

# Urban Local Bodies/Municipal Bonds - Symbols and Definition

## Long / Medium-term Instruments (NCD/FD/CD/SO/CPS/RPS/L)

Symbols	Rating Definition
<b>CARE AAA</b>	Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.
<b>CARE AA</b>	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.
<b>CARE A</b>	Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.
<b>CARE BBB</b>	Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.
<b>CARE BB</b>	Instruments with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations.
<b>CARE B</b>	Instruments with this rating are considered to have high risk of default regarding timely servicing of financial obligations.
<b>CARE C</b>	Instruments with this rating are considered to have very high risk of default regarding timely servicing of financial obligations.
<b>CARE D</b>	Instruments with this rating are in default or are expected to be in default soon.

*Modifiers {"+" (plus) / "-"(minus)} can be used with the rating symbols for the categories CARE AA to CARE C. The modifiers reflect the comparative standing within the category.*

## Short-term Instruments (NCD/FD/SO/CPS/RPS/L)

Symbols	Rating Definition
<b>CARE A1</b>	Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk.
<b>CARE A2</b>	Instruments with this rating are considered to have strong degree of safety regarding timely payment of financial obligations. Such instruments carry low credit risk.
<b>CARE A3</b>	Instruments with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations. Such instruments carry higher credit risk as compared to instruments rated in the two higher
<b>CARE A4</b>	Instruments with this rating are considered to have minimal degree of safety regarding timely payment of financial obligations. Such instruments carry very high credit risk and are susceptible to default.
<b>CARE D</b>	Instruments with this rating are in default or expected to be in default on maturity.

*Modifier {"+" (plus)} can be used with the rating symbols for the categories CARE A1 to CARE A4. The modifier reflects the comparative standing within the category.*

<b>NCD</b>	Non Convertible Debenture
<b>FD</b>	Fixed Deposit
<b>CD</b>	Certificate of Deposit
<b>SO</b>	Structured Obligations
<b>CPS</b>	Convertible Preference Shares
<b>RPS</b>	Redeemable Preference Shares
<b>L</b>	Loans