

March 29, 2023

Qua Water Technologies Pvt. Ltd.: Ratings Withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term – Fund based	3.50	3.50	[ICRA]BB (Stable); Withdrawn
Short-term non-fund based	2.25	2.25	[ICRA]A4; Withdrawn
Long term – Unallocated Limits	2.25	2.25	[ICRA]BB (Stable); Withdrawn
Long-term fund based – Term Loan	4.00	4.00	[ICRA]BB (Stable); Withdrawn
Total	12.00	12.00	

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of **Qua Water Technologies Pvt. Ltd.**, at the request of the company and based on the No Objection Certificate (NOC) received from the banker, and in accordance with ICRA's policy on withdrawal. However, 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, Liquidity Position, Rating Sensitivities and Key Financial Indicator have not been captured as the rated instruments are being withdrawn.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	ICRA Policy on Withdrawal of Credit Ratings Corporate Credit Rating Methodology
Parent/Group support	Parent/Group Company: Aquatech Systems Asia Private Limited (rated at [ICRA]BBB-(Positive)/[ICRA]A3) The rating assigned to Qua factors in the high likelihood of its parent, ASAPL, extending financial support to it because of close business linkages between them. ASAPL has also extended corporate guarantee for Qua's bank lines. We also expect ASAPL to be willing to extend financial support to Qua out of its need to protect its reputation from the consequences of a Group entity's distress. There also exists a consistent track record of ASAPL having extended timely financial support to Qua, whenever a need has arisen.
Consolidation/Standalone	Standalone

About the company

Incorporated in 2010, Qua is a wholly owned subsidiary of Aquatech Systems Asia Private Limited (ASAPL). The company develops advanced filtration membranes and membrane-related products for water and wastewater treatment applications. Qua manufactures membranes for three processes—namely fractional electro-deionisation, membrane bioreactor and ultrafiltration.

ASAPL offers water and wastewater management solutions, such as pre-treatment, ion exchange, membrane & 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 & desalination in the industrial, infrastructure & 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.

Status of non-cooperation with Previous CRA: None

Any other information: None

Rating history for past three years

Instrument	Type	Current rating (FY2023)		Chronology of rating history for the past 3 years					
		Amount rated (Rs. crore)	Amount outstanding (Rs. crore)	Date & rating in FY2023	Date & rating in FY2022	Date & rating in FY2021		Date & rating in FY2020	
				Mar 29, 2023	Dec 09, 2021	Feb 01, 2021	May 26, 2020	Dec 05, 2019	
1	Fund Based	Long-term	3.50	-	[ICRA]BB(Stable); Withdrawn	[ICRA]BB (Stable)	[ICRA]BB (Stable)	[ICRA]BB (Stable)	[ICRA]BB (Stable)
2	Non-fund based	Short-term	2.25	-	[ICRA]A4; Withdrawn	[ICRA]A4	[ICRA]A4	[ICRA]A4	[ICRA]A4
3	Unallocated Limits	Long-term	2.25	-	[ICRA]BB(Stable); Withdrawn	[ICRA]BB (Stable)	[ICRA]BB (Stable)	[ICRA]BB (Stable)	[ICRA]BB (Stable)
4	Term Loan	Long-term	4.00	*	[ICRA]BB(Stable); Withdrawn	[ICRA]BB (Stable)	-	-	-

*Nil Outstanding

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term fund based	Simple
Short-term non-fund based	Very Simple
Unallocated	NA
Long-term fund based – Term Loan	Simple

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, is 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	Fund based Working capital	NA	NA	NA	3.50	[ICRA]BB(Stable); Withdrawn
NA	Non-fund based Working capital	NA	NA	NA	2.25	[ICRA]A4; Withdrawn
NA	Unallocated Limits	NA	NA	NA	2.25	[ICRA]BB(Stable); Withdrawn
NA	Term Loan	November 16, 2021	11.75%	FY2026	4.00	[ICRA]BB(Stable); Withdrawn

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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