



Press Release

Aroma India Private Limited **September 13, 2024**

Ratings

Instrument / Facility	Amount (Rs. Crore)	Current Ratings*	Previous Ratings	Rating Action	Complexity Indicator
Long-Term Bank Facilities	8.00	IVR BB+; Negative, ISSUER NOT COOPERATING* (IVR Double B Plus with Negative Outlook, ISSUER NOT COOPERATING)	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	Downgraded with negative outlook and moved to Issuer Not Cooperating category	Simple
Short-Term Bank Facilities	2.00	IVR A4+, ISSUER NOT COOPERATING* (IVR A Four Plus, ISSUER NOT COOPERATING)	IVR A3 (IVR A Three)	Downgraded and moved to Issuer Not Cooperating category	Simple
Total	10.00 (Rupees Ten crore only)				

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

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

For arriving at the rating, Infomerics has combined the business and financial risk profile of Leade Liquor Manufacturing Private Limited (LLMPL), Oaken Gold Bottling Private Limited (OGBPL) and Aroma India Private Limited (AIPL) commonly referred as Aroma group hereafter since these three entities are engaged in similar line of business, run under a common promoter and have operational and financial linkages.

The downgrade in the ratings assigned to the bank facilities of AIPL is because of non-submission of adequate information regarding Aroma group's performance and hence 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 outlook



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remains negative due to information availability risk. 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.

Non-cooperation by Issuer

Infomerics Ratings has been regularly following up with the entity to provide the monthly no default statement to monitor its assigned rating to the bank facilities, vide E-mail communications dated July 01, 2024, July 16, 2024, August 07, 2024, and August 19, 2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the entity's management has not yet submitted all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics Ratings has to assign the rating based on the best available information.

Analytical Approach & Applicable Criteria: Combined

For arriving at the rating, Infomerics Ratings has combined the business and financial risk profile LLMPL, OGBPL and AIPL commonly referred as Aroma group hereafter since these three entities are engaged in similar line of business, run under a common promoter and have operational and financial linkages. Furthermore, all three companies have tie-up manufacturing agreement with Pernod Ricard India Pvt Ltd– popularly known as Seagram's and engaged in manufacturing, bottling and distribution of Indian made foreign liquor (IMFL) on job work basis for Pernod Ricard. The list of companies considered for consolidation are given in **Annexure 4**

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Rating Methodology for Manufacturing Companies](#)

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

[Criteria of assigning rating outlook](#)

[Policy on default recognition](#)

[Criteria on complexity](#)



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[Consolidation of Companies](#)

Liquidity: Unable to comment due to lack of adequate information.

About the Group

Leade Liquor Manufacturing Limited, Oaken Gold Bottling Private Limited and Aroma India Private limited, all three companies have tie-up manufacturing agreement with Pernod Ricard- popularly known as Seagram's.

About the Company

Incorporated on 27th September 1996, AIPL commenced its production of Indian Made Foreign Liquor (IMFL) from its state-of-the-art production facility in North Guwahati, Assam in the year 2014. The facility is created for Blending & Bottling of Indian Made Foreign Liquor (IMFL) to be sold in the markets of Assam, Tripura, Meghalaya, Arunachal Pradesh, Sikkim & CSD sales.

Financials of Aroma India Private Limited (Standalone):

For the year ended* / As On	(Rs. crore)	
	31-03-2021	31-03-2022
	Audited	Audited
Total Operating Income	424.82	715.13
EBITDA	7.64	11.45
PAT	6.25	9.29
Total Debt	17.56	15.60
Tangible Net worth	22.66	31.94
EBITDA Margin (%)	1.80	1.60
PAT Margin (%)	1.46	1.30
Overall Gearing (x)	0.77	0.49
Interest Coverage (x)	5.15	8.29

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:



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Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (July 04, 2023)	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
1.	Proposed Term Loan	LT	8.00	IVR BB+; Negative; ISSUER NOT COOPERATING*	IVR BBB-; Stable	-	-
2.	Proposed OD	ST	2.00	IVR A4+ ISSUER NOT COOPERATING*	IVR A3	-	-

* 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 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.



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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 Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund Based Limits – Proposed Term Loan	-	-	-	8.00	IVR BB+; Negative; ISSUER NOT COOPERATING*
Short Term Fund Based Limits – Proposed OD	-	-	-	2.00	IVR A4+; ISSUER NOT COOPERATING*

* Issuer did not cooperate; based on best available information

Annexure 2: Facility wise lender details: Not Applicable

Annexure 3: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated analysis:

Name of the Company	Consolidation Approach
Leade Liquor Manufacturing Limited	Full Consolidation
Oaken Gold Bottling Private Limited	Full Consolidation
Aroma India Private Limited	Full Consolidation

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