



ICRA

ICRA Limited

February 4, 2021

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 February 4, 2021; commenced at 7:18 pm and concluded at 8:40 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 third quarter and nine months ended December 31, 2020, reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on February 4, 2021.

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,

(N. Sivaraman)
Managing Director & Group CEO
DIN: 00001747

Encl.: As above

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai - 400 063

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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 31 December 2020 and year to date results for the period from 1 April 2020 to 31 December 2020 (“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 3(b) of the Statement, that the Board of Directors (“Board”) of the Company had previously appointed external experts to examine and report on anonymous representations making certain allegations against two former officials, which were forwarded to the Company by SEBI (“Representations”).

The findings of the external experts indicated that the conduct of the aforesaid officials was not in conformity with certain applicable regulations and Company policies relating to credit rating activities. The aforesaid officials are no longer in the employment of the Company. The key findings alongwith remediation measures have been submitted to SEBI on July 29, 2020.

The Company has also been co-operating with government agencies in relation to queries against one of the Company’s customer and the customer’s subsidiaries.

We are unable to comment on the impact, if any, that may result from the above matter, on the standalone financial results for the quarter ended 31 December 2020 and year to date results for the period from 1 April 2020 to 31 December 2020.

The impact of this uncertainty was also one of the subject matters of qualification in our audit opinion on the standalone financial results for the year ended 31 March 2020 and review report on unaudited standalone financial results for the quarter ended 30 September 2020 and quarter ended 31 December 2019.

B S R & Co. LLP

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

SADASHIV
SHANKAR SHETTY

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Date: 2021.02.04 20:22:23
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Place : Mumbai
Date : 4 February 2021

Sadashiv Shetty
Partner
Membership No.: 048648
UDIN: 21048648AAAAAE1504



STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020							
(Rupees in lakh, except share data, per share data and where otherwise stated)							
S. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Year ended
		31/12/2020	30/09/2020	31/12/2019	31/12/2020	31/12/2019	31/03/2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income						
I	Revenue from operations	4,694.36	4,336.16	5,270.01	13,280.31	15,501.88	20,778.26
II	Other income	977.31	898.12	994.39	2,836.14	3,057.38	4,057.40
III	Total income (I+II)	5,671.67	5,234.28	6,264.40	16,116.45	18,559.26	24,835.66
	Expenses						
IV	Employee benefit expenses	2,845.30	2,826.92	2,894.45	8,356.60	8,556.60	10,510.73
V	Finance costs	43.43	43.95	45.64	130.95	121.62	166.22
VI	Depreciation and amortisation expense	134.48	133.60	138.92	388.08	404.22	537.64
VII	Other expenses	606.19	675.48	1,001.23	2,279.78	3,131.80	4,415.87
VIII	Total expenses (IV to VII)	3,629.40	3,679.95	4,080.24	11,155.41	12,214.24	15,630.46
IX	Profit before tax (III-VIII)	2,042.27	1,554.33	2,184.16	4,961.04	6,345.02	9,205.20
	Tax expense:						
	Current tax	508.55	406.65	774.78	1,249.19	2,008.03	2,706.57
	Deferred tax	(8.00)	18.58	(181.34)	42.76	(52.51)	0.65
X	Total tax expense	500.55	425.23	593.44	1,291.95	1,955.52	2,707.22
XI	Profit after tax (IX-X)	1,541.72	1,129.10	1,590.72	3,669.09	4,389.50	6,497.98
	Other comprehensive income						
A	(i) Items that will not be reclassified to profit or (loss)	(29.16)	(4.58)	(22.06)	23.85	(52.02)	(71.95)
	(ii) Income tax relating to items that will not be reclassified to profit or (loss)	7.34	1.15	5.55	(6.00)	13.09	18.11
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	Other comprehensive income, net of income tax (A+B)	(21.82)	(3.43)	(16.51)	17.85	(38.93)	(53.84)
XIII	Total comprehensive income for the period (XI + XII)	1,519.90	1,125.67	1,574.21	3,686.94	4,350.57	6,444.14
XIV	Paid up equity share capital (Face value : Rs. 10 per share)	965.12	965.12	965.12	965.12	965.12	965.12
XV	Other equity						57,287.92
XVI	Earnings per equity share (Rs.) (Face value of Rs. 10 per share):						
	Basic	16.02	11.74	16.53	38.14	45.63	67.55
	Diluted	16.02	11.74	16.53	38.14	45.63	67.55

See accompanying notes to the standalone unaudited financial results

Notes:

- 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.
- The Company had declared a final dividend of Rs. 27 per equity share for the financial year ended March 31, 2020, in its Annual General Meeting held on September 23, 2020 and paid on October 7, 2020.
- As disclosed earlier, the Company has been in the process of addressing certain ongoing matters.
 - During the quarter ended September 30, 2020, Securities and Exchange Board of India (SEBI) had enhanced the penalty amount from Rs. 25 lakhs to Rs. 1 crore in respect of an adjudication proceeding initiated by it in relation to the credit ratings assigned to one of the Company's customer and the customer's subsidiaries. During the current quarter ended December 31, 2020, the Company has deposited the enhanced penalty amount under protest and filed an appeal with Securities Appellate Tribunal contesting the said order. The said appeal is under review.
 - The Board of Directors ("Board") had previously appointed external experts to examine and report on anonymous representations making certain allegations against two former officials which were forwarded to the Company by SEBI ("Representations"). The findings of the external experts indicated that the conduct of the aforesaid officials was not in conformity with certain applicable regulations and Company policies relating to credit rating activities. The aforesaid officials are no longer in the employment of the Company. The key findings along with remediation measures have been submitted to SEBI on July 29, 2020. The Board has taken appropriate measures in the best interest of the Company and its various stakeholders. The Company has also been co-operating with government agencies in relation to queries against one of the Company's customers and the customer's subsidiaries. Based on the legal opinions given by external counsels, the Company does not foresee an action that could adversely affect the functioning of the Company.
 - The Company had received another anonymous representation during the year ended March 31, 2020. Post December 2020 quarter, the Company has concluded the examination thereof and finalized the necessary action plan. The findings do not indicate any adverse financial impact.
- Management's response to comments of the statutory auditors in the Limited Review Report**
With regards to comments of the statutory auditors in paragraph 4 of the limited review report, pertaining to ongoing matters, it is submitted that – in respect of the Representation, the key findings of the examination along with the details of remediation measures have been submitted to SEBI on July 29, 2020.
- Significant relaxation in lockdown in most parts of the country resulted in a surge in consumption led by deferred demand as well as the festive season in Q3 FY 2021. Even as the economic activity picked up, growth in bank credit to industry as well as bond issuances remained tepid as most large entities drew upon their liquidity buffers built up in Q1 FY 2021. Lockdown phase had also prompted large manufacturing companies to reduce their working capital requirements through reduction in inventory levels leading to reduced fund raising. Finance companies saw a pick up in disbursement levels, however the in assets under management was tempered by high re-payments/pre-payments. Securitisation volumes were lower than expected as investors avoided accounts that had opted for moratorium.
In terms of operations, the Company continues to serve its clients and market participants without any disruption in the service levels. To mitigate any risk to employees, the Company has extended remote working for all employees across all locations and demonstrated its ability to provide seamless delivery of high-quality and timely services to its clients. The Company is now planning to resume operations from office in staggered manner with requisite precautions.
In view of the pandemic relating to COVID-19, the Company has considered internal and external information and has performed an analysis based on current estimates on the Company's capital and financial resources, profitability, liquidity position, assets, internal financial reporting and control, and demand for the Company's services. The Company is of the view that based on its present assessment, this situation does not materially impact the Company's capital and financial resources. However, the actual impact of COVID-19 may differ from that estimated due to unforeseen circumstances and the Company will continue to closely monitor any material changes to future economic conditions and consequential impact on its financial results.
- 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 February 4, 2021. The Statutory Auditors of the Company have carried out limited review of the standalone financial results for the quarter and nine months ended December 31, 2020 and a qualified report [in respect of matter described in Note 3 (b) 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 financial results under Corporates section of www.bseindia.com and www.nseindia.com.

By Order of the Board of Directors

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 NARAYANASWAMI
 Date: 2021.02.04 12:37:48 +0530

N. SHYAMRISHI
 Managing Director & Group CEO
 (DIN: 00001747)

Place : Thanjavur, Tamil Nadu
 Date : February 4, 2021

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai - 400 063

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Fax: +91 22 6257 1010

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 31 December 2020 and year to date results for the period from 1 April 2020 to 31 December 2020 ("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 3(b) of the Statement, that the Board of Directors ("Board") of the Company had previously appointed external experts to examine and report on anonymous representations making certain allegations against two former officials, which were forwarded to the Company by SEBI ("Representations").

The findings of the external experts indicated that the conduct of the aforesaid officials was not in conformity with certain applicable regulations and Company policies relating to credit rating activities. The aforesaid officials are no longer in the employment of the Company. The key findings alongwith remediation measures have been submitted to SEBI on July 29, 2020.

The Company has also been co-operating with government agencies in relation to queries against one of the Company's customer and the customer's subsidiaries.

We are unable to comment on the impact, if any, that may result from the above matter, on the consolidated financial results for the quarter ended 31 December 2020 and year to date results for the period from 1 April 2020 to 31 December 2020.

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP
(a Limited Liability Partnership with LLP Registration No. AAB-6181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco
Center, Western Express Highway, Goregaon (East), Mumbai - 400063

The impact of this uncertainty was also one of the subject matters of qualification in our audit opinion on the consolidated financial results for the year ended 31 March 2020 and review report on unaudited consolidated financial results for the quarter ended 30 September 2020 and quarter ended 31 December 2019.

5. The Statement includes the results of the following entities:

Parent:

ICRA Limited

Subsidiaries:

- (a) ICRA Analytics Limited (*formerly known as ICRA Online Limited*)
 - (b) Pragati Development Consulting Services Limited
 - (c) ICRA Nepal Limited
 - (d) ICRA Lanka Limited
 - (e) PT ICRA Indonesia
 - (f) 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 results of 4 subsidiaries which have not been reviewed, whose interim financial information reflect total revenue (before consolidation adjustments) of Rs. 185.06 lakhs and Rs. 468.24 lakhs, total net profit after tax (before consolidation adjustments) of Rs. 67.78 lakhs and Rs. 153.78 lakhs, and total comprehensive income of Rs. 66.36 lakhs and Rs. 152.49 lakhs for the quarter ended 31 December 2020 and for the period from 1 April 2020 to 31 December 2020, respectively, as considered in the Statement. According to the information and explanations given to us by the management, these interim financial results 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

SADASHIV SHANKAR SHETTY
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Sadashiv Shetty

Partner

Membership No.: 048648

UDIN: 21048648AAAAAF4004

Place : Mumbai

Date : 4 February 2021



STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020						
(Rupees in lakh, except share data, per share data and where otherwise stated)						
S. No	Particulars	Quarter ended	Quarter ended	Quarter ended	Nine months ended	Nine months ended
		31/12/2020	30/09/2020	31/12/2019	31/12/2020	31/12/2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
						Audited
	Income					
I	Revenue from operations	7,734.75	7,199.98	7,935.61	21,896.62	23,402.34
II	Other income	1,139.55	1,051.80	1,167.48	3,309.22	3,547.07
III	Total income (I+II)	8,874.30	8,251.78	9,103.09	25,205.84	26,949.41
	Expenses					
IV	Employee benefit expenses	4,397.07	4,373.66	4,323.11	12,901.31	12,784.38
V	Finance costs	50.36	51.59	55.82	154.00	150.71
VI	Depreciation and amortisation expense	257.02	249.91	264.15	734.93	761.60
VII	Other expenses	912.80	1,014.24	1,369.03	3,266.81	4,295.32
VIII	Total expenses (IV to VII)	5,617.25	5,689.40	6,012.11	17,057.05	17,992.01
IX	Profit before tax (III-VIII)	3,257.05	2,562.38	3,090.98	8,148.79	8,957.40
	Tax expense:					
	Current tax	814.38	570.11	978.26	1,984.29	2,679.94
	Deferred tax	(2.30)	124.47	(139.76)	146.84	39.34
X	Total tax expense	812.08	694.58	838.50	2,131.13	2,719.28
XI	Profit after tax (IX-X)	2,444.97	1,867.80	2,252.48	6,017.66	6,238.12
	Other comprehensive income					
A	(i) Items that will not be reclassified to profit or (loss)	(38.61)	(10.75)	(13.91)	(7.61)	(47.42)
	(ii) Income tax relating to items that will not be reclassified to profit or (loss)	9.72	2.70	2.71	1.92	11.93
B	(i) Items that will be reclassified to profit or (loss)	(1.42)	(1.44)	1.17	(1.29)	(0.27)
	(ii) Income tax relating to items that will be reclassified to profit or (loss)	-	-	-	-	-
XII	Other comprehensive income, net of income tax (A+B)	(30.31)	(9.49)	(10.03)	(6.98)	(35.76)
XIII	Total comprehensive income for the period (XI+XII)	2,414.66	1,858.31	2,242.45	6,010.68	6,202.36
XIV	Net Profit attributable to:					
	(a) Owners of the company	2,418.97	1,845.06	2,219.62	5,945.56	6,159.04
	(b) Non-controlling interest	26.00	22.74	32.86	72.10	79.08
XV	Other comprehensive income attributable to:					
	(a) Owners of the company	(30.31)	(9.49)	(10.03)	(6.98)	(35.76)
	(b) Non-controlling interest	-	-	-	-	-
XVI	Total comprehensive income attributable to:					
	(a) Owners of the company	2,388.66	1,835.57	2,209.59	5,938.58	6,123.28
	(b) Non-controlling interest	26.00	22.74	32.86	72.10	79.08
XVII	Paid up equity share capital (Face value : Rs. 10 per share)	965.12	965.12	965.12	965.12	965.12
XVIII	Other equity					69,196.35
XIX	Earnings per equity share (Rs.) (Face value of Rs. 10 per share)					
	Basic	25.15	19.18	23.08	61.81	64.03
	Diluted	25.15	19.18	23.08	61.81	64.03

See accompanying notes to the consolidated unaudited financial results

Notes:

1 Segment wise revenue, results, assets and liabilities are given below:

S. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Nine months ended	Nine months ended
		31/12/2020	30/09/2020	31/12/2019	31/12/2020	31/12/2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
						Audited
(i)	Segment revenue:					
	(a) Rating, research and other services	4,879.42	4,487.97	5,443.62	13,748.55	15,985.52
	(b) Consulting services	456.06	440.26	420.02	1,305.80	1,419.75
	(c) Outsourced and information services	2,436.51	2,291.08	2,136.91	6,936.04	6,272.19
	Total segment revenue	7,771.99	7,219.31	8,000.55	21,990.39	23,677.46
	Less: Inter-segment revenue	(37.24)	(19.33)	(64.94)	(93.77)	(275.12)
	Total revenue	7,734.75	7,199.98	7,935.61	21,896.62	23,402.34
(ii)	Segment results:					
	(Profit before tax and other income from each segment)					
	(a) Rating, research and other services	1,165.64	737.95	1,294.48	2,378.41	3,560.89
	(b) Consulting services	3.74	(48.47)	(108.84)	(115.58)	(241.43)
	(c) Outsourced and information services	998.12	871.47	804.61	2,714.21	2,331.92
	Total segment results	2,167.50	1,560.95	1,990.25	4,977.04	5,651.38
	Less: Finance costs	(50.36)	(51.59)	(55.82)	(154.00)	(150.71)
	Add: Unallocable income net of unallocable expenses	1,139.91	1,053.02	1,156.55	3,325.75	3,456.73
	Profit before tax	3,257.05	2,562.38	3,090.98	8,148.79	8,957.40
(iii)	Segment assets:					
	(a) Rating, research and other services	6,150.09	8,800.58	8,328.15	6,150.09	8,328.15
	(b) Consulting services	1,378.71	1,886.24	1,277.04	1,378.71	1,277.04
	(c) Outsourced and information services	6,189.11	5,075.59	3,750.81	6,189.11	3,750.81
	(d) Unallocable	75,226.55	74,210.49	69,825.48	75,226.55	69,825.48
	Total segment assets	88,944.46	89,972.90	83,181.48	88,944.46	83,181.48
(iv)	Segment liabilities:					
	(a) Rating, research and other services	12,961.16	13,901.11	13,476.73	12,961.16	13,476.73
	(b) Consulting services	811.50	903.64	1,097.45	811.50	1,097.45
	(c) Outsourced and information services	1,194.16	1,073.80	1,437.68	1,194.16	1,437.68
	(d) Unallocable	103.45	2,675.48	184.59	103.45	184.59
	Total segment liabilities	15,070.27	18,554.03	16,196.45	15,070.27	16,196.45



ICRA

ICRA Limited

Corporate Identity Number (CIN): L74999DL1991PLC042749
Registered Office: 1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi- 110 001
Telephone No.: +91-11-23357940-45
Website: www.icra.in, Email ID: investors@icraindia.com
(Rupees in lakh, except share data, per share data and where otherwise stated)

- 2 The Company had declared a final dividend of Rs. 27 per equity share for the financial year ended March 31, 2020, in its Annual General Meeting held on September 23, 2020 and paid on October 7, 2020.
- 3 As disclosed earlier, the Company has been in the process of addressing certain ongoing matters.
- (a) During the quarter ended September 30, 2020, Securities and Exchange Board of India (SEBI) had enhanced the penalty amount from Rs. 25 lakhs to Rs. 1 crore in respect of an adjudication proceeding initiated by it in relation to the credit ratings assigned to one of the Company's customer and the customer's subsidiaries. During the current quarter ended December 31, 2020, the Company has deposited the enhanced penalty amount under protest and filed an appeal with Securities Appellate Tribunal contesting the said order. The said appeal is under review.
- (b) The Board of Directors ("Board") had previously appointed external experts to examine and report on anonymous representations making certain allegations against two former officials which were forwarded to the Company by SEBI ("Representations"). The findings of the external experts indicated that the conduct of the aforesaid officials was not in conformity with certain applicable regulations and Company policies relating to credit rating activities. The aforesaid officials are no longer in the employment of the Company. The key findings along with remediation measures have been submitted to SEBI on July 29, 2020. The Board has taken appropriate measures in the best interest of the Company and its various stakeholders. The Company has also been co-operating with government agencies in relation to queries against one of the Company's customers and the customer's subsidiaries. Based on the legal opinions given by external counsels, the Company does not foresee an action that could adversely affect the functioning of the Company.
- (c) The Company had received another anonymous representation during the year ended March 31, 2020. Post December 2020 quarter, the Company has concluded the examination thereof and finalized the necessary action plan. The findings do not indicate any adverse financial impact.
- 4 **Management's response to comments of the statutory auditors in the Limited Review Report**
With regards to comments of the statutory auditors in paragraph 4 of the limited review report, pertaining to ongoing matters, it is submitted that – in respect of the Representation, the key findings of the examination along with the details of remediation measures have been submitted to SEBI on July 29, 2020.
- 5 Significant relaxation in lockdown in most parts of the country resulted in a surge in consumption led by deferred demand as well as the festive season in Q3 FY 2021. Even as the economic activity picked up, growth in bank credit to industry as well as bond issuances remained tepid as most large entities drew upon their liquidity buffers built up in Q1 FY 2021. Lockdown phase had also prompted large manufacturing companies to reduce their working capital requirements through reduction in inventory levels leading to reduced fund raising. Finance companies saw a pick up in disbursement levels, however the in assets under management was tempered by high re-payments/pre-payments. Securitisation volumes were lower than expected as investors avoided accounts that had opted for moratorium.
- In terms of operations, the Group continues to serve its clients and market participants without any disruption in the service levels. To mitigate any risk to employees, the Group has extended remote working for all employees across all locations and demonstrated its ability to provide seamless delivery of high-quality and timely services to its clients. The Group is now planning to resume operations from office in staggered manner with requisite precautions.
- In view of the pandemic relating to COVID-19, the Group has considered internal and external information and has performed an analysis based on current estimates on the entities capital and financial resources, profitability, liquidity position, assets, internal financial reporting and control, and demand for the entity's services. The Group is of the view that based on its present assessment this situation does not materially impact the entity's capital and financial resources. However, the actual impact of COVID-19 may differ from that estimated due to unforeseen circumstances and the entity's will continue to closely monitor any material changes to future economic conditions and consequential impact on its consolidated financial results.
- 6 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 February 4, 2021. The Statutory Auditors of the Company have carried out limited review of the consolidated financial results for the quarter and nine months ended December 31, 2020 and a qualified report [in respect of matter described in Note 3 (b) 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 financial results, visit Investors relations section of our website at www.icra.in and Financial Results under Corporates section of www.bscindia.com and www.ncindia.com.

By Order of the Board of Directors
Digitally signed by SIVARAMAN
NARAYANASWAMI
Date: 2021.02.04 19:38:29 +05'30'
N. Sivaraman
Managing Director & Group CEO
(DIN: 00001747)

Place : Thanjavur, Tamil Nadu
Date : February 4, 2021