



ICRA

ICRA Limited

October 24, 2019

**BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001, India  
**Scrip Code: 532835**

**National Stock Exchange of India Limited**

Exchange Plaza,  
Plot no. C/1, G Block  
Bandra-Kurla Complex  
Bandra (East)  
Mumbai - 400 051, India  
**Symbol: ICRA**

Dear Sir/Madam,

**Sub: - Outcome of the Board Meeting dated October 24, 2019; commenced at 2:00 pm and concluded at 6:00 pm**

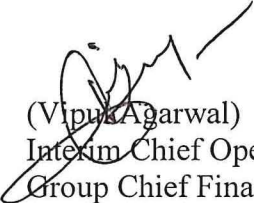
Pursuant to regulations 30, 33 and any other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), please find enclosed the unaudited Financial Results (Standalone & Consolidated) of ICRA Limited (“**the Company**”) for the second quarter and half year ended September 30, 2019, reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on October 24, 2019.

Please also find enclosed the Limited Review Reports submitted by M/s. B S R & Co. LLP, Chartered Accountants, (FRN: 101248W/W-100022), the Statutory Auditors of the Company.

Kindly take the above on record.

Regards,

Sincerely,

  
(Vipul Agarwal)  
Interim Chief Operating Officer &  
Group Chief Financial Officer

Encl.: As above

Building No. 8, 2<sup>nd</sup> Floor, Tower A  
DLF Cyber City, Phase II  
Gurugram - 122002, Haryana

Tel. : +91.124.4545300  
CIN : L74999DL1991PLC042749

Website : [www.icra.in](http://www.icra.in)  
Email : [info@icraindia.com](mailto:info@icraindia.com)  
Helpdesk : +91.124.3341580

Registered Office : 1105, Kailash Building, 11<sup>th</sup> Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001. Tel. : +91.11.23357940-45

**RATING • RESEARCH • INFORMATION**

**89726**

# B S R & Co. LLP

Chartered Accountants

Building No. 10, 8th Floor, Tower-B  
DLF Cyber City, Phase - II  
Gurugram - 122 002, India

Telephone: +91 124 719 1000  
Fax: +91 124 235 8613

To

Board of Directors of ICRA Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of ICRA Limited ("the Parent" or "the Company") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 September 2019 and year to date results for the period from 1 April 2019 to 30 September 2019 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. Attention is drawn to note 8 of the Statement, wherein it is stated that the Company is in the process of addressing certain ongoing matters. Firstly, the Company is undergoing adjudication proceeding ("Adjudication Proceeding") with Securities and Exchange Board of India ("SEBI") in relation to the credit ratings assigned to one of the Company's customers and the customer's subsidiaries. The Company is also cooperating with government agencies and responding to their queries in relation to this matter. Secondly, the Board of Directors of the Company has appointed external experts to examine and report on anonymous representations against certain of its existing/ former officials, which were forwarded to the Company by SEBI ("Representations"). There have been certain allegations during the course of the internal examination of the Representation, for which the Board has appointed an external expert to examine. Thirdly, the Company has received a letter from SEBI seeking comments on observations made in the interim report dated July 15, 2019 prepared by Grant Thornton India LLP, which was commissioned by the IL&FS group. The Company has submitted its responses to SEBI on such observations.

**B S R & Co. LLP**

While the Company has made a provision for penalty on a prudent basis with regards to the Adjudication Proceeding, the Adjudication Proceeding as well as the examinations and other matters noted above remain ongoing and the results of which are not yet available or known.

Due to the ongoing nature of the various inquiries/investigation/proceedings and pending results thereof, we are unable to comment on the implications, if any, on the financial results of the Company for the quarter ended 30 September 2019 and year to date results for the period from 1 April 2019 to 30 September 2019.

5. The Statement includes the results of the following entities:
- ICRA Online Limited
  - ICRA Management Consulting Services Limited
  - Pragati Development Consulting Services Limited
  - ICRA Nepal Limited
  - ICRA Lanka Limited
  - PT ICRA Indonesia
  - ICRA Employees Welfare Trust
6. Based on our review conducted and procedures performed as stated in paragraph 3 above, except for the effects/ possible effects of the matters described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. The Statement includes the interim financial information of 3 subsidiaries which have not been reviewed, whose interim financial information reflect total assets of Rs. 1,292.79 lakhs as at 30 September 2019 and total revenue of Rs. 184.08 lakhs and Rs. 352.44 lakhs, total net profit after tax of Rs. 49.76 lakhs and Rs. 95.65 lakhs and total comprehensive income of Rs. 49.17 lakhs and Rs. 94.21 lakhs for the quarter ended 30 September 2019 and for the period from 1 April 2019 to 30 September 2019, respectively, and cash flows (net) of Rs. 23.50 lakhs for the period from 1 April 2019 to 30 September 2019, as considered in the Statement. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.
- Our conclusion on the Statement is not modified in respect of the above matter.

*For B S R & Co. LLP*  
*Chartered Accountants*  
Firm Registration No.: 101248W/W-100022



**Shashank Agarwal**  
*Partner*  
Membership No.: 095109  
UDIN: 19095109AAAFH9929

Place : Gurugram  
Date : 24 October 2019

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2019							
(Rupees in lakh, except share data, per share data and where otherwise stated)							
S. No	Particulars	Quarter ended	Quarter ended	Quarter ended	Six months ended	Six months ended	Year ended
		30/09/2019	30/06/2019	30/09/2018	30/09/2019	30/09/2018	31/03/2019
		Unaudited*	Unaudited*	Unaudited*	Unaudited*	Unaudited*	Audited*
	<b>Income</b>						
I	Revenue from operations	7,763.10	7,703.63	8,106.71	15,466.73	15,973.30	32,806.00
II	Other income	1,214.02	1,165.57	1,191.74	2,379.59	2,217.44	4,479.57
III	<b>Total income (I+II)</b>	<b>8,977.12</b>	<b>8,869.20</b>	<b>9,298.45</b>	<b>17,846.32</b>	<b>18,190.74</b>	<b>37,285.57</b>
	<b>Expenses</b>						
IV	Employee benefit expenses	4,283.80	4,177.47	4,039.61	8,461.27	8,122.68	16,079.68
V	Finance costs	57.08	37.81	0.86	94.89	1.69	7.48
VI	Depreciation and amortisation expense	269.61	227.84	135.04	497.45	259.39	562.24
VII	Other expenses	1,645.19	1,281.10	1,353.75	2,926.29	2,326.06	5,432.36
VIII	<b>Total expenses (IV to VII)</b>	<b>6,255.68</b>	<b>5,724.22</b>	<b>5,529.26</b>	<b>11,979.90</b>	<b>10,709.82</b>	<b>22,081.76</b>
IX	<b>Profit before tax (III-VIII)</b>	<b>2,721.44</b>	<b>3,144.98</b>	<b>3,769.19</b>	<b>5,866.42</b>	<b>7,480.92</b>	<b>15,203.81</b>
	<b>Tax expense:</b>						
	Current tax	713.69	987.99	1,121.27	1,701.68	2,047.68	4,253.49
	Deferred tax	75.79	103.31	(35.57)	179.10	150.44	282.95
X	<b>Total tax expense</b>	<b>789.48</b>	<b>1,091.30</b>	<b>1,085.70</b>	<b>1,880.78</b>	<b>2,198.12</b>	<b>4,536.44</b>
XI	<b>Profit after tax (IX-X)</b>	<b>1,931.96</b>	<b>2,053.68</b>	<b>2,683.49</b>	<b>3,985.64</b>	<b>5,282.80</b>	<b>10,667.37</b>
	<b>Other comprehensive income</b>						
A	(i) Items that will not be reclassified to profit or (loss)	(16.79)	(16.72)	10.35	(33.51)	7.63	(46.11)
	(ii) Income tax relating to items that will not be reclassified to profit or (loss)	2.85	6.37	(2.80)	9.22	(2.89)	8.18
B	(i) Items that will be reclassified to profit or (loss)	(0.59)	(0.85)	(0.80)	(1.44)	1.82	(5.39)
	(ii) Income tax relating to items that will be reclassified to profit or (loss)	-	-	-	-	-	-
XII	<b>Other comprehensive income, net of income tax (A+B)</b>	<b>(14.53)</b>	<b>(11.20)</b>	<b>6.75</b>	<b>(25.73)</b>	<b>6.56</b>	<b>(43.32)</b>
XIII	<b>Total comprehensive income for the period (XI+XII)</b>	<b>1,917.43</b>	<b>2,042.48</b>	<b>2,690.24</b>	<b>3,959.91</b>	<b>5,289.36</b>	<b>10,624.05</b>
XIV	<b>Net Profit attributable to:</b>						
	(a) Owners of the company	1,909.74	2,029.68	2,679.48	3,939.42	5,261.57	10,613.11
	(b) Non-controlling interest	22.22	24.00	4.01	46.22	21.23	54.26
XV	<b>Other comprehensive income attributable to:</b>						
	(a) Owners of the company	(14.53)	(11.20)	8.67	(25.73)	8.48	(41.40)
	(b) Non-controlling interest	-	-	(1.92)	-	(1.92)	(1.92)
XVI	<b>Total comprehensive income attributable to:</b>						
	(a) Owners of the company	1,895.21	2,018.48	2,688.15	3,913.69	5,270.05	10,571.71
	(b) Non-controlling interest	22.22	24.00	2.09	46.22	19.31	52.34
XVII	<b>Paid up equity share capital</b> (Face value : Rs. 10 per share)	965.12	965.12	990.33	965.12	990.33	965.12
XVIII	<b>Other equity</b>						63,166.24
XIX	<b>Earnings per equity share (Rs.)</b> (Face value of Rs. 10 per share):						
	Basic	19.85	21.10	27.17	40.95	53.35	108.77
	Diluted	19.85	21.10	27.15	40.95	53.31	108.73
	* Refer note 7						

See accompanying notes to the consolidated unaudited financial results



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Notes:

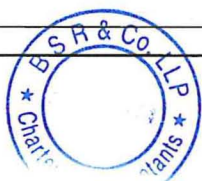
1 Consolidated Statement of Assets and Liabilities are given below:

S.No.	Particulars	As at 30/09/2019	As at 31/03/2019
		Unaudited*	Audited*
<b>A. ASSETS</b>			
<b>1 Non-current assets</b>			
(a)	Property, plant and equipment	5,702.45	3,230.73
(b)	Goodwill	122.53	122.53
(c)	Other intangible assets	37.45	30.24
(d)	Intangible assets under development	199.37	140.21
<b>(e) Financial assets</b>			
(i)	Investments	41.10	10,402.23
(ii)	Loans	436.51	443.14
(iii)	Others financial assets	11,444.36	4,193.15
(f)	Deferred tax assets (net)	185.84	355.74
(g)	Non current tax asset (net)	1,667.45	1,250.97
(h)	Other non-current assets	86.57	396.34
	<b>Total non-current assets</b>	<b>19,923.63</b>	<b>20,565.28</b>
<b>2 Current assets</b>			
<b>(a) Financial assets</b>			
(i)	Investments	10,070.27	7,747.76
(ii)	Trade receivables	7,700.11	3,380.54
(iii)	Cash and cash equivalents	4,081.42	2,442.15
(iv)	Bank balances other than (iii) above	39,824.89	38,306.47
(v)	Loans	36.52	53.79
(vi)	Others financial assets	3,308.19	3,295.58
(b)	Other current assets	880.09	1,116.15
(c)	Assets held for sale	27.74	27.74
	<b>Total current assets</b>	<b>65,929.23</b>	<b>56,370.18</b>
	<b>Total assets</b>	<b>85,852.86</b>	<b>76,935.46</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a)	Equity share capital	965.12	965.12
(b)	Other equity	63,615.02	63,166.24
	<b>Equity attributable to equity holders of parent</b>	<b>64,580.14</b>	<b>64,131.36</b>
(c)	Non-controlling interests	219.13	172.91
	<b>Total equity</b>	<b>64,799.27</b>	<b>64,304.27</b>
<b>Liabilities</b>			
<b>2 Non-current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i)	Other financial liabilities	2,083.52	160.21
(b)	Provisions	665.11	589.64
(c)	Other non-current liabilities	-	0.27
	<b>Total non-current liabilities</b>	<b>2,748.63</b>	<b>750.12</b>
<b>3 Current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i)	Trade payables	-	6.35
	<b>(A) Total outstanding dues of micro and small enterprises</b>	<b>-</b>	<b>6.35</b>
	<b>(B) Total outstanding dues of creditors other than micro and small enterprises</b>	<b>1,368.67</b>	<b>1,040.01</b>
(ii)	Other financial liabilities	4,529.28	1,719.18
(b)	Provisions	1,802.82	2,726.81
(c)	Current tax liabilities (net)	345.85	183.84
(d)	Other current liabilities	10,258.34	6,204.88
	<b>Total current liabilities</b>	<b>18,304.96</b>	<b>11,881.07</b>
	<b>Total liabilities</b>	<b>21,053.59</b>	<b>12,631.19</b>
	<b>Total equity and liabilities</b>	<b>85,852.86</b>	<b>76,935.46</b>

2 Segment wise revenue, results and capital employed:

S.No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Six months ended	Six months ended	Year ended
		30/09/2019	30/06/2019	30/09/2018	30/09/2019	30/09/2018	31/03/2019
		Unaudited*	Unaudited*	Unaudited*	Unaudited*	Unaudited*	Audited*
(i)	<b>Segment revenue:</b>						
(a)	Rating, research and other services	5,253.91	5,287.99	5,711.74	10,541.90	11,471.33	23,443.90
(b)	Consulting services	512.34	487.39	505.38	999.73	998.82	2,063.85
(c)	Outsourced and information services	2,116.24	2,019.04	1,946.71	4,135.28	3,625.62	7,564.79
	<b>Total segment revenue</b>	<b>7,882.49</b>	<b>7,794.42</b>	<b>8,163.83</b>	<b>15,676.91</b>	<b>16,095.77</b>	<b>33,072.54</b>
	Less: Inter-segment revenue	(119.39)	(90.79)	(57.12)	(210.18)	(122.47)	(266.54)
	<b>Total revenue</b>	<b>7,763.10</b>	<b>7,703.63</b>	<b>8,106.71</b>	<b>15,466.73</b>	<b>15,973.30</b>	<b>32,806.00</b>
(ii)	<b>Segment results:</b> (Profit before tax and other income from each segment)						
(a)	Rating, research and other services	863.97	1,402.44	2,168.48	2,266.41	4,474.97	8,899.99
(b)	Consulting services	(63.51)	(69.08)	(234.80)	(132.59)	(379.09)	(569.12)
(c)	Outsourced and information services	808.35	718.96	702.13	1,527.31	1,225.77	2,593.08
	<b>Total segment results</b>	<b>1,608.81</b>	<b>2,053.32</b>	<b>2,635.81</b>	<b>3,661.13</b>	<b>5,321.65</b>	<b>10,923.95</b>
	Less: Finance costs	(57.08)	(37.81)	(0.86)	(94.89)	(1.69)	(7.48)
	Add: Unallocable income net of unallocable expenses	1,169.71	1,130.47	1,134.24	2,300.18	2,160.96	4,287.34
	<b>Profit before tax</b>	<b>2,721.44</b>	<b>3,144.98</b>	<b>3,769.19</b>	<b>5,866.42</b>	<b>7,480.92</b>	<b>15,203.81</b>
(iii)	<b>Segment assets:</b>						
(a)	Rating, research and other services	10,220.43	12,524.11	7,459.39	10,220.43	7,459.39	4,561.17
(b)	Consulting services	1,602.55	1,639.46	1,155.77	1,602.55	1,155.77	1,155.13
(c)	Outsourced and information services	5,188.11	5,242.75	4,544.37	5,188.11	4,544.37	4,427.70
(d)	Unallocable	68,841.77	66,918.90	67,919.18	68,841.77	67,919.18	66,791.46
	<b>Total segment assets</b>	<b>85,852.86</b>	<b>86,325.22</b>	<b>81,078.71</b>	<b>85,852.86</b>	<b>81,078.71</b>	<b>76,935.46</b>
(iv)	<b>Segment liabilities:</b>						
(a)	Rating, research and other services	14,785.35	16,933.21	11,642.01	14,785.35	11,642.01	10,384.20
(b)	Consulting services	1,402.09	1,350.49	884.00	1,402.09	884.00	847.75
(c)	Outsourced and information services	1,186.00	1,423.38	993.99	1,186.00	993.99	1,240.86
(d)	Unallocable	3,680.15	263.36	54.23	3,680.15	54.23	158.38
	<b>Total segment liabilities</b>	<b>21,053.59</b>	<b>19,970.44</b>	<b>13,574.23</b>	<b>21,053.59</b>	<b>13,574.23</b>	<b>12,631.19</b>

\*Refer note 7



**3 Unaudited Consolidated Cash Flow Statement for the six months ended September 30, 2019**

Particulars	Six months ended	Six months ended
	30/09/2019	30/09/2018
	Unaudited*	Unaudited*
Profit before tax	5,866.42	7,480.92
<b>Adjustments for:</b>		
Depreciation and amortisation expense	497.45	259.39
Bad debts/ advances written off (net of provisions)	60.24	89.19
Interest expense	94.89	1.69
Interest income on fixed deposits	(1,745.56)	(1,222.34)
Interest income on investments	(323.84)	(192.93)
Gain on financial assets carried at fair value through profit or loss (net)	(251.57)	(609.42)
Advances received from customers written back	(93.18)	(103.41)
Unrealised foreign exchange (gain) / loss (net)	(3.52)	(13.86)
Loss / (Profit) on sale of assets (net)	1.10	(68.59)
Adjustment on adoption of Ind AS 115	-	(146.94)
<b>Operating cash flow before working capital changes</b>	<b>4,102.43</b>	<b>5,473.70</b>
<b>Adjustments for</b>		
(Increase)/ decrease in trade receivables	(4,526.14)	(1,996.63)
(Increase)/ decrease in loans	23.90	(135.45)
(Increase)/ decrease in other financial assets	(319.36)	(927.82)
(Increase)/ decrease in other assets	197.96	(343.17)
Increase/ (decrease) in trade payables	322.31	(40.99)
Increase/ (decrease) in other financial liabilities	(370.75)	414.18
Increase/ (decrease) in other liabilities	3,551.22	2,633.93
Increase/ (decrease) in provisions	(882.03)	(720.52)
<b>Cash generated from operations before tax</b>	<b>2,099.54</b>	<b>4,357.23</b>
Taxes paid, net of refund	(1,956.15)	(2,236.91)
<b>Net cash generated from operating activities (A)</b>	<b>143.39</b>	<b>2,120.32</b>
<b>B. Cash flow from investing activities:</b>		
Purchase of property, plant and equipment, intangible assets and intangible assets under development including capital advances	(379.65)	(260.16)
Sale proceeds from property, plant and equipment and intangible assets	9.68	447.03
Sale proceeds from redemption/ disposal of mutual funds	8,290.20	4,131.69
Investments (made in)/ redemption in corporate deposits (net)	-	1,000.00
Interest received on investments	33.18	90.89
(Increase)/ decrease in fixed deposits (having maturity of more than three months) (net)	(8,614.68)	(5,505.65)
Interest received on fixed deposits	2,336.44	1,219.06
<b>Net cash generated/ (used) in investing activities (B)</b>	<b>1,675.17</b>	<b>1,122.86</b>
<b>C. Cash flow from financing activities</b>		
Payment of lease liabilities	(179.70)	-
Dividend paid	-	(2,958.99)
Dividend distribution tax paid	-	(610.69)
Increase/(decrease) in unclaimed dividend	0.41	(0.02)
Proceeds from transfer of shares to employees under employees stock options scheme	-	10.95
<b>Net cash generated/ (used) in financing activities (C)</b>	<b>(179.29)</b>	<b>(3,558.75)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,639.27</b>	<b>(315.57)</b>
Add: Cash and cash equivalents at the beginning of period	2,442.15	1,979.97
<b>Cash and cash equivalents at the end of the period</b>	<b>4,081.42</b>	<b>1,664.40</b>

\*Refer note 7

- The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group has not restated comparative information. As on April 1, 2019, the Group has recognised a right of use asset at an amount equivalent to the lease liability and consequently there has been no adjustment to the opening balance of retained earnings as on April 1, 2019. In the consolidated financial results for the current period, the nature of expenses in respect of operating leases has changed from rent in previous periods to depreciation cost for the right-to-use asset and finance costs for interest accrued on lease liability.
- The Company has declared a final dividend of Rs. 30 per equity share for the financial year ended March 31, 2019, in its Annual General Meeting held on September 28, 2019 and paid on October 7, 2019.
- The Indian entities of the Group has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Indian entities has recognized provision for income tax for the six months ended September 30, 2019 and re-measured its deferred tax assets basis the rate prescribed in the said section. The full impact of this change has been recognized in the consolidated financial results for quarter ended September 30, 2019.
- The Scheme of Amalgamation ('Scheme') of ICRA Management Consulting Services Limited with ICRA Online Limited (both wholly owned subsidiaries of the Company) approved by the Board of Directors of the Company on August 9, 2018, was filed with the National Company Law Tribunal ('NCLT'), New Delhi and Kolkata. NCLT, New Delhi sanctioned the said Scheme and the order was filed with the Registrar of Company ('ROC'), Delhi on June 19, 2019. NCLT, Kolkata has sanctioned the said Scheme on October 15, 2019. The certified copy of the order is yet to be received and shall be filed with the ROC, Kolkata in due course. The Company has given the accounting effect of the Scheme, under the 'pooling of interest' method in accordance with Appendix C of Ind AS 103 'Business Combination', as it is reasonably certain that post receipt of the certified copy of the order, the same will be filed with ROC. Consequently, the figures for previous quarters and periods as presented in the consolidated financial results which were earlier approved by the Board of Directors at their respective meetings have been re-presented only to give effect to the aforesaid Scheme.
- The Company is in the process of addressing certain ongoing matters. Firstly, the Company is undergoing an adjudication proceeding ("Adjudication Proceeding") with Securities and Exchange Board of India ("SEBI") in relation to the credit ratings assigned to one of the Company's customers and the customer's subsidiaries. The Company is also cooperating with government agencies and responding to their queries in relation to this matter. Secondly, the Board of Directors of the Company has appointed external experts to examine and report on anonymous representations against certain of its existing/former officials, which were forwarded to the Company by SEBI ("Representations"). There have been certain allegations during the course of the internal examination of the Representations, which may be retaliatory in nature, for which the Board has appointed an external expert to examine. Thirdly, the Company has received a letter from SEBI seeking comments on observations made in the interim report dated July 15, 2019 prepared by Grant Thornton India LLP, which was commissioned by the IL&FS group. The Company has submitted its responses to SEBI on such observations. While the Company has made a provision for penalty on a prudent basis with regards to the Adjudication Proceeding, the Adjudication Proceeding as well as the examinations and other matters noted above remain ongoing and the results of which are not yet available or known. As on date, the Company is unable to estimate the impact, if any, that may result from a potential unfavorable conclusion of these matters or any related inquiry.
- Previous period figures have been re-group/ re-classified wherever necessary, to conform to current period's classification.
- These consolidated financial results have been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standards) Rules 2015. These consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on October 24, 2019. The Statutory Auditors of the Company have carried out limited review of the consolidated financial results for the quarter and six months ended September 30, 2019 and a qualified report (in respect of matter described in Note-8 above) has been issued. The review report of the Statutory Auditor is being filed with the BSE and National Stock Exchange. For more details on consolidated financial results, visit Investors relations section of our website at www.icra.in and Consolidated Financial Results under Corporates section of www.bseindia.com and www.nseindia.com.

Place : Gurugram  
Date : October 24, 2019

By Order of the Board of Directors



Chairman  
(DIN: 00024262)



AS

# B S R & Co. LLP

Chartered Accountants

Building No. 10, 8th Floor, Tower-B  
DLF Cyber City, Phase - II  
Gurugram - 122 002, India

Telephone: +91 124 719 1000  
Fax: +91 124 235 8613

To  
Board of Directors of ICRA Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of ICRA Limited ("the Company") for the quarter ended 30 September 2019 and year to date results for the period from 1 April 2019 to 30 September 2019 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to note 8 of the Statement, wherein it is stated that the Company is in the process of addressing certain ongoing matters. Firstly, the Company is undergoing adjudication proceeding ("Adjudication Proceeding") with Securities and Exchange Board of India ("SEBI") in relation to the credit ratings assigned to one of the Company's customers and the customer's subsidiaries. The Company is also cooperating with government agencies and responding to their queries in relation to this matter. Secondly, the Board of Directors of the Company has appointed external experts to examine and report on anonymous representations against certain of its existing/ former officials, which were forwarded to the Company by SEBI ("Representations"). There have been certain allegations during the course of the internal examination of the Representations, for which the Board has appointed an external expert to examine. Thirdly, the Company has received a letter from SEBI seeking comments on observations made in the interim report dated July 15, 2019 prepared by Grant Thornton India LLP, which was commissioned by the IL&FS group. The Company has submitted its responses to SEBI on such observations.

While the Company has made a provision for penalty on a prudent basis with regards to the Adjudication Proceeding, the Adjudication Proceeding as well as the examinations and other matters noted above remain ongoing and the results of which are not yet available or known.

B S R & Co. LLP

Due to the ongoing nature of the various inquiries/investigation/proceedings and pending results thereof, we are unable to comment on the implications, if any, on the financial results of the Company for the quarter ended 30 September 2019 and year to date results for the period from 1 April 2019 to 30 September 2019.

5. Based on our review conducted as above, except for the effects/ possible effects of the matters described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

*For B S R & Co. LLP*  
*Chartered Accountants*  
Firm Registration No.: 101248W/W-100022



Place : Gurugram  
Date : 24 October 2019

**Shashank Agarwal**  
*Partner*  
Membership No.: 095109  
UDIN: 19095109AAAAFI8372



STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2019							
(Rupees in lakh, except share data, per share data and where otherwise stated)							
S. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Six months ended	Year ended	
		30/09/2019	30/06/2019	30/09/2018	30/09/2019	30/09/2018	31/03/2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	<b>Income</b>						
I	Revenue from operations	5,094.14	5,137.73	5,647.90	10,231.87	11,300.86	23,013.83
II	Other income	1,049.80	1,013.19	1,556.35	2,062.99	2,438.75	4,452.79
III	<b>Total income (I+II)</b>	<b>6,143.94</b>	<b>6,150.92</b>	<b>7,204.25</b>	<b>12,294.86</b>	<b>13,739.61</b>	<b>27,466.62</b>
	<b>Expenses</b>						
IV	Employee benefit expenses	2,881.25	2,780.90	2,715.54	5,662.15	5,484.24	10,742.49
V	Finance costs	46.12	29.86	0.86	75.98	1.69	3.32
VI	Depreciation and amortisation expense	149.59	115.71	58.22	265.30	106.84	243.42
VII	Other expenses	1,242.01	888.56	760.28	2,130.57	1,326.50	3,370.72
VIII	<b>Total expenses (IV to VII)</b>	<b>4,318.97</b>	<b>3,815.03</b>	<b>3,534.90</b>	<b>8,134.00</b>	<b>6,919.27</b>	<b>14,359.95</b>
IX	<b>Profit before tax (III-VIII)</b>	<b>1,824.97</b>	<b>2,335.89</b>	<b>3,669.35</b>	<b>4,160.86</b>	<b>6,820.34</b>	<b>13,106.67</b>
	<b>Tax expense:</b>						
	Current tax	500.44	732.81	891.48	1,233.25	1,632.37	3,471.77
	Deferred tax	16.85	111.98	(58.42)	128.83	75.22	37.60
X	<b>Total tax expense</b>	<b>517.29</b>	<b>844.79</b>	<b>833.06</b>	<b>1,362.08</b>	<b>1,707.59</b>	<b>3,509.37</b>
XI	<b>Profit after tax (IX-X)</b>	<b>1,307.68</b>	<b>1,491.10</b>	<b>2,836.29</b>	<b>2,798.78</b>	<b>5,112.75</b>	<b>9,597.30</b>
	<b>Other comprehensive income</b>						
A	(i) Items that will not be reclassified to profit or (loss)	(15.44)	(14.52)	9.36	(29.96)	3.70	(32.61)
	(ii) Income tax relating to items that will not be reclassified to profit or (loss)	3.31	4.23	(2.73)	7.54	(1.08)	9.50
B	(i) Items that will be reclassified to profit or (loss)	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or (loss)	-	-	-	-	-	-
XII	<b>Other comprehensive income, net of income tax (A+B)</b>	<b>(12.13)</b>	<b>(10.29)</b>	<b>6.63</b>	<b>(22.42)</b>	<b>2.62</b>	<b>(23.11)</b>
XIII	<b>Total comprehensive income for the period (XI + XII)</b>	<b>1,295.55</b>	<b>1,480.81</b>	<b>2,842.92</b>	<b>2,776.36</b>	<b>5,115.37</b>	<b>9,574.19</b>
XIV	<b>Paid up equity share capital</b> (Face value : Rs. 10 per share)	<b>965.12</b>	<b>965.12</b>	<b>990.33</b>	<b>965.12</b>	<b>990.33</b>	<b>965.12</b>
XV	<b>Other equity</b>						<b>53,859.47</b>
XVI	<b>Earnings per equity share (Rs.)</b> (Face value of Rs. 10 per share):						
	Basic	13.60	15.50	28.76	29.10	51.84	98.36
	Diluted	13.60	15.50	28.74	29.10	51.80	98.32

See accompanying notes to the standalone unaudited financial results

**Notes:**

I Standalone Statement of Assets and Liabilities are given below:

S.No.	Particulars	As at 30/09/2019	As at 31/03/2019
		Unaudited	Audited
<b>A. ASSETS</b>			
1	<b>Non-current assets</b>		
(a)	Property, plant and equipment	3,143.36	1,065.00
(b)	Intangible assets	5.87	3.48
(c)	Intangible assets under development	157.31	126.73
(d)	<b>Financial assets</b>		
(i)	Investments	2,733.19	13,094.32
(ii)	Loans	375.01	370.21
(iii)	Others financial assets	6,928.68	2,490.57
(e)	Deferred tax assets (net)	278.45	399.74
(f)	Non current tax asset (net)	1,064.81	722.45
(g)	Other non-current assets	1.64	302.23
	<b>Total non-current assets</b>	<b>14,688.32</b>	<b>18,574.73</b>
2	<b>Current assets</b>		
(a)	<b>Financial assets</b>		
(i)	Investments	10,070.27	7,747.76
(ii)	Trade receivables	5,545.44	1,942.56
(iii)	Cash and cash equivalents	3,331.94	1,266.18
(iv)	Bank balances other than (iii) above	35,431.00	32,628.13
(v)	Loans	18.58	29.43
(vi)	Others financial assets	2,046.17	1,933.79
(b)	Other current assets	393.78	539.85
(c)	Assets held for sale	27.74	27.74
	<b>Total current assets</b>	<b>56,864.92</b>	<b>46,115.44</b>
	<b>Total assets</b>	<b>71,553.24</b>	<b>64,690.17</b>
<b>B. EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>		
(a)	Equity share capital	965.12	965.12
(b)	Other equity	53,417.48	53,859.47
	<b>Total equity</b>	<b>54,382.60</b>	<b>54,824.59</b>
	<b>Liabilities</b>		
2	<b>Non-current liabilities</b>		
(a)	<b>Financial liabilities</b>		
(i)	Other financial liabilities	1,796.27	148.81
(b)	Provisions	162.06	139.29
(c)	Other non-current liabilities	-	0.27
	<b>Total non-current liabilities</b>	<b>1,958.33</b>	<b>288.37</b>
3	<b>Current liabilities</b>		
(a)	<b>Financial liabilities</b>		
(i)	Trade payables		
(A)	Total outstanding dues of micro and small enterprises	-	1.53
(B)	Total outstanding dues of creditors other than micro and small enterprises	831.74	475.63
(ii)	Other financial liabilities	3,878.55	1,442.36
(b)	Provisions	1,379.57	2,055.17
(c)	Current tax liabilities (net)	201.14	139.96
(d)	Other current liabilities	8,921.31	5,462.56
	<b>Total current liabilities</b>	<b>15,212.31</b>	<b>9,577.21</b>
	<b>Total liabilities</b>	<b>17,170.64</b>	<b>9,865.58</b>
	<b>Total equity and liabilities</b>	<b>71,553.24</b>	<b>64,690.17</b>



(Rupees in lakh, except share data, per share data and where otherwise stated)

**2 Unaudited Standalone Cash Flow Statement for the six months ended September 30, 2019**

Particulars	Six months ended	Six months ended
	Unaudited	Unaudited
<b>A. Cash flow from operating activities</b>		
Profit before tax	4,160.86	6,820.34
<b>Adjustments for</b>		
Depreciation and amortisation expense	265.30	106.84
Bad debts/ advances written off (net of provisions)	117.79	(111.03)
Interest expense	75.98	1.69
Long term individual payout funded through ICRA Employees Welfare Trust	256.15	144.19
Interest income on fixed deposits	(1,430.23)	(994.11)
Interest income on investments	(322.31)	(192.10)
Dividend from subsidiary companies	(21.47)	(537.09)
Gain on financial assets carried at fair value through profit or loss (net)	(251.57)	(609.42)
Profit on sale of assets, (net)	(0.46)	(71.92)
Advances received from customers written back	(93.18)	(103.41)
Adjustment on adoption of Ind AS 115	-	(146.94)
<b>Operating cash flow before working capital changes</b>	<b>2,756.86</b>	<b>4,307.04</b>
<b>Adjustments for</b>		
(Increase)/ decrease in trade receivables	(3,719.51)	(2,263.61)
(Increase)/ decrease in loans	6.05	(153.72)
(Increase)/ decrease in other financial assets	(303.38)	(346.22)
(Increase)/ decrease in other assets	107.68	(324.63)
Increase/ (decrease) in trade payables	354.58	(60.13)
Increase/ (decrease) in other financial liabilities	(643.23)	272.63
Increase/ (decrease) in other liabilities	2,956.51	2,591.80
Increase/ (decrease) in provisions	(682.79)	(676.78)
<b>Cash generated from operations before tax</b>	<b>832.77</b>	<b>3,346.29</b>
Taxes paid, net of refund	(1,513.36)	(1,728.90)
<b>Net cash generated from operating activities (A)</b>	<b>(680.59)</b>	<b>1,617.39</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment, intangible assets and intangible assets under development including capital advances	(108.77)	(124.29)
Sale proceeds from property, plant and equipment and intangible assets	8.43	445.38
Sale proceeds from redemption/ disposal of mutual funds	8,290.19	4,100.47
Investment (made in)/ redemption in corporate deposits (net)	-	1,000.00
Interest received on investments	32.23	88.84
(Increase)/ decrease in fixed deposits (having maturity of more than three months) (net)	(7,205.56)	(5,944.84)
Interest received on fixed deposits	1895.13	1073.12
Dividend received from subsidiary companies	-	546.65
<b>Net cash generated/ (used) in investing activities (B)</b>	<b>2,911.65</b>	<b>1,185.33</b>
<b>C. Cash flow from financing activities</b>		
Payment of lease liabilities	(165.71)	-
Dividend paid	-	(2,970.99)
Dividend distribution tax paid	-	(500.29)
Increase/(decrease) in unclaimed dividend	0.41	(0.02)
<b>Net cash generated (used) in financing activities (C)</b>	<b>(165.30)</b>	<b>(3,471.30)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>2,065.76</b>	<b>(668.58)</b>
Add: Cash and cash equivalents at the beginning of period	1,266.18	1,633.86
<b>Cash and cash equivalents at the end of the period</b>	<b>3,331.94</b>	<b>965.28</b>

- 3 The Company's business activity falls within a single primary business segment viz. "Rating, research and other services". The operating segment has been defined based on regular review by the Company's Chief Operating Decision Maker to assess the performance of the Company and to make decision about allocation of resources.
- 4 The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information. As on April 1, 2019, the Company has recognised a right of use asset at an amount equivalent to the lease liability and consequently there has been no adjustment to the opening balance of retained earnings as on April 1, 2019.
- In the standalone financial results for the current period, the nature of expenses in respect of operating leases has changed from rent in previous periods to depreciation cost for the right-to-use asset and finance costs for interest accrued on lease liability.
- 5 The Company has declared a final dividend of Rs. 30 per equity share for the financial year ended March 31, 2019, in its Annual General Meeting held on September 28, 2019 and paid on October 7, 2019.
- 6 The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognized provision for income tax for the six months ended September 30, 2019 and re-measured its deferred tax assets basis the rate prescribed in the said section. The full impact of this change has been recognized in the standalone financial results for quarter ended September 30, 2019.
- 7 The Scheme of Amalgamation (Scheme) of ICRA Management Consulting Services Limited with ICRA Online Limited (both wholly owned subsidiaries of the Company) approved by the Board of Directors of the Company on August 9, 2018, was filed with the National Company Law Tribunal (NCLT), New Delhi and Kolkata. NCLT, New Delhi sanctioned the said Scheme and the order was filed with the Registrar of Company ("ROC"), Delhi on June 19, 2019. NCLT, Kolkata has sanctioned the said Scheme on October 15, 2019. The certified copy of the order is yet to be received and shall be filed with the ROC, Kolkata in due course.
- 8 The Company is in the process of addressing certain ongoing matters. Firstly, the Company is undergoing an adjudication proceeding ("Adjudication Proceeding") with Securities and Exchange Board of India ("SEBI") in relation to the credit ratings assigned to one of the Company's customers and the customer's subsidiaries. The Company is also cooperating with government agencies and responding to their queries in relation to this matter. Secondly, the Board of Directors of the Company has appointed external experts to examine and report on anonymous representations against certain of its existing/former officials, which were forwarded to the Company by SEBI ("Representations"). There have been certain allegations during the course of the internal examination of the Representations, which may be retaliatory in nature, for which the Board has appointed an external expert to examine. Thirdly, the Company has received a letter from SEBI seeking comments on observations made in the interim report dated July 15, 2019 prepared by Grant Thornton India LLP, which was commissioned by the IL&FS group. The Company has submitted its responses to SEBI on such observations.
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- As on date, the Company is unable to estimate the impact, if any, that may result from a potential unfavorable conclusion of these matters or any related inquiry.
- 9 Previous period figures have been re-grouped/ re-classified wherever necessary, to conform to current period's classification.
- 10 These standalone financial results have been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standards) Rules 2015. These standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on October 24, 2019. The Statutory Auditors of the Company have carried out limited review of the standalone financial results for the quarter and six months ended September 30, 2019 and a qualified report (in respect of matter described in Note-8 above) has been issued. The review report of the Statutory Auditor is being filed with the BSE and National Stock Exchange. For more details on standalone financial results, visit Investors relations section of our website at www.icra.in and standalone financial results under Corporates section of www.bseindia.com and www.nscindia.com.

By Order of the Board of Directors



Atul Duggal  
Chairman  
(DIN: 00024262)

Place : Gurugram  
Date : October 24, 2019

