

## Shadnagar Municipality

January 31, 2019

### Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Issuer Rating	Nil	Nil	[ICRA]BB- (Stable) ISSUER NOT COOPERATING*; Rating moved to the 'Issuer Not Cooperating' category
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	

\*Issuer did not co-operate; based on best available information.

### Rationale

ICRA has moved the Issuer Rating of Shadnagar Municipality (SNM) to the 'Issuer Not Cooperating' category. The rating is now denoted as "[ICRA]BB- (Stable) ISSUER NOT COOPERATING"

ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

### Analytical approach

ICRA has applied its rating methodologies/policies as indicated below:

### Links to applicable criteria:

[Policy in respect of non-cooperation by the rated entity](#)

### About the company:

The SNM, being an ULB, provides civic services to the Shadnagar town, which is located in Rangareddy district of Telangana, around 55 km from the state capital, Hyderabad. The major economic activity in the region is agriculture. According to Census 2011, Shadnagar covers an area of 40 sq km and has a population of 54,432, of which 53% are slum dwellers. The ULB is governed by the provisions of the Telangana State Municipalities Act, (TSM Act) 1965. The major functions of the SNM include water supply, solid waste management, repair and maintenance of roads, street lighting and amenities like shopping stalls, community hall, playgrounds, parks/gardens. The council of the municipality comprises 23 Ward Councillors headed by a Chairperson. The executive wing is headed by a Municipal Commissioner, who is appointed by the GoT and is supported by the heads of various departments.

The previous detailed rating rationale is available on the following link: [Click here](#)

### Key financial indicators:

Not applicable

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For more information, visit [www.icra.in](http://www.icra.in)

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