 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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

List of entities consolidated: Annexure-5

Disclosure on facilities/instruments and name of the regulators:
A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	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-Term Loan	RBI	Simple	-		-	10-01-2031	4.15	CARE BBB-; Stable
Fund-based - LT-Term Loan	RBI	Simple	-		-	01-03-2028	2.60	CARE BBB-; Stable
Fund-based/Non-fund-based-LT/ST	RBI	Simple	-		-	-	35.00	CARE BBB-; Stable / CARE A3
Fund-based/Non-fund-based-LT/ST	RBI	Simple	-		-	-	3.75	CARE BBB-; Stable / CARE A3
Non-fund-based - LT/ ST-Bank Guarantee	RBI	Simple	-		-	-	15.00	CARE BBB-; Stable / CARE A3
Non-fund-based - LT/ ST-BG/LC	RBI	Simple	-		-	-	29.50	CARE BBB-; Stable / CARE A3

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 2026-2027	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
1	Fund-based/Non-fund-based-LT/ST	LT/ST	35.00	CARE BBB-; Stable / CARE A3	-	1)CARE BB+; Stable / CARE A4+ (18-Dec-25)	1)CARE BB+; Stable (25-Mar-25)	-
2	Non-fund-based - LT/ ST-BG/LC	LT/ST	29.50	CARE BBB-; Stable / CARE A3	-	1)CARE BB+; Stable / CARE A4+ (18-Dec-25)	1)CARE A4+ (25-Mar-25)	-
3	Fund-based - LT-Term Loan	LT	4.15	CARE BBB-; Stable	-	1)CARE BB+; Stable (18-Dec-25)	1)CARE BB+; Stable (25-Mar-25)	-
4	Fund-based - LT-Term Loan	LT	2.60	CARE BBB-; Stable	-	1)CARE BB+; Stable (18-Dec-25)	1)CARE BB+; Stable (25-Mar-25)	-
5	Fund-based/Non-fund-based-LT/ST	LT/ST	3.75	CARE BBB-; Stable / CARE A3	-	1)CARE BB+; Stable / CARE A4+ (18-Dec-25)	1)CARE BB+; Stable / CARE A4+ (25-Mar-25)	-
6	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	15.00	CARE BBB-; Stable / CARE A3				

LT: Long term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Lender details

To view lender-wise details of bank facilities please click here

Annexure-5: List of entities consolidated

Sr. No.	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Trezor Technologies Private Limited	Full	Wholly owned 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.

Contact us

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About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

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