

Durg Municipal Corporation

July 31, 2018

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Issuer rating	NA	NA	[ICRA]BB- (stable); ISSUER NOT COOPERATING; Withdrawn

*Instrument details are provided in Annexure-1

Rating action

ICRA has withdrawn the long-term issuer rating of [ICRA]BB⁻¹ (pronounced ICRA double B minus)² ISSUER NOT COOPERATING with a stable outlook assigned to the Durg Municipal Corporation (DMC).

Rationale

The rating withdrawal follows the completion of the one-time rating exercise as per terms and conditions of Rating Agreement drawn with the State Urban Development Agency (SUDA), Government of Chhattisgarh.

Analytical approach: For arriving at the ratings, ICRA has applied its rating methodologies as indicated below.

Links to applicable criteria:

[Rating Methodology for Urban Local Bodies](#)

About the company:

In the early 1950s, the ULB in Durg was established as a municipality and, subsequently, it was upgraded to a municipal corporation in 1981. The Durg Municipal Corporation (DMC) is governed by the Chhattisgarh Municipal Corporation Act, 1961 (Act), which is administered by the Urban Administration and Development Department (UADD), GoCG. According to Census 2011, the DMC, covering an area of 54.11 sq. km., serves a total population of 2.69 lakh. It provides civic services to the Durg city and is the fourth largest ULB in the state. The key services extended by the corporation are construction and maintenance of roads and drains, water supply, solid waste management, street lights and amenities such as shopping stalls, community hall, playgrounds, parks/gardens etc.

¹ "With effect from Sep 1, 2017, ICRA has aligned the symbols and the definitions of ratings pertaining to the Issuer Rating Scale with that of the Long-Term Rating Scale. The change in the symbol is not to be construed as a change in the credit rating. Please refer to ICRA's website for more details."

² For complete rating scale and definitions, please refer to ICRA's website (www.icra.in) or other ICRA rating publications

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Current Rating (FY2019)					Chronology of Rating History for the Past 3 Years				
					Date & Rating in FY2018		Date & Rating in FY2017	Date & Rating in FY2016	
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	November 2017	April 2017	-	-	
1 Issuer rating	Long Term	NA	NA	July 2018 [ICRA]BB-(Stable); ISSUER NOT COOPERATING/ Withdrawn	November 2017 [ICRA]BB-(Stable); Moved to ISSUER NOT COOPERATING category	April 2017 [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

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	NA	NA	NA	NA	[ICRA]BB- (Stable); ISSUER NOT COOPERATING / Withdrawn

Source: DMC

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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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