

**India Ratings & Research Private Limited (IRR)**

**Policy on Dealing with Unauthenticated News**

**Effective Date:** 28 June 2021

**Version:** 1

**Author:** Compliance Department

## OBJECTIVE

To ensure adequate caution and put in place controls for handling unauthenticated news in compliance with Securities & Exchange Board of India (SEBI) Circulars bearing Nos. Cir/ ISD/1/2011 and Cir/ISD/2/2011 dated March 23, 2011 and March 24, 2011 respectively.

## SECTION 1 – SCOPE AND COVERAGE

### 1.1 Effective Date

This Policy is effective as of June 28, 2021

### 1.2 Persons Covered

This Policy applies to all employees, temporary staff, contractual workers, directors and officers of IRR (collectively, for the purpose of this policy, “**IRR Employee**”).

### 1.3 Definition

#### Unauthenticated News

In this Policy, unauthenticated market related news or rumours may be defined as “information or news or talk or opinion widely disseminated with no discernible source or a statement or report without known authority for its truth”.

Opinions or views expressed by Employees as part of their day to day rating activities would not be considered as Unauthenticated News provided that the opinion or view has a demonstrable and rational basis and clearly states as the opinion or view of the author.

Market related news from a reputable news agency or media is not Unauthenticated News.

## SECTION 2 – ROLES AND RESPONSIBILITIES

### Prevention on Dissemination of Unauthenticated News

#### 2.1

- a) No Employee shall originate, encourage or circulate Unauthenticated News by whatever means.
- b) No Employee shall forward any Unauthenticated News outside the IRR network unless the same has been approved by Compliance. Where Compliance has granted an approval to forward any Unauthenticated News, the cover email must contain a disclaimer stating that the contents of the email contains Unauthenticated News. The requirement to take Compliance approval will not be applicable in case of receipt of information related to any rated entity, in the ordinary course of business, and circulation of the same within the relevant team as part of its due diligence/review process.
- c) No Employee shall access to blogs, chat forums, messenger sites (include WhatsApp, Facebook, Messenger(s), Chat(s)) except as permitted and in accordance with the company’s policies.

- d) Employee shall adhere to internal code of conduct and other policies as laid down by the Company from time to time.
- e) Employee shall refrain from participation in discussions through electronic tools outside the IRR network where the source of such information is not verifiable.
- f) Employees shall maintain high standards of integrity, promptitude and fairness in the conduct of duty and act with due skill, care and diligence.
- g) Employees shall ensure that they shall not create false market or indulge in any act detrimental to the investors' interest or which leads to interference with the fair and smooth functioning of the market.
- h) Employees shall maintain the records of logs for any usage such as Blogs/ Chat Forums/ Messengers sites or any other Social Media Platforms on best effort basis.

## **2.2 APPROVAL MECHANISM**

If any Employee is in receipt of Unauthenticated News and needs to forward it outside the IRR network, the concerned Employees must seek approval of their supervisor/head of department followed by an approval from Compliance Officer on email along with the backups available on the news. E-mail seeking approval in this regard needs to be sent to the Compliance Officer.

## **SECTION 3 – NON -COMPLIANCE**

Failure to comply with this Policy may constitute a regulatory breach and may lead to disciplinary action, including dismissal from employment. In addition, the employee may be subject to personal civil and criminal liability as well as regulatory action.

India Ratings Employees who find that they have violated this Policy must inform Compliance promptly. Similarly, India Ratings Employees who become aware of a violation of this Policy must also inform Compliance promptly. India Ratings prohibits retaliation against Employees who in good faith report an actual or potential violation of this Policy.

## **SECTION 4 – GENERAL**

- i. In case of any doubt with regard to any provision of this Policy and also in respect of matters not covered herein, a reference should be made to the Compliance Officer /Team.
- ii. All provisions of this Policy would be subject to revision/amendment in accordance with the applicable laws