

Gadag-Betageri City Municipal Council

August 16, 2018

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Issuer rating	Nil	Nil	[ICRA]BBB- (stable); Withdrawn

*Instrument details are provided in Annexure-1

Rating action

ICRA has withdrawn the long-term issuer rating of [ICRA]BBB-¹ (pronounced ICRA triple B minus)² with a stable outlook assigned to the Gadag-Betageri City Municipal Council (GBCMC).

Rationale

The rating withdrawal follows the completion of the one-time rating exercise as per terms and conditions of Rating Agreement drawn with the Directorate of Municipal Administration (DMA), Government of Karnataka (GoK).

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](#)

[ICRA Policy on Withdrawal and Suspension of Credit Rating](#)

About the company:

The GBCMC, being an urban local body (ULB), provides services to the twin city of Gadag-Betageri. Gadag is the district headquarter and is located 390 km from the state capital, Bengaluru. The GBCMC was constituted in 1974 as a city municipal council. According to Census 2011, the GBCMC, covering an area of 54.09 sq km, serves a total population of 1.73 lakh. It is governed by the Karnataka Municipalities Act, 1964. The GBCMC council, comprising 35 ward councillors, is headed by a President, who is elected by Ward Councillors. The executive wing is headed by a Municipal Commissioner, who is appointed by the GoK and is supported by the heads of various departments.

The key services extended by the ULB include water supply, sewerage, construction and maintenance of roads and drains, solid waste collection, street lights and amenities such as shopping stalls, community hall, playgrounds, and parks/gardens, among others.

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		
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2018	Date & Rating in FY2017	Date & Rating in FY2016
					June 2017	-	-
1 Issuer rating	Long Term	Nil	Nil	August 2018 [ICRA]BBB- (Stable); Withdrawn	[ICRA]BBB- (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	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Issuer rating	NA	NA	NA	NA	[ICRA]BBB- (Stable); Withdrawn

Source: Gadag-Betageri City Municipal Council

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About ICRA Limited:

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For more information, visit www.icra.in

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