

Nainital Municipal Council

March 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Issuer rating	NA	NA	[ICRA]BB (stable); ISSUER NOT COOPERATING; Withdrawn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ICRA has withdrawn the long-term issuer rating of [ICRA]BB¹ (pronounced ICRA double B)² ISSUER NOT COOPERATING with a stable outlook assigned to the Nainital Municipal Council (NMC).

Rationale

The rating withdrawal follows the completion of the one-time rating exercise as per terms and conditions of Rating Agreement drawn with the Government of Uttarakhand (GoU).

Outlook: Not applicable

Key rating drivers has not been captured as the rated instrument is being withdrawn

Liquidity Position: Not applicable

Analytical approach:

Analytical Approach	Comments
Applicable Rating Methodologies	Rating Methodology for Urban Local Bodies
Parent/Group Support	NA
Consolidation / Standalone	Standalone

About the company:

The Nainital Municipal Council (NMC) was established in the year 1870. However the state is in the process of drafting a bill for Uttarakhand. The functions of NMC are listed in Uttar Pradesh Nagar Nigam Act, 1956 which includes both mandatory as well as discretionary functions of NMC. The major functions of NMC are: city cleanliness, solid waste management, maintenance of gardens/dividers/circles, street light, bio-medical waste, slaughter house, flood control, encroachment removal, stray cattle management, community toilets, community halls, all stormwater and wastewater drainage, parking lots, development works, advertisement, sale of land, house tax, and licensing. Although the act lists water supply and wastewater management as ULB responsibilities these have been adopted by the State through Jal Nigam and Jal Sansthan.

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

Key financial indicators (audited): Not applicable

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 FY2018 December	Date & Rating in FY2017
					March 2018	2017	-
1	Issuer rating Long Term	NA	NA	March 2019 [ICRA]BB (Stable); ISSUER NOT COOPERATING/ Withdrawn	March 2018 [ICRA]BB (Stable); ISSUER NOT COOPERATING	[ICRA]BB (Stable); Assigned	-

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: Nainital Municipal Council

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