



### Mr. Ajit Vaze

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#### How would you describe the journey of your company since its inception?

AARAV's story begins during a tumultuous period from 2005 to 2010, when the Vaze-Kelkar family business split into three groups. The company was registered in 2007 but became fully functional in FY 2011-12. We set up our fragrance production unit on a 28-acre plot in Jamghar, Wada, acquired office space in Thane, and started a perfumery school. By FY 2012-13, we began flavor division operations.

Between FY 2011-12 and 2017-18, AARAV grew significantly, expanding from 7 to 130 employees, building a strong reputation, and crossing the ₹ 100 crore sales milestone. However, the following three years were challenging. In FY 2018-19, our largest customer began producing its own fragrances, and the next year, global supply cost escalations impacted profitability. COVID further affected us over the next two years!

Despite these challenges, we reinvented ourselves, focusing

on being customer-centric and performance-oriented.

In 2017-18, we launched the Ingredients initiative, starting with a research and pilot plant facility at Pawane and adding a small production unit. By H2 FY 2021-22, the Ingredients division began commercial activities, doubling annually since. We established a new ingredients plant at Wada, operational in H2 FY 2023-24 to meet increasing demand.

Today, AARAV is one of the largest Indian Fragrance and Flavor Houses, with sales in FY 2023-24 more than doubled from the COVID era, CAGR of over 30%, and a healthy EBIDTA of 22%.

#### What are some of the key milestones of the company in recent years?

- AARAV's compounding divisions (Fragrance and Flavors) achieved an important milestone when the share of traditional business (Incense, tobacco etc) dropped to below 45% with remarkable growth in new sectors (Fine Fragrance, Air care, Fabric care, Personal care, Home care) and new customers (Corporate, D2B, semi corporate)
- New technologies introduced via newer in-house ingredients, IT systems for fragrance design,

applications science, amongst others, coupled with its strong creative base have carried the company over a competitive threshold in the marketplace in many new and exciting sectors

- Robust growth and high degree of acceptance of product quality and pricing amongst international clients have made the Ingredients division into a growth engine of AARAV with sales doubling annually.

#### How is the company gearing towards "Atmanirbharta"?

AARAV is gearing towards Atmanirbharta in two specific ways

##### Internally

- Enabling organizational learning by arranging knowledge transfer from global experts in the field
- Enhancing sourcing relations with Indian producers by technology transfer and expert guidance to enable them to manufacture in India

##### Externally

- Manufacturing specialty, high value products that can substitute imports, for sale within the country
- Exporting "Made in India" specialty products that are being exported to more than 20 countries