

October 11, 2023

Sangli Miraj and Kupwad Municipal Corporation: Continues to remain in Non-Cooperating category, Rating downgraded based on best available information

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Issuer Rating	-	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB+ (Stable); ISSUER NOT COOPERATING* and continues to remain under 'Issuer Not Cooperating' category.
Total	-	-	

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

[^]Instrument details are provided in Annexure-1

Rationale

The rating downgrade is because of lack of adequate information regarding Sangli Miraj and Kupwad Municipal Corporation's performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Rating Methodology Urban Local Bodies
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

The Sangli Miraj and Kupwad Municipal Corporation (SMKMC) was established in 1998 by merging the erstwhile Municipal Councils of Sangli, Miraj and Kupwad. The SMKMC, being an urban local body (ULB), provides municipal services to the cities of Sangli, Miraj and Kupwad situated in Sangli district of Maharashtra. According to Census 2011, the SMKMC, covering an area of 118.18 km., serves a total population of 5.03 lakh. The ULB is administered by the Urban Development Department of

the Government of Maharashtra (GoM) as per provisions of the Maharashtra Municipal Corporations Act 1949. The ULB jurisdiction is divided into 38 municipal wards and is governed by an elected body (Council), headed by a Mayor, while the Commissioner acts as the chief executive, overseeing its everyday functioning.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for past three years

Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021	
				11-Oct-2023	29-Jul-2022	05-Apr-2021	24-Dec-2020	
1 Issuer Rating	Long Term	-	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING	[ICRA]BBB (Stable)	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Issuer Rating	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analyzing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website [click here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Issuer Rating	-	-	-	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING

Source: Sangli Miraj and Kupwad Municipal Corporation

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

ANALYST CONTACTS

Jayanta Roy

+91 33 7150 1100

jayanta@icraindia.com

Subhechha Banerjee

+91 33 7150 1130

subhechha.banerjee@icraindia.com

Sweety Shaw

+91 33 7150 1180

sweety.shaw@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91 22 6169 3300

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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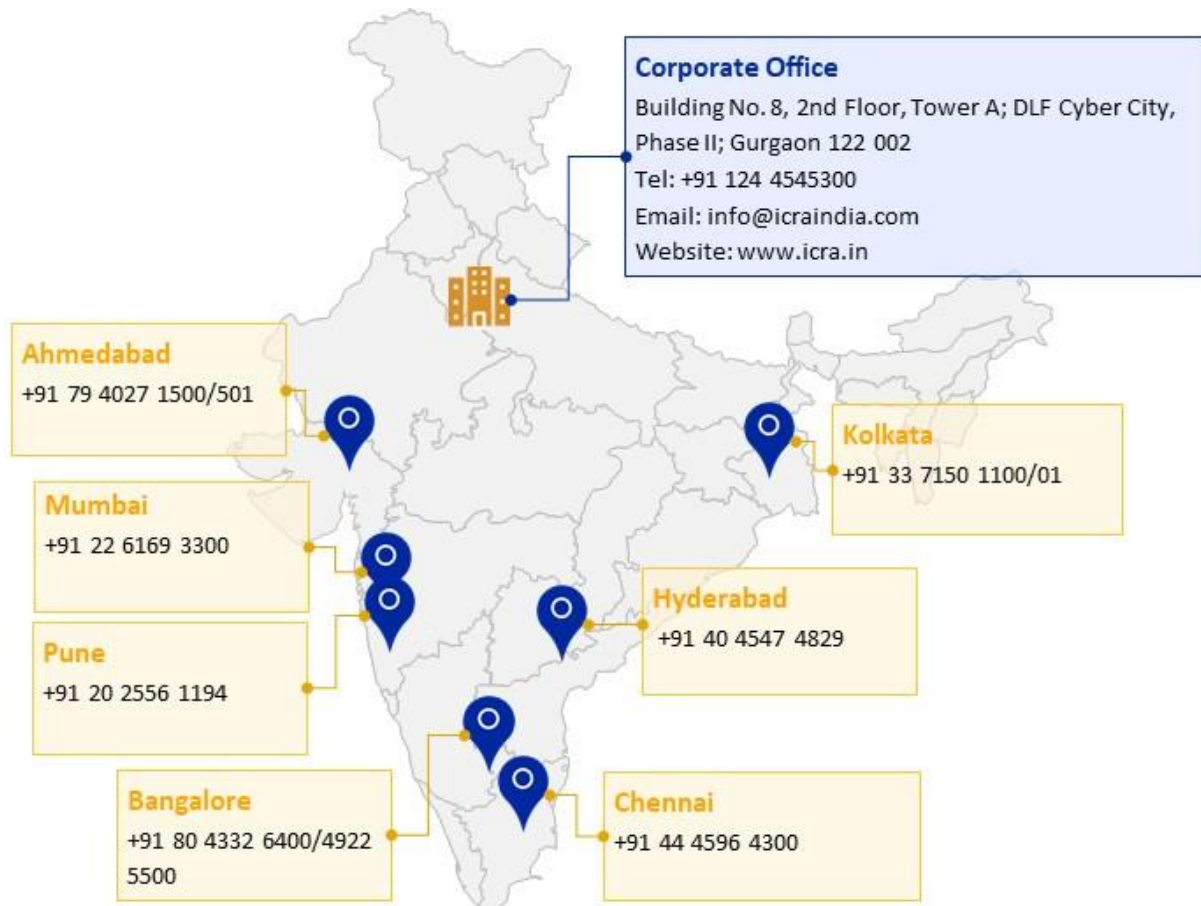
Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



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