

Rating Watch and its implications

A rating watch indicates that there is high probability of the rating movement in the short term in respect of credit implications of which are either unclear or not fully ascertainable immediately. Such events include a proposed change in ownership control, a merger, a demerger, an acquisition, a sudden regulatory development/attitude towards government policy, a force majeure event, proposed equity infusion, proposed refinancing, proposed asset monetization, material deviation in performance vis-à-vis expectations and so on.

The "Rating Watch" period is typically used to gather further information and/or subject the information to further analysis. A rating may also be placed on "Rating Watch" where the rating implications of the event might already be clear, but where a triggering event—example, a shareholder or a regulatory approval—might be awaited. The final rating action is taken when the awaited milestone is reached. A rating may also be placed on "Rating Watch" if there is a methodology change whose implications on the rating might be in the process of being evaluated.

CRISL places its ratings on "Rating Watch" under the following three circumstances:

- **"Rating Watch with Positive Implications"**, which indicates that once the credit uncertainty gets resolved, the rating is more likely to be upgraded
- **"Rating Watch with Negative Implications"**, which indicates that once the credit uncertainty gets resolved, the rating is more likely to be downgraded
- **"Rating Watch with Developing Implications"**, which indicates that the likely direction of the rating change is unascertainable based on the available information

Once the desired information is received and/or evaluation exercise is completed, a review note is placed before the Rating Committee (RC) which may, after detailed examination of the facts, decide to either continue the rating on "Rating Watch" or remove the "Rating Watch" and assign an appropriate rating. It may be noted that placing ratings on "Rating Watch" does not always imply an imminent change in rating.

CRISL has decided recently to place the following ratings under WATCH under the category **"Rating Watch with Developing Implications"**

SLNo.	Name of the Entities	Rating
1	Power Line Trading House	blrBBB, blrST-3
2	Ahamed Trading	blrBBB, blrST-3
3	Express Merchant Service	blrCRISL Se-3
4	Exploration & Trade Surface	blrBBB+, blrST-3
5	Humble Trading Corporation	blrCRISL Se-3
6	Just Right Trade International	blrCRISL Se-3
7	Jupitar Trade International	blrBBB+, blrST-3
8	Excel Property Management	BBB+, ST-3
9	Union Trading House	blrCRISL Se-3
10	Union Pacific Source & Trade	blrCRISL Se-3
11	Nur Trading	blrBBB+, blrST-3
12	MRC Business House	blrCRISL Se-3
13	Trade International Connect	BBB+, ST-3
14	White Hat International	blrCRISL Se-3
15	Castle Trade International	blrCRISL Se-3
16	View Point Corporation	blrCRISL Se-3

17	The Progressive Corporation	blrCRISL Se-3
18	Trade Mark Business Center	blrBBB+, blrST-3
19	Trimble Source Tech	blrCRISL Se-3
20	Monir Trade International	blrCRISL Se-3
21	Revel Trade International	blrCRISL Se-3
22	Crimson Trade International	blr CRISLSe-3
23	S. Alam Steels Limited	A, ST-3
24	S. Alam Refined Sugar Industries Limited	A-, ST-3
25	S. Alam Bag Manufacturing Mills Limited	A, ST-3
26	S. Alam Brothers Limited	A-, ST-3
27	S. Alam Cement Limited	BBB+, ST-3
28	Cristeline Refined Sugar Limited	BBB+ (Indicative)
29	Gazi Auto Tyres	A, ST-3, Stable