

October 24, 2024

Meerpet Municipal Corporation: Continues to remain under Issuer Not-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 issuer rating for Meerpet Municipal Corporation (MMC) to 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 Meerpet Municipal Corporation (MMC), 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 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 Urban Local Bodies
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

About the company

The MMC was upgraded to a Municipal Corporation in 2019 from a selection-grade Municipality. The ULB provides municipal services to the cities of Meerpet and Jilleliguda, situated in the Rangareddy district of Telangana. It covers an area of 6.7 square

kilometre (sq. km.) and serves a population of 1,40,628 (projected for 2021). The major functions of the MMC involve SWM, repair and maintenance of roads and street lighting in its area. The ULB is divided into 46 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: NA

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	Date & Rating in	
			Oct 24, 2024	Aug 29, 2023	Jun 23, 2022	FY2021
1 Issuer rating	-	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB+; (Stable)

Complexity level of the rated instrument

Instrument	Complexity Indicator
Issuer rating	NA

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: Not Applicable

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

Source: Meerpet Municipal Corporation

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

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About ICRA Limited:

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