

## Press Release

### ENCARTA PHARMA PRIVATE LIMITED

March 23, 2020

#### Rating Update



<b>Total Bank Facilities Rated#</b>	Rs.37.75 Cr.
<b>Long Term Rating</b>	ACUITE B- Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4 Issuer not co-operating*

#refer Annexure for details

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

#### Rating Rationale

Acuite has reviewed the long-term rating to '**ACUITE B-**' (read as **ACUITE single B minus**) and short term rating at '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.37.75 crore bank facilities of Encarta Pharma Private Limited EPPL. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

EPPL, a Bangalore-based company was incorporated in 2001. Founded by Mr. Keerthan P, Mr. Ganesh R. Nayak and Mr. Girish M, the company is engaged in trading of Cardiac & Endovascular Implants, ICU & OT Equipment and Ophthalmology products. The products include ICU/OT Workstations, Ventilators, Monitors and intraocular lens solutions, among others.

**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.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

#### Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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)

None

#### 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
11-Jan-19	Cash Credit	Long Term	20.00	ACUITE B-/Stable (Upgraded)
	Working Capital Demand Loan	Long Term	5.00	ACUITE B-/Stable (Upgraded)
	Term Loan	Long Term	0.15	ACUITE B-/Stable (Upgraded)
	Bank Guarantee	Short Term	7.75	ACUITE A4 (Upgraded)
	Letter of Credit	Short Term	4.75	ACUITE A4 (Upgraded)
	Proposed Bank Guarantee	Short Term	0.10	ACUITE A4 (Assigned)
30-Dec-2017	Term Loan	Long Term	0.15	ACUITE D (Assigned)
	Bank Guarantee	Short Term	4.75	ACUITE D (Assigned)
	Letter of Credit	Short Term	7.85	ACUITE D (Assigned)
	Cash Credit	Long Term	20.00	ACUITE D (Assigned)
	Working Capital Demand Loan	Long Term	5.00	ACUITE D (Assigned)

**# Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE B- Issuer not co-operating*
Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B- Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.15	ACUITE B- Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	7.75	ACUITE A4 Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	4.75	ACUITE A4 Issuer not co-operating*
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.10	ACUITE A4 Issuer not co-operating*

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

## Contacts

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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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