

February 16, 2026

## Som Distilleries Private Limited: Ratings placed on Watch with Negative Implications

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based – Term loan	3.83	3.83	[ICRA]BBB-; placed on Rating Watch with Negative Implications
Long-term – Fund-based – Cash credit	42.50	42.50	[ICRA]BBB-; placed on Rating Watch with Negative Implications
Short-term – Non-fund based	23.50	23.50	[ICRA]A3; placed on Rating Watch with Negative Implications
Long-term – Unallocated	46.55	46.55	[ICRA]BBB-; placed on Rating Watch with Negative Implications
<b>Total</b>	<b>116.38</b>	<b>116.38</b>	

\*Instrument details are provided in Annexure I

### Rationale

#### Material event

Som Distilleries & Breweries Limited (SDBL), the flagship company of the Som Group, vide stock exchange filings dated February 5, 2026, acknowledged that the Excise Department of Madhya Pradesh (MP) has suspended the manufacturing unit licences of two of the Som Group's manufacturing facilities in Raisen, MP, in connection with an old legal case. The manufacturing units belong to SDBL and its associate company, Som Distilleries Private Limited (SDPL/ the company). SDBL also clarified that the matter pertains to an old case of 2012, wherein a stay order was passed by the Sessions Court, Betma, MP, which was under appeal before the Honourable High Court of MP (Indore bench) by SDBL and SDPL, following which the Excise Authorities suspended their manufacturing unit licences in February 2026.

#### Impact of the material event

The Raisen, MP facility accounts for SDPL's entire revenue, and manufacturing has been halted in the unit following the order. At present, the company has appealed against the order before the High Court through appropriate legal proceedings and a judgement on the same is impending. A prolonged suspension of its manufacturing licence could materially weaken the company's operational and financial profile. Thus, ICRA has placed the company's outstanding ratings on Watch with Negative Implications. In the meantime, the company maintains adequate liquidity, with approximately Rs. 6 crore of undrawn bank lines as of January 2026. These resources can be utilised to meet near-term debt-servicing obligations in the event of an extended disruption of operations. ICRA will continue to closely monitor any development related to this process.

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position and rating sensitivities: [Click here](#)

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a>
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on the standalone financials of SDPL.

## About the company

SDPL, incorporated in 1986, is engaged in the manufacturing of extra-neutral alcohol (ENA), country liquor (CL) and Indian-made foreign liquor (IMFL). It is an integrated distillery for manufacturing alcohol from molasses and grain. The company has its manufacturing facility in Sehatganj, Raisen, MP, with an installed alcohol manufacturing capacity of 214 kilolitre per day (KLPD). The company is promoted by the Bhopal-based Arora family.

SDPL is a part of the Bhopal-based Som Group. Apart from it, the Group has other companies which are also involved in the alcoholic beverage business. Som Distilleries & Breweries Limited, incorporated in 1993, is the flagship company of the Group, along with its subsidiaries, Woodpecker Distilleries & Breweries Private Limited (manufacturing unit in Karnataka) and Som Distilleries & Breweries Odisha Private Limited (manufacturing unit in Cuttack), which are involved in brewing, fermenting, bottling, canning and blending beer and IMFL.

## Key financial indicators (audited)

SDPL (standalone)	FY2023	FY2024	FY2025
Operating income (OI)	284.1	466.0	462.7
PAT	5.8	6.6	7.6
OPBDIT/OI	7.8%	4.8%	5.3%
PAT/OI	2.0%	1.4%	1.6%
Total outside liabilities/Tangible net worth (times)	1.9x	2.0x	1.5x
Total debt/OPBDIT (times)	5.6x	3.6x	3.4x
External debt ^/OPBDIT (times)	3.2x	1.8x	2.1x
Interest coverage (times)	2.4x	4.8x	6.4x

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

**Status of non-cooperation with previous CRA:** Brickworks has kept the ratings under Issuer Not Cooperating category at BWR C/ A4 via its press release dated April 10, 2025

**Any other information: None**

## Rating history for past three years

Instrument	Current year (FY2026)				Chronology of rating history for the past 3 years				
	Type	Amount rated (Rs. crore)	FY2026		FY2025		FY2024		FY2023
			Feb 16, 2026	May 02, 2025	Date	Rating	Date	Rating	Date
Cash credit	Long term	42.50	[ICRA]BBB-; Rating Watch with Negative Implications	[ICRA]BBB- (Stable)	Oct 18, 2024	[ICRA]BBB-; Rating Watch with Negative Implications	Nov 20, 2023	[ICRA]BBB- (Stable)	Aug 04, 2022
					Jun 25, 2024	[ICRA]BBB-; Rating Watch with Negative Implications	Aug 14, 2023	[ICRA]BBB- (Stable)	-
Term loans	Long term	3.83	[ICRA]BBB-; Rating Watch with Negative Implications	[ICRA]BBB- (Stable)	Oct 18, 2024	[ICRA]BBB-; Rating Watch with Negative Implications	Nov 20, 2023	[ICRA]BBB- (Stable)	Aug 04, 2022
					Jun 25, 2024	[ICRA]BBB-; Rating Watch with Negative Implications	Aug 14, 2023	[ICRA]BBB- (Stable)	-
LC/BG*	Short term	23.50	[ICRA]A3; Rating Watch with Negative Implications	[ICRA]A3	Oct 18, 2024	[ICRA]A3; Rating Watch with Negative Implications	Nov 20, 2023	[ICRA]A3	Aug 04, 2022
					Jun 25, 2024	[ICRA]A3; Rating Watch with Negative Implications	Aug 14, 2023	[ICRA]A3	-
Unallocated	Long term	46.55	[ICRA]BBB-; Rating Watch with Negative Implications	[ICRA]BBB- (Stable)	Oct 18, 2024	[ICRA]BBB-; Rating Watch with Negative Implications	Nov 20, 2023	[ICRA]BBB- (Stable)	Aug 04, 2022
					Jun 25, 2024	[ICRA]BBB-; Rating Watch with Negative Implications	Aug 14, 2023	[ICRA]BBB- (Stable)	-

Source: Company, \*Letter of credit/Bank guarantee

## Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Term loan	Simple
Long-term – Fund-based – Cash credit	Simple
Short-term – Non-fund based	Simple
Long-term – Unallocated	Not applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's

credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

**Annexure I: Instrument details**

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	<b>Cash credit</b>	-	-	-	42.50	[ICRA]BBB-; Rating Watch with Negative Implications
NA	<b>Term loans</b>	April 2017	-	March 2026	3.83	[ICRA]BBB-; Rating Watch with Negative Implications
NA	<b>LC/BG</b>	-	-	-	23.50	[ICRA]A3; Rating Watch with Negative Implications
NA	<b>Unallocated</b>	-	-	-	46.55	[ICRA]BBB-; Rating Watch with Negative Implications

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis – Not applicable**

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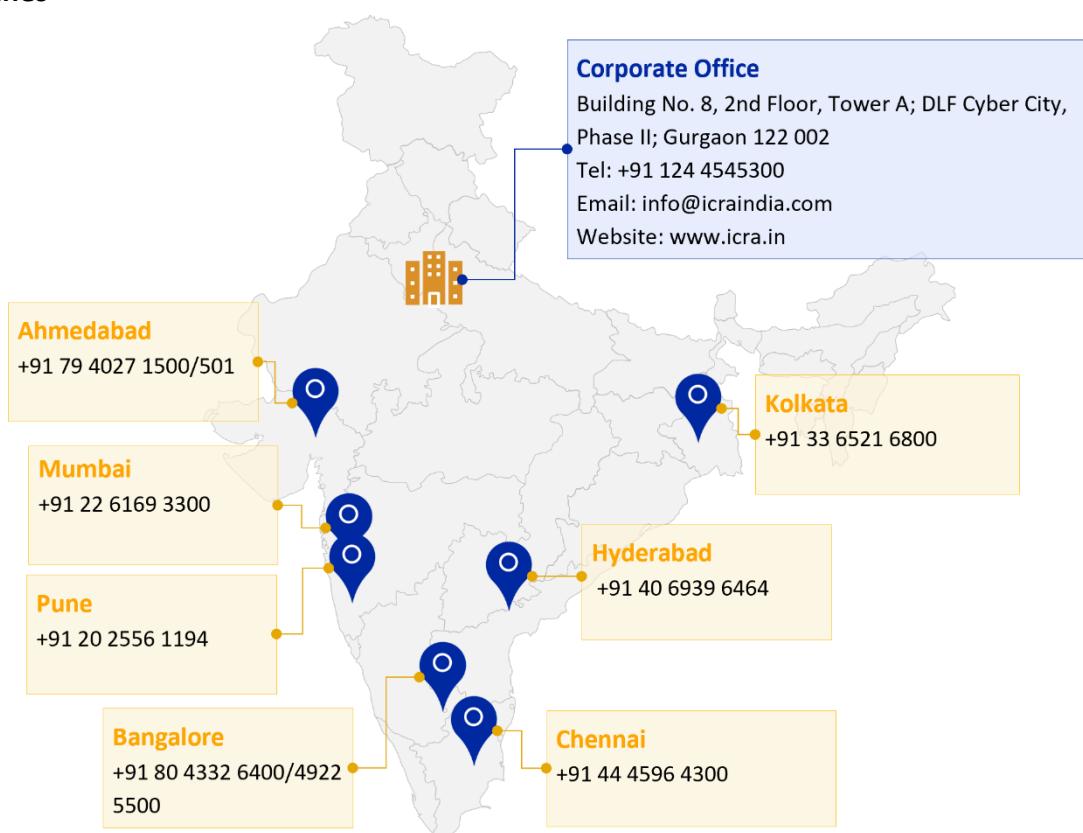
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