



SMERA RATINGS LIMITED

# Digi Export Venture Private Limited

## (Digi Export)

*Rating  
Rationale*

**May 29, 2015**

Facilities	Amount (Rs. Crore)	Rating
Packing Credit	6.00	SMERA A4+ (Reaffirmed)
Foreign Bills Purchase/Discounting Limit	10.00	SMERA A4+ (Reaffirmed)

SMERA has reaffirmed the short-term rating of **SMERA A4+’ (read as SMERA A four plus)** assigned to the Rs.16.00 crore bank facilities of Digi Export Venture Private Limited (Digi Export). The ratings continue to draw comfort from the company’s moderate revenue growth, and experienced management. However, the rating remains constrained by the company’s short operational track record and low profit margins.

### Update

Digi Export’s revenues increased from Rs.44.51 crore in FY2013-14 (refers to financial year, April 01 to March 31) to Rs.49.96 crore (provisional) in FY2014-15. The company’s gearing (debt-equity ratio) has deteriorated to 1.19 times as on March 31, 2015 (provisional) from 0.89 times as on March, 31 2014. Digi Export’s interest coverage ratio is moderate at 1.89 times in FY2013-14. The company’s net profit margin (PBT margin) is low at 1.15 per cent in FY2014-15 (provisional) and 1.14 percent in FY 2013-14.

### About the company

Digi Export, incorporated in 2010, a Delhi-based company promoted and managed by Mr. Amarjit Singh Kalra. Digi Export undertakes assembling and manufacturing of public address systems such as column speakers, ceiling and wall speakers, PA amplifiers and PA unit horn combinations.

For FY2014-15 (as per provisional financial statements), Digi Export reported profit after tax (PBT) of Rs.0.57 crore on operating income of Rs.49.96 crore, as compared with PBT of Rs.0.51 crore on operating income of Rs.44.51 crore in FY2013-14. The company’s net worth stood at Rs.14.39 crore as on March 31, 2015 (provisional) as compared with Rs.11.86 crore a year earlier.

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