

9th February 2022

The Listing Department
BSE Limited
P. J. Towers, Dalal Street,
Fort, Mumbai – 400 001.

Dear Sir / Madam,

Sub: Submission of the Financial Results for the quarter ended December 31, 2021 pursuant to the Regulation 52 and Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations)

With reference to the Regulation 52 and Regulation 54 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed the following documents approved by the Board of Directors of the Company, at its meeting held on 9th February, 2022:

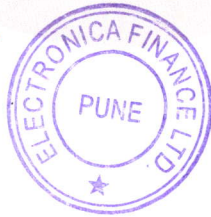
- a) Unaudited Financial Results for the quarter ended December 31, 2021;
- b) Limited Review Report on the aforesaid Results issued by M/s Mukund M Chitale & Co, the Statutory Auditors of the Company, giving unmodified opinion; and
- c) Declaration and information pursuant to Regulations 51(2), Regulation 52 read with Part B of Schedule III of the Listing Regulations, Regulation 52(4), Regulation 52(7) and Regulation 54 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Request you to take the above documents on your record.

Thanking you,

Yours faithfully,
For **Electronica Finance Limited**

SPophale
Shilpa Pophale
Managing Director
DIN: 00182457



Electronica Finance Limited

Audumbar, 101/1, Erandwane, Dr. Ketkar Road,
Pune 411004, Maharashtra (India)

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...by your side



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Independent Auditor's Review Report on the unaudited quarterly and year to date Financial Results of the Company pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure requirements) Regulations 2015, as amended

Review Report to,
The Board of Directors of Electronica Finance Limited

1. We have reviewed the accompanying statement of unaudited financial results of Electronica Finance Limited (the 'Company') for the quarter ended December 31, 2021 and year to date from April 01, 2021 to December 31, 2021 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Regulations').
2. This Statement, which is the responsibility of the Company's Board of Directors and have been approved by them, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, as amended (the 'Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Emphasis of Matter

5. We draw attention to Note 4 to the Statement, which describes the uncertainty continuing to be caused by COVID 19 pandemic and related events which may impact the Company's operations and estimates related to impairment of assets, which are dependent on future developments regarding the severity and duration of the pandemic. Our conclusion is not modified in respect of this matter.

Other Matters

6. The figures for the quarter ended June 30, 2021, have been approved by the Company's Board of Directors but have not been subjected to a review. The comparative figures of the quarter ended September 30, 2021 are the balancing figures in respect of figures for the half year ended September 30, 2021 and for the quarter ended June 30, 2021. Our conclusion is not modified in respect of this matter.
7. The comparative financial results of the Company as stated in statement for the year ended March 31, 2021 were audited by the predecessor auditor who expressed an unmodified opinion on those financial results on June 8, 2021. Our conclusion is not modified in respect of this matter.

For Mukund M Chitale & Co
Chartered Accountants
Firm Reg. No. 106655W

S. M. Chitale
Partner
Membership No.: 111383

UDIN: 22111383ABBTMW4690

Place: Mumbai
Date: February 9, 2022

Electronica Finance Limited

(CIN: U74110PN1990PLC057017)

Regd. Office: 101/1, Erandawane 'Audumbar', Dr. Ketkar Road, Pune 411004

Phone No.: 020-67290700, Website: www.efl.co.in

Statement of unaudited financial results for the quarter and nine months period ended December 31, 2021

(Rs. in Lakhs except per share data)

Particulars	For the quarter ended		For the Nine Months ended	Year ended
	December 31, 2021 (Unaudited)	September 30, 2021 (Unaudited)	December 31, 2021 (Unaudited)	March 31, 2021 (Audited)
Revenue from operations				
Interest income	5,171.27	4,674.91	14,111.82	15,169.60
Fees income	78.00	47.85	172.85	218.23
Gain on derecognition of financial assets	-	272.81	272.81	1,180.07
Sale of services	10.71	3.54	26.25	26.15
Recoveries of financial assets written off	41.68	22.23	72.50	27.82
Net gain on fair value changes	-	90.42	90.42	212.87
Total revenue from operations	5,301.66	5,111.76	14,746.65	16,834.74
Other income	71.22	174.97	300.81	386.24
Total income	5,372.88	5,286.73	15,047.46	17,220.98
Expenses				
Finance cost	2,084.30	2,160.04	5,816.14	7,082.89
Customer loyalty bonus	356.69	511.34	1,088.82	1,179.00
Impairment on financial instruments	355.96	57.55	766.27	994.54
Employee benefit expenses	1,342.11	1,122.40	3,495.33	3,383.35
Depreciation and amortisation expenses	84.83	106.88	286.83	427.60
Other expenses	532.44	621.78	1,356.12	1,157.30
Total expenses	4,756.33	4,579.99	12,809.51	14,224.68
Profit before tax	616.55	706.74	2,237.95	2,996.30
Tax expense:				
Current tax	318.46	256.99	736.59	919.18
Deferred tax	(173.34)	(83.53)	(173.34)	(154.37)
Total Tax expense	145.12	173.46	563.25	764.81
Profit after tax for the period/year	471.43	533.28	1,674.70	2,231.49
Other comprehensive income (OCI)				
Items that will not be reclassified to profit or loss:				
Remeasurement losses on defined benefit plans	-	-	-	17.33
Tax impact on above	-	-	-	(4.51)
Other comprehensive income for the period/year (net of tax)	-	-	-	12.82
Total comprehensive income for the period/year	471.43	533.28	1,674.70	2,244.31
Earnings per equity share				
[Nominal value of share Rs. 10]				
Basic EPS (not annualised except for March 31, 2021)	2.09	2.37	7.43	9.90
Diluted EPS (not annualised except for March 31, 2021)	1.62	1.83	5.75	7.70



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Notes :

- 1 The above financial results have been prepared in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 as amended and the Indian Accounting Standards ("IND AS") notified under Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, prescribed under section 133 of the Companies Act 2013 ("the Act") read with the rules issued thereunder and the other accounting principles generally accepted in India. Any application guidance/clarification issued by the Reserve Bank of India or other regulators are implemented as and when they are applicable.
- 2 The above unaudited financial results for the third quarter and nine months ended December 31, 2021 have been reviewed by the Audit Committee, and on its recommendation, have been approved by the Board of Directors at its meeting held on February 9, 2022 in accordance with Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In compliance with Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations 2015 a 'Limited Review' of financial results for the quarter and nine months ended December 31, 2021 has been carried by the Statutory Auditors of the Company, who have issued an unmodified report thereon.

Pursuant to SEBI circular dated October 05, 2021, the Company has elected an option to not present the figures for the corresponding quarter and nine months ended December 31, 2021.

- 3 The Company operates in a single business segment i.e. financing, which has similar risks and returns for the purpose of Ind AS 108. The Company operates in a single geographical segment i.e. domestic.
- 4 The impact of COVID-19 on the Company's performance will depend on ongoing as well as future developments, which are highly uncertain, including any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by us. The Company has assessed the potential impact of COVID-19 on the carrying value of its assets based on relevant internal and external factors / information available, upto the date of approval of these financial results. In order to cover the impact of COVID-19 on the future expected credit losses, the Company carries a management and macro economic variable outlay of Rs. 247.48 lakhs as on December 31, 2021 (For the year ended March 31, 2021 Rs 185.45 lakhs). The Company will continue to closely monitor the material changes in the macro-economic factors impacting the operations of the Company.
- 5 The Code on Social Security, 2020 ("Code") relating to employee benefits during the employment and post-employment benefits has been published in the Gazette of India on September 28, 2020. The Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. The effective date from which these changes are applicable is yet to be notified. The Company will assess and record the impact, if any when the rules are notified and the Code becomes effective.
- 6 The figures of the quarter ended December 31, 2021 are the balancing figures in respect of figures for the nine months ended December 31, 2021 and for the half year ended September 30, 2021.
- 7 The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, announced a scheme for COVID-19 Relief for grant of exgratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether moratorium as per RBI regulatory package was availed or not. The Company has implemented the Scheme and credited the accounts of or remitted amounts to the eligible borrowers as per the Scheme, amounting to Rs.119.31 lakhs. The Company has filed its claim of Rs. 119.31 for the ex-gratia with State Bank of India as per the Scheme and has received Rs. 94.91 lakhs from SBI during the month of December 2021. The company has represented to SBI requesting for release the balance claim of Rs. 24.40 lakhs.

The Reserve Bank of India, vide its notification 'Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package' dated April 07, 2021, had announced to refund/adjust the 'interest on interest' charged to the borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020 in conformity with the judgement of the Hon'ble Supreme Court of India in the matter of Small Scale Industrial Manufacturers Association vs UOI & Ors. and other connected matters on March 23, 2021. The company had made an estimation of the said amount and recognised interest reversal of Rs. 132.64 lakhs in the statement of profit and loss account for the year ended March 31, 2021. The company has reassessed the said computation and the revised impact amounts to Rs 36.93 lakhs resulting in reversal (income) of Rs 95.71 lakhs in its statement of profit and loss account for nine months ended December 31, 2021



8 **Micro, small and medium enterprises (MSME) sector - restructuring of advances**

The Company has restructured the accounts as per RBI circular DBR.No.BP.BC.100/21.04.048/2017-18,

(Rs. In Lakhs)

No of Accounts Restructured	Amount as at December 31, 2021
25	1056.19

9 Details of loans Transferred / acquired during the quarter ended December 31, 2021 under the master direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

- (i) The company has not transferred any non-performing assets (NPAs).
- (ii) The company has not transferred any Special Mention Account (SMA) and loans not in default.
- (iii) The company has not acquired any stressed loans.
- (iv) The company has acquired loans 'not in default' through assignment as detailed hereunder:

Details of loans acquired during the year	From lenders listed in Clause 3 (Rs. In Lakhs)
Aggregate principal outstanding of loans acquired	394.95
Aggregate consideration paid	394.95
Weighted average residual tenor of loans acquired	31 (Months)

10 "The Reserve Bank of India (RBI) vide its circular no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22, dated 12 November 2021 on ""Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications"", had clarified / harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Company has since taken necessary steps to implement the provisions of this circular under IRACP norms effective from 12 November 2021.

The aforementioned circular has no material impact on the financial results for the quarter and nine months ended 31 December 2021 as the Company continues to prepare financial statements in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and the RBI circular dated 13 March 2020 on "Implementation of Indian Accounting Standards".

11 The previous period's / year's figures have been regrouped / reclassified, wherever necessary, to correspond with the current period's / year's classification / disclosure.

Date : February 9, 2022
Place : Pune

Electronica Finance Limited
CIN U74110PN1990PLC057017

for *Shilpa Pophale*
Shilpa Pophale
Managing Director
DIN 00182457



Electronica Finance Limited

(CIN: U74110PN1990PLC057017)

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A Disclosure in compliance with Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the nine months ended December 31, 2021)

Sr. No	Particulars	Ratios
1	Debt - Equity Ratio ^a	2.45
2	Debt service coverage ratio	NA
3	Interest service coverage ratio	NA
4	Outstanding redeemable preference share (quantity)	NA
5	Outstanding redeemable preference share (Rs in lakhs.)	NA
6	Capital redemption reserve (Rs in lakhs.)	4.89
7	Debenture redemption reserve	NA
8	Net worth (Rs in lakhs.) ^b	20,012.58
9	Net Profit after tax (Rs in lakhs.)	1,674.70
10	Current ratio ^e	NA
11	Long term debt to working capital ^e	NA
12	Bad debts to Account receivable ratio ^e	NA
13	Current liability ratio ^e	NA
14	Total debts to total assets ^c	0.60
15	Debtors turnover ^e	NA
16	inventory turnover ^e	NA
17	Operating margin ^e	NA
18	Net profit margin ^d	11.13%
19	Sector specific equivalent ratios	
(i)	CRAR	23.08%
(ii)	Gross non performing assets ^e (%)	3.28%
(iii)	Net non performing assets ^h (%)	1.56%
(iv)	Provision Coverage Ratio (%)	84.64%

Notes :

- Debt Equity Ratio = (Debt Securities + Borrowings (Other than Debt Securities & excluding CCPS) + Subordinate Liabilities)/ (Equity Share Capital + Other Equity including CCPS)
- Net Worth = Equity Share Capital + Other Equity - Intangible Asset - Deferred Revenue Expenditure
- Total Debt to Total Assets = (Debt Securities + Borrowings (Other than Debt Securities) excluding CCPS + Subordinate Liabilities)/Total Assets.
- Net Profit Margin = Net profit after tax/ total income
- The Company is registered under the Reserve Bank of India Act , 1934 as Non-Banking Financial Company , hence these ratios are generally not applicable
- Provision Coverage Ratio = Total ECL (all stages) / EAD of Stage3 Cases
- Gross non performing assets % = Gross non performing assets as per IRAC norms / Total Loan Assets
- Net non performing assets % = Net non performing assets as per IRAC norms / Net Loan Assets

B Pursuant to Regulation 52(7) of the SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015, we hereby confirm that issue proceed Non- Convertible Debentures (NCDs) issued by the Company and Outstanding as on December 31, 2021 are being utilized as per the objects stated in the document. Further, we also confirm that there have been no deviations in the use of proceeds of issue of NCDs from the objects stated in the offer documents.

C Pursuant to Regulation 54 of the SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015, we would like to state that all the secured redeemable debt securities issued by the company and outstanding as on December 31, 2021 are fully secured by secured by first ranking charge by way of hypothecation over specific loan receivable/ book debts, present and future. Accordingly, the Company is maintaining asset cover of 1X or such higher asset cover required as per the terms of offer documents/ information memorandum.

