

Press Release

C-Net Communication India Private Limited

September 12, 2017



Rating Update

Total Bank Facilities Rated*	Rs. 9.07 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 BB**) and short term rating of '**SMERA A4+**' (**read as 'SMERA A four plus'**) on the Rs. 9.07 crore bank facilities of C Net Communication India Private Limited. 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

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Entities In Services Sector - <https://www.smera.in/criteria-services.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 New Delhi-based C-Net was incorporated in 1994 by Mr. Anoop Kumar and Mr Mohit Verma to provide digital communication equipment to broadcasters for Pay TV channels in India. The company is engaged in the service and repair of DTH Set Top Boxes, HD STBs, PVRs, Digital Satellite and Cable Set- Top boxes (STB) among others, also set-up facilities for manufacturing STB in 2015-16. The company has four offices and 14 warehouses at key cities of India such as Delhi, Mumbai, Kolkata and Chennai (name of few).

For FY2014-15, C-Net reported profit after tax (PAT) of Rs.1.30 crore on operating income of Rs.13.05 crore, as compared with PAT of Rs.2.45 crore on operating income of Rs.17.75 crore in the previous year. The company has booked operating income of Rs.17.00 crore (provisional) till February 29, 2016. The net worth stood at Rs.20.54 crore as on March 31, 2015, as compared with Rs.20.19 crore a year earlier.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
25-May-2016	Cash Credit	Long Term	INR 4	SMERA BB / Stable
	Proposed Working Capital Demand Loan	Long Term	INR 0.07	SMERA BB / Stable
	Letter of Credit	Short Term	INR 5	SMERA A4+

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	SMERA BB Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	0.07	SMERA BB Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	5.00	SMERA A4+ 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, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities, and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposits etc.. For more details, please visit www.smera.in.

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