October 01, 2026

Water and Sanitation Pooled Fund: Rating withdrawn

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial sector regulator#
Long-term bond	36.0	36.0	[ICRA]AA (Stable); withdrawn	MCA
Total	**36.0**	**36.0**		

**Instrument details are provided in Annexure I*

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Rationale

ICRA has withdrawn the rating assigned to the bonds of Water and Sanitation Pooled Fund (WSPF), as there is no amount outstanding against the rated instrument and the withdrawal is in accordance with ICRA's policy on withdrawal of credit ratings.

The key rating drivers and their description, liquidity position, rating sensitivities and key financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: Click here

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Urban Local Bodies State Government Policy on Withdrawal of Credit Ratings
Parent/Group support	The assigned rating factors in the beneficiary ULB's importance to the Government of Tamil Nadu (GoTN) as a provider of urban infrastructure and basic services within the respective cities, as well as the strong operational and financial linkages with the state government. Further, the strategic importance of WSPF to the state government as a nodal agency for mobilising funds for the ULBs has also been considered.
Consolidation/Standalone	Standalone

About the company

The Government of Tamil Nadu (GoTN) constituted WSPF in 2002 as a fully-owned trust under the Indian Trusts Act, 1882. WSPF is managed by the Tamil Nadu Urban Infrastructure Financial Services Limited (TNUIFSL, a GoTN-owned entity). The trust's prime objective is to mobilise resources under the pooled finance framework, wherein the requirements of various small/medium ULBs are pooled together and funds raised from the market are then lent to ULBs. WSPF's expenditure reduced to Rs. 48.8 crore in FY2025 from Rs. 51 crore in FY2024. Its expenditure mainly consists of interest on bonds issued, loans and subordinated loans. The total income of WSPF declined to Rs. 47.4 crore in FY2025 from Rs. 49.5 crore in FY2024. The major portion of the total income of WSPF comes from interest on loans given to the ULBs, while the balance income comprises project development grants and other income. As WSPF is a trust, it operates on a not-for-profit basis. The loss due to operations is adjusted against the GoTN grant account/grant fund.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	October 01, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Long-term bond	Long term	36.0	[ICRA]AA (Stable); withdrawn	Mar 27, 2026	[ICRA]AA (Stable)	Mar 29, 2025	[ICRA]AA (Stable)	Mar 19, 2024	[ICRA]AA (Stable)

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term bond	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click here

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook	Financial sector regulator#
NA*	**Long-term bond**	May 2017	8.25%	May 2029^	36.0	[ICRA]AA (Stable); withdrawn	MCA

*Source: Company; *the rated bond is unlisted; ^the bonds were prepaid on May 18, 2026*

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Annexure II: List of entities considered for consolidated analysis: Not Applicable

ANALYST CONTACTS

Valapreddy Anupama Reddy
+91 40 6939 6427
anupama.reddy@icraindia.com

Suprio Banerjee
+91 22 6114 3443
supriob@icraindia.com

Ravish Mehta
+91 79 6923 3008
ravish.mehta1@icraindia.com

Shanttanu Phulzade
+91 20 6606 9917
shanttanu.phulzade@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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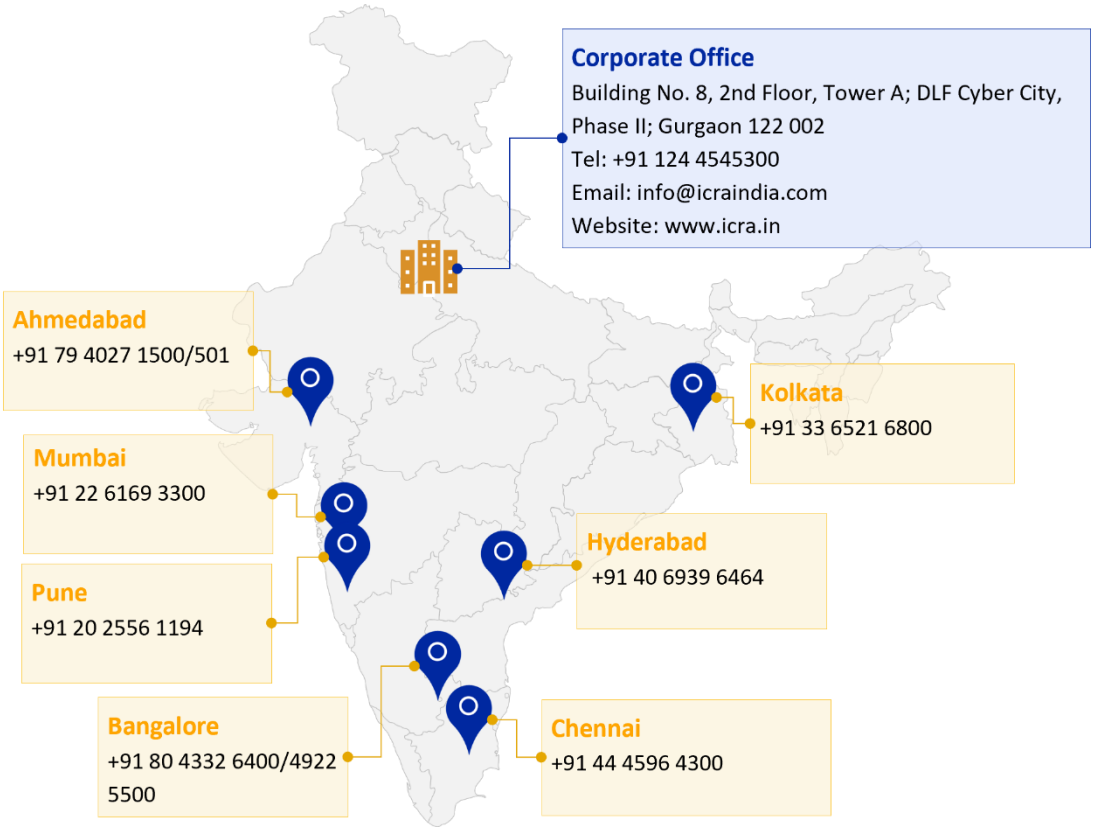
For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches



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