

Press Release

Eco Fuel Systems India Private Limited

June 08, 2021



Rating Update

Total Bank Facilities Rated*	Rs.24.50 Cr.#
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-) 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.

Acuité has downgraded the long-term rating to '**ACUITE B+** (**read as ACUITE B plus**) from '**ACUITE BB-**' (**Read as ACUITE double B minus**) and reviewed the short term rating of '**ACUITE A4**' (**read as ACUITE A four**) on the Rs.24.50 crore bank facilities of Eco Fuel Systems India Private Limited (EFSIPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

EFSIPL, a Mumbai-based company was incorporated in 2003. The company is promoted by Directors, Mr. Virendra Vora and Ms. Vibha V Vora. The company is one of the leading importers and distributors of car conversion systems (LPG & CNG) of Lovato Gas S.p.A, Italy. It deals in conversion of three-wheeler and fourwheeler petrol vehicles to eco-friendly gaseous fuel LPG (Liquefied Petroleum Gas) & CNG (Compressed Natural Gas). The kits are in line with international standards and approved by the Automotive Research Association of India (ARAI), Vehicle Research and Development Establishment (VRDE) and Central Institute of Road Transport (CIRT). The kits are also registered with state transport authorities of Maharashtra, Delhi, Gujarat and Madhya Pradesh.

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.

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

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities- <https://www.acuite.in/view-rating-criteria-61.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). Acuité endeavored 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.

Liquidity Indicators - "No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity - "No information provided by the issuer / available for Acuite to comment upon."

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

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

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
06 Mar, 2020	Cash Credit	Long term	14.50	ACUITE BB- (Downgraded from ACUITE BB/ Stable) Issuer not co-operating*
	Letter of Credit	Short Term	10.00	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
03 Jan, 2019	Cash Credit	Long term	14.50	ACUITE BB/ Stable (Reaffirmed)
	Letter of Credit	Short Term	10.00	ACUITE A4+ (Reaffirmed)
13 Dec, 2017	Cash Credit	Long term	14.50	ACUITE BB/ Stable (Reaffirmed)
	Letter of Credit	Short Term	10.00	ACUITE A4+ (Reaffirmed)

#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	14.50	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4 Issuer not co-operating*

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

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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 8,616 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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