

August 16, 2024

Bandlaguda Jagir Municipal Corporation: Continues to remain under issuer Non-Cooperating category

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 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

ICRA has kept the Long-Term rating of Bandlaguda Jagir Municipal Corporation in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+(Stable); ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Bandlaguda Jagir Municipal Corporation, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities and Key Financial Indicator : [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

Bandlaguda Jagir Municipal Corporation (BJMC) is an urban local body (ULB) that has been recently constituted. It was initially constituted as a municipality by merging five-gram panchayats namely Bandlaguda Jagir, Himayathsagar, Hydershakote, Kismathpur and Peeramcheruvu in April 2019. Subsequently, its status was upgraded to a municipal corporation in June 2019. The ULB provides urban infrastructure services to Bandlaguda Jagir and is governed by the Telangana Municipalities Act 2019 (Act). The BJMC covers an area of 37.1 sq. km. and serves a population of 1.52 lakh (projected as on date). Its main functions include solid waste management and construction, repair and maintenance of roads and streetlights. The ULB is divided into 22 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: None

Rating history for past three years

	Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Date & Rating in	Date & Rating in FY 2024	Date & Rating in FY 2023	Date & Rating in FY 2021
				16 Aug 2024	21 Jun 2023	20 May 2022	24 Feb 2021
1	Issuer Rating	Long Term	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB+(Stable); ISSUER NOT COOPERATING	[ICRA]BBB-(Stable)

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 analysing 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: Bandlaguda Jagir Municipal Corporation

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

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About ICRA Limited:

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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

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