

## Press Release

### Electronica Finance Limited (EFL)

19 May, 2017

#### Rating Update

|                                       |                                       |
|---------------------------------------|---------------------------------------|
| <b>Total Bank Facilities Rated*</b>   | Rs.375.00 Cr#                         |
| <b>Long Term Rating (Indicative)</b>  | SMERA A-<br>Issuer not co-operating*  |
| <b>Short Term Rating (Indicative)</b> | SMERA A2+<br>Issuer not co-operating* |

#Refer Annexure for details

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

SMERA has reviewed the long term rating of '**SMERA A-**' (read as SMERA A minus) short term rating of '**SMERA A2+** (read as SMERA A two plus) on the Rs.375.00 crore bank facilities of Electronica Finance Limited (EFL). This rating is now an indicative rating and is based on best available information.

**Non-cooperation by the issuer/borrower:** SMERA 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 SMERA's policies.

#### Applicable Criteria

- Non-Banking Finance Companies: <https://www.smera.in/criteria-nbfc.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>
- Financial Ratios and Adjustments: <https://www.smera.in/criteria-fin-ratios.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). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

**About the Rated Entity:** Electronica Finance Limited (EFL), formerly known as Electronica Leasing and Finance Limited, is a Non-Banking Finance Company (NBFC) incorporated in the year 1990 to provide machinery loans to the MSME sector. EFL majorly deals with micro, small and medium industrial units, engaged mainly in engineering, auto ancillary, printing, plastic industries and among others. The company has a network of about 35 branches across India for its financing activities.

For FY2016, EFL reported profit after tax (PAT) of Rs.13.60 crore on a total income of Rs.108.98 crore. The company's networth stood at Rs.91.47 crore as on March 31, 2016, as compared to Rs.77.87 crore in the previous year.

**Rating History for the last three years:**

| Date              | Name of Instrument / Facilities      | Term       | Amount (Rs. Cr.) | Ratings/Outlook       |
|-------------------|--------------------------------------|------------|------------------|-----------------------|
| January 13, 2016  | Term Loans                           | Long Term  | 25.00            | SMERA A- (Reaffirmed) |
|                   | Term Loans                           | Long Term  | 219.12           | SMERA A- (Assigned)   |
|                   | Cash Credit                          | Long Term  | 46.50            | SMERA A- (Assigned)   |
|                   | Letter of Credit                     | Short Term | 4.00             | SMERA A2+ (Assigned)  |
|                   | Long Term Bank Facilities (Proposed) | Long Term  | 80.38            | SMERA A- (Assigned)   |
| December 09, 2015 | Term Loans                           | Long Term  | 25.00            | SMERA A- (Assigned)   |

**Annexure – Details of instruments rated:**

| Name of the Facilities               | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Crore) | Ratings                               |
|--------------------------------------|------------------|-------------|---------------|-------------------------------|---------------------------------------|
| Term Loans                           | NA               | NA          | NA            | 25.00                         | SMERA A-<br>Issuer not co-operating*  |
| Term Loans                           | NA               | NA          | NA            | 219.12                        | SMERA A-<br>Issuer not co-operating*  |
| Cash Credit                          | NA               | NA          | NA            | 46.50                         | SMERA A-<br>Issuer not co-operating*  |
| Letter of Credit                     | NA               | NA          | NA            | 4.00                          | SMERA A2+<br>Issuer not co-operating* |
| Long Term Bank Facilities (Proposed) | NA               | NA          | NA            | 80.38                         | SMERA A-<br>Issuer not co-operating*  |

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

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|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
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## ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit [www.smerra.in](http://www.smerra.in).

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