

Press Release

Eco Fuel Systems India Private Limited

August 29, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	14.50	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	24.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) and reaffirmed 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 reaffirmed on account of information risk.

About the Company

Eco Fuel Systems India Private Limited (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:

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 the due date.

Acuite 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 Acuite'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). Acuite 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.

About the Rated Entity - Key Financials

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

Rating Sensitivity

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

Material Covenants

Not Applicable

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

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

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.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
08 Jun 2021	Cash Credit	Long Term	14.50	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	10.00	ACUITE A4 (Issuer not co-operating*)
06 Mar 2020	Letter of Credit	Short Term	10.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	14.50	ACUITE BB- (Downgraded and Issuer not co-operating*)
03 Jan 2019	Letter of Credit	Short Term	10.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	14.50	ACUITE BB Stable (Reaffirmed)
13 Dec 2017	Cash Credit	Long Term	14.50	ACUITE BB Stable (Reaffirmed)
	Letter of Credit	Short Term	10.00	ACUITE A4+ (Reaffirmed)

21 Jun 2016	Cash Credit	Long Term	14.50	ACUITE BB Stable (Assigned)
	Letter of Credit	Short Term	10.00	ACUITE A4+ (Assigned)
04 Dec 2014	Cash Credit	Long Term	14.50	ACUITE BB+ Stable (Suspended)
	Letter of Credit	Short Term	10.00	ACUITE A4+ (Suspended)
	Proposed Working Capital Demand Loan	Long Term	10.50	ACUITE BB+ Stable (Suspended)
23 Jul 2013	Cash Credit	Long Term	14.50	ACUITE BB+ Stable (Assigned)
	Letter of Credit	Short Term	10.00	ACUITE A4+ (Assigned)
	Proposed Short Term Loan	Long Term	10.50	ACUITE BB+ Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Dhanlaxmi Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	14.50	ACUITE B+ Reaffirmed Issuer not co-operating*
Dhanlaxmi Bank Ltd	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4 Reaffirmed Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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