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## India Ratings Securities Trading and Conflicts of Interest Policy

### **Executive Summary**

<b>Objective:</b>	Establishes employee reporting obligations to identify potential conflicts of interest and establishes guidelines for the Prohibition of fraudulent and unfair trade practices relating to securities market
<b>Application:</b>	All India Ratings employees.
<b>Purpose:</b>	To prevent actual or apparent conflicts of interest
<b>Revision Date:</b>	December 15, 2022

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# India Ratings Securities Trading and Conflicts of Interest Policy

## Introduction

India Ratings continued success is dependent on its integrity and on its ability to provide markets with objective and independent credit analyses.

In line with SEBI (Prohibition of Insider Trading) Regulations, 2015 (SEBI PIT Regulations), this Policy, addresses Securities trading and conflicts of interest requirements, contains prohibitions, restrictions and disclosure requirements that help protect India Rating's reputation. All Employees are required to understand this Policy and take every precaution to avoid conflicts of interest and the appearance of conflicts of interest. Under no circumstance should an Employee perform Analytical Activities involving a Rated Entity or Security if he/she might be unduly influenced in any way and under no circumstance should an Employee allow Confidential Ratings Information to influence his/her investment decisions.

This policy also establishes guidelines for the prohibition of fraudulent and unfair trade practices relating to securities market as given under SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003

Capitalized terms used herein are defined in Section 11 of this Policy.

### 1.1 Individuals Covered by This Policy

All India Ratings Employees and, unless an exemption is available, their Family Members are covered by this Policy.

### 1.2 Privacy of Account and Securities Information

India Ratings Employees are required to report private investment information belonging to them and their Family Members, to the extent allowed by law. This information will be used on a "need to know" basis for compliance monitoring purposes and stored in secured files. Compliance may be required to share this information in connection with a subpoena, court order, or as otherwise required by applicable law or by any judicial, legislative or regulatory authority. Records of Employee recusals are distributed as necessary in order to implement access controls.

### 1.3 Questions

If you have any questions about this Policy, please contact Compliance Officer/team by email at [compliance.india@indiaratings.co.in](mailto:compliance.india@indiaratings.co.in).

## 2. Securities Trading Restrictions and Prohibitions

Securities trading restrictions and prohibitions are designed to help employees avoid conflicts of interest and potential violation related to Insider Trading. The type of applicable restriction(s) depend on the Employee's job function as follows:

- All India Ratings Employees (except for the following employees or worker) and their Family Members are categorised as Designated persons:  
Messengers, drivers, cleaning and cafeteria staff, Travel management staff, facilities, Temporary Workers (including interns) who do not conduct Analytical Activities
- All Designated persons are subject to the following restrictions:
  - Insider Trading Prohibition;
  - Preclearance
  - Contra Trade Restrictions of six months if the Designated person is a Connected person of the listed entity;
  - Minimum holding period of thirty days in case of employees who is not a Connected person of the listed entity
  - Short Sale Prohibition;
  - Restricted list, if applicable.
- In addition to the above, all Designated Persons belonging to the following Groups are prohibited from trading in any Security:
  - Chief Executive Officer;
  - Chief Operating Officer;
  - Chief Ratings Officer;
  - Business & Relationship Management (BRM);
  - Chief Analytical Officer and Analytical Group (AG) Employees;
  - Compliance; and
  - Legal
- Further, No employee shall directly or indirectly-
  - a) buy, sell or otherwise deal in securities in a fraudulent manner;
  - b) use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;
  - c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;
  - d) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under.

### 2.1 Insider Trading Prohibition

Transacting in any security while in possession of UPSI (i.e., Insider Trading) or passing along such information to others who are not authorized to have it (i.e., Tipping) is illegal. Penalties for Insider Trading or Tipping can be severe. For example, the person who trades

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on UPSI, or who provides such information to others, may be subject to civil penalties, criminal fines and imprisonment. Additionally, the improper use or disclosure of UPSI could result in reputational damage and significant sanctions to India Ratings.

India Ratings strictly prohibits Insider Trading and Tipping. An Employee's failure to adhere to this Policy could result in salary freeze, suspension, recovery or dismissal from employment, in addition to facing civil and criminal penalties. Any amount collected by India Ratings under this clause shall be remitted to SEBI for credit to the Investor Protection and Education Fund administered by Securities & Exchange Board of India (SEBI) under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

### 2.2 30-Day Holding Period Restriction

A purchased Security must be held for at least 30 calendar days prior to being sold. This is calculated on a last in, first out basis.

This restriction does not apply to Securities transactions in Managed Accounts

### 2.3 Short Sale Prohibition

India Ratings prohibits short selling strategies seeking to profit from downward price movement of Securities. Employees are prohibited from selling Securities they have borrowed or that they don't own.

This restriction does not apply to Securities transactions in Managed Accounts.

### 2.4 Contra Trade Prohibition

After a security has been sold, the same may not be repurchased within six months. Should a contra trade be executed by a person who is connected person of the listed entity, inadvertently or otherwise, in violation of the said restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by the SEBI under the Board under the SEBI PIT Regulations.

Provided that this shall not be applicable for trades pursuant to exercise of stock options.

### 2.5 Pre-Clearance and Restricted List

If there is no prohibition against trading under this policy, an employee shall, before trading, apply for pre-clearance through the online compliance portal (<https://holdings.indiaratings.co.in/>) to the Compliance Officer for sale or purchase of securities. The Compliance Officer maintains a confidential restricted list which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.

The approval of Compliance Officer for carrying out a transaction for sale or purchase of a security shall be valid for seven calendar days. E.g. If approval is given by Compliance Officer on Monday, it is valid till the following Monday.

If a transaction approved by the Compliance Officer has not been given effect to within 7 calendar days from the date of its approval, the employee shall be required to obtain approval prior to effecting the transaction again.

Upon execution of the transaction, employee shall furnish documentary proof of trade execution for verification of the same within 7 calendar days of the execution of trade.

It is solely the employee's responsibility to ensure that the required brokerage statements and trade confirmations as trades occur are submitted to Compliance within the stipulated timelines as mentioned above.

## 3. Divestment and Recusal Requirements

### 3.1 Divestment Requirement

No Employee is permitted to perform Analytical Activities involving a Rated Entity or Security if he/she holds Securities related to the Rated Entity or Security. BRM, AG Employees and their Family Members who hold Securities related to the Rated Entity or Security must divest such Securities as soon as possible, but by no later than the timeframes below.

Reason Employee Holds Restricted Securities	Divestment Deadline
New Employee	Prior to the Employee's start
Employee Transfer	15 calendar days after the Employee's transfer date
Securities Acquired Through a Gift, Inheritance, or Marriage	Immediately*
Employee Violated India Ratings Policy	Immediately subject to Minimum Holding period/Contra Trade restrictions as applicable under Section 2 of this Policy

\* A recusal must be filed if the Securities cannot be divested immediately.

### 3.2 Recusal Requirement

It may be necessary in certain cases for an AG Employee to recuse themselves from performing Analytical Activities for a Rated Entity or Security. Recusal is meant for addressing a one-time or temporary situation and cannot be used to hold prohibited securities for an extended period.

A recusal may be required if the AG Employee or their Family Members hold any Security, until the Security can be divested. This may exist where:

- An AG Employee or their Family Member purchased the Security in contravention of the requirements of this Policy
- An AG Employee or their Family Member holds Restricted Stock
- An AG Employee's Family Member receives company stock or ESOP as compensation
- An AG Employee's Family Member works for the company and has decided to invest in the company
- An AG Employee cannot divest because of lack of liquidity /delisting of the scrip or any legal hold.

In addition, other potential conflicts may arise, such that recusal would be required. Examples of such conflicts may include:

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- The AG Employee has a close personal relationship with someone who holds a Key Management Position at an entity that operates in a sector covered by the Employee's group
- The AG Employee/family member has an Outside Interest that creates a conflict of interest or the appearance of a conflict of interest with his/her Analytical Activities.

### 4. Accounts and Securities Reporting

Unless explicitly exempted in accordance with this Policy, Employees must ensure that they and their Family Members report Accounts, Securities holdings and Securities transactions in the manner set forth in Sections 4.1-4.4 below. Note that depending on the Employee's role, additional types of Securities transactions or holdings may be Reportable (see "Definitions" below).

Exemption 1: India Ratings Employees who by virtue of their role do not have routine access to electronic files and systems storing confidential ratings, or commercial or financial information are not subject to the Securities Reporting requirement. These roles include:

- Messengers, drivers, cleaning and cafeteria staff
- Travel management staff
- Facilities
- Temporary Workers, including interns, who do not conduct Analytical Activities

Exemption 2: Certain types of transactions in Securities are, depending on the nature of the transaction or the nature of the Account in which the Security is traded or held, exempt from the Securities Reporting requirement. Reporting is not required for the following:

- Investments only in Diversified mutual funds and Exchange Traded Funds (ETFs)
- Blind Trust transactions provided that Compliance has reviewed the trust agreement and confirmed that the trust qualifies for treatment as a Blind Trust (Note: Compliance may treat an Account as a Blind Trust if the Employee and his/her Family Members have neither trading authority over the account nor knowledge of the Accounts holdings and transactions);
- Securities transactions in Managed Accounts belonging to non-AG Employees and their Family Members, provided that Compliance has reviewed the Account agreement and confirmed that the account qualifies for treatment as a Managed Account; and
- Accounts that cannot trade Reportable Securities.

#### 4.1 Reporting of Accounts

All Accounts belonging to Employees and their Family Members must be reported by the Employees within 7 calendar days of establishing the Account except under cases mentioned under Exemption 2 above wherein prior approval of Compliance shall be required. Employees must submit to Compliance a statement of holdings in Securities and brokerage account/transaction statement within 30 days from the end of the financial year which shall include any changes in holdings by virtue of corporate actions (e.g.: stock splits, dividends, mergers and acquisitions, etc.)

In addition to the above, Compliance may require employee/s to submit statement of holdings in Securities and brokerage account/transaction statement as and when required and also at the time of exit.

#### 4.2 Disclosure as per SEBI {Prohibition of Insider Trading (Amendment) Regulations 2015}

All employees shall be required to disclose name and Permanent Account Number (PAN) or any other identifier authorized by law of the following to India Ratings on an annual basis and as and when the information changes:

- o Immediate relatives;
- o Persons with whom such employee shares a material financial relationship;
- o Phone numbers which are used by them.

Explanation - the term "material financial relationship" shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm's length transactions.

#### 4.3 Reporting Changes in Securities Holdings

Securities holdings not automatically reported and acquired by gift, inheritance, marriage, compensation payment (e.g., stock options or restricted stock), or by any other means, in Accounts belonging to Employees and their Family Members, must be reported by the Employee within 7 working days of learning of the holding. Any further trade of these securities will be subject to Pre-clearance.

#### 4.4 Account Statements.

Employees who fail to submit statements within this timeframe will be subject to the disciplinary measures except for delay due to genuine reasons in which case the reasons are to be recorded in writing.

#### 4.5 Confidentiality of information under SEBI (Prohibition of Insider Trading) Regulations, 2015

All Confidential Rating Information (as defined under Section 11 of this Policy) shall be handled within India Ratings strictly on a need-to-know basis and no Unpublished Price Sensitive Information (UPSI) shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

### 5. Prohibition of manipulative, fraudulent and unfair trade practices

No employee shall:

- a) indulge in a manipulative, fraudulent or an unfair trade practice in securities markets;

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- b) involve in any act of diversion, misutilisation or siphoning off of assets or earnings of a company whose securities are listed or any concealment of such act or device, any scheme or artifice to manipulate the books of accounts or financial statement of such a company that would directly or indirectly manipulate the price of securities of that company;
- c) knowingly indulge in an act which creates false or misleading appearance of trading in the securities market;
- d) involve in dealing in a security not intended to effect transfer of beneficial ownership but intended to operate only as a device to inflate, depress or cause fluctuations in the price of such security for wrongful gain or avoidance of loss;
- e) involve in inducing any person to subscribe to an issue of the securities for fraudulently securing the minimum subscription to such issue of securities, by advancing or agreeing to advance any money to any other person or through any other means;
- f) involve in inducing any person for dealing in any securities for artificially inflating, depressing, maintaining or causing fluctuation in the price of securities through any means including by paying, offering or agreeing to pay or offer any money or money's worth, directly or indirectly, to any person;
- g) involve in any act or omission amounting to manipulation of the price of a security including, influencing or manipulating the reference price or bench mark price of any securities;
- h) knowingly publish or cause to publish or report or cause to report by a person dealing in securities any information relating to securities, including financial results, financial statements, mergers and acquisitions, regulatory approvals, which is not true or which he does not believe to be true prior to or in the course of dealing in securities;
- i) enter into a transaction in securities without intention of performing it or without intention of change of ownership of such security;
- j) involve in selling, dealing or pledging of stolen, counterfeit or fraudulently issued securities whether in physical or dematerialized form: Provided that if:
  - (i) the person selling, dealing in or pledging stolen, counterfeit or fraudulently issued securities was a holder in due course; or
  - (ii) the stolen, counterfeit or fraudulently issued securities were previously traded on the market through a bona fide transaction,such selling, dealing or pledging of stolen, counterfeit or fraudulently issued securities shall not be considered as a manipulative, fraudulent, or unfair trade practice;
- k) involve in disseminating information or advice through any media, whether physical or digital, which the disseminator knows to be false or misleading and which is designed or likely to influence the decision of investors dealing in securities;
- l) involve in circular transactions in respect of a security entered into between persons including intermediaries to artificially provide a false appearance of trading in such security or to inflate, depress or cause fluctuations in the price of such security;
- m) involve in any order in securities placed by a person, while directly or indirectly in possession of information that is not publicly available, regarding a substantial impending transaction in that securities, its underlying securities or its derivative;
- n) involve in fraudulent inducement of any person by a market participant to deal in securities with the objective of enhancing his brokerage or commission or income;
- o) involve with an intermediary predating or otherwise falsifying records including contract notes, client instructions, balance of securities statement, client account statements;
- p) involve in knowingly planting false or misleading news which may induce sale or purchase of securities;
- q) mis-selling of securities or services relating to securities market;
- r) illegal mobilization of funds by sponsoring or causing to be sponsored or carrying on or causing to be carried on any collective investment scheme by any person.

## 6. Structured Digital Database (SDD)

An SDD shall be maintained by India Ratings as an intermediary and a fiduciary (as applicable) which shall contain the nature of UPSI and the names of such persons who have shared the information and also the names of such persons with whom the information is shared under this regulation along with the Permanent Account Number (PAN) or any other identifier as authorised by law where PAN is not available. Such database should not be outsourced and shall be maintained internally with adequate internal controls and audit trails to ensure non-tampering of the database.

The SDD shall be preserved for a period of not less than 8 years after completion of the relevant transactions and in the event of receipt of information from SEBI regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

## 7. Compliance Training

India Ratings Employees are subject to Compliance Induction at the time of joining All Compliance Inductions shall be endeavoured to be completed for new joiners within 30 days of joining India Ratings and every year thereafter, except for the following categories of Employees who are exempted from such requirement:

- Employees who do not have access to electronic files and systems (e.g.: messengers, drivers, cafeteria staff, etc.)
- Temporary Workers, including interns, who do not conduct Analytical Activities

Other Compliance Training (including Mandatory Trainings) may be assigned from time to time and employees are required to complete the training within the time frames provided.

### 8. Certifications

India Ratings Employees are required to complete all certifications administered by Compliance, including the annual compliance certification within 30 calendar days of the end of the financial year and any other special certification that is administered for the purpose of compliance as per specified timelines, if any.

Compliance may exempt or amend certification requirements for Temporary Workers and India Ratings Employees that do not have access to electronic files and systems (e.g.: messengers, drivers, cafeteria staff, etc.).

### 9. Exceptions to Policy Requirements

Exceptions to specific requirements of this Policy may be granted in limited circumstances and on case-by-case basis. Exceptions shall be directed to the Compliance Officer. The compliance Officer may grant relaxation from strict application of restrictions for reasons to be recorded in writing provided that such relaxation does not violate the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015. Compliance shall keep record of the granted exceptions.

### 10. Non-Compliance

Failure to comply with this Policy may lead to disciplinary action, up to and including dismissal from employment. In addition, with respect to certain Policy requirements (e.g., the prohibitions on Insider Trading), the Employee may be subject to personal civil and criminal liability under SEBI (Prohibition of Insider Trading Regulations), 2015.

In case of any violation /non-compliance with this Policy, India Ratings may inform the stock exchange(s) where the concerned securities are traded/SEBI, in such form and such manner as may be specified by SEBI from time to time.

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. Employees may refer to India Rating's Whistle-blower Policy for additional details.

If a violation involves a Security purchased by an Employee while in possession of UPSI, the Employee in violation must not sell the Security until he/she is no longer in possession of UPSI, typically after the rating action or other relevant event occurs and is published and also taking into consideration the Minimum holding period or Contra trade restriction as may be applicable to that employee.

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## 11. Definitions

“**Account**” means any account that has the capability of holding or trading Securities where the Employee or an Employee’s Family Member which includes:

- Trading and Demat account
- Has a beneficial ownership interest; or
- Has discretion or control over the account (e.g.: account owner, power of attorney, trustee, etc.).

“**Analytical Activities**” means (a) performing analyses to determine a credit rating, credit opinion, rating assessment, or credit score; or (b) participating in a rating committee (even as a non-voting member), and may be carried out by an Analyst or an Employee in the Credit Policy Group.

“**Analytical Employee**” means any Employee that performs Analytical Activities or is in the Credit Policy Group.

“**Analytical Group Employee**” or “**AG Employee**” means any Employee, including Analytical Employees, administrators, operations staff, and others that resides in any of the following groups:

- Corporates Group (includes Corporates – CAG and Mid Corporates- Analytical)
- Credit Policy Group (including Credit Market Commentary)
- Financial Institutions Group
- GRPP – Editing and Rating Desk
- Infrastructure Project Group (GIG)
- Public Finance Group
- Structured Finance Group

“**Blind Trust**” means a trust that meets the following criteria: (1) the trust executor(s) has full discretion over the assets and is independent of the Employee and the Employee’s Family Members and not otherwise related to the Employee, and (2) the Employee and the Employee’s Family Members have no knowledge of the holdings of the trust.

“**BRM**” means Business & Relationship Management.

“**Confidential Ratings Information**” means any information that is received or created by India Ratings in the course of its business or analytical activities that has not been disseminated to the general public including:

- Information regarding an issuer that has been designated as “confidential” by the issuer or its agent
- UPSI obtained from any source
- Unpublished ratings, opinions, analysis, reports and press releases
- Knowledge of a scheduled rating committee meeting, unless it has been publicly disclosed

“**Connected person**” means

(i) any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

(ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -

(a). an immediate relative of connected persons specified in clause (i); or

(b). a holding company or associate company or subsidiary company; or

(c). an intermediary as specified in section 12 of the Act or an employee or director thereof; or

(d). an investment company, trustee company, asset management company or an employee or director thereof; or

(e). an official of a stock exchange or of clearing house or corporation; or

(f). a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or

(g). a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or

(h). an official or an employee of a self-regulatory organization recognised or authorized by the Board; or

(i). a banker of the company; or

(j). a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent. of the holding or interest;

“**Dealing in securities**” includes:

a) an act of buying, selling or subscribing pursuant to any issue of any security or agreeing to buy, sell or subscribe to any issue of any security or otherwise transacting in any way in any security by any persons including as principal, agent, or intermediary referred to in section 12 of the Act;

b) such acts which may be knowingly designed to influence the decision of investors in securities; and any act of aiding the aforementioned acts.

“**Employee**” or “**India Ratings Employee**” means an employee of India Ratings.

“**ETF**” means exchange-traded fund.

“**FAM**” means Funds and Asset Managers Group



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**Family Members**” includes the following:

- Immediate relative\*
- An Employee’s partner or any person considered by national law as equivalent to the spouse
- Member of Hindu Undivided Family
- Any legal entity (e.g.: company, partnership, trust, etc.) whose managerial responsibilities are discharged by, controlled by, or established for the benefit of an Employee or a person listed above; or
- Any person that has granted investment discretion or trading authorization to an Employee or A person listed above

\*The term “Immediate relative” means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities

The definition does not include:

- An Employee’s spouse during divorce proceedings;
- A Blind Trust; or
- An Employee’s parents who are not dependent on employee and is/are residing in the Employee’s home if the Employee can certify that he or she does not have any knowledge of the parent’s Securities holdings and does not share or disclose any confidential information to parents.
- Any non-dependent relative or non-dependent sharing the Employee’s home

**“Fraud” includes** any act, expression, omission or concealment committed whether in a deceitful manner or not by a person or by any other person with his connivance or by his agent while dealing in securities in order to induce another person or his agent to deal in securities, whether or not there is any wrongful gain or avoidance of any loss, and shall also include:

- a) a knowing misrepresentation of the truth or concealment of material fact in order that another person may act to his detriment;
- b) a suggestion as to a fact which is not true by one who does not believe it to be true;
- c) an active concealment of a fact by a person having knowledge or belief of the fact;
- d) a promise made without any intention of performing it;
- e) a representation made in a reckless and careless manner whether it be true or false;
- f) any such act or omission as any other law specifically declares to be fraudulent;
- g) deceptive behaviour by a person depriving another of informed consent or full participation;
- h) a false statement made without reasonable ground for believing it to be true;
- i) the act of an issuer of securities giving out misinformation that affects the market price of the security, resulting in investors being effectively misled even though they did not rely on the statement itself or anything derived from it other than the market price.

**“Gift”** means a tangible gift, a favor or money received in connection with work performed at India Ratings. It does not include Business Events or Business Entertainment.

**“Insider Trading”** means trading a Security while being aware of UPSI.

**“Managed Account”** means an Account where the owner does not have input into the specific investment decisions, but rather is under the control of an independent third-party who is a licensed broker, investment advisor, portfolio manager or equivalent.

**“Mis-selling”** means sale of securities or services relating to securities market by any person, directly or indirectly, by— (i) knowingly making a false or misleading statement, or (ii) knowingly concealing or omitting material facts, or (iii) knowingly concealing the associated risk, or (iv) not taking reasonable care to ensure suitability of the securities or service to the buyer.

**“Policy”** means India Ratings Bulletin 13: India Ratings Securities Trading and Conflicts of Interest Policy.

**“Rated Entity”** means:

- The issuer, obligor, guarantor or credit support provider (letter of credit issuer, banks, etc.) with respect to any Security that is rated or in the process of being rated by India Ratings
- an entity to which India Ratings has assigned an Issuer Default Rating
- a sponsor, seller or seller/servicer, originator, underwriter or arranger with respect to a Security in a structured finance transaction that is rated by India Ratings

**“Reportable”** refers to a Security holding or transaction or Account that is required to be disclosed to India Ratings under Bulletin 13.

**“Restricted Stock”** means any Security that is under some kind of sales restriction or has no liquidity or is subject to legal restriction.

**“Sector Fund”** means a mutual fund, exchange-traded fund, or unit trust that concentrates its investments in a specific industry or market sector (e.g.: technology, financial services, healthcare, precious metals etc.).

**“Security”** includes such other instruments recognized as securities under the **Securities Contracts (Regulation) Act, 1956 or any modification thereof** except units of a mutual fund.

For Analytical Group Employees, this also includes:

- Sector Funds

For Analytical Group Employees in the Funds and Asset Manager Group, this also includes:

- Mutual funds, ETFs, and other collective investment schemes; and
- Money market funds.

For Analytical Group Employees in the Sovereign, Public Finance and Financial Institutions Groups, this also includes:

- Direct obligations of a sovereign nation or any agency thereof except those for their home country (i.e., country of residence or citizenship;) and
- Obligations fully guaranteed by a sovereign nation or any agency thereof except those for their home country (i.e., country of residence or citizenship.)

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It may be noted that trading in Gold ETFs and Gold Sovereign Bonds issued by the Reserve of India (RBI) will not come under the purview of this policy.

**“Temporary Worker”** means any individual that is contracted for a fixed duration or an approximate end date directly by India Ratings or indirectly via a third party.

**“Tipping”** means the act of providing UPSI about a publicly traded company to a person who is not authorized to have this information.

**“UPSI”** means means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

- i. financial results;
- ii. dividends;
- iii. change in capital structure;
- iv. mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- v. changes in key managerial personnel.

*The List above is illustrative and is not an exhaustive list.*