

November 11, 2024

Aquatech Systems Asia Private Limited: Ratings withdrawn

Summary of rating action

| Instrument [^] | Previous Rated Amount (Rs. crore) | Current Rated Amount (Rs. crore) | Rating Action |
|--|--------------------------------------|-------------------------------------|---|
| Long-term Fund-based – Term Loan | 3.77 | 3.77 | [ICRA]BBB- (Stable) ISSUER NOT COOPERATING*; withdrawn |
| Long-term/ Short-term – Fund-based | 30.05 | 30.05 | [ICRA]BBB- (Stable)/[ICRA]A3 ISSUER NOT COOPERATING*; withdrawn |
| Long-term/ Short-term Non-fund Based | 129.85 | 129.85 | [ICRA]BBB- (Stable)/[ICRA]A3 ISSUER NOT COOPERATING*; withdrawn |
| Long-term/ Short-term Unallocated limits | 77.83 | 77.83 | [ICRA]BBB- (Stable)/[ICRA]A3 ISSUER NOT COOPERATING*; withdrawn |
| Total | 241.50 | 241.50 | |

[^]Instrument details are provided in Annexure-I; *Issuer did not cooperate; based on best available information

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Aquatech Systems Asia Private Limited's (ASAPL)** at the request of the company and based on the No Objection Certificate (NOC) received from the bankers, in accordance with ICRA's policy on withdrawal of credit ratings. ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The key rating drivers and their description, liquidity position, rating sensitivities, key financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#).

Analytical approach

| Analytical Approach | Comments |
|---------------------------------|---|
| Applicable rating methodologies | Corporate Credit Rating Methodology Policy in respect of non-cooperation by the rated entity Policy on withdrawal of Credit Ratings |
| Parent/Group support | Not applicable |
| Consolidation/Standalone | For arriving at the ratings, ICRA has considered the consolidated financials of ASAPL. As on March 31, 2023, the company had four subsidiaries, which are listed in Annexure-II. |

About the company

ASAPL offers water and wastewater management solutions, such as pre-treatment, ion exchange, membrane and thermal solutions and desalination. Based in Pune (Maharashtra), the company is a wholly owned subsidiary of Aquatech International Corporation (AIC), Pennsylvania, USA. ASAPL executes plants for wastewater industrial re-use, desalination, and zero liquid discharge, and specialises in design-building (project-specific) and outsourcing solutions for water and wastewater management. ASAPL derives most of its revenues from industrial wastewater treatment and desalination in the industrial, infrastructure and municipal segments in India and West Asia. While AIC caters to the US and European markets, the West Asian and Asia Pacific markets are managed jointly by ASAPL and its subsidiaries.

About the parent company

Aquatech International Inc., Pennsylvania, USA, established in 1981, is one of the major players in water purification technology for the industrial and infrastructure markets, with focus on desalination, water recycle and re-use, and zero liquid discharge (ZLD). The company has a significant presence in North America, Europe, West Asia, South Asia and Asia Pacific. Moreover, it is expanding its presence across the world through its subsidiaries.

In July 2016, Ecolab Inc., the parent company of NALCO Water, made an equity investment in AIC for acquiring a minority stake. Ecolab, listed on the New York Stock Exchange (NYSE), is a global provider of water, hygiene and energy technologies as well as a service provider to the food, energy, healthcare, industrial and hospitality markets.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

| Instrument | Current (FY2025) | | | | | Chronology of rating history for the past 3 years | | | | | |
|--------------------|-----------------------|------------------------|---|-------------|---|---|-------------------------------|-------------|---------------------------------|-------------|-------------------------------|
| | | | | | | FY2024 | | FY2023 | | FY2022 | |
| | Type | Amount Rated (RsCrore) | November 11, 2024 | Date | Rating | Date | Rating | Date | Rating | Date | Rating |
| Term loans | Long-term | 3.77 | [ICRA]BBB- (Stable) ISSUER NOT COOPERATING; Withdrawn | 29-Oct-2024 | [ICRA]BBB- (Stable); ISSUER NOT COOPERATING | 14-Jul-2023 | [ICRA]BBB- (Stable) | 04-Aug-2022 | [ICRA]BBB- (Positive) | 21-May-2021 | [ICRA]BBB- (Stable) |
| PCFC | Short-term | - | - | 29-Oct-2024 | - | 14-Jul-2023 | - | 04-Aug-2022 | [ICRA]A3 | 21-May-2021 | [ICRA]A3 |
| Fund Based | Long-term/ Short-term | 30.05 | [ICRA]BBB- (Stable)/ [ICRA]A3 ISSUER NOT COOPERATING; Withdrawn | 29-Oct-2024 | [ICRA]BBB- (Stable)/ [ICRA]A3; ISSUER NOT COOPERATING | 14-Jul-2023 | [ICRA]BBB- (Stable)/ [ICRA]A3 | 04-Aug-2022 | - | 21-May-2021 | - |
| Non-Fund based | Long-term/ Short-term | 129.85 | [ICRA]BBB- (Stable)/ [ICRA]A3 ISSUER NOT COOPERATING; Withdrawn | 29-Oct-2024 | [ICRA]BBB- (Stable)/ [ICRA]A3; ISSUER NOT COOPERATING | 14-Jul-2023 | [ICRA]BBB- (Stable)/ [ICRA]A3 | 04-Aug-2022 | [ICRA]BBB- (Positive)/ [ICRA]A3 | 21-May-2021 | [ICRA]BBB- (Stable)/ [ICRA]A3 |
| Unallocated limits | Long-term/ Short-term | 77.83 | [ICRA]BBB- (Stable)/ [ICRA]A3 ISSUER NOT COOPERATING; Withdrawn | 29-Oct-2024 | [ICRA]BBB- (Stable)/ [ICRA]A3; ISSUER NOT COOPERATING | 14-Jul-2023 | [ICRA]BBB- (Stable)/ [ICRA]A3 | 04-Aug-2022 | [ICRA]BBB- (Positive)/ [ICRA]A3 | 21-May-2021 | [ICRA]BBB- (Stable)/ [ICRA]A3 |

Complexity level of the rated instrument

| Instrument | Complexity Indicator |
|---|----------------------|
| Long Term – Term loans | Simple |
| Long-term/Short-term – Fund-based | Simple |
| Long-term/Short-term – Non-fund-based | Very simple |
| Long-term/Short-term – Unallocated limits | 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 No. | Instrument Name | Date of Issuance | Coupon Rate | Maturity | Amount Rated (Rs. crore) | Current Rating and Outlook |
|----------|--------------------|------------------|-------------|----------|--------------------------|---|
| NA | Term loans | FY2021 | ~8%. | FY2025 | 3.77 | [ICRA]BBB- (Stable) ISSUER NOT COOPERATING; Withdrawn |
| NA | Fund based | NA | NA | NA | 30.05 | [ICRA]BBB- (Stable)/ [ICRA]A3 ISSUER NOT COOPERATING; Withdrawn |
| NA | Non fund based | NA | NA | NA | 129.85 | [ICRA]BBB- (Stable)/ [ICRA]A3 ISSUER NOT COOPERATING; Withdrawn |
| NA | Unallocated limits | NA | NA | NA | 77.83 | [ICRA]BBB- (Stable)/ [ICRA]A3 ISSUER NOT COOPERATING; Withdrawn |

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

Annexure-II: List of entities considered for consolidated analysis

| Company name | ASAPL ownership | Consolidation approach |
|--|-----------------|------------------------|
| Qua Water Technologies Private Limited | 100% | Full Consolidation |
| Wex Technologies Private Limited | 100% | Full Consolidation |
| Aquatech Eastern FZE | 100% | Full Consolidation |
| Aquatech HK Water Treatment Limited | 100% | Full Consolidation |

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About ICRA Limited:

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Branches



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