

December 13, 2024

## Vizianagaram Municipality: Continues to remain under issuer non-cooperating category

### Summary of rating action

Instrument <sup>^</sup>	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
<b>Total</b>	-	-	

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

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

### Rationale

ICRA has kept the rating of Vizianagaram Municipality 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 Vizianagaram Municipality, 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, 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	<a href="#">Policy in respect of non-cooperation by the rated entity</a> <a href="#">Urban Local Bodies</a>
Parent/Group Support	NA
Consolidation/Standalone	Standalone

### About the company

The VZYM was constituted as Municipality in 1888, and is governed by the provisions of the Andhra Pradesh State Municipalities Act, (APSM Act) 1965. VZYM is a Special Grade Municipality and is the district headquarters of Vizianagaram district, Andhra Pradesh. In December 2015, VZYM has been upgraded to corporation; however, it continues to remain municipality till the current term of the council expires, i.e., 2019. The VZYM manages the municipal services in Vizianagaram city of Vizianagaram district, which is located in the state of Andhra Pradesh (AP). The VZYM covers an area of 52.43 square kilometers (Sq. Km.) and serves a population of 2,28,025 (as per Census 2011). The major functions of the VZYM involve water supply, solid waste management, repair and maintenance of roads and street lighting in its area. The city has 40 municipal

wards. An elected body, headed by Chairman, administers the municipality. The Commissioner acts as the executive head and oversees the day to day to functioning of the ULB.

**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 FY2024	Date & Rating in FY2023	Date & Rating in FY2022	
			13-Dec-2024	30-Oct -2023	26-Aug-2022	23-Jun-2021	
1 Issuer Rating	Long Term	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[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 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-I: 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: Vizianagaram Municipality

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

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## 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)

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