

**Press Release**  
**NEWTON ENGINEERING AND CHEMICALS LIMITED**  
**February 16, 2022**  
**Rating Reaffirmed and Issuer not co-operating**



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
<b>Bank Loan Ratings</b>	4.00	ACUITE D   Reaffirmed   Issuer not co-operating*	-
<b>Bank Loan Ratings</b>	18.00	-	ACUITE D   Reaffirmed   Issuer not co-operating*
<b>Total Outstanding Quantum (Rs. Cr)</b>	22.00	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	0.00	-	-

**Rating Rationale**

Acuité has reaffirmed the long-term rating of '**ACUITE D** (**read as ACUITE D**) and the short term rating of '**ACUITE D** (**read as ACUITE D**) on the Rs. 22.00 crore bank facilities of Newton Engineering And Chemicals Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

**About the Company**

Newton Engineering and Chemicals Limited (NECL) was incorporated in 1996, as a result of the amalgamation of Hitech Orgochem Limited (HOL) and Newton Engineering and Construction Company Limited (NECCL). NECCL was established in 1979 as a proprietorship firm by the name of Newton Engineering and Construction Company. The same was converted into a private limited company in April 1982 with Mr. N. Gopinath as its Managing Director. HOL was incorporated in 1992 at Gujarat with an objective to manufacture chemicals and fine chemicals. Currently, NECL is managed by Mr. N. Gopinath and his wife, Mrs. N. Vijayalakshmi. NECL has three divisions- Project Division, Manufacturing Division and Chemicals Division.

**Non-cooperation by the issuer/borrower:**

Acuité 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 the due date.

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

**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). Acuité endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité 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 attempts.

**Rating Sensitivity**

No information provided by the issuer / available for Acuité to comment upon.

**Material Covenants**

Not Applicable.

**Liquidity Position**

No information provided by the issuer / available for Acuité to comment upon.

**Outlook**

Not Applicable.

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

None.

**Any other information**

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

**Applicable Criteria**

- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

**Note on Complexity Levels of the Rated Instrument**

<https://www.acuite.in/view-rating-criteria-55.htm>

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
17 Nov 2020	Bank Guarantee	Short Term	14.00	ACUITE D (Issuer not co-operating*)
	Cash Credit	Long Term	4.00	ACUITE D (Issuer not co-operating*)
	Letter of Credit	Short Term	4.00	ACUITE D (Issuer not co-operating*)
06 Sep 2019	Letter of Credit	Short Term	4.00	ACUITE D (Issuer not co-operating*)
	Cash Credit	Long Term	4.00	ACUITE D (Issuer not co-operating*)
	Bank Guarantee	Short Term	14.00	ACUITE D (Issuer not co-operating*)
13 Jun 2018	Cash Credit	Long Term	4.00	ACUITE D (Issuer not co-operating*)
	Bank Guarantee	Short Term	14.00	ACUITE D (Issuer not co-operating*)
	Letter of Credit	Short Term	4.00	ACUITE D (Issuer not co-operating*)
02 Mar 2017	Cash Credit	Long Term	4.00	ACUITE B+   Stable (Assigned)
	Bank Guarantee	Short Term	14.00	ACUITE A4 (Assigned)
	Letter of Credit	Short Term	4.00	ACUITE A4 (Assigned)

**Annexure - Details of instruments rated**

<b>Lender's Name</b>	<b>ISIN</b>	<b>Facilities</b>	<b>Date Of Issuance</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Quantum (Rs. Cr.)</b>	<b>Rating</b>
Bank of Baroda	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	14.00	ACUITE D   Reaffirmed   Issuer not co-operating*
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE D   Reaffirmed   Issuer not co-operating*
Bank of Baroda	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE D   Reaffirmed   Issuer not co-operating*

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### About Acuité Ratings & Research

Acuité Ratings & Research 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 8,850 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 KanjurMarg, Mumbai.

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