

CRISL

Setting global standard at national level since 1995

- A Rating Agency with Global outlook
- A fully compliant company with international and national rating standards and ethical practices

Vision

To implement global standards of credit rating services at the national level in order to enhance the image of corporate Bangladesh and eventually to upgrade the corporate, economic and financial management of Bangladesh to international level.

Mission

In order to achieve the vision, we set our business targets with high degree of professional standard and appropriate business and ethical code.

Virtues

- Excellence
- Integrity
- Objectivity
- Responsiveness
- Independence
- Transparency
- Forward Vision
- Accountability

Values

- Decision
- Actions
- Behavior

CRISL Recognition as Rating Agency of the Year 2018 and Brand Leadership Award 2019

CRISL, has been adjudged as the best rating agency of Bangladesh and awarded the prestigious 'The Asset's Triple A Regional Award, 2018' by the Hong Kong based leading financial publication and research organization, 'The Asset' recently.



Ms. Sarwat Amina, Executive Vice President CRISL received the award in a gala ceremony at Hong Kong.



CMO Asia presents Bangladesh Best Brand Awards 2019 to CRISL

Asset's award programs are built upon a stringent methodology for selecting the best institutions and individuals operating in Asia. The honors are adjudicated by the Asset's Board of Editors and an experienced research team with decades of experience in evaluating profiles of the companies operating in different sectors in Asia.

The Asset awards are Asia's prominent recognition for those that have excelled in their respective industries with close to 20 years of experience in conducting award programs distinguishing the best organizations. The Award criteria are: Transparency in the rating methodology, default ratio, rating transition, methodology applied for investor protection, investor outreach education etc.



Credit Rating Information and Services Limited (CRISL), the Premier Rating Agency of Bangladesh, has been operating since 1995. It is a closely held public limited company operating under the license from the Bangladesh Securities and Exchange Commission as a rating agency with the equity participation and technical assistance of Rating Agency Malaysia Berhad, VIS Credit Rating Company Ltd. of Pakistan, Faysal Bank Limited of Pakistan, Investment Corporation of Bangladesh and host of celebrated professionals of the country.

CRISL, being the premier and leading credit rating agency of Bangladesh, has been operating as the External Credit Assessment Institution (ECAI) under Basel-II Capital Adequacy Framework of Bangladesh to assess the risk of the exposure/loans of banking clients. CRISL is operating from its own premises at Head Office Dhaka as well as from two regional offices at Chattogram and Khulna, the regional business hubs of the country.

CRISL provides its services with high business and ethical standard as approved by the International Organization of Securities Commission (IOSCO), Bangladesh Securities and Exchange Commission and Bangladesh Bank ECAI recognition Criteria.

CRISL being a Joint Venture rating agency has regional and international linkage. With its joint venture partners, it shares global research, exchange best practices and trainings, which places CRISL to have a global linkage on the profession. CRISL reports, researches and ratings are available at its website for all with equal terms.

CRISL is one of the founder members of the Association of Credit Rating Agencies in Asia (ACRAA), an association of 30 rating agencies of 13 Asian Countries. CRISL CEO served as member of the 5 member Board of ACRAA and also worked as the Chairman of the Training Committee.

Starting its journey in 1995, CRISL has established itself as the most prestigious rating agency of the country with the largest database on Corporate and Financial Sector of the country.

CRISL, to its credit, has completed more than 30,000 rating assignments including Banks, NBFIs, Insurance Companies, NGOs, Corporate Entities, Public Sector Entities, Debt Instruments, Counterparties of the Banks, SMEs etc.

CRISL has established itself as the most prestigious rating agency of the country having the largest database of corporate and financial sector. During the last 24 years since inception, CRISL has become the most admired and respected rating agency in Bangladesh. Its credibility and success stem from its relentless pursuit of analytical rigor, and commitment to serve the market place with independence, integrity and innovation.

CRISL- Industry Leader of Credit Rating in the country

Board of Directors

CRISL Board of Directors consist of two institutional shareholders, five promoting shareholders and the President and CEO of the company.



M Mohiuddin, FCMA
Chairman

M. Mohiuddin FCMA is a Fellow Member and Past President of The Institute of Cost and Management Accountants of Bangladesh. He has wide experience of working in various sectors of the economy for the last four decades in senior positions and now working as the Managing Director of Island Securities Limited.



Faheem Ahmad

Faheem Ahmad is representative Director of VIS Credit Rating Company Limited, Pakistan. VIS is a Founder member of the Association of Credit Rating Agencies in Asia (ACRAA). Mr Ahmad is widely known for his contribution in the rating industry of Asian region. He is a long term member in the ACRAA Board, headed many important committees as Chairman and he was the Chairman of ACRAA Board for one term. He is now the President of VIS Rating company and working also as Consultant to the Islamic International Rating Agency Bahrain.



Md Abul Hossain

Md Abul Hossain, the Managing Director of Investment Corporation of Bangladesh(ICB) represents ICB in CRISL Board. Mr. Hossain is an experienced banker having wide exposure of the various sectors of the economy. Mr. Hossain is also involved in the corporate management of many companies representing ICB and actively involved in business analysis and financing.

We help you
**Decide with
Confidence**



Prof. Dr. Muhammad Abdul Moyeen
 Prof. Dr. Moyeen is presently the Chairman of the Department of Institution Strategy and Leadership, University of Dhaka. Dr. Moyeen is also involved with business in Home Textile and Garments for more than 35 years. He is one of the Directors of Pride Group of companies and now the Chairman of HR Textile Mills Limited- a listed company of Dhaka and Chittagong Stock Exchange.



Professor Mohammad Abdul Momen
 Professor Mohammad Momen is involved in the business of Textile and garments for the last 35 years. He is one of the Directors of Pride Group of companies operating in RMG and Textile processing. Mr. Momen is also a Professor of the Institute of Business Administration (IBA), University of Dhaka.



Muzaffar Ahmed FCMA FCS
 President and CEO
 Mr. Muzaffar Ahmed is the Founder of Credit Rating Concept in Bangladesh. The credit rating industry has grown up to this stage in the country under his guidance and leadership. He is a Fellow Member of the Institute of Cost and Management Accountants of Bangladesh and Founder President of the Institute of Chartered Secretaries of Bangladesh. Starting his career in the Department of Accounting, Chittagong University as Lecturer, he served many national and multinational companies at home and abroad in Finance and Accounts. He also worked as Consultant/ advisor to many companies and now heading CRISL as its President and CEO.

CRISL being the first rating agency of the country is heavily involved in the development of rating industry in Bangladesh

CREDIT RATING IS

An independent, impartial, best-judged and professional OPINION on the ability and willingness of a borrower in discharging its obligations in timely fashion. In case of entity rating, in addition to the above, the OPINION also reflects on the entity's debt service capacity, net worth, earning prospects and product/service providing mechanism which ultimately adds value to its stakeholders.

BUT CREDIT RATING IS NOT

- A recommendation to buy, sell or hold a security
- A recommendation of sanctioning a loan

The core of CRISL Rating is

CREDIBILITY and **INTEGRITY** as CRISL maintains independence from all interested market forces – including: Issuers of Securities, Underwriters or Government

CRISL- Rating is chosen and valued because it is

- *Impartial* • *Independent* • *Professional* • *Best - judged*

International Linkage

CRISL is the Founder member of the Association of Credit Rating Agencies in Asia. ACRAA was sponsored by the Asian Development Bank in 2002. The objective of ACRAA is to harmonize the rating practices among the member rating agencies of Asian countries. The number of members of ACRAA are 30 rating agencies from 13 Asian countries

CRISL had joint venture agreement with RAM Berhad Malaysia and with VIS Credit Rating Company Limited, Pakistan for technical collaboration. RAM has withdrawn its equity from CRISL Shareholding, however has corresponding relationship on issue specific issues.

CRISL has collaborative arrangement with Islamic International Rating Agency of Bahrain to work jointly for development of SUKUK market in Bangladesh

Shareholding

CRISL is a closely held public limited company. Major shareholders of CRISL are Investment Corporation of Bangladesh. VIS Credit Rating Company Ltd of Pakistan, Faysal Bank Limited of Pakistan, and 8 Individual Bangladeshi sponsor shareholders. Except one institutional shareholder and Mr. Muzaffar Ahmed, the CEO of the company, others hold less than 10% shares in CRISL share capital.

Services

A. Rating Services

Debt Instrument Rating

Rating of all types of Debt instruments, such as Bonds, Securitized instruments, Structured products, Asset Backed Securities

Entity Rating/ Issuer Ratings

Bank and Financial Institution Rating, Banking Client Rating (All Corporate, SMEs, Govt. Institutions), Project Finance Ratings, Syndicated Loans, IPO rating, Insurance Company rating (both life and non- life), Merchant banks and Brokerage houses, Corporate Ratings- all public and private limited companies, Micro Finance Institution Rating (MFIs) NGO Rating, Municipality Rating, University and Educational Institution Rating etc.

Specific Ratings

Bank Exposure Rating, Project Financing Rating, Loan Proposal Rating, Individual Personal Rating along with

- Preference Shares
- Rights Issue
- Direct Listings
- Mutual Funds and also for direct listing

B. Research and Training

Research on company fundamentals, Risk Analysis, Sectoral Analysis, Equity Research, Economic Trend etc.

CRISL offers wide range of trainings for the Executives of Banks, and Financial Institutions and Corporate houses, throughout the year. Since 2012, CRISL launched CRISL Certified Analyst (CCFA) program which is aimed for both aspiring and working professionals to excel their professional excellence in understanding and managing finance in the practical world

C. Information Services

CRISL is a data house of the national economy especially on the company fundamentals and sectoral performances. It provides fee based selected information on request.

Benefits of Rating

To The Rating Entities

- Branding the organization with international standards
- Higher rating assists to source finance at cheaper rate while lower rating assists an organization to take right steps for improvement
- Know the business through the eye of independent professionals of high standard
- Increase cost effectiveness of an organization.
- To comply with regulatory requirements for issuing bond/structured financial instrument, rights issue at premium, IPO at premium etc

To The Regulators

- To review the status of compliance
- Independent evaluation of funded projects
- Easy monitoring of the companies/Entities
- Economic trend analysis.

To Banks/Financial Institutions

- To assess credit risk weight against exposure for different counter-parties under corporates and SME.
- Independent review of the projects seeking fund
- Project construction monitoring and compliance
- As a benchmark to avoid unnecessary political and other pressure on project financing
- To know the project's strengths and weaknesses
- Review of Capital Adequacy, liquidity, asset quality, cost effectiveness, profitability, peer comparison, management effectiveness etc

To Others

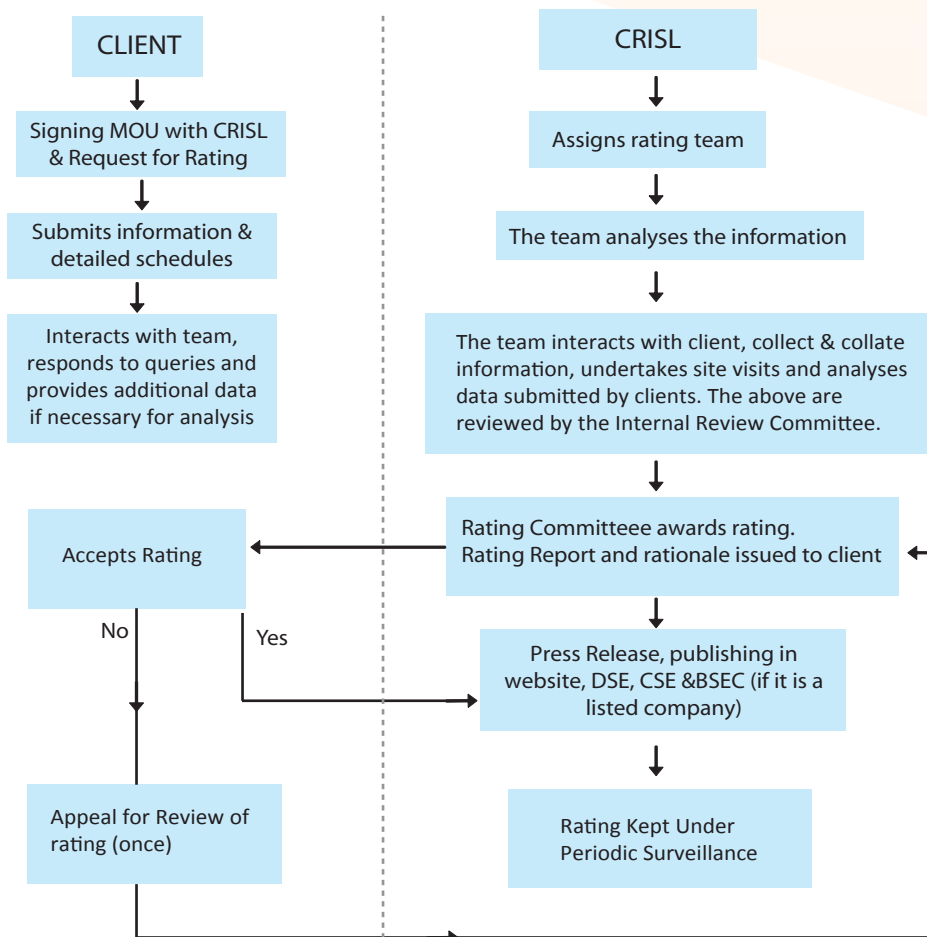
CRISL also does Equity Research for the:

- General Investors
- Industrial Houses
- Foreign Investors
- Research Houses
- General Public

Committed to
Excellence...
Committed to Future...

CRISL maintains strong franchise value in the market

Rating Process



Code of Conduct

CRISL Ethical Code

CRISL believes that the items set out in CRISL Ethical Code of Conduct should be willingly abided by, in terms of objectivity, independence, transparency and other requirements. CRISL believes that the adequacy of credit rating agencies should be secured by self-regulation and evaluation by the market. While CRISL has established rigorous rules concerning the avoidance of conflicts of interest and the management of confidential information, it has also made efforts to improve the transparency of its ratings through the publication of many reports, rating rationales, rating perspectives, outlook etc., as well as through the enhancement of disclosures via its website. CRISL Ethical Code of Conduct consists of six chapters covering 32 articles effective from first of January 2006. It has been designed for CRISL and its employees and covers all aspects of CRISL’s rating, operations, management, and related matters.

The Ethical code covers

- a) Quality and Integrity of the Rating Process (Articles 1-8)
- b) Independence and Avoidance of Conflicts of Interests (Articles 9-12)
- c) Analyst and Employee Independence and Avoidance of Conflicts of Interest (Articles 13-17)
- d) Disclosure of Rating Information (Article 18-23)
- e) Treatment of Confidential Information (Articles 24-31)
- f) Disclosure of CRISL’s Code of Conduct and Communication with Market Participants (Articles 32-34)

CRISL Ethical Code of Conduct is principally based on the IOSCO Code Fundamentals but some provisions supplement it or are excluded in consideration of CRISL’s basic philosophy. The above ethical code, in greater detail, is available at CRISL website.

Largest number of ratings issued till date

Our Team



Annual Award 2019, CRISL Dhaka Team



New Year Celebration 2019, Chattogram Team

CRISL Professional Team

CRISL team of professionals is headed by Mr. Muzaffar Ahmed, FCMA, FCS, a professional Management Accountant of repute having 42 years of experience at home and abroad on various financial and economic fields. He is also a noted academician and represented the nation in various international seminars held in different countries. In his professional team, Mr. Ahmed is aided by a number of Senior Management Professionals and an excellent analytical team. The analytical rigor and entire office system of CRISL is supported by a strong IT infrastructure supervised by an experienced IT team.

Business Development Team

CRISL Business Development Team consists of young and enterprising professionals who are experienced in service promotion. The team works all over the country covering Dhaka, Chattogram, Khulna, Rajshahi, Rangpur, Sylhet, Noakhali, Cumilla, Bogura and Faridpur.

Rating Team

CRISL Rating Team consists of minimum two analysts having appropriate knowledge and experience of carrying out a quality rating. While framing a rating team, CRISL collects declaration from the members that they are eligible to be a member of the rating team as per the guideline of CRISL Ethical Code which interalia, warrants that a professional must not have any relation with the entity proposed to be rated, free from all conflict of interest and none of his relatives are serving in the company.

Internal Review Committee (IRC)

IRC consists of both senior and mid level professionals having knowledge and experience in the rating sector. The members of IRC are aware of rating requirement, related methodology, compliance requirements and they are selected as per CRISL Ethical Code and free from all conflict of interest.

Rating Committee (RC)

Rating Committee consists of the most senior and experienced professionals of CRISL and at least one sectoral expert. The RC members are well versed on CRISL rating system, international rating norms with wide knowledge on the economy and its sectors. The rating awarded by the RC is final. The RC is independent and the Board of CRISL does not have any role/influence on the RC.

**Industry Leader
in credit ratings**

CRISL's Default and transition metrics are in line with regional rating agencies

Rating Methodology and Rating Scales

Rating Methodology

CRISL follows standard rating methodology in line with international and local requirement. Specific sector-wise/ industry wise rating methodologies are published in the web: www.crislbd.com The methodologies have been designed with due consideration to the specific insights of each sector with due weight to both qualitative and quantitative factors for each sectors. The qualitative and quantitative factors are converted to specific traits with due weight for highest performance, lowest performance, average performance comparing the above with industrial averages in order to arrive at a meaningful rating of an organization. The methodology covers to unearth all types of risks such as Industry Risk, Business Risk, Management Risk, Operating Performance Risk, Banking Relationship Risk, Security Risk and Other risks. CRISL methodologies cover Banks and Financial Institutions, Telecommunication, Airlines, Investment Banks, Asset Backed Securitization, SME, Manufacturing Corporate, Educational Institutions, NGO, Micro Finance Institutions, Municipalities, Security Firms, Asset Management Companies etc .

Rating Scales

CRISL has separate Rating Scales for each type of ratings such as for Financial Institutions, Insurance Claim Paying Ability, Micro Finance Rating, Rating of Manufacturing organizations, Rating of Small and Medium enterprises etc. Rating scales have been designed to reflect the position of each company in the scale on the basis of evaluation. All rating scales are available at CRISL web (www.crislbd.com)

Ratings mapped with Bangladesh Bank Risk grades

Type of rating	Long Term Rating mapping			Short Term Rating mapping		
	CRISL Rating	BB Grade	Risk Weight	CRISL rating	BB Grade	Risk weight
Claims on Corporate	AAA, AA+, AA, AA-	1	20%	ST-1	S 1	20%
	A+, A, A-	2	50%	ST-2	S 2	50%
	BBB+, BBB, BBB-	3	100%	ST-3	S 3	50%
	BB+, BB, BB-	4	100%	ST4	S4	100%
	B+, B, B- and below ratings (B, CCC, D)	5 & 6	150%	ST5	S 5	150%
	Unrated		125%	ST6	S 6	150%
Claims on SME						
	CRISL Se/Me 1	SME1	20%			
	CRISL Se/Me 2	SME2	40%			
	CRISL Se/Me 3	SME3	60%			
	CRISL Se/Me 4	SME4	80%			
	CRISL Se/Me 5	SME5	120%			
	CRISL Se/Me 6	SME 6	150%			
	CRISL Se/Me 7					
	CRISL Se/Me 8					
	Unrated SMEs below Tk. 3.00 million				75%	
Unrated SMEs above 3.00 m and medium enterprises		100%				

Management Team



Muzaffar Ahmed FCMA FCS
President and CEO



Sarwat Amina
Executive Vice President
& Head of Operation



Asaduzzaman Khan
Executive Director



Md. Abdur Rahman Banerjee
Head of Business Development



Md. Asiful Huq
Senior Assistant Vice President
& Chief Rating Officer



Tanzirul Islam
Senior Assistant Vice President



Shohel Khan
Assistant Vice President



Tawheedul Anwar
Assistant Vice President



Nusrat Amina Ahmed
Manager, MIS



Alim Al Rabby
Head of Corporate & SME
Business Development



Jamal Uddin Tomal
Manager
Business Development



Prodip Kumar Mondal
Manager
Business Development



Mahmudul Hasan
Manager
Business Development

Requirement of Credit Rating Services Bangladesh

Under Credit Rating Companies Rules 1996 of BSEC

- All types of debt instruments such as bonds, securitized products,
- All right issues by listed companies issued at premium
- All direct listings with stock exchanges

Under Bangladesh Bank Circulars

- All schedule Banks on annual basis
- Credit exposure of all banks/ MFIs

Under the Circular of Insurance Regulatory Authority

- All general Insurance companies on annual basis
- All life insurance companies on bi-annual basis

Historic Moments



Late. Mr. Jamal Uddin Ahmad, FCA, first Chairman of CRISL Board of Directors, and a former Deputy Prime Minister of the Government of Peoples Republic of Bangladesh, played a very inspiring role in bringing CRISL to reality and professionalism.



CRISL Chairman, Mr. Jamal Uddin Ahmad, handing over CRISL Crest to Chief Guest Mr. Saifur Rahman, the then Finance Minister of the Peoples Republic of Bangladesh, at the Inauguration Ceremony of CRISL on 18th January, 1996 at Hotel Sheraton. Mr. Motiul Islam, Director, CRISL, is seen in picture.



Mr. Muzaffar Ahmed, President & CEO of CRISL, the Architect of the concept of Credit Rating in Bangladesh was addressing the dignitaries at the IPDC rating presentation at Hotel Pan Pacific Sonargaon, Dhaka.



10th Annual General meeting of CRISL at the newly inaugurated own office premises of CRISL at Nakshi Homes, Segun Baghicha, Dhaka. Appeared in the photo are (From Right, sitting) Mr. Faheem Ahmad, President & CEO of VIS, Credit Rating Co & Director, CRISL, Mr. Jamal Uddin Ahmad, Chairman, CRISL, Mr. Saeed I Chaudry, Managing Director, Prime Commercial Bank of Pakistan, and Director, CRISL, Mr. Md. Ziaul Hoque Khondker, Managing Director, Investment Corporation of Bangladesh and Director CRISL and (From Right in standing) Mr. M Mohiuddin, Director, CRISL, Mr. Muzaffar Ahmed, President and CEO CRISL, Professor Dr. Muhammad Abdul Moyeen, Director CRISL and MR. AK Chowdhury, Director, CRISL.



A press conference was organized on 16th January, 1996 by CRISL to commemorate its inauguration on 18th January, 1996 at Hotel Purbani International. Mr. Jamal Uddin Ahmad, Chairman, CRISL along with Mr. Mobassar Hussain, Director, CRISL, and Mr. Muzaffar Ahmed, President and CEO, CRISL are seen in picture.



CRISL inauguration ceremony at Hotel Sheraton on 18th January, 1996. The dignitaries in attendance are: Chief Guest, Mr. M. Saifur Rahman, the then Finance Minister, Government of the Peoples Republic of Bangladesh (3rd from Left), Special Guest Mr. Sultanuz Zaman Khan, the then Chairman, Bangladesh Securities and Exchange Commission, Chief Guest Mr. ATM Shamsul Huda, the then Addition Secretary in Charge of Banking Division, Ministry of Finance, CRISL Chairman, Mr. Jamal Uddin Ahmad, Mr. Motiul Islam, Director, CRISL and Mr. Muzaffar Ahmed, President and CEO, CRISL.

Historic Moments



Dr. Salehuddin Ahmed, Governor, Bangladesh Bank along with Mr. Jamal Uddin Ahmad, Chairman, CRISL and Mr. Muzaffar Ahmed, President and CEO of CRISL have been attending the inauguration ceremony of workshop on Bank / Financial Institution Rating Methodology and Perspective organized by CRISL at Hotel Sheraton.



The 13th Annual General Meeting of CRISL is in session. Mr. Suresh Menon, Director of Rating Agency Malaysia, Berhad and CRISL along with the Directors from Bangladesh meeting are in attendance.



Mr. Muzaffar Ahmed, President and CEO of CRISL has been awarded the Robintex Business Award, 2006 for his outstanding contribution in the financial sector of the country. Mr. Ahmed has been receiving the above award from the Chief Guest on the occasion of award giving ceremony.



MOU signing ceremony with Prime Bank for Entity Rating. President and CEO of CRISL Mr. Muzaffar Ahmed and Managing Director of Prime Bank Mr. Shahjahan Bhuyan, along with high officials of CRISL and Prime Bank are in attendance.



CRISL Chairman Mr. Jamal Uddin Ahmad, President and CEO of CRISL Mr. Muzaffar Ahmed, CRISL Director Professor Dr. Muhammad Abdul Moyeen along with the Chief Controller of Insurance Dr. Mahfuzul Haque are attending the workshop on Insurance Claim Paying Ability Rating Methodology organized jointly by CRISL with the BIMA Adhidaftar on introduction of mandatory credit rating of both general and life insurance companies in Bangladesh.



CRISL CEO Mr. Muzaffar Ahmed and IFIC Bank Managing Director, Mr. Mashiur Rahman along with high officials of CRISL and IFIC Bank are in the signing ceremony of MOU of Entity Rating and its surveillance.



CRISL celebrating a Decade of Rating Services in Bangladesh



MOU signing ceremony of Eastern Bank Limited and CRISL for pre loan assessment of SME clients in 2013

LONG-TERM RATING SCALES (CORPORATE)

RATING	DEFINITIONS
AAA Triple A (Highest Safety)	Investment Grade Entities rated in this category are adjudged to be of best quality, offer highest safety and have highest credit quality. Risk factors are negligible and risk free, nearest to risk free Government bonds and securities. Changing economic circumstances are unlikely to have any serious impact on this category of companies.
AA+, AA, AA- Double A (High Safety)	Entities rated in this category are adjudged to be of higher quality, offer higher safety and have higher credit quality. This level of rating indicates a corporate entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions.
A+, A, A- Single A (Adequate Safety)	Entities rated in this category are adjudged to offer adequate safety for timely repayment of financial obligations. This level of rating indicates a corporate entity with an adequate credit profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories.
BBB+, BBB, BBB- Triple B (Moderate Safety)	Entities rated in this category are adjudged to offer moderate degree of safety for timely repayment of financial obligations. This level of rating indicates that a company is under-performing in some areas. Risk factors are more variable in periods of economic stress than those rated in the higher categories. These entities are however considered to have the capability to overcome the above-mentioned limitations.
BB+, BB, BB- Double B (Inadequate Safety)	Speculative Grade Entities rated in this category are adjudged to lack key protection factors, which results in an inadequate safety. This level of rating indicates a company as below investment grade but deems likely to meet obligations when due. Overall quality may move up or down frequently within this category.
B+, B, B- Single B (High Risky)	Entities rated in this category are adjudged to be with risk. Timely repayment of financial obligations is impaired by serious problems which the entity is faced with. Whilst an entity rated in this category might be currently meeting obligations in time through creating external liabilities.
CCC+, CCC, CCC- Triple C (Vulnerable)	Non-Investment Grade Entities rated in this category are adjudged to be vulnerable and might fail to meet its repayments frequently or it may currently meeting obligations in time through creating external liabilities. Continuance of this would depend upon favorable economic conditions or on some degree of external support.
CC+, CC, CC- Double C (High Vulnerable)	Entities rated in this category are adjudged to be highly vulnerable. Entities might not have required financial flexibility to continue meeting obligations; however, continuance of timely repayment is subject to external support.
C+, C, C- Single C (Near to Default)a	Entities rated in this category are adjudged to be extremely Vulnerable in timely repayment of financial obligations. This level of rating indicates entities with very serious problems and unless external support is provided, they would be unable to meet financial obligations.
D (Default)	Default Grade Entities rated in this category are adjudged to be either already in default or expected to be in default.

Note: For long-term ratings, CRISL assigns + (Positive) sign to indicate that the entity is ranked at the upper-end of its generic rating category and - (Minus) sign to indicate that the entity is ranked at the end of its generic rating category. Long-term ratings without any sign denote mid-levels of each group.

SHORT-TERM RATING SCALES (CORPORATE)

RATING	DEFINITION
ST-1	Highest Grade Highest certainty of timely repayment. Short - term liquidity including internal fund generation is very strong and access to alternative sources of funds is outstanding. Safety is almost like risk free Government short-term obligations.
ST-2	High Grade High certainty of timely repayment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.
ST-3	Good Grade Good certainty of timely repayment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital/financial market is good. Risk factors are small.
ST-4	Moderate Grade Moderate liquidity and other protection factors qualify an entity to be in investment grade. Risk factors are larger and subject to more variation.
ST-5	Non-Investment Grade Speculative investment characteristics. Liquidity is not sufficient to ensure discharging debt obligations. Operating factors and market access may be subject to a high degree of variation.
ST-6	Default Entity is in default or is likely to default in discharging its short-term obligations. Market access for liquidity and external support is uncertain.

BANK LOAN / FACILITY RATING SCALES & DEFINITIONS - LONG TERM

RATING	DEFINITION
blrAAA Triple A (Highest Safety)	<p>Investment Grade</p> <p>Bank Loan/Facilities enjoyed by banking clients rated in this category are adjudged to have highest credit quality, offer highest safety and carry almost no risk. Risk factors are negligible and almost nearest to risk free Government bonds and securities. Changing economic circumstances are unlikely to have any serious impact on this category of loans/ facilities.</p>
blrAA+, blrAA, blrAA- Double A (Higher Safety)	<p>Bank Loan/ Facilities enjoyed by banking clients rated in this category are adjudged to have higher credit quality, offer higher safety and have higher credit quality. This level of rating indicates that the loan / facilities enjoyed by an entity has sound credit profile and without any significant problem. Risks are modest and may vary slightly from time to time because of economic conditions.</p>
blrA+, blrA, blrA- Single A (Adequate Safety)	<p>Bank Loan/ Facilities rated in this category are adjudged to carry adequate safety for timely repayment/ settlement. This level of rating indicates that the loan / facilities enjoyed by an entity have adequate and reliable credit profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories.</p>
blrBBB+, blrBBB, blrBBB- Triple B (Moderate Safety)	<p>Bank Loan/ Facilities rated in this category are adjudged to offer moderate degree of safety for timely repayment /fulfilling commitments. This level of rating indicates that the client enjoying loans/ facilities under-performing in some areas. However, these clients are considered to have the capability to overcome the above-mentioned limitations. Cash flows are irregular but the same is sufficient to service the loan/ fulfill commitments. Risk factors are more variable in periods of economic stress than those rated in the higher categories.</p>
blrBB+, blrBB, blrBB- Double B (Inadequate Safety)	<p>Speculative Grade</p> <p>Bank Loan/ Facilities rated in this category are adjudged to lack key protection factors, which results in an inadequate safety. This level of rating indicates loans/ facilities enjoyed by a client are below investment grade. However, clients may discharge the obligation irregularly within reasonable time although they are in financial/ cash problem. These loans / facilities need strong monitoring from bankers side. There is possibility of overcoming the business situation with the support from group concerns/ owners. Overall quality may move up or down frequently within this category.</p>
blrB+, blrB, blrB- Single B (Risky)	<p>Bank Loan/ Facilities rated in this category are adjudged to have weak protection factors. Timely repayment of financial obligations may be impaired by problems. Whilst a Bank loan rated in this category might be currently meeting obligations in time, continuance of this would depend upon favorable economic conditions or on some degree of external support. Special monitoring is needed from the financial institutions to recover the installments.</p>
blrCCC+, blrCCC, blrCCC- Triple C (Vulnerable)	<p>Non-Investment Grade</p> <p>Bank Loan/ Facilities rated in this category are adjudged to be in vulnerable status and the clients enjoying these loans/ facilities might fail to meet its repayments frequently or it may currently meeting obligations through creating external support/liabilities. Continuance of this would depend upon favorable economic conditions or on some degree of external support. These loans / facilities need strong monitoring from bankers side for recovery.</p>
blrCC+, blrCC, blrCC- Double C (Highly Vulnerable)	<p>Bank Loan/ Facilities rated in this category are adjudged to carry high risk and are highly vulnerable. Client enjoying the loan/ facility might not have required financial flexibility to continue meeting obligations; however, continuance of timely repayment is subject to external support. These loans / facilities need strong monitoring from bankers side for recovery.</p>
blrC+, blrC, blrC- (Extremely Vulnerable)	<p>Bank Loan/ Facilities rated in this category are adjudged to be extremely vulnerable in timely repayment/ fulfilling commitments. This level of rating indicates that the clients enjoying these loan/ facilities are with very serious problems and unless external support is provided, they would be unable to meet financial obligations.</p>
blrD (Default)	<p>Default Grade</p> <p>Entities rated in this category are adjudged to be either already in default or expected to be in default.</p>

Note: For long-term ratings, CRISL assigns + (Positive) sign to indicate that the bank loan/facility is ranked at the upper-end of its generic rating category and – (Minus) sign to indicate that the bank loan/facility is ranked at the bottom end of its generic rating category. Long-term ratings without any sign denote mid-levels of each group.

BLR - SHORT TERM RATINGS

RATING	DEFINITION
<i>blr</i> ST - 1	Highest Grade Highest certainty of timely repayment. Short-term liquidity including internal fund generation is very strong and access to alternative sources of funds is outstanding. Safety is almost like risk free government short-term obligations.
<i>blr</i> ST - 2	Higher Grade High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.
<i>blr</i> ST - 3	Good Grade Good certainty of timely payment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital/money markets is good. Risk factors are small.
<i>blr</i> ST - 4	Satisfactory Grade Satisfactory liquidity and other protection factors qualify an entity to be in investment grade. Risk factors are larger and subject to more variation.
<i>blr</i> ST - 5	Non-Investment Grade Speculative investment characteristics. Liquidity is not sufficient to insure against disruption in debt service. Operating factors and market access may be subject to a high degree of variation.
<i>blr</i> ST - 6	Default Institution failed to meet financial obligations

SME Ratings

CRISLSe/Me-1 (Highest Safety)	Highest Investment Grade Enterprises rated in this category are adjudged to be of best quality, offer highest safety and have highest credit quality. Risk factors are negligible and risk free, nearest to risk free Government bonds and securities. Changing economic circumstances are unlikely to have any serious impact on this category of entities.
CRISLSe/Me-2 (Higher Safety)	High Investment grade Enterprises rated in this category are adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicates an entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions.
CRISLSe/Me-3 (Adequate Safety)	Investment Grade Enterprises rated in this category are adjudged to offer adequate safety for timely repayment of financial obligations. This level of rating indicates an enterprise with an adequate credit profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories.
CRISLSe/Me-4 (Moderate Safety)	Enterprises rated in this category are adjudged to offer moderate degree of safety for timely repayment of financial obligations. This level of rating indicates that an enterprise may also have some under-performing areas due to economic, financial or operational environment. Risk factors are more variable in periods of economic stress than those rated in the higher categories. These Enterprises are however considered to have the capability to overcome the above-mentioned limitations
CRISLSe/Me-5 (Inadequate Safety)	Speculative Grade Enterprises rated in this category are adjudged to lack key protection factors, which results in an inadequate safety. This level of rating indicates an enterprises as below investment grade but deemed likely to meet obligations when due. Overall quality may move up or down frequently within this category.
CRISLSe/Me-6 (Risky)	Enterprises rated in this category are adjudged to be with high risk. Timely repayment of financial obligations is impaired by serious problems, which the enterprise is faced with. Whilst an enterprises rated in this category might be currently meeting obligations in time, continuance of this would depend upon favorable economic conditions or on some degree of external support.
CRISLSe/Me-7 (Vulnerable)	Non investment grade Enterprises rated in this category are adjudged to be vulnerable and might fail to meet its repayments frequently or it may currently meeting obligations in time through creating external liabilities. Continuance of this would depend upon favorable economic conditions or on some degree of external support.
CRISLSe/Me-8 (Highly Vulnerable)	Enterprises rated in this category are adjudged to be highly vulnerable. Entities might not have required financial flexibility to continue meeting obligations; however, continuance of timely repayment is subject to external support.
CRISLSe/Me-9 (Extremely vulnerable)	Enterprises rated in this category are adjudged to be extremely speculative in timely repayment of financial obligations. This level of rating indicates Enterprises with very serious problems and unless external support is provided, they would be unable to meet financial obligations.
CRISLSe/Me-10 (Default)	Default Grade Enterprises rated in this category are adjudged to be either already in default or expected to be in default.

CRISL issues First- Ever Pourashava Credit Rating in Bangladesh

CRISL achieved a great feat when in 2017 it successfully rated the First ten (10) 'A' Grade Municipalities (Pourashavas) of Bangladesh. The rated Pourashavas are Feni, Chandpur, Pabna, Sirajgonj, B.Barua, Bagerhat, Bhola, Cox's Bazar, Faridpur and Kushtia. This unique project has been initiated by United Nations Capital Development Fund (UNCDF). On October 14th, 2017 in a simple handover ceremony, CRISL President & CEO Mr. Muzaffar Ahmed FCMA, FCS formally handed over the credit rating reports to Mr. Jesmul Hasan Program Analyst, UNCDF.

Municipalities in Bangladesh largely depend on Government fund to carry out development activities. There is quite the need of municipality rating to assess the ability & creditworthiness of municipality in case of issuing municipal bond. CRISL's issued Municipality Ratings are historic as it is first of its kind in Bangladesh. UNCDF has highly applauded CRISL for its thorough analysis and emphasized that these Municipality Credit Rating Reports have already set up a high standard of work for international communities. CRISL's Pourashava Credit Rating Reports, opened a window of opportunity for the Local Government Institutions to go for public funding from capital market of Bangladesh. Mr. Muzaffar Ahmed FCMA FCS, the President and CEO of CRISL highlights the finding of the Credit Analysis of the Pourashavas, indicating the opportunities, shortcomings and investment worthiness of each respective Pourashava. He emphasized that the Pourashava needs long term financing for infrastructure development. Although the initial funding may come from government development fund or from donor agencies, these may not be enough when a Pourashava graduates to maturity and attains capacity to repay any long term borrowing. The 10 Pourashavas rated by CRISL reflects its repayment capacity of long term fund installments.



Rating Transition Matrix (2014 - 2018)

	AAA	AA	A	BBB	BB	B	CCC	CC	C	D
AAA	100									
AA	7.58	84.85	7.57							
A		12.12	84.47	2.65	0.38		0.38			
BBB		0.33	17	78.67	3.67	0.33				
BB				9.09	81.82	9.09				
B						50	50			
CCC										
CC										
C									100	
D										

CRISL Milestones

1995

Floated as a closely held public limited company at the invitation of Bangladesh Security and Exchange Commission

1997

Entered into Joint Venture with Duff and Phelps (DCR) credit rating company, the 3rd largest International Credit Rating Agency of the World

1997

CRISL entered into equity participation agreement with Rating Agency Malaysia Berhad (RAM) the premier Rating Agency in Malaysia (RAM) and JCR-VIS Credit Rating Company of Pakistan

2002

Licensed by the Bangladesh Securities and Exchange Commission as first recognized rating agency in Bangladesh on April 21, 2002

2002

First Credit Rating issued by CRISL: Entity rating of Southeast Bank Ltd on November 3, 2002

2002

Initiated the Association of regional rating agencies, Association of Credit Rating Agencies in Asia (ACRAA) and signed Memorandum and Articles of ACRAA as founder member

2009

CRISL got recognized as External Credit Assessment Institution (ECAI) by Bangladesh Bank in April 29, 2009

2011

CRISL complied with all ethical code published by IOSCO and ACRAA applicable for all credit rating agencies and published its default rate and transition metrics

2012

CRISL launched Training Program 'CRISL CERTIFIED FINANCIAL ANALYSTS (CCFA)' a formal high level one year diploma course for the Bank and Corporate sector mid-level executives to increase their efficiency

2012

CRISL initiated SME rating with appropriate methodology as a separate rating segment

2013

CRISL got recognized by Bangladesh Bank for carrying out SME rating on October 31, 2013 and its SME rating mapping got released on February 20, 2014

2013

CRISL started Public Information (PI) rating for certain specific sector as a requirement of ECAI recognition criterion

2016

CRISL published 3 years CDR and rating transition matrix. CRISL does not have any default rate at AAA, AA, BB, CCC and CC rating category. CRISL's CDR is 0.71% at A grade, 2.34% at BBB grade and 1.35% at investment grade (AAA-BBB)

2017

CRISL published Municipality rating methodology and conducted rating of ten 'A' grade municipalities of the country for the first time in Bangladesh

2018

CRISL, has been adjudged as the best rating agency of Bangladesh and awarded the prestigious 'The Asset's Triple A Regional Award, 2018' by the Hong Kong based leading financial publication and research organization, 'The Asset'

2019

CRISL crossed the bench mark of 30,000 ratings covering almost all major economic sectors of the country

2019

CMO Asia presents Bangladesh Best Brand Awards 2019 to CRISL



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