

Press Release

Electronica Finance Limited (EFL)

19 May, 2017

Rating Update

Total Bank Facilities Rated*	Rs.375.00 Cr#
Long Term Rating (Indicative)	SMERA A- Issuer not co-operating*
Short Term Rating (Indicative)	SMERA A2+ 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-Issuer not co-operating*
Term Loans	NA	NA	NA	219.12	SMERA A-Issuer not co-operating*
Cash Credit	NA	NA	NA	46.50	SMERA A-Issuer not co-operating*
Letter of Credit	NA	NA	NA	4.00	SMERA A2+ Issuer not co-operating*
Long Term Bank Facilities (Proposed)	NA	NA	NA	80.38	SMERA A-Issuer not co-operating*

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

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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.smera.in.

Disclaimer: *A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.*