Robertsonpet City Municipal Council

August 29, 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Issuer rating	NA	NA	[ICRA]BB+ (stable); Withdrawn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ICRA has withdrawn the long-term issuer rating of [ICRA]BB+[1] (pronounced ICRA double B plus)[2] with a stable outlook assigned to the Robertsobpet City Municipal Council (RCMC).

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), Urban Development Department (UDD), 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

About the company:

The RCMC being an urban local body (ULB) provides services to the Robertsonpet city. The city is situated in the Kolar district and is at a distance of 97 km from the state capital, Bengaluru. The city originated as a township in 1901 for the people working in the Kolar Goal Fields (KGF) mines. The ULB in Robertsonpet was constituted in 1964 as a town municipal council, which was later upgraded as a city municipal council in 1983. In 1996, the adjacent areas were added to the RCMC's jurisdiction, which were earlier being maintained by the Bharat Gold Mines Limited (BGML) and the Bharat Earth Movers Limited (BEML). According to Census 2011, the RCMC, covering an area of 58.12 sq. km., serves a total population of 1.43 lakh. It is governed by the Karnataka Municipalities Act, 1964. The council of the RCMC comprising 35 ward councillors is headed by a president who is elected by the ward councillors. The executive wing is headed by a municipal commissioner, who is appointed by the GoK and is supported by the head of various departments. The key services extended by the ULB are water supply, 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 other civic amenities.

[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 August 2018	Date & Rating in FY2018 May 2017	Date & Rating in FY2017 -	Date & Rating in FY2016 -
1	Issuer rating	Long Term	NA	NA	[ICRA]BB+ (Stable); Withdrawn	[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) / Withdrawn

Source: Robertsobpet City Municipal Council

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