

## Rating Rationale

19 Nov 2020

### ASIAN AQUA FEEDS AND CHEMICALS

Brickwork Ratings has reviewed the ratings assigned to the bank loan facilities of Rs. 6.50 crore of the Asian Aqua Feeds and Chemicals, based on best available information, and the firm did not cooperate.

### Particulars

Facilities <sup>#</sup>	Previous Rated Amount Rs. Crs	Present Rating Amount Rs. Crs	Tenure	Rating <sup>1</sup>	
				Previous Ratings <sup>^</sup>	Present Rating <sup>*</sup>
Fund Based	6.50	6.50	Long Term	BWR B+(Stable) Assigned	BWR B Stable Issuer Not Cooperating* Downgrade
<b>Total</b>	<b>6.50</b>	<b>Rs. 6.50 Crore (Rupees Six Crores and Fifty Lakhs Only)</b>			

\*Issuer Not Cooperating: Based on best available information

<sup>^</sup> Not Reviewed the outstanding rating of BWR B+(Stable) on 1<sup>st</sup> October 2020.

<sup>1</sup> Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

#Note: Details of Bank facilities are provided in Annexure I

### Rating downgraded and migrated to ISSUER NOT COOPERATING\* category

#### Nature of Non-Cooperation:

The rating was due for a review in September 2020. Brickwork Ratings (BWR) took up the firm to provide required information over emails and through telephone communication. Despite the best efforts of Brickwork Ratings to get at least the minimum required information for a review, the firm has not provided the same. Hence, the ratings were migrated to the 'Not Reviewed' category. In the absence of adequate information from the issuer and continued lack of management cooperation, Brickwork Ratings is unable to assess the issuer's financial performance and its ability to service its debt and maintain valid ratings. The firm has not been submitting NDS to BWR. Based on inadequate information and continued lack of management cooperation, Brickwork Ratings has downgraded the long term rating to 'BWR B/Stable' from 'BWR B+(Stable)', and migrated to the Issuer Not Cooperating\* category.

## LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit ratings should therefore take into account the possible deterioration in the credit quality of the rated firm arising from its non-transparency withholding of information required for a review of the rating.

### About firm

The firm M/S Asian Aqua feeds and chemicals has been established in the year 2014 but started operations from dec 2017. The firm deals with the retail sale of aqua feeds and chemicals. The managing partner of the firm Mr. Nagareddy Sreedhar reddy are engaged in the same activity for the past 10 years. The other three partners Mr. Kamireddy suresh, kamireddy sravanthi and Nagareddy padmaja are helping in day to day activities of the firm.

**No financial information has been submitted to BWR over the last one year**

**Key Covenants of the facility rated:** The terms of sanction include standard covenants normally stipulated for such facilities.

**Status of non-cooperation with previous CRA – NA**

## RATING HISTORY FOR THE LAST THREE YEARS (Including Withdrawn/Suspended)

Sl. No.	Facilities	Current Ratings (2020)			Ratings History		
		Type	Amount (Rs. Cr)	Ratings <sup>^</sup>	(30.09.2019)	(2018)	(2017)
1	<b>Fund Based</b>	Long Term	6.50	<b>BWR B Stable Issuer Not Cooperating* Downgrade</b>	<b>BWR B+ (Stable) Assigned</b>	---	---
<b>Total</b>		<b>Rs. 6.50 Crore (Rupees. Six Crores and Fifty Lakhs Only)</b>					

<sup>^</sup>Not Reviewed the outstanding rating of BWR B+(Stable) on 1<sup>st</sup> October 2020.

\* Issuer did not cooperate; Based on best available information

### Complexity Levels of the Instruments:

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

**Hyperlink/Reference to applicable Criteria**

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

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**Asian Aqua Feeds and Chemicals**  
**Annexure I: Details of Bank Facilities rated**

Sl. No.	Name of the Bank	Type of Facilities	Long Term (Rs. Cr)	Short Term (Rs. Cr)	Total (Rs. Cr)
1.	Union Bank of India	Fund Based Open Cash Credit	6.50	-	6.50
<b>TOTAL - Rupees Six Crores and Fifty Lakhs Only</b>					<b>6.50</b>



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**DISCLAIMER** Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.