



Rating Rationale

Advance Ventilation Pvt Ltd

20th July 2017

Brickwork Ratings reaffirms ratings for the Bank Loan Facilities of Rs. 42.75 Crs of Advance Ventilation Pvt Ltd.

Particulars

Facility Rated	Amount (Rs. Crs)		Tenure	Rating [^]	
	Previous	Present		Previous	Present
CC	10.25	10.25	Long Term	BWR BB+ (Outlook:Stable) (Pronounced BWR Double B Plus)	BWR BB+ (Outlook:Stable) (Pronounced BWR Double B Plus)
PC/BD/BP	(3.00)	(6.00)	Short Term	BWR A4+	BWR A4+
LC	1.00	1.00			
LG	31.50	31.50			
Total	42.75	42.75	(INR Forty Two Crores and Seventy Five Lakhs Only)		

[^] Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Rating Reaffirmed

Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has essentially relied upon the audited financial results of **Advance Ventilation Pvt Ltd** up to FY16, provisional for FY17 (certified by CA) and information/clarifications provided by the Company.

The rating has factored, inter alia, established track record of more than 36 years, Experienced Promoters, Strong client base, Healthy order book position and Moderate gearing level. However, the rating is constrained by stagnant top line growth, high working capital nature of business and long execution cycle.



Rating Outlook: Stable

BWR believes the **Advance Ventilation Pvt Ltd** business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

About the Company

Advance Ventilation Pvt Ltd (AVPL) was incorporated in 1981. The company is located at Pitampura, New Delhi. The company is mainly involved in fabrication of air handling fans / blowers such as; CENTRIFUGAL, AXIAL FLOW, CENTRIFUGAL-AXIAL; in single stage and 2-stage design, and in various other configuration, which are the core equipment for ventilation and air handling systems. The unit is located at Kundali, Sonipath. It has accomplished many Industrial air handling and ventilation projects for various medium and large scale manufacturing units / process plants. The company also provides solution systems in the field of Industrial ventilation, air handling, air pollution control and Air conditioning & Refrigeration. The company is an ISO 9001: 2000 certified unit.

Financial Performance

In FY16, company has achieved net sales of Rs 58.11 Crs against Rs 55.81 Crs in FY15. The operating profit margin stood at 8.18 per cent and net profit margin at 2.31 per cent for FY16. The company has debt equity of 1.23 times in FY16. The tangible net-worth stood at Rs 16.75 Crs for FY16. As per provisional FY17 (certified), the company has achieved sales of Rs 59.17 Crs.

Rating History for the last three years (including withdrawn/suspended ratings)

Sl. No.	Instrument / Facility	Current Rating (Year 2017)			Rating History		
		Type	Amount (Rs in Crs)	Rating	2016	2015	2014
1	Fund Based	Long Term	10.25	BWR BB+ (Outlook: stable)	BWR BB+ (Outlook: stable)	Nil	Nil
2	Non Fund Based	Short Term	32.50	BWR A4+	BWR A4+		



Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Trading Entities](#)

For any other criteria obtain hyperlinks from website

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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.