RATING SCALE

ICRA Short-Term Credit Rating Scale

ICRA Short-Term Credit Ratings express an opinion on the relative ability of an entity or debt instrument to meet its financial obligations as they fall due over the short term. The assessment considers, among other factors, liquidity, cash-flow adequacy, refinancing risk, financial flexibility, access to funding, and the timing and size of short-term obligations.

INVESTMENT GRADE	✓
SPECULATIVE OR NON-INVESTMENT GRADE	✓
DEFAULT OR NO RATING ASSIGNED	✓

RATING SCALE

INVESTMENT GRADE

CATEGORY	SCALES	DESCRIPTION
EXTREMELY LOW SHORT-TERM CREDIT RISK	A1+	THE ENTITY OR DEBT INSTRUMENT HAS AN EXCEPTIONALLY STRONG CAPACITY TO MEET ITS SHORT-TERM FINANCIAL COMMITMENTS WHEN DUE. LIQUIDITY, CASH-FLOW COVERAGE AND FINANCIAL FLEXIBILITY ARE EXCEPTIONALLY STRONG. THERE IS A MINIMAL LIKELIHOOD OF REPAYMENT CAPACITY BEING ADVERSELY AFFECTED BY FORESEEABLE EVENTS.
VERY LOW SHORT-TERM CREDIT RISK	A1	THE ENTITY OR DEBT INSTRUMENT HAS A VERY STRONG CAPACITY TO MEET ITS SHORT-TERM FINANCIAL COMMITMENTS WHEN DUE. LIQUIDITY AND ACCESS TO FUNDING ARE STRONG, WITH A VERY LOW RISK OF REPAYMENT CAPACITY BEING ADVERSELY AFFECTED BY FORESEEABLE EVENTS.
LOW SHORT-TERM CREDIT RISK	A2	THE ENTITY OR DEBT INSTRUMENT HAS A STRONG CAPACITY TO MEET ITS SHORT-TERM FINANCIAL COMMITMENTS WHEN DUE. LIQUIDITY AND REPAYMENT CAPACITY ARE SOUND, ALTHOUGH THEY MAY BE MORE SUSCEPTIBLE TO ADVERSE BUSINESS, FINANCIAL OR ECONOMIC DEVELOPMENTS THAN HIGHER-RATED OBLIGATIONS.
MODERATE SHORT-TERM CREDIT RISK	A3	THE ENTITY OR DEBT INSTRUMENT HAS AN ADEQUATE CAPACITY TO MEET ITS SHORT-TERM FINANCIAL COMMITMENTS WHEN DUE. REPAYMENT CAPACITY IS SATISFACTORY UNDER NORMAL CONDITIONS BUT MAY BE MORE VULNERABLE TO DETERIORATION IN LIQUIDITY, REFINANCING CONDITIONS OR OPERATING PERFORMANCE.

RATING SCALE

SPECULATIVE OR NON-INVESTMENT GRADE

CATEGORY	SCALES	DESCRIPTION
ELEVATED SHORT-TERM CREDIT RISK	A4	THE ENTITY OR DEBT INSTRUMENT HAS A WEAKER CAPACITY TO MEET ITS SHORT-TERM FINANCIAL COMMITMENTS WHEN DUE. REPAYMENT REMAINS POSSIBLE, BUT IT IS MORE DEPENDENT ON FAVOURABLE OPERATING CONDITIONS, LIQUIDITY AVAILABILITY, REFINANCING ACCESS OR EXTERNAL FINANCIAL SUPPORT. THERE IS AN ELEVATED RISK OF NON-PAYMENT UNDER ADVERSE CONDITIONS.
VERY HIGH SHORT-TERM CREDIT RISK	A5	THE ENTITY OR DEBT INSTRUMENT HAS A VERY WEAK CAPACITY TO MEET ITS SHORT-TERM FINANCIAL COMMITMENTS WHEN DUE. IT IS HIGHLY VULNERABLE TO ADVERSE FINANCIAL, BUSINESS OR REFINANCING CONDITIONS, AND TIMELY REPAYMENT MAY DEPEND MATERIALLY ON EXTERNAL SUPPORT, ASSET REALISATION OR SUCCESSFUL REFINANCING.

RATING SCALE

DEFAULT OR NO RATING ASSIGNED

CATEGORY	SCALES	DESCRIPTION
DEFAULT	D	THE ENTITY OR DEBT INSTRUMENT HAS DEFAULTED ON A FINANCIAL OBLIGATION, FAILED TO MAKE PAYMENT WHEN DUE, OR IS OTHERWISE CONSIDERED TO BE IN DEFAULT IN ACCORDANCE WITH THE APPLICABLE ICRA METHODOLOGY.
NO RATING ASSIGNED	NRA	NO SHORT-TERM RATING HAS BEEN ASSIGNED DUE TO INSUFFICIENT OR UNRELIABLE INFORMATION, LEGAL OR REGULATORY CONSIDERATIONS, ELIGIBILITY REQUIREMENTS, OR OTHER CIRCUMSTANCES THAT PREVENT A RELIABLE RATING OPINION FROM BEING FORMED.