

# VIS

Credit Rating Company Limited

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## POLICY FOR ROTATION OF ANALYST

## OBJECTIVE

This policy aims to ensure objectivity, continuity, and professional development in the rating process by establishing a structured rotation framework for rating analysts. The policy seeks to mitigate actual, potential, or perceived conflicts of interest, while promoting capacity building and knowledge enhancement through exposure to diverse sectors.

## SCOPE

This policy applies to Rating Analysts as defined in the Credit Rating Companies (CRC) Regulations, 2016. "Rating Analyst" means an employee of the credit rating company who performs analytical functions that are necessary for the issuing or monitoring of a credit rating or participates in determining credit ratings.

Rating Analyst includes, Analyst, Team Lead, Advisor, Internal & External Rating Committee member.

It may be noted that all rating decisions are taken by the Rating Committee and not by any individual. Rating analysts, may or may not be part of a rating team, will submit their analysis and indicative ratings to the Rating Committee for final rating decisions.

## ROTATION MECHANISM

For each rating, the Rating Administration Group will rotate the rating analysts so that:

- Each analyst will not deal with the same client for more than three years
- Team Leaders will not deal with the same client for more than seven years.
- Advisors will not deal with the same client for more than ten years
- Rating Committee Members will not participate in the rating committee of the same client for more than 10 years

At least one year cooling period will be observed before any client may be re-allocated.

## Policy Administration

- The Ratings Administration Group is responsible for managing the rotation and database of the same.
- Overall accountability for compliance rests with the Compliance Officer, who will obtain periodic compliance reports from the Ratings Administration Group to monitor adherence to this policy and the applicable regulatory requirements (CRC Regulations, 2016) outlined below:
  - Chapter III-11 A(d) A credit rating company shall ensure that its analysts and all its relevant officers maintain sufficiently high level of analytical and monitoring standards and possess the requisite skill and expertise. A credit rating company must consider the number of entities/instrument/issues that can be effectively covered by a particular analyst, taking into account a broad spectrum of variables, including the size and complexity of the particular issue and the experience and expertise of the analyst;
  - Chapter III-11 A(e) employ sufficient human resource which is adequately trained to efficiently perform its functions as credit rating company and arrange/conduct training programs for its employees from time to time for capacity building and skill development;
  - Chapter III-11 A(i) A CRC shall consider the adequacy of its staffing strength, use its best endeavor to subject its rating analysts to an appropriate rotation mechanism that provides for gradual change in rating teams;

- Annexure H: List of Policies to be developed & disclosed by a credit rating company / agency

## APPROVALS

This policy is to be approved by the Board of Directors of VIS Credit Rating Company Limited and has to be reviewed on annual basis by the competent authority and duly approved by the Board.

Policy	Date of Review	Authorized By
<b>Policy for rotation of analysts</b>	April 2026	Board of Directors

