

Press Release

Span Associates (SA)

28 February, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 10.00 Cr. #
Long Term Rating	SMERA BB- Issuer not co-operating*
Short Term Rating	SMERA A4 Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed long-term rating of '**SMERA BB-**'(read as **SMERA double B minus**)and Short-term rating of '**SMERA A4**'(read as **SMERA A four**) on the Rs. 10.00 crore bank facilities of Span Associates (SA). 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

- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition - <https://www.smera.in/criteria-default.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

The Pune-based Span Associates, a partnership firm, was established in 1976. The firm manufactures air cooling units and filtration plants at its three facilities at Pune. The day-to-day operations are managed by Mr V.G Kelkar.

For FY2015-16, the firm reported profit after tax (PAT) of Rs.0.78 crore on operating income of Rs.27.50 crore as compared to PAT of Rs.0.39 crore on total operating income of Rs.30.94 crore in FY2014-15. The Firm's networth stands at Rs. 9.75 crore as on 31st March 2016 as compared with Rs. 8.89 crore a year earlier.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
17-JAN-2017	Cash Credit	Long Term	1.60	SMERA BB-/ Stable (Assigned)
	Overdraft	Long Term	1.00	SMERA BB-/ Stable (Assigned)
	Term Loan	Long Term	2.03	SMERA BB-/ Stable (Assigned)
	Long Term Proposed	Long Term	0.57	SMERA BB-/ Stable (Assigned)
	Bills Discounting	Short Term	1.80	SMERA A4 (Assigned)
	Bank Guarantee	Short Term	3.00	SMERA A4 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.60	SMERA BB-(Indicative)
Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	1.00	SMERA BB-(Indicative)
Term Loan	Not Applicable	Not Applicable	Not Applicable	2.03	SMERA BB-(Indicative)
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.57	SMERA BB-(Indicative)
Bills Discounting	Not Applicable	Not Applicable	Not Applicable	1.80	SMERA A4 (Indicative)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	3.00	SMERA A4 (Indicative)

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

Contacts

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ABOUT SMERA

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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.*