

## Alappuzha Municipality

February 28, 2019

### 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Issuer rating	NA	NA	[ICRA]BB (stable); ISSUER NOT COOPERATING; Withdrawn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ICRA has withdrawn the long-term issuer rating of [ICRA]BB<sup>1</sup> (pronounced ICRA double B)<sup>2</sup> ISSUER NOT COOPERATING with a stable outlook assigned to the Alappuzha Municipality (ALPM).

### Rationale

The rating withdrawal follows the completion of the one-time rating exercise as per terms and conditions of Rating Agreement drawn with the Kerala Sustainable Urban Development Project (KSUDP), Government of Kerala.

### Analytical approach:

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Rating Methodology for Urban Local Bodies</a>
Parent/Group Support	Not Applicable
Consolidation / Standalone	Standalone

### About the entity:

Alappuzha Municipality (ALPM), established in 1919, is a Municipality governed under the Kerala Municipality Act 1994 (Act). The Municipality manages the civic services in Alappuzha town, which serves as headquarter for Alappuzha district located in Central Kerala. The town has a canal network for inland waterways and is near the backwaters in Kerala, a major tourist destination. The town's economy is based on trading of agricultural and marine products and tourism. There are no major industrial areas in the ALPM's administrative area. According to Census 2011, the city had a total population of 176,164 and an area of 46.77 sq km. The ALPM is the provider of the basic civic services and amenities to the inhabitants of the town and the key services extended by the Municipality are construction and maintenance of roads and drains, solid waste management, street lights and amenities such as shopping stalls, community hall, playgrounds, parks/gardens etc.

<sup>1</sup> "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."

<sup>2</sup> For complete rating scale and definitions, please refer to ICRA's website ([www.icra.in](http://www.icra.in)) or other ICRA rating publications

### Key financial indicators (Actuals)

	FY2016	FY2017
Revenue income (Rs. crore.)	20.0	26.5
Revenue expenditure (Rs. crore)	20.2	20.0
Revenue balance (Rs. crore)	-0.2	6.5
Overall balance (Rs. crore)	-8.0	2.9
Revenue balance / Revenue income (%)	-1.06%	24.57%
(Principal + Interest) / Revenue income (%)	0%	3%
(Revenue balance + Interest) / (Interest + Debt repayment) (%)	-21%	650%
Debt / Revenue income (%)	0%	0%

**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 February 2019	November 2017	September 2017			
1 Issuer rating	Long Term	NA	NA	[ICRA]BB (Stable); ISSUER NOT COOPERATING/ Withdrawn	[ICRA]BB (Stable); Moved to ISSUER NOT COOPERATING category	[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](http://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: GMV

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