

## Efficient Illumination Private Limited (Revised)

January 02, 2023

### Ratings

| Facilities/Instruments       | Amount (₹ crore)  | Rating <sup>1</sup>   | Rating Action  |
|------------------------------|---|---|--|
| Long Term Bank Facilities    | 48.93   | CARE BB-; Stable; ISSUER NOT COOPERATING* (Double B Minus; Outlook: Stable ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB+ (CE); ^ Stable; [Double B Plus (Credit Enhancement); Outlook: Stable] |
| <b>Total Bank Facilities</b> | <b>48.93</b><br><b>(₹ Forty-Eight</b><br><b>Creore and</b><br><b>Ninety-Three</b><br><b>Lakhs Only)</b> |   |  |

Details of instruments/facilities in Annexure-1

^based on the credit enhancement in the form of unconditional and irrevocable corporate guarantee extended by SMC Infrastructures Private Limited (SMCIPL rated CARE BB-; Stable/ CARE A4; Issuer Not Cooperating) to the lenders of Efficient Illumination Private Limited (EIPL)

|                           |                              |
|---------------------------|------------------------------|
| <b>Unsupported Rating</b> | <b>Withdrawn [Withdrawn]</b> |
|---------------------------|------------------------------|

Note: Unsupported Rating does not factor in the explicit credit enhancement.

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated April 06, 2021, placed the ratings of Efficient Illumination Private Limited (EIPL) under the 'issuer non-cooperating' category as EIPL had failed to provide information for monitoring of the ratings as agreed to in its Rating Agreement. EIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter dated December 22, 2022. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above ratings.**

The ratings have been revised on account of the guarantor, SMCIPL's rating being downgraded to CARE BB-;Stable INC /CARE A4 INC as the company failed to provide requisite information to undertake review of the ratings. Further, EIPL has not provided sufficient information to undertake review, based on the best available information, the standalone ratings are being downgraded to CARE BB-;Stable INC. Since the standalone rating of EIPL is equal to that of the Guarantor, rating based on credit enhancement is no longer required, accordingly CE symbol has been removed for the standalone rating, while withdrawing the unsupported rating.

### Detailed description of the key rating drivers

At the time of last rating on October 05, 2021, the rating strengths and weaknesses were linked to the guarantor. However on account of revision of ratings and removal of credit enhancement, rating strengths and weaknesses of EIPL cannot be assessed due to unavailability of requisite information.

**Key Rating Weaknesses: Not Available**

**Key Rating Strengths: Not Available**

**Analytical approach:** CARE Ratings have revised the analytical approach from guarantor assessment based on consolidated financials of SMC Infrastructures Private Limited to Standalone financials of Efficient Illumination Private Limited

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)  
[Policy on default recognition](#)  
[Financial Ratios – Non financial Sector](#)  
[Liquidity Analysis of Non-financial sector entities](#)  
[Rating Outlook and Credit Watch](#)  
[Policy on withdrawal](#)

### About the Company

Efficient Illumination Pvt. Ltd (EIPL) is a Special Purpose Vehicle (SPV) of SMC Infrastructure Pvt. Ltd. (SMCIPL), incorporated on 14th November 2014, to supply, install and maintain energy efficient public lights along with monitoring system and relevant automation technologies. EIPL has signed an Energy Performance Contract with Jaipur Municipal Corporation (JMC) for Installation, Operation and Maintenance of Street Lights in the city for a period of 10 years after starting of commercial operation of the project.

| Brief Financials (₹ crore) | March 31, 2021 (A) | March 31, 2022 (A) | H1FY23 |
|----------------------------|--------------------|--------------------|--------|
| Total operating income     | 36.34              | 34.12              | NA     |
| PBILDT                     | 26.40              | 22.97              | NA     |
| PAT                        | 3.81               | 2.96               | NA     |
| Overall gearing (times)    | 8.08               | 6.30               | NA     |
| Interest coverage (times)  | 2.15               | 2.28               | NA     |

A: Audited; NA: Not Available

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Disclosure of Interest of Independent/Non-Executive Directors of CARE Ratings Ltd.:** Not Applicable

**Disclosure of Interest of Managing Director & CEO:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated for this company:** Annexure 4

### Annexure-1: Details of instruments/facilities

| Name of the Instrument                               | ISIN | Date of Issuance (DD-MM-YYYY) | Coupon Rate (%) | Maturity Date (DD-MM-YYYY) | Size of the Issue (₹ crore) | Rating Assigned along with Rating Outlook |
|--|------|-------------------------------|-----------------|----------------------------|-----------------------------|---|
| Fund-based - LT-Term Loan                            |      | -                             | -               | 30-06-2027                 | 48.93                       | CARE BB-; Stable; ISSUER NOT COOPERATING* |
| Un Supported Rating- Un Supported Rating (Long Term) |      | -                             | -               | -                          | 0.00                        | Withdrawn                                 |

**Annexure-2: Rating history for the last three years**

| Sr. No. | Name of the Instrument/Bank Facilities              | Current Ratings |                              |   | Rating History                              |  |   |   |
|---------|---|-----------------|------------------------------|---|---|--|---|---|
|         |   | Type            | Amount Outstanding (₹ crore) | Rating                                    | Date(s) and Rating(s) assigned in 2022-2023 | Date(s) and Rating(s) assigned in 2021-2022  | Date(s) and Rating(s) assigned in 2020-2021                                 | Date(s) and Rating(s) assigned in 2019-2020 |
| 1       | Fund-based - LT-Term Loan                           | LT              | 48.93                        | CARE BB-; Stable; ISSUER NOT COOPERATING* | -   | 1)CARE BB+ (CE); Stable; ISSUER NOT COOPERATING* (05-Oct-21)<br>2)CARE BBB (CE); Stable; ISSUER NOT COOPERATING* (06-Apr-21) | 1)CARE BBB (CE); Stable (05-Oct-20)<br>2)CARE BBB+ (CE); Stable (02-Apr-20) | 1)CARE A-(SO); Stable (04-Apr-19)           |
| 2       | Un Supported Rating-Un Supported Rating (Long Term) | LT              | -                            | -   | -   | 1)CARE BB; ISSUER NOT COOPERATING* (05-Oct-21)<br>2)CARE BB+; ISSUER NOT COOPERATING* (06-Apr-21)                            | 1)CARE BB+ (05-Oct-20)<br>2)CARE BB+ (02-Apr-20)                            | -   |

\*Long term/Short term.

**Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities:NA****Annexure-4: Complexity level of various instruments rated for this company**

| Sr. No. | Name of Instrument                                  | Complexity Level |
|---------|---|------------------|
| 1       | Fund-based - LT-Term Loan                           | Simple           |
| 2       | Un Supported Rating-Un Supported Rating (Long Term) | Simple           |

**Annexure-5: Bank lender details for this company**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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