

## RATING RATIONALE

01 Jun 2020

### Aqua Wave Biotech Pvt. Ltd.

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 8.66 Crore of Aqua Wave Biotech Pvt. Ltd. based on best available information, as the issuer did not cooperate.

#### Particulars

| Facility     | Amount (₹ Cr) |         | Tenure   | Rating#   |  |
|--------------|---------------|---------|--|-----------|--|
|              | Previous      | Present |  | Previous  | Present  |
|              |               |         |  | Feb, 2018 |  |
| Fund Based   | 8.66          | 8.66    | Long Term  | BWR D     | BWR D<br>(Reaffirmed)<br>Issuer Not Cooperating* |
| <b>Total</b> | 8.66          | 8.66    | <b>INR Eight Crores and Sixty Six Lakhs Only</b> |           |  |

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

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

Details of Bank facilities is provided in Annexure - I

#### RATING ACTION/OUTLOOK/NATURE OF NON-COOPERATION

In view of the non-availability of the information and lack of cooperation from the firm, Brickwork Ratings has reaffirmed and migrated the long term rating to 'BWR D ; Issuer Not Cooperating' for the bank loan facilities amounting **Rs. 8.66** Crores of **Aqua Wave Biotech Pvt. Ltd.**

The lenders/investors may note to exercise due caution while using the above ratings which mentions "**Issuer Not Cooperating**" since the ratings lack any projections or forward looking component as it is arrived based on the best available information without any management/banker's interaction.



The rating was due for a review in February, 2019. BWR took up with the company to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer, BWR is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating.

**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 rating should therefore take into account possible deterioration in the credit quality of the rated entity arising from its non-transparency withholding of information required for a review of the rating.

**COMPANY PROFILE (Information as available in February, 2018)**

Aquawave Bio Tech Pvt Ltd was incorporated in Jan 2012. The company was incorporated by two promoters Smt. Susmitha Rajavarapu & Sri Nagesh babu Anantha with 5000 shares each. Both the directors, for their personal preoccupation reasons, have passed the resolution and resigned from the company. Form 32, Board resolutions had been submitted in this regard. The Company has presently three Directors- Mr Battini Venkateswarlu, Mr Bollu Srinivasa Rao and Mrs Battini Prabhavathi. The Company has undertaken the proposed project of setting up the Prawn Hatchery unit having assumed capacity of 1000 pairs of vannamei prawn per annum. The Company's registered office is in Guntur, Andhra Pradesh. The farm/ unit is located in Adavi village, Bapatla Mandal, Guntur district, A.P. Company has started its operations on 1st Apr 2017. The Company is engaged in the business of research, development, farming, manufacturing, stockist, import & exporter of all kinds of seafood & herbal products. They are mainly involved in the Broodstock development (R&D), domestication of fishes, shrimps, prawns, exotic species of fishes, aquaponics, marine & fresh water ornamental fishes for seed production & nursery rearing culture. As of now, company has not started export.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY : Nil**

**Rating History For The Previous Three Years [including withdrawal and suspended]**

| Facility          | Current Rating   |                  |   | Rating History <sup>^</sup> |   |      |
|-------------------|------------------|------------------|---|-----------------------------|---|------|
|                   | Type             | Amount<br>(₹ Cr) | Rating  | 2019                        | 2018  | 2017 |
| <b>Fund Based</b> | <b>Long Term</b> | <b>8.66</b>      | <b>BWR D<br/>(Reaffirmed)<br/>Issuer Not Cooperating*</b> | -                           | <u>14.02.2018</u><br>BWR D<br>(FB: Rs 8.66 Crs) | -    |
| <b>Total</b>      |                  | <b>8.66</b>      | <b>INR Eight Crores and Sixty Six Lakhs Only</b>          |                             |   |      |

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

<sup>^</sup> Initial Rating of 'BWR B/Stable' was assigned to the Bank Loan facilities of Rs. 6.70 Crores of Aqua Wave Biotech Pvt. Ltd. on 26 August 2015.

**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](#)

For any other criteria obtain [hyperlinks](#) from website

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**Annexure I**

**Aqua Wave Biotech Pvt. Ltd.**

**Details of Bank Loan Facilities rated by BWR**

| Sl.No.       | Name of the Bank | Type of Facility | Long Term [Rs. Crs] | Short Term [Rs. Crs] | Total [Rs. Crs] |
|--------------|------------------|------------------|---------------------|----------------------|-----------------|
| 1            | Canara Bank      | Cash Credit      | 0.95                | -                    | 0.95            |
|              |                  | Term Loan        | 7.71                | -                    | 7.71            |
| <b>TOTAL</b> |                  |                  |                     |                      | <b>8.66</b>     |

**Total Rupees Eight Crores and Sixty Six Lakhs Only**

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**About Brickwork Ratings:** Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a leading public sector bank, as its promoter and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

**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 reason.