

CARE RATINGS LIMITED
Code of Practices and Procedures for Fair Disclosure of
Unpublished Price Sensitive Information

This Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code"), in relation to the securities of CARE Ratings Limited ("the Company or CARE"), is framed in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as the 'Regulations'), as amended from time to time.

CARE is committed towards providing timely, accurate and fair disclosure of information to Shareholders/Investors and Public at large. Hence prompt public disclosure of unpublished price sensitive information that will impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available. The Company shall also make available such information that gets disclosed selectively, inadvertently or otherwise. CARE does not disclose material UPSI on selective basis. CARE follows applicable laws/rules and regulations as well as the rules/guidelines of Stock Exchanges in letter and spirit.

CARE follows the principle of full and fair disclosure to all the investors and other concerned parties in accordance with applicable securities laws. The Company does not disclose material non-public information on a selective basis. However, in the normal course of business, the Company may disclose material non-public information to individuals or entities with which we have a confidential or fiduciary relationship or for legitimate purposes as determined in accordance with the provisions of Policy for determination of legitimate purposes annexed as **Annexure- A**, hereto.

CARE files all important declaration including quarterly financial results within the time stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Quarterly financials of the Company as per the format provided in the Listing Regulations are published in newspapers within 48 hours of the same being approved by the Board of the Company and submitted to the stock exchanges. These results along with press release are uploaded on the website of CARE.

The Company holds Investors calls to discuss the financial results from time to time. A presentation is also mailed to the participants. Such presentation before being sent to the participants to the call is sent to the stock exchanges and then uploaded on the website of the Company. The transcript of the call is also uploaded on the website of the Company for the reference and use of investors community at large. Investors/other interested parties may send their e-mail address and are added to the mailing list of the Company and all the updates are automatically sent to such persons.

When issuing an earnings press release, the Company may also provide, in the earnings release or the conference call, information regarding our quarterly and/or annual earnings per share and business outlook. When doing so, it is important to note that such outlook does involve forward-looking statements and is based on the Company's current expectations, which involve a number of risks, uncertainties and assumptions.

CARE also participates in analyst and investor conferences throughout the year. When practicable, the Company uploads the presentation on its website. CARE does not comment on individual analyst or investor reports and also do not comment on rumours or speculation.

The Company promptly provides appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.

The Chief Financial Officer of the Company will also be designated as Chief Investor Relations Officer (CIRO) to deal with dissemination of information and disclosure of unpublished price sensitive information. The CIRO may, wherever required, take assistance from the Compliance Officer of the Company in this regard.

Amendment:

In case of any subsequent changes in the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, or any other regulations which makes any of the provisions in the Code inconsistent with the Regulations, then the provisions of the Regulations shall prevail over this Code and the provisions in this Code shall be deemed to be modified in accordance with such applicable laws/regulations.

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

Background:

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (collectively referred to as the “**Regulations**”) as amended from time to time, requires every listed company, *inter alia*, to formulate a policy for determination of “legitimate purposes”. Accordingly, the Board of Directors of CARE Ratings Limited (“**Company**”) have formulated and adopted the following for determination of “legitimate purposes” for the purpose of this Policy:

1. “Unpublished Price Sensitive Information (UPSI)” means any information, relating to the Company or its securities, directly or indirectly, that is not generally available which upon becoming available, is likely to materially affect the price of the Company’s securities and shall, ordinarily include 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; and (v) changes in key managerial personnel.

2. Legitimate Purposes:

(a) “Legitimate purposes” for the purposes of this Policy shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of this Code. Provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.

The purpose for which UPSI is proposed to be shared, analysing the nature of UPSI proposed to be shared and identity of the persons with whom UPSI is proposed to be shared, shall also be evaluated.

(b) Without prejudice to the provisions of sub-para (a) above, “legitimate purposes” for which UPSI can be shared by an Insider, shall include the following:

- Sharing the relevant UPSI in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations and this Policy.
- Sharing the relevant UPSI on need to know basis in case necessary for legitimate purposes, performance of duties or discharge of legal obligations;
- Sharing of UPSI for the purpose of an investigation, inquiry, request for information by statutory or governmental authorities or any other administrative body recognized by law, including pursuant to any order of courts or tribunals or other proceedings;

- Sharing of UPSI pursuant to any contractual obligations or arrangement entered by the Company in any contract, agreement, arrangement, settlement, understanding or undertaking.

In addition to the above, the Board of Directors of the Company may determine what may be considered as “legitimate purposes” based on the Company’s business/industry related needs.

The recipient of UPSI shall be apprised by way of written intimation/contractual agreement, such as, confidentiality agreement/disclaimer or non – disclosure agreement about the fact that the information being shared is UPSI and that the recipient shall be bound by the provisions of the Regulations in this regard and shall have to maintain the confidentiality of the information so received from the Company, in accordance with the intimation/contractual agreement so executed with the Company.

3. Policy Amendment:

In case of any subsequent changes in the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, or any other regulations which makes any of the provisions in the policy inconsistent with the Regulations, then the provisions of the Regulations shall prevail over this Policy and the provisions in the Policy shall be deemed to be modified in accordance with such applicable laws/regulations.