

Press Release

Enco Shoes

March 02, 2020

Rating Update



Total Bank Facilities Rated*	Rs.11.25 Cr.#
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 short term rating of '**ACUITE A4+**' (read as '**ACUITE A four plus**') on the Rs. 11.25 crore bank facilities of Enco Shoes (ES). This rating is now an indicative rating and is based on best available information.

ES was established in 2003 as a partnership firm by Mr. Najmul Hasan. ES is a Chennai based firm engaged in manufacturing and exporting of leather shoe upper and finished leather shoes. The firm mainly exports to UK, Germany, USA and Asian countries. ES has its manufacturing unit in Velappanchavadi (near Chennai) that deals with manufacturing of leathers shoes with the manufacturing capacity of 18000 pairs per month and unit two in Ranipet (leather hub near Vellore) deals with manufacturing of leather shoe upper with the manufacturing capacity of 18000 pairs per month.

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/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.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 attempts.

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
02-Jan-2019	Packing Credit	Short Term	8.00	ACUITE A4+ Issuer not co-operating*
	Letter of Credit	Short Term	2.00	ACUITE A4+ Issuer not co-operating*
	Proposed Short Term Loan	Short Term	1.25	ACUITE A4+ Issuer not co-operating*
22-Dec-2017	Packing Credit	Short Term	8.00	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	2.00	ACUITE A4+ (Assigned)
	Proposed Short Term Loan	Short Term	1.25	ACUITE A4+ (Assigned)
28-Oct-2016	Proposed Short Term Loan	Short Term	2.50	ACUITE A4+ (Suspended)
	Packing Credit	Short Term	3.00	ACUITE A4+ (Suspended)
	Letter of Credit	Short Term	2.00	ACUITE A4+ (Suspended)

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

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Packing Credit	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE A4+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer not co-operating*
Proposed Short Term Loan	Not Applicable	Not Applicable	Not Applicable	1.25	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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