

## Guidelines on what constitutes non-cooperation

India Ratings (Ind-Ra) defines non-cooperation by issuers as referred to in its rating communications as:

1. Non provision of adequate information, by the issuer or its agents, for conducting the rating exercise
2. Non-payment of fees by the issuer for review/surveillance, subsequent to initial rating

In case of non-cooperation by issuers, defined as above, the credit rating symbol is suffixed by [ISSUER NOT COOPERATING\*]. The asterisk mark shall read as 'Issuer did not cooperate; Based on best available information'

*For example, In case issuer rated at IND BBB+ does not cooperate, its rating will be displayed on Ind-Ra's website as IND BBB+ [ISSUER NOT COOPERATING\*],*

*\* Issuer did not cooperate; Based on best available information*

In case of non-cooperation by the issuer, Ind-Ra continues to review the instrument, on an ongoing basis throughout the instrument's lifetime, on the basis of best available information. If the issuer decides to co-operate, ratings are displayed in the normal manner.

In line with regulatory requirement, if an issuer has an investment grade rating outstanding while being non-cooperative for more than six months with Ind-Ra, then Ind-Ra will necessarily downgrade such rating to the non-investment grade, while maintaining the Issuer Not Cooperative status. This action needs to be taken regardless of whether the issuer is cooperating or not cooperating with any other CRA.

Before taking up a rating assignment, Ind-Ra will examine whether an issuer's rating from all other CRA(s) has persistently remained in the INC category for 12 months or more. This is applicable for both the investment grade as well as the non-investment grade ratings.

- **If 12 months have passed**, Ind-Ra will not take up the assignment, until the issuer resumes cooperation with either of the previous CRAs or its ratings with Issuer Not Cooperating status are withdrawn by all the previous CRAs. Exception: In case of securities, Ind-Ra will not carry out the rating assignment until the issuer resumes cooperation with either of the previous CRAs or there is evidence that the issuer has made a request to all the previous CRAs to withdraw its rating (duly acknowledged by all the previous CRAs). The latter would be subject to the rating for the issuer's securities being eligible to be withdrawn by the previous CRAs.
- **If 12 months have not passed**, Ind-Ra can take up the assignment, subject to publishing the rating before completion of the 12 month period.

If the entity is cooperative with any CRA, there is no bar on the entity to seek a rating from Ind-Ra.

The period of 12 months of non-cooperation by an issuer with previous CRAs, during which Ind-Ra will undertake the rating assignment is linked to Ind-Ra being able to complete the rating assignment and publish the press release prior to the passage of 12 months. Example: If Ind-Ra takes up the assignment but is unable to conclude the assessment within 12 months of the INC press release of the previous CRA, then Ind-Ra is not allowed to publish the press release.

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