

Press Release

Newtech Creations

November 11, 2019

Rating Update



| | |
|------------------------------------|---------------------------------------|
| Total Bank Facilities Rated | Rs. 7.70 Cr. # |
| Long Term Rating | ACUITE B Issuer not co-operating* |
| Short Term Rating | ACUITE A4 Issuer not co-operating* |

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuite has reviewed long-term rating of '**ACUITE B**' (read as **ACUITE B**) and long-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 7.70 crore bank facilities of NEWTECH CREATIONS (NC). This rating is now an indicative rating and is based on best available information.

Established in 2002, Newtech Creations (NTC) is proprietorship concern promoted by Mr. S Dhandapani. The firm is engaged in Manufacturing & exporting of knitted garments. NTC products range includes garments (T-shirts, casual wears, sports wears, tops, under garments, etc) for men, women, and kids. NTC outsources the process of manufacturing like knitting, dyeing, washing, cutting, etc. Processes like embroidery and printing is done using the in-house facilities. Firm has the manufacturing/outsourcing capacity to sell 8000 pieces of garments per day.

Non-cooperation by the issuer/borrower

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|--------------------------|---------------------------------|------------|------------------|------------------------------|
| 3 rd Sept 18 | Packing Credit | Short Term | 3.25 | ACUITE A4 (Reaffirmed) |
| | Post Shipment Credit | Short Term | 4.00 | ACUITE A4 (Reaffirmed) |
| | Proposed Term Loan | Long Term | 0.45 | ACUITE B/Stable (Reaffirmed) |
| 27 th July 17 | Packing Credit | Short Term | 3.25 | ACUITE A4 (Reaffirmed) |
| | Post Shipment Credit | Short Term | 4.00 | ACUITE A4 (Reaffirmed) |
| | Proposed Long Term Loan | Long Term | 0.45 | ACUITE B/Stable (Reaffirmed) |
| 8 th Mar 16 | Proposed Long Term Loan | Long Term | 0.45 | ACUITE B/Stable (Assigned) |
| | Bills Discounting | Short Term | 4.00 | ACUITE A4 (Assigned) |
| | Packing Credit | Short Term | 3.25 | ACUITE A4 (Assigned) |

#Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings |
|------------------------|------------------|----------------|----------------|-----------------------------|---------------------------------------|
| Packing Credit | Not Applicable | Not Applicable | Not Applicable | 3.25 | ACUITE A4 Issuer not co-operating* |
| Post Shipment Credit | Not Applicable | Not Applicable | Not Applicable | 4.00 | ACUITE A4 Issuer not co-operating* |
| Proposed Term Loan | Not Applicable | Not Applicable | Not Applicable | 0.45 | ACUITE B Issuer not co-operating* |

*The issuer did not co-operate; Based on best available information.

Contacts

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|--|---|
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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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