

September 25, 2019

## Tadepalligudem Municipality: Continues to remain in Non Cooperating category, Rating downgraded based on best available information

### Summary of rated instruments

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Issuer Rating	0.00	0.00	[ICRA]B+ (Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB (Stable) and continues to remain in the 'Issuer Not Cooperating' category
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	

<sup>\*</sup>Issuer did not cooperate; based on best available information.

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

The rating downgrade is because of lack of adequate information regarding Tadepalligudem Municipality'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 the rated entity". 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.

As part of its process and in accordance with its rating agreement with Tadepalligudem Municipality, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

The previous detailed rating rationale is available on the following link: [Click here](#)

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Policy in respect of non-cooperation by the rated entity</a>
Parent/Group Support	Not Applicable
Consolidation/Standalone	Not Applicable

### About the company:

Tadepalligudem Municipality was established in 1958 and was upgraded to a selection grade municipality in 2010. The municipality is governed by the Andhra Pradesh Municipalities Act, 1965, which is administered by the Municipal Administration and Urban Development Department (DMA), GoAP. The TPGM provides basic municipal services in

Tadepalligudem town, which is located in the west Godavari district of Andhra Pradesh. The TPGM covers an area of 20.71 square kilometre (sq. km.) and serves a population of 1.04 lakh (as per Census 2011). The major functions of the TPGM include water supply, solid waste management and construction, repair and maintenance of roads and streetlights in its area. The municipality is divided into 35 wards and is supervised by an elected body, the council, consisting of ward councillors, elected for a period of five years. The council further elects a Mayor, who heads the deliberative wing of the corporation. The Commissioner, appointed by the State Government, heads the executive wing of the urban local body, and is responsible for all the activities carried out by the corporation.

### Key financial indicators:

Not applicable

### Status of non-cooperation with previous CRA

Not applicable

### Any other information

Not applicable

### Rating history for past three years

	Instrument	Current Rating (FY2020)				Rating History for the Past 3 Years		
		Type	Amount Rated	Amount Outstanding	Rating	FY2019	FY2018	FY2017
					25-Sep 2019	27-Jul-2018	-	06-Feb-2017
1	Issuer Rating	-	0.00	0.00	[ICRA]B+ (Stable) ISSUER NOT COOPERATING	[ICRA]BB (Stable) ISSUER NOT COOPERATING		[ICRA]BB (Stable)

### Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [www.icra.in](http://www.icra.in)

## Annexure-1 Instrument Details

ISIN No	Instrument	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: Tadepalligudem Municipality

## Analyst Contacts

### Jayanta Roy

+91 33 7150 1100

[jayanta@icraindia.com](mailto:jayanta@icraindia.com)

### Manish Pathak

+91 124 4545 397

[manishp@icraindia.com](mailto:manishp@icraindia.com)

### Adharsh Mani V S

+91 22 6169 3358

[adharsh.s@icraindia.com](mailto:adharsh.s@icraindia.com)

## Relationship Contact

### Jayanta Chatterjee

+91 80 4332 6401

[jayantac@icraindia.com](mailto:jayantac@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

### Ms. Naznin Prodhani

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries:

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

[info@icraindia.com](mailto:info@icraindia.com)

## About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited

### Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: [info@icraindia.com](mailto:info@icraindia.com)

Website: [www.icra.in](http://www.icra.in)

### Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

### Branches

Mumbai + (91 22) 24331046/53/62/74/86/87

Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,

Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,

Bangalore + (91 80) 2559 7401/4049

Ahmedabad+ (91 79) 2658 4924/5049/2008

Hyderabad + (91 40) 2373 5061/7251

Pune + (91 20) 2556 0194/ 6606 9999

© Copyright, 2019 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents