

Bulletin: 1

Code of Conduct

Effective Date: 12 September 2012

Version: 1

Author: Legal

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1. Introduction

1.1 General

India Ratings & Research Ltd (India Ratings) which issues ratings under the trade name of India Ratings and each of India Rating's subsidiaries is committed to providing India's securities markets with objective, timely, independent and forward-looking credit opinions. India Ratings is dedicated to several core principles — objectivity, independence, integrity and transparency. Investor confidence in India Rating's ratings and research is difficult to win, and easy to lose, and India Rating's continued success is dependent on that confidence.

India Ratings expects all of its employees to act in accordance with the highest standards of personal and professional integrity in all aspects of their activities and to comply with all applicable laws, rules and regulations, and all policies and procedures adopted by India Ratings, that govern the conduct of India Ratings employees. Each employee is personally responsible for maintaining the highest levels of integrity to preserve the trust and confidence of global investors.

India Ratings, and its parent Fitch, has established and implemented policies, procedures and internal controls to ensure the objectivity and integrity of its ratings. India Rating's Code of Conduct, set forth below (the "Code"), summarizes India Rating's existing policies and procedures. Any of India Rating's Chief Executive Officer, or any one of his/her respective designees shall be able to interpret this Code and any related policies and procedures and shall be able to approve in writing any exceptions to this Code or any of the related policies and procedures. Notice of all such exceptions shall be provided to the Chief Compliance Officer or his/her designee prior to or at the time the exception is approved.

1.2 Ratings

India Ratings publishes opinions on a variety of scales, the most common of which are credit ratings. Credit ratings are opinions on the relative ability of an entity to meet financial commitments, such as interest, preferred dividends, repayment of principal, insurance claims or counterparty obligations. Ratings are limited by their respective definitions, which are available on India Rating's free public website at www.indiaratings.co.in.

Ratings may apply to a variety of entities, including sovereigns, financial institutions and corporations, and to the securities or other obligations they issue, as well as to structured finance securities backed by receivables and other financial assets. Ratings may also reflect the financial strength of insurance companies, banks and financial guarantors.

2. Code of Conduct

2.1 Quality and Integrity of the Rating Process

A. Quality of the Rating Process

- 2.1.1 Ratings are India Rating's opinions about future creditworthiness. They do not provide a guarantee of future performance of the rated entity or instrument. The performance of ratings should instead be assessed on whether they have been assigned in accordance with India Rating's methodologies and established policies and procedures.
- 2.1.2 India Ratings shall use rating methodologies and criteria that are rigorous, systematic and, where possible, result in ratings that can be subjected to some form of objective validation based on historical experience.
- 2.1.3 The rating analysis and any rating action shall be based upon criteria and methodologies established by India Ratings. Analysts shall apply a given criteria or methodology in a consistent manner, as determined by India Ratings.
- 2.1.4 Ratings shall be assigned by India Ratings and not by any individual analyst employed by India Ratings; ratings shall reflect the consideration of all information known to the relevant rating committee, and believed by such rating committee to be relevant, in a manner generally consistent with India Rating's established criteria and methodologies; and India Ratings shall use people who, individually or collectively (particularly where rating committees are used) have appropriate knowledge and experience in developing a rating opinion for the type of rating being considered.
- 2.1.5 India Ratings shall maintain internal records to support its ratings in accordance with India Rating's File Maintenance and Recordkeeping Policy, which is available on India Rating's free public website, www.indiaratings.co.in, and in accordance with applicable law.
- 2.1.6 India Ratings and its analysts shall take steps to avoid issuing any credit analyses or reports that knowingly contain misrepresentations or are otherwise misleading as to the general creditworthiness of an issuer or obligation.
- 2.1.7 India Ratings shall ensure that it has and devotes sufficient resources to carry out high-quality credit assessments of all obligations and issuers it rates. When deciding whether to rate or continue rating an obligation or issuer, India Ratings shall assess whether it is able to devote sufficient personnel with sufficient skill sets to take a proper rating action and whether its personnel likely will have access to sufficient information needed in order to take such action. India Ratings shall adopt reasonable measures so that the information it uses in assigning a rating is of sufficient quality to support a credible rating. If the

rating involves a type of structured financial product presenting limited historical data (such as an innovative financial vehicle), India Ratings shall disclose, clearly and in a prominent place, such limitation.

2.1.7-1 India Ratings shall establish a review function made up of one or more senior managers with appropriate experience to review the feasibility of providing a rating for a type of structure that is materially different from the structures India Ratings has rated.

2.1.7-2 India Ratings shall establish and implement a rigorous and formal review function responsible for periodically reviewing the methodologies and models and significant changes to the methodologies and models it uses. Where feasible and appropriate for the size and scope of its rating services, this function shall be separate from the business lines that are principally responsible for rating various classes of issuers and obligations.

2.1.7-3 India Ratings shall assess whether existing methodologies and models used in the process of determining ratings of structured products are appropriate when India Ratings has determined that the risk characteristics of the assets underlying the relevant structured product have changed materially. India Ratings shall refrain from issuing a rating in the case of a new, complex type of structured product, unless India Ratings has determined that it has sufficient information and expertise to analyze such product.

2.1.8 India Ratings shall structure its rating teams to promote continuity and avoid bias in the rating process.

B. Monitoring and Updating

2.1.9 India Ratings shall ensure that adequate personnel and financial resources are allocated to monitoring and updating its ratings. Except for point-in-time ratings that India Ratings clearly identifies as such, once a rating is published India Ratings shall, in accordance with its established policies and procedures on surveillance and based solely upon information it receives from issuers and other public information sources, monitor on an ongoing basis and update the rating by:

- a. Regularly reviewing the issuer's creditworthiness;
- b. Initiating a review of the rating upon becoming aware of any information that it believes might reasonably be expected to result in a rating action consistent with the relevant criteria and methodologies; and
- c. Updating on a timely basis the rating, as appropriate, based on the results of any such review.

Where appropriate, subsequent monitoring should incorporate all cumulative experience obtained. Changes in India Rating's criteria and assumptions shall be applied, where appropriate, to both existing ratings and subsequent ratings.

- 2.1.9-1 In cases where India Ratings uses separate analytical teams for determining initial ratings and for subsequent monitoring of structured finance products, each team shall have the requisite level of expertise and resources to perform its respective functions in a timely manner.
- 2.1.10 India Ratings reserves the right to withdraw any rating where permitted by SEBI Regulations. In the event a public rating is withdrawn, India Ratings shall publish an appropriate commentary that includes the current rating(s) and states that the rating(s) has/have been withdrawn and that India Ratings will no longer provide the rating(s) or analytical coverage of the issuer.

C. Integrity of the Rating Process

- 2.1.11 India Ratings and its employees shall comply with all applicable laws and regulations governing its activities in each jurisdiction in which it operates.
- 2.1.12 India Ratings and its employees shall deal fairly and honestly with issuers, investors, other market participants and the public.
- 2.1.13 India Rating's analysts shall be held to high standards of integrity, and, subject to applicable law, India Ratings shall not knowingly employ individuals where there is evidence that they have compromised integrity.
- 2.1.14 India Ratings and its employees shall not, either implicitly or explicitly, give any assurance or guarantee of a particular rating prior to the final rating decision being taken in accordance with India Rating's established policies and procedures. Nothing herein shall preclude India Ratings from continuing to provide rating assessments and credit assessments — that is, an assessment of creditworthiness that does not constitute a rating in that the analysis is based on hypothetical scenarios and/or limited information.
- 2.1.14-1 India Ratings shall prohibit its analysts from making proposals or recommendations regarding the design of structured finance products that India Ratings rates. Consistent with this prohibition, in assessing the credit risk of a structured finance transaction, India Rating's analysts may properly hold a series of discussions with an issuer or its agents in order to: (1) understand and incorporate into their analysis the particular facts and features of the structured finance transaction, and any modification, as proposed by such issuer or its agents; and (2) explain to such issuer or its agents the rating implications of

India Rating's methodologies as applied to such issuer's proposed facts and features.

- 2.1.15 India Rating's Chief Compliance Officer and staff shall oversee compliance with this Code, the policies referred to herein and applicable laws and regulations. The Chief Compliance Officer, and any member of the compliance staff, shall not vote on any rating committees and shall not report to any party responsible for

the operational management of the rating function. Their compensation shall be independent of India Rating's rating operations. The Chief Compliance Officer shall oversee the design, implementation and performance of a periodic review process through which compliance with this Code and the policies and procedures of India Ratings shall be thoroughly assessed.

- 2.1.16 India Rating's employees are not expected to be experts in the law. Nonetheless, its employees are expected to report to the Chief Compliance Officer, or his or her designee, the activities about which they have knowledge that a reasonable person would question as a potential violation of this Code or applicable law. The Chief Compliance Officer, or his or her designee, shall determine the merits of the situation and, if warranted, take appropriate action, as determined by India Rating's policies and procedures and applicable laws and regulations of the relevant jurisdiction. Any employee who, in good faith, makes such a report shall not be retaliated against by India Ratings or any other employees of India Ratings. The Chief Compliance Officer shall establish and maintain procedures for employees to report any illegal, unethical or inappropriate conduct, including, to the extent practical, through various telephonic and electronic means, on both an anonymous and a disclosed basis. Failure by any India Ratings employee to comply with the provisions of this Code could result in disciplinary action being taken against such employee, including the dismissal of such employee.

2.2 Independence and Avoidance of Conflicts of Interest

A. General

- 2.2.1 India Ratings shall not forbear or refrain from taking a rating action based on the potential effect (economic, political or otherwise) of the rating action on India Ratings, an issuer, an investor or other market participant.
- 2.2.2 India Ratings and its analysts shall use care and professional judgment to maintain both the substance and appearance of independence and objectivity. All employees shall comply with the provisions of the Confidentiality, Conflicts of Interest and Securities Trading Policy, which is available on India Rating's free public website
- 2.2.3 The determination of a rating shall be influenced only by factors known to the

relevant rating committee and believed by it to be relevant to such rating.

- 2.2.4 The rating India Ratings assigns to an issuer or security shall not be affected by the existence of or potential for a business relationship between India Ratings (or its affiliates) and the issuer (or its affiliates) or any other party, or the nonexistence of such a relationship.
- 2.2.5 India Ratings shall separate, operationally and legally, its rating business and rating analysts from any other India Ratings businesses, including consulting businesses, that may present a conflict of interest. India Ratings shall maintain and publish a formal

Firewall Policy governing firewalls and operations between India Ratings and its non-rating affiliates to mitigate potential conflicts of interest. This policy is available on India Rating's free public website, www.indiaratings.co.in. India Ratings shall ensure that ancillary business operations, which do not necessarily present conflicts of interest with India Rating's rating business, have in place procedures and mechanisms designed to minimize the likelihood that conflicts of interest will arise or to appropriately manage those conflicts that may arise. India Ratings has defined what it considers, and does not consider, to be an ancillary business and why in India Rating's Statement on "Definition of Ancillary Business", available on India Rating's free public website, www.indiaratings.co.in.

B. Procedures and Policies

- 2.2.6 India Ratings shall adopt written internal procedures and mechanisms to (1) identify and (2) eliminate, or manage and disclose, as appropriate, any actual or potential conflicts of interest that may influence the opinions and analyses India Ratings makes or the judgment and analyses of the individuals India Ratings employs who have an influence on ratings decisions. India Ratings will disclose such conflict avoidance and management measures.
- 2.2.7 India Rating's disclosures of known actual and potential conflicts of interest shall be timely, clear, concise, specific and prominent.
- 2.2.8 The general nature of India Rating's compensation arrangements with rated entities is as follows: India Ratings shall make every effort to manage the potential conflict arising from the payment of fees by issuers and ensure that India Rating's receipt of fees from issuers does not impair the independence, objectivity or integrity of its ratings and rating actions. India Ratings shall maintain a set fee schedule and make it available to all issuers and their agents, provided, however, that India Ratings reserves the right to periodically revise such fee schedule without prior notice. India Ratings shall not base any fees on the success of a bond issue or the issuer achieving any particular rating or other result. India Ratings shall disclose in all of its published research that India

Ratings is paid fees by the issuers it rates, as well as its range of fees. Any issuer may terminate its fee arrangement with India Ratings without fear that its rating will be lowered for that reason. India Ratings, however, reserves the right to withdraw any rating at any time for any other reason, including if India Ratings deems there is insufficient information to maintain the rating.

- a. If India Ratings were to receive from a rated entity compensation unrelated to India Rating's ratings and routine subscription and license fees for its published research and data, such as compensation for consulting services, India Ratings shall disclose the proportion such nonrating fees constitute against the fees India Ratings receives from the entity for ratings and routine subscriptions and licenses.
- b. India Ratings shall disclose if it receives 10 percent or more of its consolidated annual billings (the "Ten Percent Threshold") for a fiscal year from a single issuer, originator, arranger or subscriber. India Ratings shall neither issue nor maintain a credit rating solicited by a rated entity if the Ten Percent Threshold is reached for such rated entity in the most recently ended fiscal year.
- c. India Ratings shall also make any other disclosures concerning revenues or billings at the relevant India Ratings subsidiary as required by applicable regulation.
- d. India Ratings shall encourage issuers and originators of structured finance products to disclose publicly all relevant information with respect to such products to enable investors to conduct their own analyses independently of that of rating agencies. As specified in Clause 3.6 below, India Ratings expects that such public disclosure will happen.

2.2.9 In accordance with the Confidentiality, Conflicts of Interest and Securities Trading Policy (which is available on India Rating's free public website, www.indiaratings.co.in), India Rating's employees shall not engage in any securities or derivatives trading presenting conflicts of interest with their involvement in India Rating's rating activities.

2.2.10 If a rated entity (for example, a government or central bank) has, or is simultaneously pursuing, affiliated oversight functions related to India Ratings, India Ratings shall use different employees to conduct its rating actions with respect to such entity than those employees involved in its oversight issues.

C. Analyst and Employee Independence

2.2.11 Reporting lines for India Ratings employees and their compensation arrangements shall be structured to eliminate or effectively manage actual and potential conflicts of interest.

- a. An analyst will not be compensated or evaluated on the basis of the amount of revenue that India Ratings derives from issuers that the analyst rates or with which the analyst regularly interacts.
 - b. India Ratings shall conduct formal and periodic reviews of its compensation policies and practices for its analysts and other employees who participate in or who might otherwise have an effect on the rating process to ensure that these policies and practices do not compromise the objectivity of India Rating's rating process.
- 2.2.12 Employees who are directly involved in the rating process shall not initiate, or participate in, discussions regarding fees or payments with any entity they rate.
- 2.2.13 In accordance with the Confidentiality, Conflicts of Interest and Securities Trading Policy (which is available on India Rating's free public website, www.indiaratings.co.in), no India Ratings employee shall participate in or otherwise influence the determination of India Rating's rating of any particular entity or obligation if the employee:
- a. Owns securities or derivatives of the rated entity, other than holdings in diversified collective investment schemes;
 - b. Owns securities or derivatives of any affiliate of a rated entity, the ownership of which may cause or may be perceived as causing a conflict of interest, other than holdings in diversified collective investment schemes;
 - c. Has had a recent employment or other significant business relationship with the rated entity that may cause or may be perceived as causing a conflict of interest;
 - d. Has an immediate relation (i.e. a spouse, domestic partner, minor child, other dependants and relatives sharing his/her home) who currently works for the rated entity; or
 - e. Has, or had, any other relationship with the rated entity or any affiliate thereof that may cause or may be perceived as causing a conflict of interest.
- 2.2.14 In accordance with the Confidentiality, Conflicts of Interest and Securities Trading Policy (which is available on India Rating's free public website, www.indiaratings.co.in), India Rating's analysts and anyone involved in the rating process (or their spouse, domestic partner or minor children) shall not buy or sell or engage in any transaction in any security or derivative based on a security issued, guaranteed or otherwise supported by any entity within such analyst's area of primary analytical responsibility, other than holdings in diversified collective investment schemes.

- 2.2.15 In accordance with the Confidentiality, Conflicts of Interest and Securities Trading Policy (which is available on India Rating's free public website, www.indiaratings.co.in), India Ratings employees are prohibited from soliciting money, gifts or favors from anyone with whom India Ratings does business and are prohibited from accepting gifts offered in the form of cash or any gifts exceeding a minimal monetary value.
- 2.2.16 In accordance with the Confidentiality, Conflicts of Interest and Securities Trading Policy (which is available on India Rating's free public website, www.indiaratings.co.in), any India Ratings analyst who becomes involved in any personal relationship that creates the potential for any real or apparent conflict of interest (including, for example, any personal relationship with an employee of a rated entity or agent of such entity within his or her area of analytic responsibility) shall, subject to applicable law, disclose such relationship to the appropriate manager or officer of India Ratings.
- 2.2.17 India Ratings shall establish a policy and related procedure for reviewing, as appropriate, the past work of analysts that leave the employ of India Ratings and join an issuer that any such analyst has been significantly involved in rating or a financial firm with which any such analyst has had significant dealings as part of his or her duties at India Ratings.

2.3 Responsibilities to the Investing Public and Issuers

A. Transparency and Timeliness of Ratings Disclosure

- 2.3.1 India Ratings shall make every reasonable effort to ensure that the time between a rating committee determining a final rating action and the distribution of that rating action and related commentary should be as short as reasonably possible.
- 2.3.2 India Rating's policy for distributing public ratings and the related commentary and updates is as follows: India Ratings shall publish all public ratings, and related rating actions and opinions, free of charge on a non-selective basis on its free public website, www.indiaratings.co.in. Simultaneously with the publication of any initial public rating or subsequent rating action, India Ratings shall distribute an appropriate announcement of such rating or rating action, together with related commentary, through such wire services and other media outlets as India Ratings may determine are appropriate to disseminate such ratings and rating actions.
- 2.3.3 Each rating announcement shall also indicate the principal methodology or methodology version that was used in determining the rating and where that methodology can be found. Where the rating is based, to a significant extent, on more than one methodology or where a review of only the principal methodology might cause financial market professionals to overlook other

important aspects of the rating, India Ratings shall indicate where the different methodologies and other important aspects, as the case may be, that were factored into the rating decision can be found.

- 2.3.4 Except for private ratings provided only to the requesting party, India Ratings shall disclose to the public, on a non-selective basis and free of charge, any rating regarding publicly issued securities, or public issuers themselves, as well as any subsequent decisions to withdraw such a rating, if the rating action is based in whole or in part on material non-public information.
- 2.3.5 India Ratings shall base its rating analyses and rating decisions, which are India Rating's opinions, upon India Rating's established criteria, methodologies and ratings definitions, applied in a consistent manner. All rating criteria and methodologies shall be available on India Rating's free public website, www.indiaratings.co.in. India Rating's criteria, methodologies and ratings definitions shall identify the specific factors that it considers during the rating and surveillance processes.
- a. Where India Ratings assigns an initial rating to a structured finance product, it shall provide investors with sufficient information about its loss and cash-flow analysis so that a financial market professional can understand the basis for India Rating's rating. To the extent practical, India Ratings shall also disclose the degree to which it analyzes how sensitive a rating of a structured finance product is to changes in India Rating's underlying rating assumptions.
 - b. In its rating action commentary, India Ratings shall differentiate its ratings of structured finance products from traditional corporate bond ratings through the inclusion of additional commentary or an appropriate modifier to the ratings. India Ratings shall clearly define a given rating symbol and apply it in a consistent manner for all types of securities to which that symbol is assigned.
 - c. India Ratings shall clearly indicate the attributes and limitations of each rating and the limits to which India Ratings verifies information provided to it by the issuer or originator of a rated security (as to which latter point, see Clause 4.4 below).
- 2.3.6 When India Ratings publishes a rating, or takes any other rating action with respect to a published rating, India Ratings shall explain in the related commentary and reports the elements the rating committee found key to such rating or rating action, subject to any applicable laws with respect to the disclosure of confidential information and any restrictions imposed by applicable confidentiality agreements. India Ratings shall always maintain complete editorial control over all rating actions, related commentaries and all of its other published materials, including all reports, criteria, methodologies, ratings definitions and other policies and procedures. This control shall extend

to when, and whether, India Ratings shall take, or publish, any rating action.

- 2.3.7 To the extent reasonably feasible and appropriate, prior to issuing or revising a rating, India Ratings shall provide the issuer advance notification of all rating actions and a copy of the commentary to be published with respect to such action, including the critical information and principal considerations upon which the rating decision has been based. India Ratings provides such notification and related commentary solely to allow the issuer to check for factual accuracy or the presence of non-public information. India Ratings shall duly evaluate any comments made by the issuer; however, the issuer may not propose any drafting or editorial changes to the commentary provided, other than to correct factual errors or remove references to non-public information. India Ratings always retains the right to publish the commentary at the most appropriate time and in whatever form it deems most appropriate in its editorial judgment. In certain circumstances, India Ratings in its sole discretion may decide not to provide such advance notification if timely dissemination of the rating committee decision would be compromised. In such cases, India Ratings shall inform the issuer as soon as practical thereafter and, generally, shall explain the reason for not notifying the issuer. Subject to the exceptions set forth below, India Ratings shall review any rating action when requested by an issuer to do so if the issuer provides to India Ratings, in a timely manner, new or additional information that India Ratings believes to be relevant to the rating. In certain event- or performance-driven situations, such as rating actions necessitated by an extraordinary transaction or event, or in the case of evidence of fraud, market manipulation, selective disclosure of the rating action or other inappropriate conduct, India Ratings reserves the right to issue and publish a rating action without giving the issuer an opportunity to request such a review.
- 2.3.8 In order to promote transparency and to enable the market to best judge the aggregate performance of its ratings on debt instruments, India Ratings, where possible, shall conduct periodic studies on the performance of India Ratingsrated securities and issuers, including current and historical default rates by rating category and rating transition analyses. India Ratings shall make all transition and default studies available on India Rating's free public website, www.indiaratings.co.in. Where feasible, this information shall include verifiable, quantifiable historical information about the performance of its ratings, organized and structured, and, where possible, standardized in such a way to assist financial market professionals in drawing performance comparisons between different rating agencies.
- 2.3.9 For each rating, India Ratings shall, in accordance with its Rating Solicitation and Participation Disclosure Policy, available on India Rating's free public website, www.indiaratings.co.in, do the following: disclose whether the issuer participated in the rating process;
- 2.3.10 India Ratings shall review, and update to the extent it deems appropriate, its criteria and methodologies on a regular basis. India Ratings shall publicly

disclose any material modification to its methodologies and significant practices, procedures and processes. Where feasible and appropriate, India Ratings shall undertake to disclose planned material modifications prior to the effective dates of such modifications. India Ratings shall consider the various uses of ratings before modifying its methodologies, practices, procedures and processes.

B. The Treatment of Confidential Information

- 2.3.11 India Ratings is routinely in receipt of non-public information, which it uses as part of its analysis and ratings decisions and which is reflected in the relevant ratings. All employees shall maintain the confidentiality of all non-public information in accordance with the Confidentiality, Conflicts of Interest and Securities Trading Policy, which is available on its free public website, www.indiaratings.co.in.
- 2.3.12 In accordance with the aforementioned Policy, India Ratings shall use confidential information only for purposes related to its rating activities or otherwise in accordance with any confidentiality agreements with the issuer.
- 2.3.13 In accordance with the aforementioned Policy, India Ratings employees shall take all reasonable measures to protect all property and records belonging to or in the possession of India Ratings from fraud, theft or misuse.
- 2.3.14 In accordance with the aforementioned Policy, India Ratings employees shall be prohibited from engaging in transactions in securities when they possess confidential information concerning the issuer of such security.
- 2.3.15 India Ratings employees shall familiarize themselves with the aforementioned Policy and periodically certify their compliance as required by such Policy.
- 2.3.16 During the regular course of business, India Ratings expects that its analysts will have discussions with market participants about its ratings opinions and rating actions. These conversations, however, shall not go beyond the scope of India Rating's published analysis, express any opinion that is not consistent with India Rating's published view or disclose any non-public information or privileged information relating to India Rating's internal deliberations. Analysts are prohibited from disclosing any rating or rating action or anticipated rating action to any person, other than the issuer and its agents, prior to the publication of the rating or rating action and its related commentary.
- 2.3.17 In accordance with the aforementioned Policy, India Ratings employees shall not share confidential information within India Ratings except on a "reason to know" basis. India Ratings employees may share confidential information with employees of any of India Rating's affiliates if such employees are assisting India Ratings with ratings related work and are bound by appropriate confidentiality restrictions.

2.3.18 In accordance with the aforementioned Policy, India Ratings employees shall not use or share confidential information for the purpose of trading securities or for any other purpose except the conduct of India Rating's business. Except as required under any applicable law, rule or regulation, or at the proper request of any governmental agency or authority, India Rating's internal deliberations and the identities of individuals who participated in a rating committee will be kept strictly confidential and will not be disclosed to persons outside of India Ratings.

2.4 Disclosure of this Code and Communication with Market Participants

2.4.1 This Code is based on the provisions of the IOSCO Principles Regarding the Activities of Credit Rating Agencies and the IOSCO Code of Conduct Fundamentals for Credit Rating Agencies. India Ratings will disclose on a timely basis any changes to this Code or to how this Code is implemented and enforced.

2.4.2 All market participants and the public are welcome to have a voice regarding India Ratings and its policies, including raising any questions, concerns or complaints they may have. Comments should be directed to the Chief Credit Officer. The Chief Credit Officer or his designees are responsible for tracking comments from third parties and responding to inquiries. The Chief Credit Officer will notify India Rating's senior management of substantive third-party comments, which will be considered as India Ratings formulates or revises its policies and procedures, or both. Contact information for the Chief Credit Officer is available on India Rating's free public website, www.indiaratings.co.in.

2.4.3 India Ratings shall publish in a prominent position on the homepage of its free public website, www.indiaratings.co.in, links to: (1) this Code; (2) its methodologies; and (3) its transition and default studies.

3. What India Ratings Expects of Issuers

3.1 India Ratings expects that each issuer that has agreed to participate in the rating process, or its agents, will promptly supply to India Ratings all information relevant to evaluating the ratings on such issuer or the relevant securities, including, without limitation, all material changes in any information previously provided, potential material events and the issuer's overall financial condition, which may require communication of non-public information to India Ratings.

3.2 India Ratings expects all such information to be timely, accurate and complete in all respects.

3.3 India Ratings expects issuers to respond to its questions as quickly as possible and to

explain the reasons for any delay.

- 3.4 During any time period in which an issuer is reviewing commentary or reports to be published by India Ratings, India Ratings expects such issuer will not disclose such commentary or reports in advance of India Rating's publication or take advantage of such delay in publication in any way.
- 3.5 Should an issuer choose to stop cooperating with India Ratings in the rating process at any time, India Ratings also reserves the right to continue to rate the issuer or any securities issued by the issuer, based on the information previously provided to India Ratings by the issuer or its agents and any other public and/or non-public information available to India Ratings.
- 3.6 India Ratings expects that structured finance issuers and arrangers, and originators of structured finance products, will publicly disclose all relevant information regarding these products so that investors and other rating agencies can conduct their own analyses independently of the rating agency/agencies solicited by or on behalf of the issuers and/or originators to provide ratings.

4. **Disclaimers**

- 4.1 India Ratings is publishing this Code on its free public website, www.indiaratings.co.in. However, with such publication, India Ratings does not intend to assume, and is not assuming, any responsibility or liability to any party arising out of, or with respect to, this Code. This Code is not intended to, and does not, form a part of any contract with anyone, and no one shall have any right (contractual or otherwise) to enforce any of this Code's provisions, either directly or indirectly. India Ratings may amend this Code at its sole discretion, in any way India Ratings sees fit at any time.
- 4.2 Users of ratings should be aware that India Rating's ratings are opinions reflecting the ability of an entity or a securities issue to meet financial commitments such as interest, preferred dividends and repayment of principal, in accordance with their terms. Ratings are not themselves facts and therefore cannot be described as being "accurate" or "inaccurate".
- 4.3 Credit ratings do not directly address any risk other than credit risk. In particular, ratings do not deal with the risk of loss due to changes in interest rates and other market considerations.
- 4.4 In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are

available for a given security or in a given jurisdiction.

The manner of India Rating's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Rating's ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed. If any such information should turn out to contain misrepresentations or to be otherwise misleading, the rating associated with that information may not be appropriate. The assignment of a rating to any issuer or any security should not be viewed as a guarantee of the accuracy, completeness or timeliness of the information relied on in connection with the rating or the results obtained from the use of such information.

- 4.5** India Ratings does not have a fiduciary relationship with any issuer, subscriber or other individual. Nothing is intended to or should be construed as creating a fiduciary relationship between India Ratings and any issuer or between India Ratings and any user of its ratings.
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