

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER
(Application No. 7693/ 2024)**

**On the application submitted by
CARE Ratings Limited (PAN: AAACC4587F)
Settlement Order No.: SO/BM/DS/2024-25/7693**

1. Securities and Exchange Board of India (hereinafter referred to as **SEBI**) initiated adjudication proceedings under section 15HB of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "**SEBI Act, 1992**") against **CARE Ratings Limited** (hereinafter referred to as "**Noticee**" / "**applicant**") for alleged violation of Clause 1(B) of SEBI Circular SEBI/ HO/ MIRSD/ MIRSD4/ CIR/P/ 2017/71 on Monitoring and Review of Ratings by Credit Rating Agencies (CRAs) dated June 30, 2017 and Clause 8 of Third Schedule - Code of Conduct read with Regulation 13 of SEBI (Credit Rating Agencies) Regulations, 1999 (hereinafter referred to as "**CRA Regulations**").
2. SEBI appointed the undersigned as the Adjudicating Officer (AO) vide Order dated January 03, 2024 under Section 15-I of SEBI Act, 1992 and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as "**SEBI Adjudication Rules**") to inquire into and adjudge under Section 15HB of the SEBI Act, 1992 for the aforementioned alleged violations of SEBI Circular dated June 30, 2017 and CRA Regulations.
3. A Show Cause Notice (hereafter referred to as "**SCN**") dated January 18, 2024 was issued to the Applicant in terms of the provisions of Rule 4(1) of the SEBI Adjudication Rules, calling upon the Applicant to show cause as to why an inquiry should not be held and penalty be not imposed upon it, under

Section 15HB of the SEBI Act, 1992, as applicable for the alleged violations of the aforesaid provisions.

4. Pending Adjudication Proceedings, the Applicant proposed to settle the instant proceedings initiated against it, without admitting or denying the findings of facts and conclusions of law, through a settlement order and filed a settlement application with SEBI bearing Settlement Application No. 7693/2024 dated March 05, 2024, in terms of the provisions of SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as "**Settlement Regulations**").
5. The Internal Committee (IC) meeting was held on May 29, 2024. Factors enumerated under Regulation 10 and Schedule II of SEBI (Settlement Proceedings) Regulations, 2018 were considered by the IC. The Internal Committee (IC) recommended ₹13,05,000/- (Rupees Thirteen Lakh and Five Thousand Only) as the monetary settlement term. The applicant, vide email dated June 06, 2024, also submitted the revised settlement terms in line with the monetary term formulated by the IC. Consequently, the IC recommended the case for settlement. The application was subsequently placed before the High Powered Advisory Committee (HPAC) on June 14, 2024. The HPAC agreed with the recommendations of the IC and recommended that the request of the applicant for settlement may be accepted.
6. The Panel of Whole Time Members of SEBI approved the said recommendation of the HPAC on July 25, 2024 and the same was communicated by SEBI to applicant on July 29, 2024.
7. Subsequently, the applicant vide email dated August 21, 2024 informed about the remittance of the settlement amount, the receipt of which is confirmed.
8. Therefore, in view of the acceptance of the settlement terms and the receipt of settlement amount as above by SEBI, the instant adjudication proceedings

initiated against CARE Ratings Limited is disposed of in terms of section 15JB of the SEBI Act read with regulation 23(1) of the Settlement Regulations on the basis of the settlement terms.

9. This order is without prejudice to the right of SEBI to take enforcement actions, in terms of regulation 28 of the Settlement Regulations, including restoring or initiating the proceedings in respect to which the settlement order was passed against the applicant, if:
 - i. it comes to the notice of the Board that the applicant has not made full and true disclosure;
 - ii. applicant has violated the undertakings or waivers:
10. This settlement order is passed on this day of **August 23, 2024** and shall come into force with immediate effect.
11. In terms of regulation 25 of the Settlement Regulations, copies of this order are being sent to the applicant viz. CARE Ratings Limited and also to SEBI.

Date: August 23, 2024

Place: Mumbai

**BARNALI MUKHERJEE
ADJUDICATING OFFICER**