

## Live Wires Advertising Private Limited

October 25, 2021

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings <sup>1</sup>	Rating Action
Long Term Bank Facilities	0.75	CARE C; Stable; ISSUER NOT COOPERATING* (Single C; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)
Short Term Bank Facilities	5.20	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>5.95 (Rs. Five Crore and Ninety-Five Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated September 24, 2020, placed the rating(s) of Live Wires Advertising Private Limited (LWAPL) under the 'issuer non-cooperating' category as LWAPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. LWAPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated August 10, 2021, August 20, 2021, and August 30, 2021. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

The ratings assigned to the bank facilities of LWAPL have been revised on account of non-availability of requisite information. The ratings also factored in significant decline in scale of operations, reporting of net losses, deterioration in capital structure and debt coverage indicators during FY20 over FY19.

### Detailed description of the key rating drivers

Please refer to PR dated [September 24, 2020](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Company

Livewires Advertising Private Limited (LWAPL) was incorporated in 1992 in Hyderabad in the state of Andhra Pradesh. LWAPL is engaged in providing advertising solutions. The current promoters of LWAPL took over the operations of the company in 2001. The company operates in print media advertisement segment and is engaged in designing, developing and maintaining advertising campaigns for state government departments of Telangana (GOT) like Greater Hyderabad Municipal Corporation (GHMC), Department of Irrigation, Department of Information & Public Relations, besides others.

Brief Financials (Rs. crore)	FY19(A)	FY20(A)
Total operating income	54.10	12.64
PBILDT	2.83	-4.77
PAT	1.26	-5.87
Overall gearing (times)	1.38	8.38
Interest coverage (times)	2.70	NM

A: Audited; NM: Not Meaningful

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

\*Issuer did not cooperate; based on best available information

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Disclosure of Interest of Independent/Non-Executive Directors or Managing Director& CEO:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Annexure-3

**Complexity level of various instruments rated for this company:** Annexure-4

#### Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	0.75	CARE C; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantees		-	-	-	0.20	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bills Discounting / Bills Purchasing		-	-	-	5.00	CARE A4; ISSUER NOT COOPERATING*

*\*Issuer did not cooperate; based on best available information*

#### Annexure-2: Rating History of last three years

Sr. No	Name of the Instrument/ Bank Facilities	Current Ratings		Rating history				
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Cash Credit	LT	0.75	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (24-Sep-20)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (27-Jun-19)	-
2	Non-fund-based - ST-Bank Guarantees	ST	0.20	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (24-Sep-20)	1)CARE A4; ISSUER NOT COOPERATING* (27-Jun-19)	-
3	Non-fund-based - ST-Bills Discounting / Bills Purchasing	ST	5.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (24-Sep-20)	1)CARE A4; ISSUER NOT COOPERATING* (27-Jun-19)	-

*\*Issuer did not cooperate; based on best available information*

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities:** Not Applicable

#### Annexure 4: Complexity level of various instruments rated for this company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-Bank Guarantees	Simple
3	Non-fund-based - ST-Bills Discounting / Bills Purchasing	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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### About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

#### Disclaimer

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**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careratings.com](http://www.careratings.com)**