

March 28, 2022

National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai 400 051

Listing Department
BSE Limited
P J Towers
Dalal Street
Mumbai 400 001

Dear Sirs,

Sub.: Annual Report including the Notice of 35th Annual General Meeting

Kindly be informed that the 35th Annual General Meeting of the Company (“AGM”) will be held on Friday, April 22, 2022 at 3.30 p.m through Video Conferencing (VC) and other audio visual means (OAVM) in accordance, with the relevant circulars issued by Ministry of Corporate Affairs.

Please find enclosed herewith Annual Report of the Company for the financial year ended December 31, 2021 including the Notice of the 35th AGM.

The Notice of the 35th AGM and the Annual Report are also being uploaded on the website of the Company at www.crisil.com.

Kindly acknowledge receipt and inform your members accordingly. In case of queries, you may send an email to investors@crisil.com or call on +91-22-33423595.

Yours faithfully,
For CRISIL Limited



Minal Bhosale
Company Secretary
ACS 12999

Encl.: a/a

CRISIL Limited

Corporate Identity Number: L67120MH1987PLC042363

CRISIL

An S&P Global Company

A FUTURE ENVISIONED

Creating Possibilities



Ta(l)king cover

The riverine metaphor

The meaning of the river flowing is not that all things are changing, so that we cannot encounter them twice, but that some things stay the same only by changing.

Heraclitus, The Cosmic Fragments

The river symbolises flux and continuity.

The river is the journey itself, and a tenacious one.

The river is us.

CRISIL's people are river fragments. We are propelled by the forces of agility and flexibility, a culture that shapes and allows us to be shaped, at the same time binds us as a whole to serve our clients.

It is this free-flowing ability — to collaborate, innovate, transform and sustain — that our customers have come to rely on. And will continue to do so as they step into further uncharted waters after the pandemic, and need to make sense of lurking risks and unexplored market opportunities.

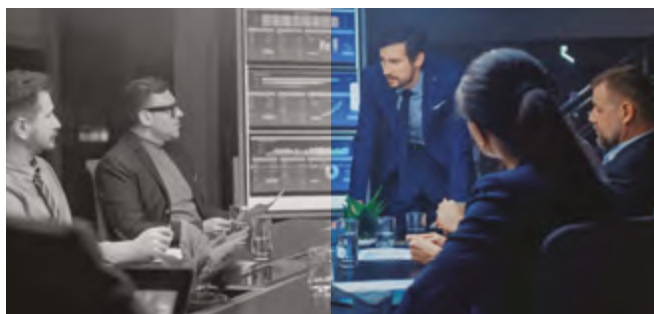
The river is also everything around us.

Like markets, which are in an ever-altering state of play. Our proven domain intelligence, sharp insights, and growing pool of new offerings in a digitally transformed world are bedrocks of stability that will help markets function better, come rain or shine.

You cannot step into the same river twice, said Heraclitus sagely.

The river is, and isn't.

Yet it is always ONE.



01 Corporate Overview

Message from the Chairman	4
About CRISIL	6
Board of Directors	8
Performance Highlights	16
CRISIL Businesses	18
Reports & Publications	20
Franchise Highlights	22
Employee Engagement Initiatives	26

02 Statutory Reports

Directors' Report	32
Management Discussion and Analysis Report	54
Independent Auditors' Certificate on Corporate Governance	64
Report of the Directors on Corporate Governance	65
Secretarial Audit Report	88



03 Sustainability

ESG Report	92
ESG Databook	134
Business Responsibility & Sustainability Report	146

04 Financial Statements

Consolidated Financial Statements	166
Standalone Financial Statements	221
Notice	273

Message from the Chairman

I am particularly pleased to share that CRISIL further strengthened its sustainability credentials. In addition to offerings for global markets, we launched a proprietary framework to score listed Indian companies on environmental, social and governance (ESG) performance. I am confident that our suite of sustainability solutions will enable investors, lenders, and corporates to redefine their approach to sustainable value creation and risk management.

Dear Shareholders,

The pandemic continued for the second year running in 2021, heightening economic uncertainty across the world. Yet, your company delivered strong financial performance across its business segments.

The second half of the year saw activity in the lending markets improve as demand increased, and buoyancy in the capital market continued to drive the need for insightful and robust research and analytics. Digitalisation and transformation agendas at global financial institutions also spawned opportunities.

Our continued focus on client-centricity showed meaningful impact, as underscored by rising net promoter scores from our clients. Furthermore, our domain-led IP offerings helped grow our core areas, while new products and solutions enabled us to enhance presence in client segments. Investments in technology and talent ensured business continuity and analytical excellence.

CRISIL Ratings maintained its market leading

position and remained the preferred choice for investors and issuers, thanks to its analytical rigour. Global Analytical Centre continued to be a strategic partner for S&P Global Ratings on its analytical and transformation agenda.

Across the board, our business is growing as the market responds to the strength of our offerings. India Research witnessed a surge in need for comprehensive data sets, critical insights, and custom analytics. Global Research and Risk Solutions gained momentum on account of increasing demand for risk transformation, sustainability, and buy-side research. Global Benchmarking Analytics expanded its suite of analytics and added new clients globally. The Advisory business won mandates from governments and multilaterals, and the Business Intelligence and Risk Solutions business increased its overseas client footprint.

I am particularly pleased to share that CRISIL further strengthened its sustainability credentials. In addition to offerings for global markets, we launched a proprietary framework



to score listed Indian companies on ESG performance. I am confident that our suite of sustainability solutions will enable investors, lenders, and corporates to redefine their approach to sustainable value creation and risk management.

Throughout the pandemic, I am also incredibly proud to report that your company led with a 'people first' approach, with focus on three areas — enhancing employee safety and welfare measures, encouraging diversity and inclusion, and reinforcing our commitment to social contract.

Our efforts and unwavering commitment to these helped us earn The Great Place to Work™ certification, 100 Best Companies for Women recognition, and IWEI silver medal for LGBTQ+ inclusion, to name a few. CRISIL was also at the forefront of pandemic relief in India, supporting the underserved with vaccination, oxygen cylinders and medical supplies. CRISIL Foundation continued its momentum and launched 419 centers in India under the Reserve

Bank of India's 'MoneyWise Centre for Financial Literacy' initiative.

I would like to thank our employees for the hard work and dedication that enabled CRISIL to deliver strong financial performance and value creation for all stakeholders. This was a year in which we showed up for the market in profoundly meaningful ways, while also looking after the well-being and health of our people and our communities around the world.

I look forward to continued support from you, our shareholders, as we continue to build a sustainable and successful company.

Best wishes,

John L Berisford
Chairman

About CRISIL

Who we are

CRISIL is a leading, agile and innovative global analytics company, driven by its mission of making markets function better.

We are India's foremost provider of ratings, data, research, analytics and solutions. A strong track record of growth, culture of innovation and global footprint set us apart. We have delivered independent opinions, actionable insights and efficient solutions to over 100,000 customers. Our businesses operate from India, the United States (US), the United Kingdom (UK), Argentina, Poland, China, Hong Kong, Singapore, Australia, Switzerland, Japan and the United Arab Emirates (UAE).

We are majority owned by S&P Global Inc, the world's foremost provider of credit ratings, benchmarks and analytics in the global capital and commodity markets, offering ESG solutions, deep data, and insights on critical economic, market and business factors.

Who we serve

Our clients range from micro, small and medium enterprises (MSMEs) to large corporates, investors and top global financial institutions. We work with commercial and investment banks, insurance companies, private equity players and asset management companies globally. We also work with governments and policymakers in the infrastructure space in India and other emerging markets.

How we add value

Our market-leading ratings, benchmarks, analytics and solutions empower lenders, borrowers, issuers, investors, regulators and intermediaries to make decisions with conviction. We help clients manage and mitigate risks, drive sustainability, make pricing and valuation decisions, reduce time to market, generate more revenue and drive sustainable growth. By helping shape public policy on infrastructure in emerging markets, CRISIL helps catalyse economic growth and development in these geographies.



Board of Directors



John L. Berisford

Chairman

Mr John Berisford is the President of S&P Global Ratings. He has ultimate responsibility for all aspects of the business, including commercial, analytical, control, technology and operations.

S&P Global Ratings is regulated in many of the countries in which it operates, and Mr Berisford is a Director of two of its largest legal entities, S&P Global Ratings Europe Limited and Standard & Poor's Financial Services LLC.

Previously, Mr Berisford served as the Executive Vice President of Human Resources for S&P Global Inc (formerly known as The McGraw-Hill Companies). In this role, he was instrumental in creating and executing the Growth and Value plan, resulting in the creation of McGraw Hill Financial and the sale of McGraw Hill Education. He led the initiative to create a focused

business unit operating model while strengthening the human resource function with new capabilities to support growth and performance goals.

Before joining S&P Global in 2011, Mr Berisford spent 22 successful years at PepsiCo, where he spearheaded a number of important global initiatives and transformations. Among other strategic projects, he led the integration after PepsiCo acquired the independent Pepsi Bottling Group into its overall corporate structure.

Mr Berisford holds a bachelor's degree in political science from West Liberty College in West Virginia and a master's degree in labour and industrial relations from West Virginia University.



Vinita Bali

Director (Independent)

Ms Vinita Bali is a global business leader with extensive experience in leading large companies, both in India and overseas. She brings a global and pragmatic perspective to strategy, marketing, innovation and operations, having worked with eminent multinational companies such as The Coca-Cola Company and Cadbury Schweppes PLC in a variety of marketing and chief executive roles in the UK, Nigeria, South Africa, Latin America and the US, in addition to Britannia Industries Ltd in India.

Effective April 2014, she moved from a full-time operational role as MD and CEO of Britannia to pursue her wide-ranging interests in the corporate and development sectors. She is a Non-Executive Director on the global Boards of Cognizant Technology Solutions and SATS Ltd. She has also served on the global Boards of Smith and Nephew Plc, Bunge Limited, Syngenta International AG, and GAIN (Global Alliance for Improved Nutrition), a Swiss foundation based in Geneva.

In India, Ms Bali serves as a Non-Executive Director on the Board of Syngene International Limited, is a member of the Board of Governors of the Indian Institute of Management Bangalore, and chairs the CII National Committee on Nutrition.

Ms Bali holds a graduate degree in economics from the University of Delhi and a master's degree in management studies from the University of Mumbai.



Girish Paranjpe

Director (Independent)

Mr Girish Paranjpe is a co-promoter of Exfinity Venture Partners, a venture fund that invests in tech start-ups. He is a General Partner at Exfinity and a member of the Investment Committee.

Mr Paranjpe served as the Co-CEO of Wipro Limited's Information Technology (IT) business during 2008-11 and was a member of its Board of Directors. Mr Paranjpe had a two-decade-long tenure at Wipro, where he led the IT business and held other senior positions, as President - Financial Services Consulting and Marketing, Head - Financial Services, and CFO - IT business.

More recently, Mr Paranjpe was the MD of Bloom Energy International, a Silicon Valley-based alternative energy company.

Mr Paranjpe is an Operating Partner in Advent International, a Boston-headquartered private equity firm. He is also on Advent's Advisory Board and serves on the Boards of two Advent-invested companies - Dixcy Textiles and ASK Investment Managers. He also serves as an Independent Director on the Board of Axis Bank.

Mr Paranjpe is a fellow member of the Institute of Chartered Accountants of India and the Institute of Cost and Works Accountants of India.



Ewout Steenbergen

Director

Mr Ewout Steenbergen is the Executive Vice President and Chief Financial Officer (CFO) of S&P Global. As CFO, Mr Steenbergen is responsible for all aspects of the finance department, focused on growth and sustainable shareholder value. Moreover, he is responsible for strategy and corporate development and Kensho.

Before being appointed as the CFO of S&P Global in 2016, he was the Executive Vice President and CFO of Voya Financial Inc. Under Mr Steenbergen's leadership, Voya successfully strengthened its balance sheet, de-risked its investment portfolio and executed a robust initial public offering in 2013.

Prior to his role as Voya's CFO, Mr Steenbergen was the CFO and Chief Risk Officer of ING Asia-Pacific and held a number of management roles at ING Group, including Regional General Manager in Hong Kong and Chief Executive Officer of RVS, an ING Group company based in the Netherlands.

He has also held other international roles such as CEO of ING's Retail Business in the Czech and Slovak Republics and CEO of ING Nationale-Nederlanden Slovak Republic.

Mr Steenbergen holds a master's degree in actuarial science from the University of Amsterdam and a master's degree in business administration from the University of Rochester and Nyenrode University.

He also serves on the Board of Directors of UNICEF USA as Co-Chair.



Shyamala Gopinath

Director (Independent)

Ms Shyamala Gopinath has nearly four decades of rich experience in financial sector policy formulation in different capacities at the Reserve Bank of India (RBI). At the RBI, she held key positions, guided and influenced national policies in diverse areas of financial sector regulation and supervision, and was involved in the development and regulation of financial markets, capital account management, management of government borrowings, foreign exchange reserve management, and payment and settlement systems. She has served on several committees during her tenure at the RBI. During 2001-03, she was deputed as the Senior Financial Expert at the International Monetary Fund. Ms Gopinath retired as Deputy Governor of the RBI, a position she held for nearly seven years. She served as the Chairperson of the Advisory Board on Bank, Commercial and Financial Frauds during 2012-14.

Ms Gopinath was also the Chairperson of the Board of Corporate Bonds and Securitisation Advisory Committee of the Securities and Exchange Board of India (SEBI).

Since 2012, Ms Gopinath has held several Board positions in large corporates and public sector undertakings, such as Clearing Corporation of India, Indian Oil Corporation Limited, GAIL and Ernst & Young (Global Governance Council), and has also served as a Non-Executive Chairperson of HDFC Bank Limited. Currently, Ms Gopinath serves as an Independent Director on the Boards of other renowned companies. She is a Chairperson of the Board of Governors of the Indian Institute of Management, Raipur.

Ms Gopinath is a Certified Associate of the Indian Institute of Banking and Finance and holds a master's degree in commerce from the University of Mysore.



Amar Raj Bindra

Director (Independent)

Mr Amar Raj Bindra is a career banker and has 42 years of rich experience in the banking industry across the Organisation for Economic Co-operation and Development (OECD) and emerging markets. He is a credit risk subject expert in the banking industry, with deep knowledge of the Asia region, having managed client and credit risk strategies during five global crises. Mr Bindra retired from ANZ Banking Group International as Head of Credit & Capital Management - International, after managing a portfolio spanning 18 markets — including ESG initiatives for banking energy transition/sustainability-linked loans and bonds, and risk management digitisation. Prior to this, Mr Bindra was Group Head of Institutional Credit - Asia of Citi Group, where he was responsible for a multi-billion dollar portfolio in Asia, Japan and Australia covering multiple geographies, products and industries. He joined Citi Group in 1979 and held several positions at its various divisions over the years.

Mr Bindra has completed an Advanced Management Program from University of Pennsylvania and holds a master's degree in management studies from Jamnalal Bajaj Institute of Management Studies, Mumbai, and a Bachelor of Commerce degree from Sydenham College, Mumbai.



Elizabeth Mann

Director

Ms Elizabeth Mann is the CFO of S&P Global Ratings. In that capacity, she leads the finance and strategy organisation for Ratings and is responsible for financial and strategic planning, financial reporting, resource allocation and business development.

Before joining the S&P Global Ratings business, Ms Mann was the Senior Vice President of Capital Management at S&P Global, which included tax, treasury, capital allocation and risk management.

Prior to joining S&P Global, Ms Mann was a Managing Director at Goldman Sachs, where she spent 12 years primarily in investment banking, covering mergers and acquisitions (M&As) for technology and media companies. She advised on a number of sector-defining M&A and financing transactions and also covered the information services sector, including S&P Global and its peers. She spent a year in Goldman's Firmwide Strategy group, helping develop the strategic direction in the first year of an incoming CEO.

Before joining Goldman Sachs, Ms Mann was a Moore Instructor in Mathematics at MIT, involved in academic research and teaching at the undergraduate and graduate level. She has a PhD from the University of Oxford and a BA from Harvard University magna cum laude, both in Mathematics.



Amish Mehta

Managing Director & Chief Executive Officer

Mr Amish Mehta is the MD and CEO of CRISIL.

Mr Mehta leads CRISIL's Indian and global businesses, steering its efforts to deliver high-quality analytics, opinions and solutions to corporations, investors, financial institutions, policymakers and governments.

Mr Mehta joined CRISIL in October 2014 as President and CFO. In July 2017, he was appointed Chief Operating Officer (COO), responsible for Global Analytical Centre, India Research, SME and Global Innovation and Excellence (GIX) Hub and Corporate Strategy. As COO, Mr Mehta led CRISIL's acquisitions

and change agenda while creating a growth path for the businesses managed.

Prior to joining CRISIL, Mr Mehta was the CFO of Indus Towers. He has over two decades of rich experience across telecommunications, oil and gas, FMCG and business advisory services. During his career, he has held leadership roles in diverse organisations, including BP/Castrol India, EY and ExxonMobil India.

Mr Mehta is a chartered accountant from the Institute of Chartered Accountants of India and holds a bachelor's degree in commerce.

Senior Management Team

Amish Mehta

Managing Director & Chief Executive Officer

Andre Cronje

President and Head of International Business

Anupam Kaura

President and Chief Human Resources Officer

Ashish Vora

President and Business Head,
CRISIL India Research, Infrastructure Advisory & BIRS

Dimitri Londos

President and Business Head,
CRISIL Global Research & Risk Solutions

Gurpreet Chhatwal

Managing Director, CRISIL Ratings Limited

Maya Vengurlekar

COO, CRISIL Foundation, and Senior Director,
Marketing & Communication

Pawan Agrawal

Chief Risk Officer

Priti Arora

Business Head, CRISIL Global Analytical Centre and
Chief Strategy Officer

Sanjay Chakravarti

President and Chief Financial Officer

Steve Busby

President and Business Head, Coalition Greenwich*

Subodh Rai

President and Chief Ratings Officer,
CRISIL Ratings Limited

Vivek Saxena

General Counsel

Zak Murad

Chief Technology and Information Officer

*The integrated business of Coalition and Greenwich is Global Benchmarking Analytics

Board Committees

Audit

Girish Paranjpe, Chairperson
Vinita Bali
Amar Raj Bindra
Elizabeth Mann

Nomination and Remuneration

Vinita Bali, Chairperson
Shyamala Gopinath
John Berisford

Stakeholders' Relationship

Girish Paranjpe, Chairperson
Ewout Steenbergen
Amish Mehta

Corporate Social Responsibility

Vinita Bali, Chairperson
Girish Paranjpe
Amish Mehta

Risk Management

Shyamala Gopinath, Chairperson
Amar Raj Bindra
Amish Mehta

Company Secretary

Minal Bhosale

Main Bankers

ICICI Bank
Citibank NA

Share Transfer Agent

KFin Technologies Private Limited
Selenium Tower B, Plot 31-32,
Gachibowli Financial District,
Nanakramguda, Hyderabad - 500 032
Email: einward.ris@kfintech.com
Toll free no.: 1800 30 94 001

Registered Office

CRISIL House, Central Avenue,
Hiranandani Business Park, Powai,
Mumbai - 400 076

Statutory Auditors

Walker Chandio & Co LLP

Solicitors

Wadia Ghandy & Co

Investors Contact

einward.ris@kfintech.com
investors@crisil.com

CREATING POSSIBILITIES

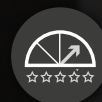
Through customer-centric innovation and solutions



Launched several new products, including loan pricing engine, asset classification and provisioning, new industry reports, Risk Benchmarking (SCAN)



Initiated 7 new risk transformation projects for global banks and financial institutions



Assigned new ratings across stressed assets and structured finance



Enabled clients to meet regulatory mandate for Interbank Offered Rate Transition (IBOR), Fundamental Review of Trading Book (FRTB) and Comprehensive Capital Analysis and Review (CCAR)



Supported ESG evaluations and opinions in S&P Global Ratings



Analytics referenced in **over 300 articles and 100 investor presentations**. Presented to over 100 executive committees of banks



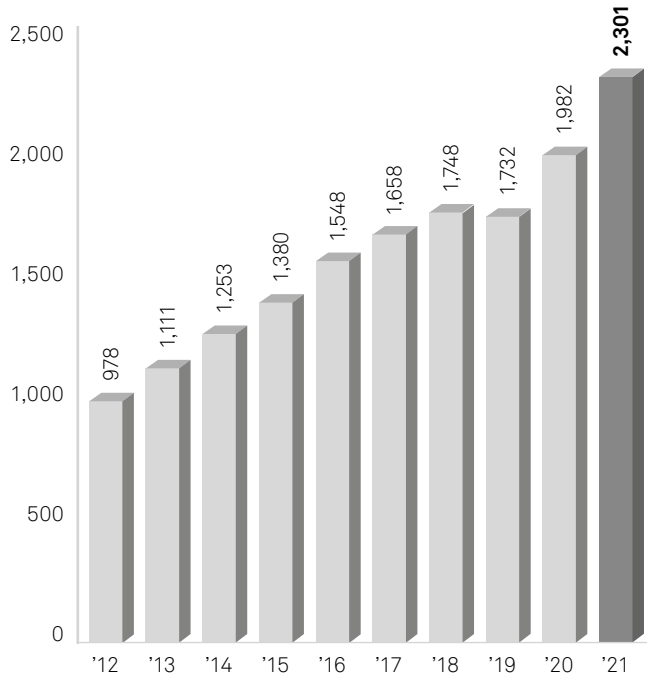
Corporate Overview

Performance Highlights

Income from Operations

CAGR 10%

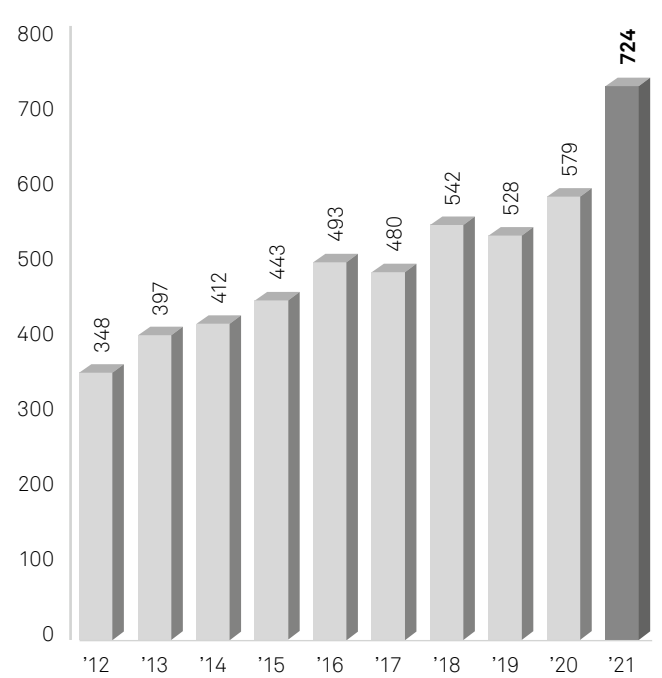
(₹ crore)



Profit Before Depreciation and Tax

CAGR 8%

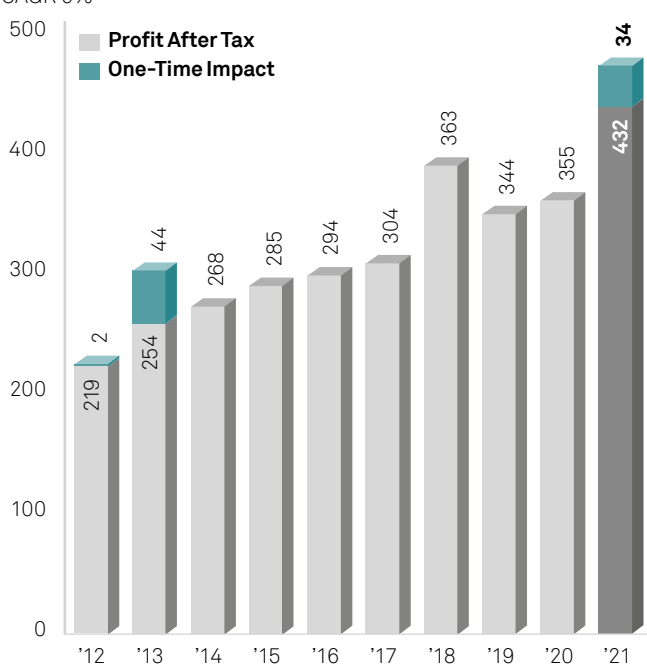
(₹ crore)



Profit After Tax

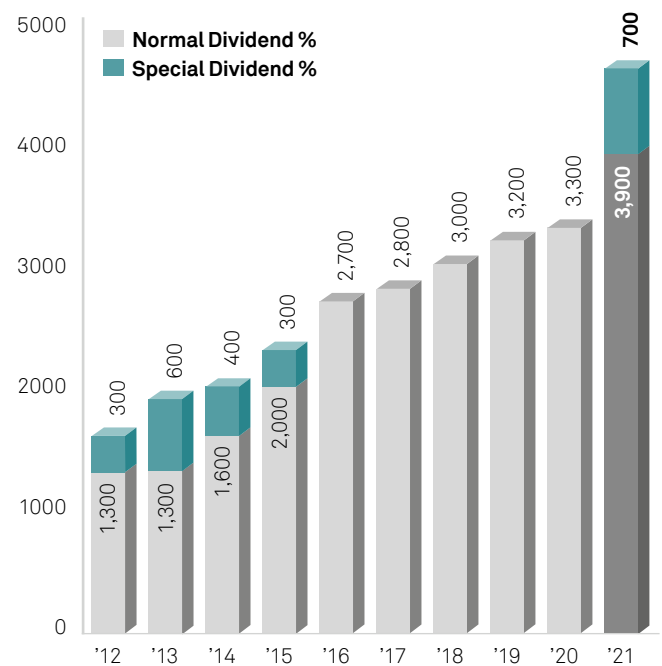
CAGR 9%

(₹ crore)



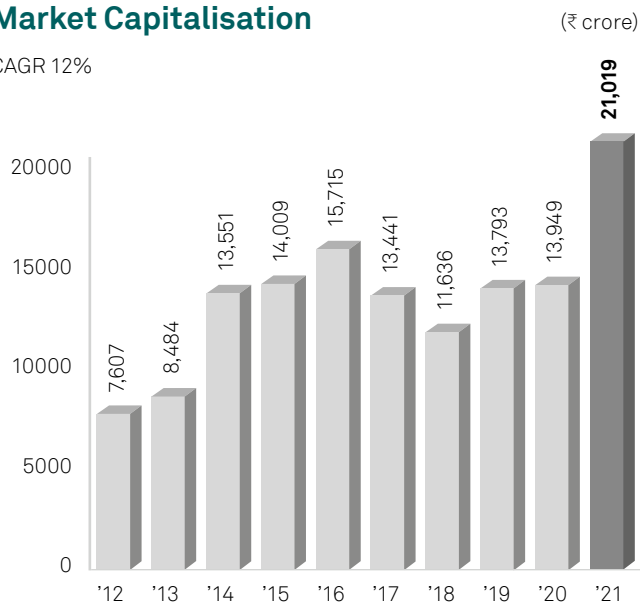
Dividend

(%)

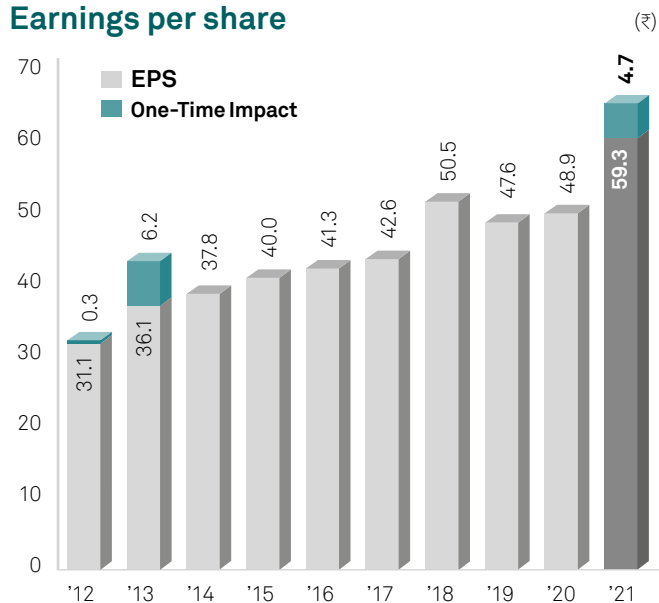


Market Capitalisation

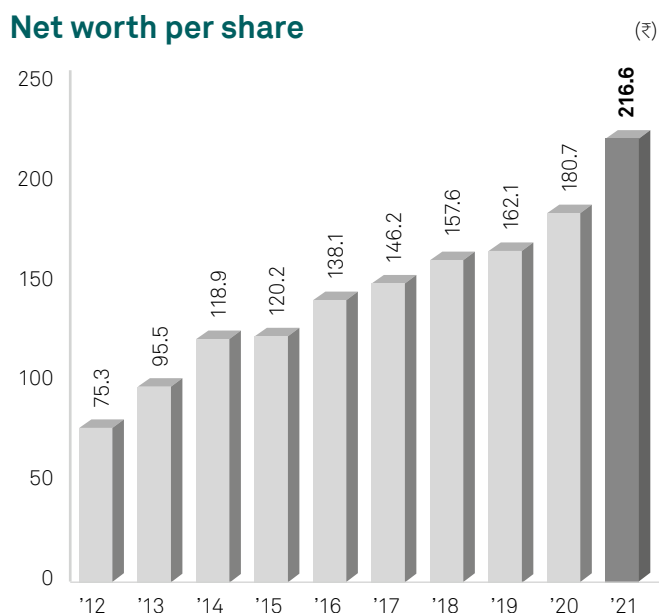
CAGR 12%



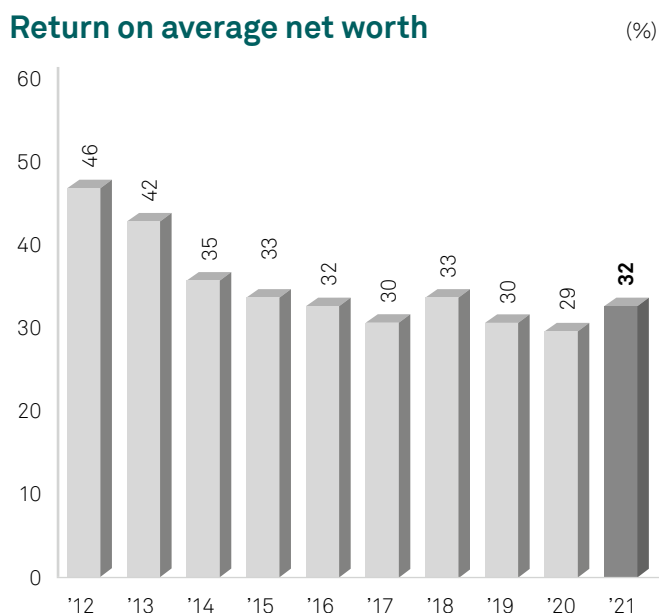
Earnings per share



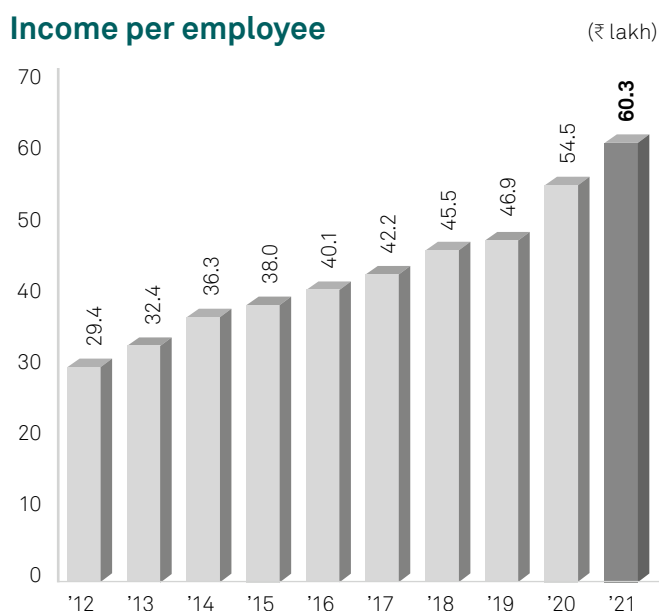
Net worth per share



Return on average net worth



Income per employee



CRISIL Businesses

CRISIL Ratings

Our Ratings business has rated more than 35,000 large and medium-scale corporates and financial institutions.

We have active ratings outstanding for debt/borrowing programmes of ~7,000 large and medium-scale corporates and financial institutions. Our expertise spans the entire range of debt instruments.

We improve funding access for issuers and borrowers and help optimise their cost of funds. We supplement internal evaluation processes and provide credit quality benchmark across investment options for investors and lenders.

Our ratings are used in the computation of capital adequacy in the banking sector. Therefore, we help markets function better and assist

regulators in measuring and managing credit risks at a systemic level.

Through our Global Analytical Centre (GAC), we provide analytical, research and data services to S&P Global Inc (SPGI) globally. GAC partners with S&P Global Ratings on data analytics, research and analysis, modelling assignments, tech-enabled solutions and workflow efficiency improvement.

Pursuant to SEBI notifications, CRISIL Limited (CRISIL) has transferred its Ratings business to its wholly owned subsidiary, CRISIL Ratings Limited (CRISIL Ratings), with effect from December 31, 2020.

CRISIL Research

As India's leading independent research house, we are the country's most credible provider of economy and industry research.

We cover 77 sectors and work with nearly 800 Indian and global companies, including 90% of the domestic banking industry by asset base, 20 of the top 25 domestic companies by market capitalisation, all domestic mutual fund and life insurance companies, and four of the world's leading consulting firms.

We are also the leading provider of valuations for fixed income securities in India, valuing over \$2.25 trillion of debt securities. Mutual funds, insurance companies, alternative investment funds (AIFs), corporates and banks use our valuations. We maintain over 100 standard indices in India and 13 in Sri Lanka, and more than 100 customised indices. We provide ranking and research services on mutual funds, AIFs, retirement funds

and unit-linked insurance policies (ULIPs). We have pioneered benchmarks for the three AIF categories in India. Also, leveraging our deep domain expertise built over the years, we offer tailor-made solutions to clients for their training and skill development needs.

Our access to proprietary and public data across the economy, industries, companies and capital markets gives us an edge in developing analytics, which can be leveraged to provide deep and actionable insights to customers. Quantix, our comprehensive, differentiated and client-centric data platform, offers high-end analytics and tools to empower high-quality and efficient decision-making.

CRISIL Global Research & Risk Solutions

We are the world's largest and top-ranked provider of high-end risk, analytics and bespoke research services to over 150 global and regional financial institutions for 20 years.

We serve leading investment and commercial banks, private equity players, asset management and insurance companies, and hedge funds globally. Our domain expertise and execution excellence backed by augmented intelligence enable customers to achieve their goals, and manage risks, complexity and change with conviction. We have offshore delivery centres in Argentina, China, India and Poland; and onsite delivery centres in London, Melbourne, New York, Sydney and Zurich, which support clients across time zones and languages. We support 15 of the top 20 global investment banks, 19 of the top 35 bank holding companies, 3 of the top 15 asset managers (AMs), 5 of the top 15 global insurers, 2 of Big 4 consulting firms, and 33 credit risk teams of global banks, including several global

and domestic systemically important financial institutions.

We have more than 30 technology-enabled analytical solutions, and we continue to invest in innovation. Our rapidly evolving data analytics and automation-based solutions provide a distinct competitive edge to our clients. Our services enable them to make key strategic and tactical decisions to drive cost reduction, business transformation and revenue growth.

We are in the forefront of delivering sustainability-oriented services to our clients across the banking and capital markets space. We deliver bespoke ESG integration research services to asset owners and institutional/alternative AMs.

CRISIL Global Benchmarking Analytics

We are a leading provider of strategic benchmarking, analytics and insights to the global financial services industry.

The integrated business of Coalition and Greenwich is Global Benchmarking Analytics.

We specialise in providing unique, high-value and actionable information to clients to improve their performance across sales, products and services. We serve over 300 clients in the financial services space, including corporate, investment and commercial banks; AMs across the globe; securities exchanges; information companies and government entities; and financial technology firms (fintechs).

Our suite of analytics and insights encompasses comprehensive performance metrics and drivers: market share, revenue performance, client relationship share and quality, operational excellence, return on equity, brand perception, behavioural drivers, and industry evolution.

Our data, analytics and insights originate from

three primary sources:

- The buyers of financial services: These buy-side institutions include fund managers, hedge fund managers, pension funds, insurance companies, public sector entities, large corporations, and small and mid-size businesses. The data collected includes market share, product usage, satisfaction across channels, and brand perception.
- Banks, AMs and third-party partners: Data includes financial and operational information relating to revenue, pricing, client activities, costs, capital and technology/digital transformation.
- Our own unique research and analysis includes access to industry experts across products, financial and operational areas.

We have over 400 professionals working in London, Paris, New York, Stamford, Mumbai, Singapore and Tokyo.

CRISIL Infrastructure Advisory

We help shape public policy and enable infrastructure development in emerging countries.

We are a leading advisor to governments, multilateral agencies, investors, and large public and private sector firms. CRISIL Infrastructure Advisory provides a comprehensive range of advisory services in urban, energy and natural resources, transport and logistics, and infrastructure financing across India and other emerging countries. Our focus areas include policy and regulatory advisory, public-private partnership frameworks, infrastructure financing mechanisms, business/commercial

due diligence and strategic advice, monitoring and evaluation, capacity enhancement, institutional strengthening for government and infrastructure agencies, and implementation support to large infrastructure programmes.

Our teams have expertise across the infrastructure spectrum in India and other emerging countries. We have operations in India and 22 emerging economies in Asia, Africa and the Middle East.

CRISIL Business Intelligence & Risk Solutions (BIRS)

CRISIL BIRS is uniquely positioned to be a leading global risk and analytics solution provider.

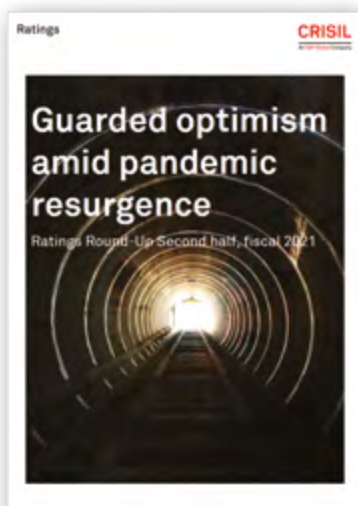
We help banks and financial institutions, offering insights to enable business performance. Our expertise in executing and managing diverse risk-related engagements globally, combined with deep domain knowledge of processes and best practices across the entire banking and financial services spectrum, enables us to offer innovative solutions that aid decision-making across corporate and investment banking, commercial and retail banking, cards, asset management, and insurance.

Our proprietary technology platform, combined with deep business domain knowledge, helps us deliver best-in-class solutions across key functional areas, including risk management, sales and marketing, financial control and reporting, regulatory compliance, and governance. The solutions are designed to provide advanced insights into data with an emphasis on actionable intelligence, ensuring clients make data-driven decisions to achieve business objectives globally.

Reports & Publications

INDIAN MARKET

Guarded optimism amid pandemic resurgence



A detailed analysis of India Inc's credit quality trends. The CRISIL Ratings credit ratio (upgrades to downgrades) scaled to 1.33 in the second half of fiscal 2021 from a decadal low of 0.54 in the previous half, as demand recovery strengthened and GDP growth returned to positive territory in the third quarter. The impetus to infrastructure development in the Union Budget for fiscal 2022, steady farm performance and sustained rural demand, together with rollout of vaccination, hold promise for continued improvement in the credit quality of India Inc even as the spectre of a second wave of Covid-19 infections looms large.

ESG Gauge

We released Environmental, social and governance (ESG) scores for 225 companies across 18 sectors in India, in line with our mission of making markets function better. Powered by strong sectoral research capabilities and rich databases, the ESG score factors in the track record of, and trends and disclosure standards followed by, the 225 companies to provide a relative, pan-sectoral assessment on all material ESG parameters relevant in the Indian context. The scores were based on the information available in the public domain, including from third-party providers, and on CRISIL's proprietary framework.



Growth next fiscal will be a story of two halves | India Outlook Report Fiscal 2022



CRISIL expects India's GDP growth to rebound to 11% in fiscal 2022, after an estimated 8% contraction this fiscal, as

four drivers — people learning to live with the new normal, flattening of the Covid-19 affliction curve, rollout of vaccinations, and investment-focused government spending — converge. However, as in this fiscal, the pace of growth will differ in the first and second halves next fiscal. While the first half would benefit optically because of low-base effect, the second half would see a more broad-based pick-up in economic activity.

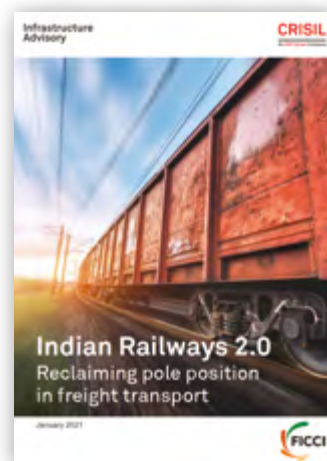
CRISIL Yearbook on the Indian Debt Market 2021



Three 'I's – infrastructure, investment and innovation, all necessitated by the pandemic – are scripting what promises to be an unusually busy time for the bond markets. The government's sharp focus on India's infrastructure buildout to spur growth, as reflected in the National Infrastructure Pipeline (NIP) that envisages Rs 111 lakh crore of investments between fiscals 2020 and 2025, will be pivotal to this anticipated, heightened bond market action. Raising that order would be an onerous ask even under normal circumstances – today more so, given the overwhelming fiscal burden on the government post the pandemic.

Indian Railways 2.0 – Reclaiming pole position in freight transport

CRISIL Infrastructure Advisory knowledge report was released at Rail India Forum & Expo 2021, organised by FICCI. In this report, we undertook a comprehensive study of the Indian rail freight segment, the key challenges and initiatives, and the opportunities for the private sector, and recommended steps that can ensure the Indian Railways is able to achieve its target of 44% share in freight transport by fiscal 2051.



GLOBAL MARKETS

Building next-gen risk and trading platforms

The paper highlights different perspectives on building integrated trading and risk platforms using the best



bits from different approaches. It discusses the industry-wide movement towards a target operating

model that enables convergence of front office, risk, and finance models and processes, leverages best-in-breed platforms, embeds sound data architecture, and embraces cloud and advanced analytics across the value chain.

DeRisk series: The personalisation clarion-call for insurers



The paper explains that the pandemic-driven disruption is a great opportunity for insurers to change

their process, digitalisation and consumer experience paradigms. It highlights two areas that insurers and pension trust funds are looking at – use of social networks and product customisation.

Race to comply with Sustainable Finance Disclosure Regulation (SFDR) and taxonomy regulations



The paper highlights that compliance with SFDR and European Union (EU) taxonomy regulations can be challenging in the near term. It highlights that AMs face significant challenges pertaining to the overall data architecture needed to comply with these regulations.

The report suggests that AMs can leverage these requirements to differentiate their investment research process and demonstrate the depth of their ESG capabilities to asset owners.

Key Digital Banking Trends Emerging from Global Pandemic



The report provides a framework for commercial and corporate banks, and includes an analysis of important features and functions, an examination of the client experience and examples of client-centric design, a look at core automation and RM productivity enhancement initiatives, and the use of fintech partnerships and marketing initiatives to optimise ROI on digital investments.

Cryptocurrencies: The Road Ahead May Not Be Cryptic Anymore

The report suggests that non-deliverable forwards (NDFs) could provide an effective solution by fitting the crypto product into existing frameworks of risk

management and technology, making the approval process quicker, and could offer a series of advantages for institutional investors.



Convergence cometh: Know thy blind spots

The paper discusses the convergence of ESG reporting standards. It highlights that convergence will likely provide enhanced access to 45 sustainability key performance indicators (KPIs) globally and identifies 15 additional KPIs that could attract mandatory reporting by corporates in the EU going forward.

For Corporate Banks, the Clock is Ticking on ESG and Sustainability



The report examines the evolution of ESG and sustainability in corporate finance and treasury functions among large corporates globally, and provides a series of recommendations banks can take to assist their clients in implementing ESG and sustainability into these functions as well as across their organisations.

Expanding cryptocurrency demand will lead to wider adoption, as market participants devise innovative ways to repurpose derivative instruments with broad reach

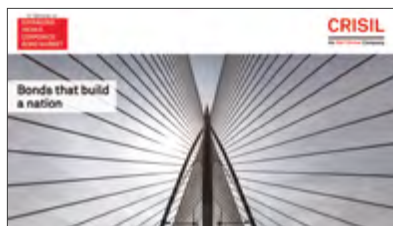


Franchise Highlights

INDIAN MARKET

Sixth CRISIL bond market seminar, titled 'Bonds that build a nation'

CRISIL hosted the sixth edition of its bond market seminar. The theme of this year's seminar was 'Bonds that build a nation'. The highlight of the seminar was the keynote address by our Guest of Honour, Shri Ajay Tyagi, Chairman, SEBI, who also unveiled the 'CRISIL Yearbook On The Indian Debt Market 2021'.



The seminar was attended by over 670 senior and mid-level stakeholders from various industries, banking and investor community, regulators, and the government.

CRISIL Ratings seminar on NBFCs, titled 'Revival in a post-pandemic era'



CRISIL Ratings hosted the sixth edition of its seminar on NBFCs. The theme of this year's seminar was 'Revival in a post-pandemic era'.

This seminar was a part of CRISIL Fin Insights, our unique platform that aims to offer multi-dimensional views and insights on the BFSI space in India.

The seminar was attended by 1,173 senior and mid-level stakeholders from various industries, NBFCs, banking and investor community, corporates, regulators, etc.

Special edition | CRISIL Ratings webinar titled 'Pillars of Infrastructure Growth – Roads & Renewables'

CRISIL Ratings hosted a webinar on the infrastructure sector, titled 'Pillars of Infrastructure Growth – Roads & Renewables', on October 7, 2021. The webinar included a presentation, followed by a panel discussion with industry experts and an interactive Q&A session.



Subodh Rai, President and Chief Ratings Officer, CRISIL Ratings, Manish Gupta, Senior Director, CRISIL Ratings, Anuj Sethi, Senior Director, CRISIL Ratings, Ankit Hakhu, Director, CRISIL Ratings, Aditya Jhaver, Director, CRISIL Ratings, and Anand Kulkarni, Director, CRISIL Ratings, hosted the webinar.

There were 588 attendees, representing over 210 organisations.

Presentation by CRISIL Ratings at CII Maharashtra state council meeting



CRISIL Ratings associated with CII to participate in the CII Maharashtra state council meeting held on July 9, 2021.

Somasekhar Vemuri, Senior Director, CRISIL Ratings, made a keynote presentation on the Covid-19 pandemic and outlook on India Inc's credit quality.

More than 50 top corporate participants, including MDs, CEOs, Chairmen and Presidents, from various industries attended the session.

ASSOCHAM series of four national e-summits on 'Insolvency and Bankruptcy Code and Valuation'

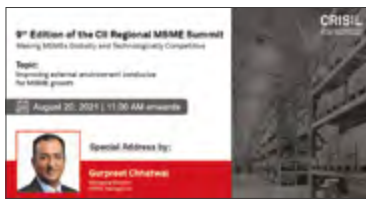
CRISIL Ratings associated with ASSOCHAM as a knowledge partner for a series of four national e-summits on 'Insolvency and Bankruptcy Code and Valuation'.



Dr Mukulita Vijayawargiya, Whole Time Member, Insolvency and Bankruptcy Board of India, was the chief guest for the summit, which was attended by more than 200 participants.

Nitesh Jain, Director, CRISIL Ratings, delivered the knowledge partner address.

Ninth edition of CII regional MSME summit



CII NR Committee on SME organised the ninth edition of the regional MSME summit on August 20, 2021. Gurpreet Chhatwal, Managing Director, CRISIL

Ratings, delivered the special address and spoke on the topic 'Improving external environment conducive for MSME growth'.

The summit was attended by more than 185 senior MSME members of CII Northern region.

International Finance Corporation and ASSOCHAM summit on Smart Cities 2.0



CRISIL Ratings participated in the International Finance Corporation summit on Smart Cities 2.0 themed 'Building a Smarter Future for World', on

December 8, 2021.

Subodh Rai, President and Chief Ratings Officer, CRISIL Ratings, participated in a panel discussion on 'Financing of smart cities in India' to discuss the challenges and prospects in financing of these projects.

CRISIL Advisor Connect webinar series

CRISIL Research completed its Advisor Connect webinar series of four chapters with two themes: 'Case of shrinking alphas – active vs. passive investing' and 'Preparing investors for known and unknown investment risks'.



The purpose of the series was to support IFAs and help them stay abreast amid the growing pace of wealth management through insights provided by CRISIL's Funds & Fixed Income Research teams. The series covered six cities and involved engaging with 543 advisors.

CRISIL–NISM Wealth Manager programme



CRISIL, in association with the National Institute of Securities Markets (NISM), hosted a webinar on April 29, 2021, for the launch of the Certified Wealth Manager programme. The theme of the webinar was 'Prepping wealth managers of the future'.

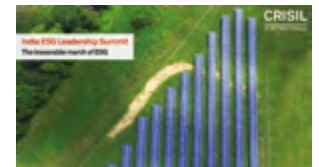
Shri S K Mohanty, Whole Time Member, SEBI, and Director, NISM, was the guest of honour. Three prominent industry leaders joined as key panellists across these sessions — Rakesh Singh, Group Head - Investment Banking, Private

Banking, Capital Markets and Financial Institutions, HDFC Bank, Karan Bhagat, MD and CEO, IIFL Wealth Management Limited, and D P Singh, Chief Business Officer, SBI Mutual Fund.

There were around 695 participants, including senior and mid-level executives from over 430 unique organisations such as wealth management, banking and investor community, and regulators.

CRISIL India ESG Leadership Summit

CRISIL Research launched the ESG Compendium 2021, an assessment of Indian companies based on a proprietary ESG framework, during the first edition of the India ESG Leadership Summit.



The theme of the summit was 'The inexorable march of ESG'. The summit commenced with an address by guest of honour Shri K Rajaraman, Additional Secretary (Investment & International Economic Relations), Ministry of Finance, Government of India. Nine prominent industry leaders joined the event as panellists. The summit was attended by around 950 senior and mid-level participants representing 614 unique organisations, including prominent stakeholders from various industries, banking and investor community, corporates, and the government.

Fifth edition of CRISIL India Outlook Seminar

CRISIL hosted the fifth edition of India Outlook Seminar on March 9, 2021. The theme was: 'Is the investment cycle rebound round the corner?'



The seminar commenced with an opening address by Ashu Suyash, Former Managing Director and Chief Executive Officer, CRISIL, highlighting the mega trends in India over

the decade. Nine prominent industry leaders joined the event as panellists. The seminar was attended by over 710 senior and mid-level participants, representing over 400 organisations, including prominent stakeholders across industries, the banking and investor communities, corporates, and the government.

CRISIL economy webinar

CRISIL Research hosted a webinar, titled 'Foot on the brake - Global monetary policy developments and their implications for India'.

Dr. D Subbarao, former Governor, Reserve Bank of India, joined as a panellist, along with other experts and our colleagues from S&P Global. Around



540 participants representing 379 organisations, including capital market institutions, banks, NBFCs, corporates, private firms, and government agencies, attended the event.

'Small Business Banking (SBB) MSME' webinar organised by Axis Bank



CRISIL Research participated in the 'Small Business Banking (SBB) MSME' webinar organised by Axis Bank. The webinar, targeted at the bank's employees, had 2,200-2,500 participants, including Axis Bank's leadership team.

Webinar on 'Indian economy by 2025/2030 - Looking forward' organised by Enqube Collaborations



CRISIL Ratings participated in the 'Indian economy by 2025/2030 - Looking forward' webinar organised by Enqube Collaborations on August 27, 2021. Dr. C Rangarajan, former RBI Governor and former Chairman of the Economic Advisory Council to the Prime Minister was the keynote speaker. There were also nine other prominent speakers from industry.

The webinar had around 400 participants.

Webinar on 'Strengthening post-harvest solutions to avert the impact of climate change on agriculture' organised by FICCI

CRISIL Research participated in the 'Strengthening post-harvest solutions to avert the impact of climate change on agriculture' webinar organised by the Federation of Indian Chambers of Commerce & Industry (FICCI).



Hetal Gandhi, Director, CRISIL Research took part in the panel discussion. Among the speakers were Sanjay Kaul, former Chairman, National Commodities Management Services Limited; Ramesh Doraiswami, Managing Director & CEO, National Bulk Handling Corporation Limited; Praveen Gupta, Country Manager – South Asia & Middle East, GrainPro Inc; Sunoor Kaul, Co-founder, Origo Commodities India Private Limited; Prasanna Rao, Co-founder & CEO, Arya Collateral Warehousing Services Private Limited; and John Southwell, Counsellor (Agriculture), Australian High Commission. Around 150 attendees participated in the webinar.

First edition of ESG Knowledge Series titled 'Evolving ESG policies and the reporting journey'

CRISIL Research participated in the first edition of ESG Knowledge Series, 'Evolving ESG policies and the reporting journey', organised by S&P Global Sustainable1 on September 8, 2021. Speakers at the session were Hatuna Pokrovskaja-Verkuyl, Senior Manager, ESG Business Development, S&P



Global Sustainable1 and Vandana Gaur, Manager, Corporate Analytics, S&P Global Sustainable1. The webinar had about 500 participants.

E-Mobility India Forum 2021

CRISIL Infrastructure Advisory participated in the E-Mobility India Forum 2021, organised by Messe Frankfurt. The discussion focused on the future of electric vehicle (EV) infrastructure, charging stations, EV battery-swap service, current challenges, and the way forward.



Vivik Sharma, Senior Director, CRISIL Infrastructure Advisory moderated the session 'EV Infrastructure & Innovative Business Models'. Panellists in the session included Sudhendu J Sinha, Advisor, Infrastructure Connectivity – Transport and Electric Mobility, NITI Aayog; Sandeep Bangia, Business Head – EV Charging Ecosystem, Home Automation, ESCO, Tata Power; Akilur Rahman, CTO, Hitachi ABB Power Grids India; and BC Datta, Vice President – Corporate Affairs & Public Policy, Ola Electric Mobility Pvt Ltd.

Maritime India Summit 2021



CRISIL Infrastructure Advisory participated in the Maritime India Summit 2021, organised by FICCI. The conference aimed to project

vast investment opportunities in each of India's maritime states and union territories.

Jagannarayan Padmanabhan, Director and Practice Leader, Transport & Logistics, CRISIL Infrastructure Advisory moderated a panel discussion on the way forward for port-led sustainable development in Maharashtra. The convenors for this session were Rajiv Jalota, Chairman, Mumbai Port Trust, and Unmesh Sharad Wagh, IRS, Deputy Chairman of Jawaharlal Nehru Port Trust.

GLOBAL MARKET

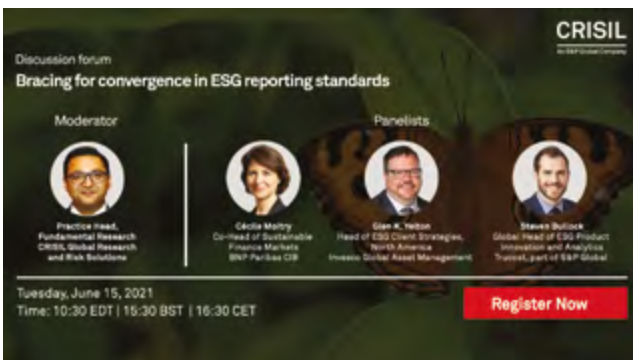
Webinars

Discussion forum on building next-generation risk and trading platforms



The forum discussed priorities for trading and risk technology groups of banks in 2021, and how banks can reduce cost, increase agility and efficiency, and improve their enterprise architecture.

Bracing for convergence in ESG reporting standards



Speakers shared their insights on global climate risk and other ESG-related regulatory momentum, preparations to comply with the EU's sustainable finance rules and emerging regulatory asks in the US and APAC region, opportunities for asset/wealth managers to optimise data infrastructure, and ways for banks to leverage datasets and integrate ESG and climate risk factors across credit risk frameworks, underwriting risk, limit setting, and stress-testing.

Roundtables

Climate risk SCAN for banks – CRISIL GR&RS and S&P Trucost

The session was attended by 100+ senior risk professionals from over 50 global banks, including 18 global systemically important banks (G-SIBs).

Stress-testing SCAN for banks – CRISIL GR&RS and Global Credit Data

Attended by 70+ professionals from 33 banks, including 14 G-SIBs.

Discussion forum: Disruption in operational risk and regulatory compliance in Australia – keeping pace with the changes



Speakers shared their insights on operational resilience and risks, business continuity management, compliance, service providers, and third-party risk.

2021 Competitive Challenges Conference – Investment Management Industry Post Pandemic: Tipping Point or Business as Usual?



The 18th annual Competitive Challenges Conference was a premier conference and industry event for senior delegates and decision-makers from asset management firms. The conference includes insights, data, and perspectives about important topics, and seeks to foster a collaborative, inclusive dialogue about the business of investment management.

Stress-testing SCAN for Canadian banks – CRISIL GR&RS and Global Credit Data

Hosted a roundtable which was attended by four of the five largest Canadian banks invited.

Climate risk SCAN for MDBs

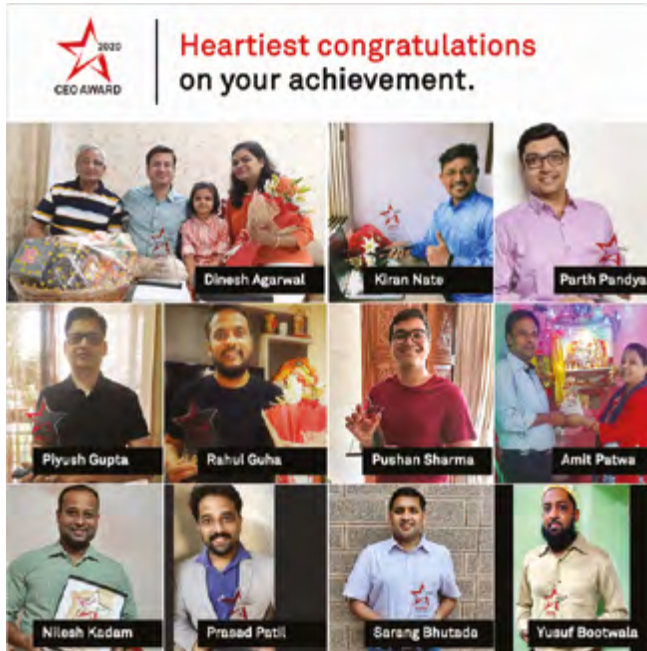
Hosted a roundtable which discussed how cross-industry collaboration between multilateral development banks (MDBs) can help them better navigate the impact of climate risk. The event was attended by 10 global MDBs.

Employee Engagement Initiatives

RECOGNISING TALENT

CRISIL CEO Awards

recognised and celebrated outstanding contributions made by colleagues who turned challenges into opportunities that are pivotal to our growth journey. In 2021, 41 employees were awarded across 12 categories.



EMPOWERING THROUGH LEARNING AND DEVELOPMENT

The **Leadership Excellence and Accelerated Development Programme** is aimed at developing future-ready leaders. This 12-month leadership journey is being delivered by Korn Ferry.



Manager of the Future programme was launched to upskill 500 people managers on the future of work. It comprises two modules:
 a) Building Resilience: Self & Teams; and
 b) Strengths-based Career Coaching Skills.

CRISIL FIGHTS COVID-19 #ASONE

As part of our fight against the pandemic, CRISIL launched **vaccination drives** in eight cities, covering over 5,000 individuals, which included employees and their families.

As the second wave of Covid-19 set in, we launched

the **#AsOne** campaign to communicate empathy and solidarity during the challenging time. The campaign reiterated health and financial support measures through a series of townhalls, focused management communiques, and Covid-19 advisories.



'BUILDING AND STRENGTHENING BONDS'



CRISIL Poland organised a beautiful surprise for employees' children. Children received gifts from Santa, who never forgets and is always on duty – even during the pandemic.



CRISIL China employees celebrated Halloween with much fun and fanfare, dressing up in various costumes to celebrate the festival.

Employee Assistance programme provides a wide range of resources related to employee counselling to help individuals deal with diverse concerns that they may be experiencing, either at work or in their personal lives. Eighteen sessions were conducted during the year.

Parent Hive is one of CRISIL's diversity and inclusion initiatives. This is an employee resource group for CRISILites to help working parents across CRISIL navigate the exciting and challenging journey of parenthood. Since its inception, nine webinars and interactive sessions have been held, along with contests weaved with festive themes for kids. Regular connects with Employee Resource Group members have also been set up.

CSR AND VOLUNTEERING

CRISIL launched '**Wise Wednesdays**', a virtual capacity-building initiative for CRISIL Foundation's field staff, by engaging CRISIL's employees. CRISILites volunteered to train field staff on improving presentation skills, making impactful presentations, building networking skills, etc.

The **Telephonic Spoken English** programme was launched with an objective to impart spoken English skills to school dropouts/ unemployed youth in partnership with Kotak Education Foundation.

CRISIL employees volunteered to help rural children learn mathematics and science through self-recorded videos in English and regional languages under the **eVidyaloka** programme.

As part of our annual **Daan Utsav**, CRISILites came forward to contribute over 1,200 books and essentials for the underprivileged members of the society.

At the peak of the second wave of Covid-19, CRISIL launched the **Oxygen For All** project, with an aim to deploy oxygen concentrators and cylinders to the most needy in locations such as Mumbai, Pune, Bengaluru and Delhi NCR. CRISIL also matched employee contributions in its endeavour to build a **#CovidFreeWorld**.

FOSTERING INCLUSION AND DIVERSITY



For International Women’s Day 2021, we requested our women employees to strike a #Choosetochallenge pose and share their stories of how they challenge bias and inequality to help forge an inclusive world.



As part of the Pride Month celebrations, CRISIL conducted a chat with Amita Karadkhedkar, a celebrated role model, an influential trans-woman and a senior BFSI professional, to sensitise employees on diversity and inclusion.

INTERACTIVE PROGRAMMES

CRISIL’s India Research team launched the **#ChangeTheGame** campaign to showcase its products and platforms across the company.



We also conducted **Tech Marathon** during the year to increase internal mobility between S&P and CRISIL. The event also included a webinar with senior tech leaders from S&P and CRISIL on understanding respective tech abilities and visibility of open roles.



FOND FAREWELL AND WARM WELCOME



In October 2021, Ashu Suyash moved on from CRISIL to set up her own venture. The CRISIL Board unanimously appointed Amish Mehta as Managing Director and Chief Executive Officer of CRISIL Ltd. In his erstwhile role as COO, Amish had led CRISIL’s acquisitions and change agenda, while creating a growth path for the businesses managed.

STRENGTHENING CYBERSECURITY POSTURE

We launched **Be Risk Aware** and **Security Jam** campaigns in 2021 to remind employees of the underlying risks in the work-from-home environment. It also allowed employees to reflect on company values, policies, and ethics, and establish obligations towards CRISIL and one another, and steps employees can and must take to mitigate those risks.



CRISIL in the media

Amish Mehta, MD & CEO, CRISIL, participated in an interaction with Moneycontrol.com. He shared his views about how corporate India stands to benefit immensely from sound ESG practices.

Ashu Suyash, Former Managing Director and Chief Executive Officer, CRISIL, participated in a panel discussion titled 'Banking and finance: The key to India's recovery?', hosted by Financial Times – Indian Express.

Dharmakirti Joshi, Chief Economist, CRISIL, participated in a fireside chat with Sneha Jha, Editor, ETCIO, to discuss the state of the economy. He also participated in a panel discussion with Business Today against the backdrop of Union Budget 2021-22.

Anupam Kaura, President and Chief Human Resources Officer, CRISIL, participated in interviews and panel discussions with ABP News, The Economic Times, Business Insider, and People Matters. The discussion was based on people first culture, sustainability, social contract and future of work themes.

Zak Murad, Chief Technology and Information Officer, CRISIL, participated in The Economic Times' digital roundtable discussion on 'Value stream platform – Driving digitisation with agility', where domain experts highlighted challenges and ways forward for a seamless customer experience. He was also a panellist in a CIO panel discussion by The Economic Times on 'Reset for growth in the new world order'.

Hetal Gandhi, Director, CRISIL Research, participated in ET Now's 'Leaders of Tomorrow' masterclass. She discussed trends around rural consumption along with Brinda Jagirdar, Economist, and Harish Bijoor, Founder, Harish Bijoor Consults Inc. The panel focused on topics such as agricultural performance recovery, government reforms for increasing employment opportunities in rural India and impact of the pandemic on rural consumption.

Somasekhar Vemuri, Senior Director, CRISIL Ratings Ltd, participated in an interview with The Hindu Business Line. The interview discussed the outlook on credit quality trends seen in the industry and outlook on corporate earnings.

Jagannarayan Padmanabhan, Director, Transport & Logistics, CRISIL Infrastructure Advisory, participated in an interview with Moneycontrol. The interview discussed the outlook on the road sector.

Ajay Srinivasan, Director, CRISIL Research, participated in an interaction with ET Now against the backdrop of MSME Day. This was hosted under ET Now's 'Leaders of Tomorrow Series'. The key discussion points included policy framework for MSMEs, digitisation, support mechanism and interest subvention for MSMEs, and customer patterns in a post-Covid-19 world.

CREATING POSSIBILITIES

Through a future-ready workforce



Launched LEAD programme to develop potential successors for senior roles



Expanded coverage of Women in Technology programme to **139** employees (22% of women employees in the tech team)



Launched 'Manager of the Future' programme to upskill 500 people managers on the future of work



Conducted 16,337 hours of training on techno-functional skills including data analysis, statistics, agile methodologies, data visualisation, and Python



Statutory Reports

Directors' Report

Dear Member,

The Directors are pleased to present to you the 35th Annual Report of CRISIL Limited, along with the audited financial statements, for the year ended December 31, 2021.

Financial performance

A summary of the Company's financial performance in 2021:

(Rupees in crore)

Particulars	Consolidated		Standalone	
	2021	2020	2021	2020
Total income	2,377.71	2,064.98	1,385.19	992.73
Profit before interest, depreciation, exceptional items and taxes	687.53	593.79	564.71	290.95
Finance cost	8.93	14.39	5.67	6.94
Deducting depreciation of	105.98	121.11	52.89	65.68
Exceptional Item	45.82	-	45.82	-
Profit before tax	618.44	458.29	551.97	218.33
Deducting taxes of	152.63	103.56	74.95	51.61
Profit after tax	465.81	354.73	477.02	166.72
Other comprehensive income	32.03	(8.85)	30.29	(28.91)
Total other comprehensive income	497.84	345.88	507.31	137.81
Appropriations				
Final dividend	160.52**	101.75*	160.52**	101.75*
Interim dividend	174.74	137.81	174.74	137.81

**Final dividend (including special dividend of Rs. 7) for 2021: Rs 22 per equity share of Re 1 each

*Final dividend for 2020: Rs 14 per equity share of Re 1 each

The financial statements for year ended December 31, 2021 have been prepared in accordance with Indian Accounting Standards (Ind AS), notified under Companies (Indian Accounting Standards) Rules, 2015, read with Section 133 of Companies Act, 2013, ('Act') and other relevant provisions of the Act.

There are no material departures from the prescribed norms stipulated by the accounting standards in preparation of the annual accounts. Accounting policies have been consistently applied, except where a newly issued accounting standard, if initially adopted, or a revision to an existing accounting standard, required a change in the accounting policy hitherto in use.

The Management evaluates all recently issued or revised accounting standards on an ongoing basis.

The Company discloses consolidated and standalone financial results on a quarterly basis, which are subject to limited review, and publishes consolidated and standalone audited financial results annually.

a) Consolidated operations

Revenue from the Company's consolidated operations for 2021 was Rs 2,377.71 crore, 15.1% higher as against Rs 2,064.98 crore in the previous financial year. Overall expenses were Rs 1,805.09 crore as against Rs 1,606.69 crore in the previous financial year. Profit before tax was Rs 618.44 crore as against Rs 458.29 crore in the previous financial year. Profit after tax was Rs 465.81 crore as against Rs 354.73 crore in the previous financial year.

b) Standalone operations

Revenue from the Company's standalone operations for 2021 was Rs 1,385.19 crore compared with Rs 992.73 crore in the previous financial year. Overall expenses were Rs 879.04 crore as against Rs 774.40 crore in the previous financial year. Profit before tax was Rs 551.97 crore as against Rs 218.33 crore in the previous financial year. Profit after tax was Rs 477.02 crore as against Rs 166.72 crore in the previous financial year.

A detailed analysis of the Company's performance, consolidated as well as standalone, is included in the Management Discussion and Analysis Report, which forms part of the Annual Report.

Dividend

The Directors recommend for approval of the members at the Annual General Meeting to be held on April 22, 2022, payment of final dividend of Rs 22 (including a special dividend of Rs 7) per equity share of face value of Re 1 each for the financial year under review. During the year, the Company paid three interim dividends – first interim dividend of Rs 7, second interim dividend of Rs 8 and third interim dividend of Rs 9 per equity share. Hence, total dividend will be Rs 46 per share in 2021 vis-à-vis total dividend of Rs 33 per share in the previous financial year.

The trend in share capital during the year was:

Particulars	No. of shares allotted	Cumulative outstanding capital (no. of shares with face value of Re 1 each)
Capital at the beginning of the year, i.e., January 1, 2021	-	7,25,93,290
Allotment of shares to employees on February 11, 2021	88,125	7,26,81,415
Allotment of shares to employees on April 19, 2021	64,030	7,27,45,445
Allotment of shares to employees on July 20, 2021	45,607	7,27,91,052
Allotment of shares to employees on September 21, 2021	27,077	7,28,18,129
Allotment of shares to employees on November 10, 2021	50,317	7,28,68,446
Capital at the end of the year, i.e., as on December 31, 2021	-	7,28,68,446

Segment-wise results

The Company has identified three business segments, in line with the Indian Accounting Standard on Operating Segment (Ind AS-108), comprising: (i) Ratings, (ii) Research and (iii) Advisory. The audited financial results of these segments are provided as part of the financial statements.

Review of operations

A. Ratings

Highlights

- Announced over 1000 new ratings in 2021; total ratings outstanding were ~7,000
- Leading position in the corporate bond market, backed by preference for quality ratings among investors as well as issuers
- Launched a series of thought leadership initiatives during the year, which were extensively covered by the media and well-appreciated by stakeholders

Business environment

The ratings industry continued to face a challenging business environment in 2021, with fewer issuances in the bond market and muted bank credit growth in the manufacturing and service industries.

The issuances in the corporate bond market declined over 20% in 2021 due to tepid investor interest and a rising interest rate environment for most of the year.

Bank credit growth to the industry and services segment was affected by the second COVID wave, even as emergency credit lines were proactively made available and fairly widely availed, especially by small and medium-sized enterprises.

Increase in issued, subscribed and paid-up equity share capital

During the financial year, the Company issued and allotted 2,75,156 equity shares to eligible employees on exercise of options granted under the employee stock option plan of the Company. Hence, at the end of the year, CRISIL's issued, subscribed and paid-up capital was 7,28,68,446 equity shares of Re 1 each.

Bank credit growth picked up in the second half in line with the sharp rebound in economic activity across industries. There was strong uptick in the bank credit growth for the MSME and the services segment though the pick-up in the large corporate segment was muted.

In addition, the number of companies opting for bank loan ratings (BLR), across credit rating agencies, continued to decline in 2021 on account of increased minimum exposure threshold by a few large banks for seeking BLRs.

However, securitisation volume picked up in 2021 as compared to the previous year, though on a smaller base, with the normalisation of the collections across asset classes for non-bank finance companies (NBFCs), the largest issuers of securitised paper.

On the regulatory front, SEBI announced certain changes to bring more standardisation across CRAs, in terms of approach to provisional ratings, as well as rating scales / definitions. SEBI brought in standardisation in the Expected Loss (EL) rating scale. It also required CRAs to standardise other rating scales in line with the scales to be stipulated by respective financial regulators.

In addition, RBI mandated CRAs to disclose bank-wise details of rated loan facilities in rating rationales. This is expected to facilitate banks easy access to ratings of their loan facilities and compute regulatory capital requirement based on their individual exposure.

Operations

CRISIL Ratings maintained its market leading position in 2021, driven by new client acquisitions and healthy traction in rating of resolution plans of stressed assets. New client acquisitions and preference for our ratings for new bond and BLR issuances strengthened our market leadership. CRISIL Ratings undertook over 1000 new BLR assessments during the year. With this, CRISIL has assigned ratings to more than

35,000 large and mid-sized corporates till date.

Focus on high-growth segments and existing relationships consolidated our share in the bond market. We also on-boarded over 150 new large corporate clients. We continue to be a leading credit rating agency in the BLR space.

CRISIL Ratings maintained its multifaceted approach towards stakeholder relationship management. In addition to consistent engagement with issuers, we expanded our structured engagements with investors. We extensively engaged with the senior management of investors and issuers, sharing economy and sectoral insights and leveraged the 'Ratings Analytica' platform to deliver our 'thought leadership' reports and publications digitally.

As part of ongoing process improvement initiatives, we launched a new technology-based workflow platform for Ratings operations. The new platform is a significant improvement over our earlier workflow system, which had served us well over the past 10 years.

CRISIL Ratings also hosted the 6th edition of the Bond Market Seminar. The theme of the seminar was 'Bonds that build a nation'. Shri Ajay Tyagi, Chairman, SEBI, delivered the keynote address and also unveiled the 'CRISIL Yearbook on The Indian Debt Market 2021'. The seminar was attended by nearly 700 investors, issuers and regulators.

Other noteworthy franchise activities in the year included webinars on macroeconomy, non-banking finance companies, steel, real estate, renewables energy, power, telecom, fast-moving consumer goods, oil, hospitality, and airport sectors.

We strengthened our market presence by engaging in panel discussions and speaking at various conferences.

GAC enhanced its support to S&P Global Ratings on surveillance and ESG activities, and digitisation, simplification and standardisation of content in the data and analytical domains. GAC also continued to partner in market-outreach efforts and content creation for publications.

With the increasing focus on digitisation of content and analytics, and business process optimisation and transformation, GAC stepped up its efforts to adopt new data science techniques and tools and implemented the agile model for key programmes. With focus on bolstering the first line of defence, several initiatives have been taken to strengthen the internal controls framework. Continued application of lean management tools, work standardisation and process modernisation initiatives facilitated consistent support across diverse geographies and asset classes.

B.1. India Research

Highlights

- Launched CRISIL ESG Gauge—an assessment of Indian companies based on a proprietary ESG framework
- The Industry Research vertical launched comprehensive sectoral reports and databases targeted at corporate clients
- The Funds & Fixed Income Research business maintained a dominant position, driven by momentum in benchmarking and grading services for AIFs, and

valuations for fixed income and structured products. We also launched nine new indices in 2021, taking the total to 107

Business environment

After 2020 turned out to be one of the most eventful years in recent history with changing market trends and business dynamics due to the pandemic, 2021 was all about staging resilient recovery. While the pandemic-induced disruptions initially impacted some business segments, we astutely remodeled our strategy to address the dynamic operating environment with speed and agility.

We maintained our dominant position in the majority of the business segments.

Agility and innovation inform all our efforts to provide relevant products in tune with evolving market needs and maintain our leadership position. The launch of the CRISIL ESG Gauge is a case in point, given companies' increasing focus on sustainability due to the rise of ESG-oriented investing.

Our Learning Solutions business continued to face multiple headwinds during the year. Physical classroom training was on hold amid the threat of new Covid-19 variants. Client learning and development teams increasingly focused on internal training or used freelancers for both e-learning and instructor-led training sessions. We remained focused on virtual training, as it enables a wider reach than traditional classroom training. We launched CRISIL Wealth Manager Certification in association with NISM during the year, which saw good retail participation and emerging interest from corporate clients.

Operations

As we continued to work remotely given the surge in Covid-19 cases during the second wave, the safety and health of our team members were of paramount importance. Even in these trying times, we ensured seamless operations and timely deliveries, while maintaining high-quality standards.

We proactively responded to our clients' need for deeper insights and forecasts given the rapidly changing prospects for the economy and key sectors, by conducting more than 100 knowledge-sharing sessions. We shared insights on sectors, financial markets, corporate earnings, capital investments, policy changes, and the Indian and global economy. Complementing these were a series of webinars and articles in various media that allowed us to reach out to a larger set of clients.

Increase in demand for analytics platforms with capabilities to provide data feeds, alternative data, automated delivery and wealth management research augured well for our data and analytics solution offerings.

Quantix, a strategic initiative in the data and analytics space, improved its value proposition by enhancing data coverage and strengthening the power of analytics on top of the largest company database in the country. User-customisable company information reports were launched on the platform, covering financial and non-financial data as well as models and outlooks.

The SME Solutions business recovered strongly during the year with the addition of high-value mandates from

corporates. Extensive client outreach across business verticals has resulted in a strong pipeline for the year to come. The business is continuously working on aligning offerings as per market requirements and engaging with clients for deepening existing relationships.

B.2. Global Research & Risk Solutions (GR&RS)

Highlights

- Capitalised on digitisation- and regulation-driven demand for services
- Added 31 new logos and deepened our service base among existing clients
- Signed a large mandate in regulatory reporting, product control, automation, and digital transformation space; successfully renewed large multi-year contracts with global investment banks in the risk space
- Established data and analytics, and sustainable finance practices as future growth engines
- Enhanced the brand — GR&RS featured in a press release by UK Export Finance as an independent consultant for assessing the clean growth plan of a UK-based energy company

Business environment

Market-led factors, along with regulatory push, are driving the transformation agenda across financial institutions. With increased competition from financial technology (fintech) firms, banks are looking at digitalising parts of their credit risk workflow to optimise the cost of compliance. Banks are also setting up data architecture to seamlessly access data to improve day-to-day monitoring, portfolio analytics, regulatory reporting, and implementation of the digitisation agenda. Further, regulators are increasingly monitoring and challenging the risk management practices of financial institutions, thereby forcing them to strengthen their current practices.

The market and regulators remain active across activities associated with risk management, particularly emerging risk types such as climate and cyber risks. The European Central Bank and the European Commission recently published their strategy on climate change-related actions and sustainable finance, respectively. The spotlight is also increasing on cybersecurity, particularly in the US where regulators — the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation — have sought stringent measures. Digital transformation is another emerging area of focus globally to effectively manage increasing risk types, further accelerated by the pandemic.

Both sell- and buy-side firms continue to deepen their relationship with clients by ensuring high-quality research support and simultaneously penetrating new areas such as data analytics including alternative data, sustainability, etc. Regulatory requirements on clients to comply with ESG reporting requirements under the Sustainable Finance Disclosure Regulation, is also a significant driver for our offerings.

The Non-Financial Risk space has seen increasing traction

globally in the areas of financial crime compliance, policy simplification, regulatory compliance and remediation, business process transformation, and third-party risk management.

Operations

GR&RS has yet again emerged as the partner of choice for clients by winning several requests for proposals (RFPs) across new work streams and strategic accounts. The division has signed a large mandate in regulatory reporting, product control, automation, and digital transformation; and secured another significant win in the space of credit analysis in the alternative investment management space. We have also successfully renewed large multi-year contracts, reflecting clients' deep conviction in our research and delivery capabilities.

The risk business continued its winning streak by closing several winning proposals and RFPs. It added one of the leading buy-side firms as a new logo in the US for an engagement in the data-engineering domain.

The Fundamental Research team has seen increasing traction for ESG and data analytics (DA) in both buy and sell side. We have leveraged ESG to add new logos as well as expand current engagements. Automated solutions and data management continue to be the focus areas within DA, underpinned by clients' agenda to increase customer connect and achieve cost efficiency in non-research areas.

The Integrated Credit Risk team's emphasis continues to be across the three lines of defence — front office, middle office/credit risk management, and risk oversight. The team has won a new deal in Asia on a fund monitoring solution and the first climate risk RFP for assessing the credibility of climate transition plans of several entities.

The Non-Financial Risk domain has seen increasing traction globally in the areas of financial crime compliance, policy simplification, regulatory compliance and remediation, business process transformation, and third-party risk management. Integrated service offerings would continue to be the focus area for us in this space.

GR&RS also featured in a press release for acting as an independent consultant to assess the clean growth plan of a UK-based energy company for a UK-based export credit guarantee agency.

On the talent front, the business continues to invest in upskilling through customised programmes focusing on functional areas such as risk, technology and analytics. A recent executive programme to help business leaders drive client engagement and growth through consultative and targeted selling, has started showing results.

B.3. Global Benchmarking Analytics

Highlights

- Continued to integrate our distribution and relationship manager coverage models across our global banking clients to improve service quality
- Combined Coalition and Greenwich data sets in corporate and investment banking (CIB) to create new insights for clients

- Strengthened partnerships with Oliver Wyman, S&P Global and IHS Markit
- Extended outreach by presenting views to 100+ executive committees at banks and meeting with all the heads of global markets, investment banking and transaction banking divisions across all large banks
- Referenced in over 300 articles across more than 50 global publications and in over 100 investor relations presentations made by leading global banks

Business environment

Calendar 2021 was marked by post-pandemic normalisation of activities for global investment banks. Re-opening of economies, investor demand and central bank activity drove a sizeable boom in the investment banking division (IBD) and equity (EQ)-related products (excluding the Archegos loss).

Fixed income, currencies and commodities (FICC) remained vibrant after registering record revenue in 2020. This, and EQ/IBD growth, continued into the third quarter of fiscal 2021 and in parts of the last quarter.

The first half of the fiscal saw a consistent decrease in lending/financing-related activity due to reduction in net interest margin as interest rates were lowered. However, this normalised in the second half.

In our Voice of the Customer programme, we enhanced the timeliness and quality of our products and services. By beginning to shift to continuous data collection, we expect to be better aligned with our clients' needs and improve the value proposition of client intelligence products in FICC, EQ, forex, credit, cash management and trade services.

Operations

In sync with our expansion initiatives, we have broadened our capabilities and reach to serve more regional client bases across the globe. With a focus on strengthening the relationship management function and deepening analytical expertise, Global Benchmarking Analytics now services 300+ clients across the financial services space.

We have completed the design of the foundational components of our future digital platform. The core capabilities are now being implemented and core business processes are in transition. The focus is on data governance, security and standardisation to provide a solid base to improve scalability and robustness across all data and analytics processes, leading to enhanced client value and experience.

The business retained the coveted SSAE16 SOC2 Type II certification, which is a testimony of the stringent controls and measures deployed for data and IP protection.

C. Advisory

C.1. CRISIL Infrastructure Advisory

Highlights

- Improved diversification through increased revenue share from international markets
- Successfully built a strong order book with several

large mandate wins across sectors

- Maintained strong senior-level connect with policy makers, multilaterals and investors
- Witnessed strong revenue growth in the energy and clean energy practice
- Reduced debtor days and improved debtor recovery of long-pending cases

Business environment

The first half of 2021 was muted for our Infrastructure Advisory business because of the second pandemic wave that led to a slowdown in new investments in the infrastructure sector. However, the second half saw an uptick in business with many large wins both in domestic and international markets. Specifically on the international front, we saw robust growth with increased share of revenue from emerging economies such as south-east Asia and East Africa.

In the domestic market, the renewable energy sector continued to drive private sector investments. Besides, the Production-Linked Incentive (PLI) scheme is expected to provide further impetus to the private sector, to continue their capex outlay in the short to medium term. Another major government initiative was the announcement of National Monetisation Pipeline earlier in 2021. We expect this to help bring in the much-needed private capital and provide some cushion to government authorities in augmenting resources.

Operations

CRISIL Infrastructure Advisory booked several large-value assignments, further strengthening the order book. We continued to bag prestigious mandates in the domestic market and international geographies from state and central government entities and also from multilateral institutions.

The business was associated with NITI Aayog in the preparation of the National Monetisation Pipeline, which outlines the extent of monetisation potential across various sectors and its contribution to funding the National Infrastructure Pipeline, the medium-term plan of the government for an infrastructure build-out.

C.2. CRISIL Business Intelligence & Risk Solutions

Highlights

- Good traction with significant wins in regulatory reporting, credit monitoring, digitisation, and automation
- Retained flagship position in the internal credit rating platform, with the implementation of a new-age risk assessment model, ICON, in India and overseas
- Continued focus on international markets with new client additions in the Middle East and US markets

Business environment

The banking environment witnessed increasing focus on digitalisation and automation of credit processing, with regulatory focus on automation of asset classification and provisioning apart from continued traction in credit

monitoring. Our risk and business intelligence solutions – ICON, EWS, and regulatory and portfolio evaluation/monitoring – are aligned to address these requirements.

The business made good headway in the second half of the year. Clocking some significant wins from public and private institutions, it continues to build a strong pipeline.

In the overseas markets, we continue to expand our suite of offerings with innovative business analytics and digital enablement solutions implementation in the Middle East.

Operations

This year, our ICON platform with the new-age RAM and with more modular and configurable features, was implemented successfully with banks. We continue to expand and invest in our technology capabilities on our existing Fulkrum (analytics) platform and suite of risk products. We recently launched the asset classification and provisioning solution, which has been implemented in the market. We continue to expand our product suite and modules on both ICON and Fulkrum, apart from investing to enhance technical capabilities of these platforms.

D. Collaboration with S&P Global

The association with S&P Global helps blend local and global perspectives in shaping CRISIL's strategy and governance systems. Representatives from S&P Global bring value to the CRISIL Board through global insights on governance, risk and controls and experience in leading large businesses. CRISIL also gains opportunities to leverage the S&P Global brand through referrals and partnerships in the international market. Regular interface between the two management teams leads to knowledge sharing and cross-fertilisation of ideas. At the same time, commercial opportunities are pursued on an arm's length basis following review and recommendations by the CRISIL Audit Committee comprising mainly Independent Directors. S&P's largest collaboration with CRISIL has been in the financial services support to S&P Global Ratings and other teams that started almost two decades ago. It has been attested to by a majority vote from CRISIL's minority (non-promoter) shareholders in 2014.

GR&RS

Ongoing collaborations include a referral agreement between S&P Global Market Intelligence (MI) and S&P Global Ratings Services (SPGRS), a joint go-to-market strategy and development of a suite of climate risk solutions for banks. GR&RS:

- Partnered with S&P for several RFPs related to climate risk framework and sustainable finance due diligence
- Entered into a multi-million-dollar partnership with Trucost on support for ESG assessments

Global Benchmarking Analytics

Ongoing collaboration includes:

- A referral agreement with MI, where MI represents several data and analytics products targeting

community banks in the US

- Collaboration on product development on asset owner data sets, where the Money Market Directory (MMD) data is being combined with Global Benchmarking Analytics data to create new values for clients

E. Human Resources

Diversity and inclusion

We have not only sustained our unwavering focus on diversity and inclusion, but also enhanced rigour by adding new dimensions to this space.

For us, diversity encompasses the themes of gender, race, socio-economic backgrounds and sexual orientation. We introduced several initiatives and programmes in 2021, to build a diverse culture, such as women-focussed hiring, career development programmes, exposure and networking opportunities with successful women leaders across the industry, and policies to enhance equity for women. These have heightened employee awareness and encouraged reflection, aiding a deeper sensibility such as appreciation of different perspectives at work and cultures through learning programmes conducted by trained international facilitators, and recognising unconscious bias.

In the wake of the pandemic, we have taken initiatives such as virtual diversity fair, initiatives to support the LGBTQ community, and the celebration of Pride Month. Women comprise 37% of our workforce, 30% of our managerial positions and 38% of the Board.

Our Women's Leadership Development Programme, aimed at imparting leadership skills to mid-career women leaders, has been well-appreciated by our leaders and participants.

As a testimony of these efforts, CRISIL has featured in the list of 100 Best Companies for Women in India, compiled by Working Mother Media and Avtar Group, for six times in a row. We were also identified as the Best Employer for Women by Assocham twice in a row.

Employee well-being

The health and safety of our employees retained primacy throughout the pandemic. For majority of the year, work from home arrangements continued across businesses and locations. The pandemic has acted as a catalyst to enhance our interventions to improve employee well-being. We conduct fortnightly sessions on diet, nutrition, exercise, meditation, self-awareness, family counselling, financial planning, volunteering, environmental awareness, and on medical topics, including women's health.

Employee connect and engagement

Keeping employees informed, connected and engaged has always been crucial to our people strategy. We remain focused on building trust through a culture of openness, conversations and opportunities to speak up. The pandemic opened opportunities to build several digital platforms, creating multiple touch points that foster cohesion and collaboration.

We launched Yammer, our internal communication platform, empowering employees to collaborate, learn and share

experiences across geographies, working environments and tenures. We have designed connect programmes with employees on a periodic basis. These include communication on the organisation's performance, policies, and rewards and recognitions. We recognise performance through multiple platforms such as CRISIL Corporate Awards, CEO Awards, and townhalls.

We grew stronger as a team by supporting each other wholeheartedly through 2021. We announced various Covid-19 benefits, such as vaccination support, medical care through a dedicated coverage service, employee assistance programme, wellness days and financial support, among others. Moreover, many of these are analysed and monitored through granular metrics, with the insights feeding forward into strategic visioning and planning.

Talent development

We believe in prioritising talent development for current and future needs. Hence, we promote a culture of development across levels. Employees — their talent and capabilities — are our greatest asset, our competitive advantage. In a highly competitive environment, our formidable talent pool becomes our key differentiator. We heavily invest in learning and development strategy for our talents at CRISIL. Talent development goes deeper than straightforward initiatives, where employees explore and expand their abilities.

Key objectives of our talent management programme are:

1. Creating a high-performance team
2. Employee retention
3. Re-skilling and reducing skill gaps
4. Ownership of employee careers

The 9 Box Matrix is used to identify and develop corporate talent at senior managerial levels. This approach enables proactive career development, including successor development, focused skill development and commensurate talent actions.

The performance of senior leaders is closely reviewed by senior corporate executives in the Talent Council on an annual basis. This facilitates a shared visibility of the performance, reveal the potential of senior leaders and help us make focused investments in our talent.

At CRISIL, talent development is intentional, well-planned and executed by experts aimed to ensure we remain future-ready. Some examples are the LEAD programme to develop identified successors for senior roles, the 'Manager of the Future' programme for people managers, and a host of functional and technical learning programmes. The development of ESG competencies and mandatory learning via our Learning Management System addresses the needs of all employees.

Another vital factor that drives employee growth is the Performance Management Process. CRISIL has a well-developed performance management framework, @SPIRE, which includes the concept of Behaviourally Anchored Rating Scale or BARS, for assessment of each competency across levels. This ensures each employee is evaluated fairly on the basis of their role and areas of impact. Mid-year and annual performance reviews enable conversations between managers and all employees around performance and career.

Discussions with heads and leadership teams are held at the beginning of the year to outline strategic priorities and areas of development. The subsequent goal-setting process for employees gives clarity by defining targets at various levels of performance. Specific learning interventions are curated across career stages.

Additionally, digital learning (via LinkedIn Learning) is offered to a cross-section of employees and the usage and feedback has been very positive. In fact, LinkedIn Learning India awarded CRISIL a 'Best Culture of Learning' Talent Award for sustained usage of digital learning at or above the 75th percentile against comparator companies.

Directors

Members of the Company's Board of Directors are eminent persons of proven competence and integrity. Besides experience, strong financial acumen, strategic astuteness and leadership qualities, they have a significant degree of commitment to the Company and devote adequate time to meetings and preparation. In terms of requirement of Listing Regulations, 2015, the Board has identified core skills, expertise and competencies of the Directors in the context of the Company's business for effective functioning and how the current Board of Directors is fulfilling the required skills and competences. This is detailed at length in the Corporate Governance Report.

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy, apart from other Board business. The Board exhibits strong operational oversight with regular business presentations at meetings. An annual planner of topics to be discussed at the Board meeting is pre-approved by the Directors. The Board/committee meetings are pre-scheduled and an annual calendar of the meetings is circulated to the Directors well in advance to help them plan their schedules and ensure meaningful participation. Only in the case of special and urgent business, should the need arise, is the Board's approval taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting. The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

The agenda for the Board and committee meetings includes detailed notes on the items to be discussed to enable the Directors to take informed decisions. The Company follows a two-day schedule for its quarterly committee and Board meetings, which allows for greater discussion time for Board matters.

The Board met seven times in 2021 - on February 11, March 31, April 19, July 21, September 21, November 10 and December 13. The maximum interval between two meetings did not exceed 120 days. In view of the pandemic-related travel restrictions, all Board and committee meetings took place virtually. Measures were taken to ensure security of information and confidentiality of process, at the same time, ensuring convenience of the Board members.

The Company's Nomination and Remuneration Policy formulated under Section 178(3) of the Companies Act, 2013, covers roles, responsibilities, criteria and procedures towards key aspects of Board governance, including the size

and composition of the Board, criteria for directorship, terms and removal, succession planning, evaluation framework, and ongoing training and education of Board members. The policy lays down detailed guidelines for remuneration of the Board, Managing Director and employees, and covers fixed and variable components and long-term reward options, including ESOPs. It includes the scope and terms of reference of the Nomination and Remuneration Committee.

The Policy is available at: <https://crisil.com/en/home/investors/corporate-governance.html>. During the year, the Policy was revised to update the definition of Key Managerial Personnel to align with the definition prescribed under Companies Act, 2013.

Directorship changes:

MD & CEO succession

Ms Ashu Suyash decided to move on from the position of Managing Director (MD) & Chief Executive Officer (CEO) of the Company with effect from September 30, 2021, to set up her own venture. CRISIL's Directors place on record their sincere appreciation of Ms Suyash's leadership and contributions in leading CRISIL's growth and transformation agenda over the past six years, in consolidating Ratings' leadership position, growing global businesses and elevating the CRISIL brand during her tenure.

In accordance with the succession plan and after careful consideration, the Board at its meeting held on July 19, 2021, unanimously decided to appoint Mr Amish Mehta as Additional Director, and MD & CEO of the Company, effective October 1, 2021 for a tenure of five years. Mr Mehta joined CRISIL as President and Chief Financial Officer in 2014 and assumed the responsibility as Chief Operating Officer in 2017. He has over two decades of diverse experience across telecommunications, oil and gas, FMCG and business advisory services. The members of the Company have approved his appointment by way of a Special Resolution passed through postal ballot on September 23, 2021.

Resignation

Mr M Damodaran resigned as Independent Director from the Board with effect from October 1, 2021 as his company, Excellence Enablers Private Ltd, a company active in the area of corporate governance, was set to expand its offerings, and in this process, his position as an Independent Director on the Board of CRISIL Limited could place him in a situation of potential conflict. Mr Damodaran confirmed that there were no other material reasons for his resignation.

Mr Martin Fraenkel, Non-Executive Director, resigned as Director with effect from November 29, 2021 on account of his retirement from S&P Global Inc.

Your Directors place on record their sincere appreciation for the strong support, advice and guidance provided by Mr M Damodaran and Mr Martin Fraenkel to the Company and its Management, which was immensely valuable to drive the growth and performance of the Company.

Appointments

Ms Elizabeth Mann was appointed as Additional Director (Non-Executive) with effect from November 29, 2021. Ms

Mann is the Chief Financial Officer for S&P Global Ratings where she leads the finance and strategy organisation for Ratings and is responsible for financial and strategic planning, financial reporting, resource allocation and business development.

Mr Amar Raj Bindra was appointed as an Additional Director (Independent, Non-Executive) with effect from December 1, 2021 for a period of five years. Mr Amar Raj Bindra is a career banker and has 42 years of rich experience in the banking industry across OECD and emerging markets.

The Company received notices under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidatures of Ms Mann and Mr Bindra to the office of Directors.

Retiring by rotation

In accordance with the Articles of Association of the Company and provisions of the Companies Act, 2013, Mr Ewout Steenbergen retires by rotation and, being eligible, has sought re-appointment.

Brief profiles of Mr Ewout Steenbergen, Ms Elizabeth Mann and Mr Amar Raj Bindra have been given in the notice convening the Annual General Meeting.

Board independence

Our definition of 'independence' of Directors is derived from Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 149(6) of the Companies Act, 2013. Based on the confirmation/disclosures received from the Directors and on evaluation of the independence of directors during the Board evaluation process and assessing veracity of disclosures, the following Non-Executive Directors are Independent:

- a) Ms Vinita Bali
- b) Mr Girish Paranjpe
- c) Ms Shyamala Gopinath
- d) Mr Amar Raj Bindra

In the opinion of the Board, the Independent Directors fulfil the conditions specified under the Companies Act, 2013, the Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are independent of the management, and are persons of high integrity, expertise and experience. Further, in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs ('IICA') and have passed the proficiency test, if applicable to them.

Committees of the Board

The Board has five committees:

- Audit Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee

Details of all the committees, along with their charters, composition and meetings held during the year, are provided in the Report on Corporate Governance, as part of this Annual Report.

Annual evaluation by the Board

During the year, the Board carried out an annual evaluation of its performance as well as of the working of its committees and individual Directors, including the Chairman of the Board. This exercise was carried out through a structured questionnaire prepared separately for the Board, Committees, Chairman and individual Directors. The Chairman's performance evaluation was carried out by Independent Directors at a separate meeting.

The parameters assessed included various aspects of the Board's functioning such as: effectiveness, meetings, quantity and timeliness of the information flow between Board members and management, Board member participation, quality and transparency of Board discussions, time devoted by the Board to strategy, performance and risk issues, Board composition and understanding of roles and responsibilities, succession and evaluation, and possession of required experience and expertise by Board members.

The performance of the committees was evaluated on the basis of their effectiveness in carrying out their respective mandates.

Peer assessment of Directors, based on parameters such as participation and contribution to Board deliberations, ability to guide the Company in key matters, knowledge and understanding of relevant areas, team attitude and initiative, was reviewed by the Board for individual feedback.

During 2021, the Company actioned the feedback from the Board evaluation process conducted in 2020. Growth opportunities for global businesses were regularly presented during business reviews. Subsidiary Boards were better leveraged by introducing briefing sessions by Board members of material subsidiaries at a regular frequency to the CRISIL Limited Board and rationalising oversight of CRISIL Board to key/material issues pertaining to the subsidiaries. External speakers were invited to present market trends on emerging topics such as ESG and Future of Work. Interaction between Board meetings was stepped up by introduction of monthly updates to Board members. Board topics, agenda papers and time allocation for various topics was improved to bring about better balance between presentation and deliberations time, especially in view of constraints of virtual meetings across time-zones. Planning for Board calendar 2022 has been streamlined as well.

Compliance monitoring framework

The Company has a comprehensive framework for monitoring compliances with applicable laws and internal policies. Compliance reviews take place at multiple levels such as:

- First line of defence: Business and corporate functions ensure implementation of laws at the primary level

through checks and controls in their operational processes.

- Compliance Reporting tool: The compliances are further mapped into the Compliance Reporting tool and affirmed at regular frequency by the compliance owners, to generate Compliance Reports which are submitted to the Board on a quarterly basis.
- Compliance monitoring framework: This is periodically subject to audit by the internal auditors as per the internal audit plan.
- Adequacy of systems and processes for compliance, commensurate with the size and operations of the Company: This is also reviewed under the Secretarial audit process. The Stakeholders' Relationship Committee of the Company reviews instances of policy violations and breaches on quarterly basis.

Risk Management Policy and internal control adequacy

The Board has adopted policies and procedures for governance and for orderly and efficient conduct of its business, including adherence to the Company's policies, safeguard of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial disclosures. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations.

Significant audit observations and follow-up actions thereon are reported to the Audit Committee. For ensuring independence of the audits, internal auditors report directly to the Audit Committee. Both internal and statutory auditors have exclusive executive sessions with the Audit Committee periodically. In addition, during the year, the Management performed a review of key controls impacting financial reporting, at entity as well as operating levels, and submitted its report to the Audit Committee and the Board. Despite travel restrictions during 2021, internal audit teams performed reviews and audit procedures comprehensively using remote working tools and the Company was successful in significantly completing planned internal audits.

The Company has a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Mitigation plans for key risks identified by the businesses and functions are implemented and reviewed periodically. CRISIL has adopted a balanced approach to risk management with an endeavour to mitigate risks to an acceptable level within its tolerances and protecting CRISIL's reputation and brand while supporting the achievement of operational and strategic goals. In addition to key strategic and operational risks, data security, cyber security, business continuity, and employee health and well-being were of primary focus during 2021. Technological applications and processes were significantly upgraded for all processes, for client and internal deliverables to be executed in a timely and secure manner during the pandemic. Additional measures were taken on information security for remote working, especially in areas of remote access to databases, processing operations and virtual meetings. Heightened filtering and monitoring of phishing mails and advanced security controls were deployed for vulnerability detection and mitigating risk of attacks. Trainings were conducted for all employees with

a specific focus on cyber security, phishing risk awareness while working from homes and compliance. Additionally, the Company continued monitoring top risks on its risk register, which are discussed in greater detail in the Management Discussion and Analysis Report.

Key highlights of risk management activities in 2021 included introduction of 'in-business controls' for enhanced risk monitoring, multiple initiatives focused on data and cyber security, data privacy, deep dive reviews of key risk themes and a cyber-incident desktop simulation exercise.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors, and external consultants, and reviews performed by Management and relevant Board committees, including Audit Committee and Risk Management Committee, the Board is of the opinion that the Company's internal financial controls with reference to financial statements were adequate and effective during the financial year 2021.

Directors' responsibility statement

The Directors hereby confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- ii. they have selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going-concern basis;
- v. they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws, and such systems are adequate and operating effectively.

Particulars regarding conservation of energy, technology absorption, and foreign exchange earnings and outgo

The particulars regarding foreign exchange earnings and outgo appear as separate items in the notes to the accounts. The Company does not own any manufacturing facility and, hence, our processes are not energy-intensive. Hence, particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts) Rules, 2014, are not applicable.

However, we endeavour to support the environment by adopting environment-friendly practices in our office

premises and have rolled out a policy that aims at improving environmental performance of CRISIL. Our efforts in this direction centre around making efficient use of natural resources, elimination of waste and promoting recycling of resources.

Initiatives taken in the area of environment protection during 2021 are mentioned in the CRISIL ESG Report 2021.

Corporate social responsibility

The Company has constituted a CSR Committee in accordance with Section 135 of the Companies Act, 2013. The role of the Committee is to review the CSR Policy, approve activities to be undertaken by the Company towards CSR, and monitor implementation of projects and activities undertaken by the Company towards CSR.

The CSR Policy of the Company is available at <https://crisil.com/en/home/investors/corporate-governance.html>, and further details about the initiatives taken by the Company on CSR during the year under review have been appended as **Annexure I** to this Report. During the year, the scope of the Policy was broadened by inclusion of activities relating to providing support for short-term causes/initiatives covered under the Schedule VII to the Companies Act, 2013 upto a specified limit.

Further, in terms of the amended CSR Rules, the Chief Financial Officer has certified that the funds disbursed for CSR have been used, for the purpose and in the manner approved by the Board for financial year 2021.

Vigil mechanism

The Company has established a vigil mechanism for Directors and employees to report genuine concerns, details of which have been given in the Corporate Governance Report annexed to the Annual Report.

Significant developments

Scheme of amalgamation between CRISIL Limited ('Transferee Company') and its wholly owned subsidiary companies, CRISIL Risk and Infrastructure Solutions Limited and Pragmatix Services India Private Limited ('Transferor Companies') in terms of Section 230 to 232 of the Companies Act, 2013

CRISIL Risk and Infrastructure Solutions Limited, a wholly-owned subsidiary of the Company, presently provides services relating to infrastructure advisory and development solutions supporting risk management processes for clients. Pragmatix Services India Private Limited, another wholly owned subsidiary, was acquired in November 2018 to complement the CRISIL Risk Solutions business. It continued to be a wholly owned subsidiary of CRISIL Limited post the acquisition.

In order to rationalise the Company's entity structure, bring in operational synergies and benefits, and achieve administrative efficiencies, the Board of Directors on December 13, 2021 approved the scheme of amalgamation for merger of CRISIL Risk and Infrastructure Solutions Limited and Pragmatix Services India Private Limited into the Company under sections 230 to 232 of the Companies Act, 2013. The Scheme is pending for approval before the

National Company Law Tribunal (NCLT) and other relevant regulatory authorities. The Appointed date of the Scheme is April 1, 2022 or such other date as the NCLT may direct.

Closure of Greenwich Associates UK (Holdings) Limited

The Company had reported the closure of our UK-based non-operating wholly-owned subsidiary, Greenwich Associates UK (Holdings) Limited in December 2020, in the Directors' Report for the previous year. Greenwich Associates UK (Holdings) Limited was closed post receiving the requisite approval of the competent authorities. As a result, it has ceased to be a subsidiary of CRISIL Limited.

Sale of non-core assets

During the year, the Company sold its property, CRISIL House, situated at Andheri Kurla Road, Chakala, Andheri East, Mumbai 400093 for a sale consideration amounting to Rs 49 crore.

Subsidiaries

As on December 31, 2021, the Company had three Indian and thirteen overseas wholly owned subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, CRISIL has prepared a consolidated financial statement of the Company and all its subsidiaries, which is a part of the Annual Report. A statement containing salient features of the financial statements of the subsidiaries and highlights of performance of subsidiaries is included in the Annual Report.

The Company has no associate companies within the meaning of Section 2(6) of the Companies Act, 2013.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements, has been placed on the website, www.crisil.com. Further, as per the fourth proviso of the said section, accounts of all subsidiaries as on December 31, 2021, have also been placed on the website www.crisil.com. Shareholders interested in obtaining a copy of the accounts of the subsidiaries may write to the Company Secretary at the Company's registered office or email on investors@crisil.com.

The Company has obtained a certificate from the statutory auditors, certifying that the Company is in compliance with FEMA Regulations with respect to downstream investments.

Particulars of contracts or arrangements with related parties referred to in Section 188(1)

A significant quantum of related party transactions undertaken by the Company is with its subsidiaries engaged in product delivery of CRISIL's businesses and business development activities. The Company has also been providing analytical support to S&P Global entities as a part of a Master Services Agreement, which was approved by a majority vote from CRISIL's minority shareholders, without participation of S&P, through a resolution passed by postal ballot on December 15, 2014.

The Audit Committee pre-approves all related party transactions. The details of such transactions undertaken

during a particular quarter are placed at the meeting of the Audit Committee held in the succeeding quarter.

All contracts/ arrangements/ transactions with related parties that were executed in 2021 were in the ordinary course of business and at an arm's length. During the year, there were no related party transactions that were materially significant and that could have a potential conflict with the interests of the Company at large. All related party transactions are mentioned in the notes to the accounts. The particulars of material contracts or arrangements with related parties referred to in Section 188(1) are given in a prescribed Form AOC-2 as **Annexure II**.

As required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Related Party Transactions Policy, which has been placed on the Company's website <https://www.crisil.com/en/home/investors/corporate-governance.html>. The Company has developed an operating procedures manual for identification and monitoring of related party transactions.

Particulars of loans, guarantees or investments under Section 186

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, are provided in the Notes to Financial Statements.

Auditors

M/s. Walker Chandiook & Co LLP (an affiliate of Grant Thornton network) is the statutory auditor of the Company.

Shareholders of the Company had approved the appointment of M/s Walker Chandiook & Co LLP as the statutory auditor of the Company for five years, i.e., from the conclusion of the 30th Annual General Meeting held on April 20, 2017, until the conclusion of the 35th Annual General Meeting. The auditors are eligible for a second term of five years.

The Company has received confirmation from the Auditors to the effect that their appointment, if made, will be in accordance with the limits specified under the Companies Act, 2013 and the firm satisfies the criteria specified in Section 141 of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules, 2014. The Board is of the opinion that continuation of M/s. Walker Chandiook & Co LLP, Chartered Accountants as Statutory Auditors will be in the best interests of the Company and therefore, the members are requested to consider their re-appointment as Statutory Auditors of the Company, for a term of five years, from the conclusion of the ensuing Annual General Meeting, till the 40th Annual General Meeting, at such remuneration mutually agreed and approved by the Board and the Audit Committee of the Company.

Comments on auditors' report

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s Walker Chandiook & Co LLP, Statutory Auditors, in their audit report. The Statutory Auditor did not report any incident of fraud to the Audit Committee of the Company in the year under review.

Secretarial audit report

The Board has appointed M/s Makarand M. Joshi & Co., Practising Company Secretaries, to conduct the secretarial audit, and their report is appended as **Annexure III**. There are no qualifications, reservations or adverse remarks or disclaimers made by M/s Makarand M. Joshi & Co., Practising Company Secretaries, in their secretarial audit report.

CRISIL Ratings Limited, a material subsidiary of the Company, undertakes Secretarial Audit every year under Section 204 of the Companies Act, 2013. The Secretarial Audit of CRISIL Ratings Limited for the financial year 2021 was carried out pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit was conducted by M/s. MMJB & Associates LLP, Practising Company Secretaries, and their report did not contain any qualification, reservation or adverse remark or disclaimer. The Secretarial Audit Report of CRISIL Ratings Limited forms part of the Annual Report as per requirements of the Listing Regulations.

Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to the Annual Report.

Corporate governance

The Company is committed to maintaining the highest standards of corporate governance and adhering to the corporate governance requirements as set out by SEBI. The Report on Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is a part of the Annual Report. A certificate from the auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is also published in the Annual Report.

Particulars of remuneration

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, have been appended as **Annexure IV** to this Report.

In accordance with the provisions of Section 197(12) of the Companies Act, 2013, and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of every employee covered under the said rule are available at the registered office of the Company during working hours for a period of 21 days before the Annual General Meeting and will be made available to any shareholder on request. The information is also available on the Company's website.

Employee Stock Option Schemes

The Company has three Employee Stock Option Schemes. Employee Stock Option Scheme – 2011 (ESOS 2011) was approved by shareholders vide a special resolution passed through postal ballot on February 4, 2011. Employee Stock Option Scheme – 2012 (ESOS 2012) was approved by shareholders vide a special resolution passed through postal ballot on April 10, 2012. Employee Stock Option Scheme – 2014 (ESOS 2014) was approved by shareholders vide a special resolution passed through postal ballot on April 3, 2014, and amended by a special resolution of shareholders at the 30th Annual General Meeting held on April 20, 2017.

During 2021, there were no material changes in the Employee Stock Option Schemes of the Company. However, the Board of Directors of the Company at its meeting held on February 15, 2022, had approved certain amendments to the Employee Stock Option Schemes of the Company to bring these schemes in line with the requirements of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The schemes are in compliance with SEBI regulations. As per Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, read with Securities and Exchange Board of India circular no. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015, the details of the ESOS are uploaded on the Company's website <https://www.crisil.com/en/home/investors/financial-information/annual-report.html>.

The Company has received a certificate from M/s Makarand M. Joshi & Co., Practising Company Secretaries that ESOS 2011, ESOS 2012 and ESOS 2014 have been implemented in accordance with SEBI regulations and the resolution passed by members in their general meeting. The certificate will be placed at the ensuing Annual General Meeting for inspection by members.

Annual Return

The complete Annual Return (Form MGT-7) is available on the Company's website: <https://www.crisil.com/en/home/investors/financial-information/annual-report.html>.

Financial year

The Company follows the calendar year as the financial year in terms of a special approval obtained from the Company Law Board in 2015.

CEO and CFO certification

A certificate from Mr Amish Mehta, MD & CEO, and Mr Sanjay Chakravarti, Chief Financial Officer, pursuant to provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year under review was placed before the Board of Directors of the Company at its meeting held on February 15, 2022.

Statutory disclosures

Directors state there being no transactions with respect to the following items during the financial year under review, no disclosure or reporting is required with respect to the same:

1. Deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013, and the Companies (Acceptance of Deposits) Rules, 2014
2. Issue of equity shares with differential rights as to dividend, voting or otherwise
3. Receipt of any remuneration or commission by the Managing Director/Whole-time Director of the Company from any of its subsidiaries
4. Significant or material orders passed by the regulators or courts or tribunals, which impact the going concern status and the Company's operations in future
5. Buyback of shares
6. Material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report, unless otherwise stated in the report

7. Maintenance of cost records as per sub-section (1) of Section 148 of the Companies Act, 2013
8. Application or proceedings made under the Indian Bankruptcy Code, 2016

Acknowledgements

The Board of Directors wishes to thank the employees of CRISIL for their exemplary dedication and excellence displayed in conducting all operations. The Board also wishes to place on record its sincere appreciation of the faith reposed in the professional integrity of CRISIL by customers and investors who have patronised its services. The Board acknowledges the splendid support provided by market intermediaries. The affiliation with S&P Global has been a source of great strength. The Board of Directors also wishes to place on record its gratitude for the faith reposed in CRISIL by the shareholders, SEBI, the RBI, the Government of India and the state governments. The role played by the media in highlighting the good work done by CRISIL is deeply appreciated.

For and on behalf of the Board of Directors of CRISIL Limited,

John L Berisford
Chairman
(DIN: 07554902)

Mumbai, February 15, 2022

Annexure I to the Directors' Report

Annual Report on Corporate Social Responsibility Activities as prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

The CSR Policy lays down the following activities to be carried out by the Company:

- Strengthen the financial capabilities of socially and economically underprivileged communities
- Conservation of the environment by focusing on relevant programmes in the vicinity of CRISIL offices so that employees get directly involved in CSR initiatives
- Employee participation in financial literacy /promoting education and environment conservation as well as allowing employees to undertake projects of their choice, with small budget allocations reviewed by a Management Committee, provided that the projects were also covered under the Schedule VII to the Companies Act, 2013, as amended, from time to time
- Contribute to, undertake or support any other short-term causes/initiatives (up to two years) covered under the Schedule VII to the Companies Act, 2013 up to an allocation not exceeding 10% of the CSR budget in any given financial year. The contribution may be made directly or indirectly, through various agencies, whether government or semi-government or private organisations like Non-government organisations. The CSR Committee may under special circumstances with reasonable justification, enhance the allocation for such short-term causes/initiatives to meet pertinent community needs

The following projects have been undertaken by the Company in 2021:

Mein Pragati (Assam) – Phase III Expansion/Exit, Livelihoods (in Assam), Centre for Financial Literacy (CFL) Pilot Project Extension, GramShakti – Phase I, CRISIL Re (Environment) and Covid-19 Relief

The CSR Policy is available on the Company's website, <https://www.crisil.com/en/home/investors/corporate-governance.html>

2. The Composition of the CSR Committee: Ms Vinita Bali (Chairperson), Mr Girish Paranjpe and Mr Amish Mehta

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company

- Composition of CSR Committee : <https://www.crisil.com/en/home/about-us/board-committees.html>
- CSR policy: <https://www.crisil.com/en/home/investors/corporate-governance.html>
- CSR projects approved by the Board: <https://www.crisil.com/en/home/crisil-foundation/about-us.html>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable

Independent impact assessments of the following CSR projects were carried out in 2021:

- GramShakti - Phase I conducted by KPMG Advisory Services Pvt. Ltd.
- CRISIL Re (Environment) conducted by Centre for Environmental Research and Education (CERE)

These reports are available on the Company's website: <https://www.crisil.com/en/home/crisil-foundation/publications.html>

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**

Sl. no.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
		Not Applicable	

6. Average net profit of the company as per section 135(5): **Rs 318.29 crore**
7. (a) Two percent of average net profit of the company as per section 135(5): **Rs 6.37 crore**
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NA**
 (c) Amount required to be set off for the financial year, if any: **NA**
 (d) Total CSR obligation for the financial year (7a+7b- 7c): **Rs 6.37 crore**
8. (a) CSR amount spent or unspent for the financial year:

Total amount spent for the fiscal (Rs)	Amount Unspent (in Rs.)				
	Total amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
6.45 cr	NA	NA	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. no	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	State	District	Project duration	Amount allocated for the project (Rs crore)	Amount spent in the current fiscal (Rs crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs crore)	Mode of implementation - Direct (Yes/No)	Name	Mode of implementation - Through implementing agency
1.	Mein Pragati (Assam) – Phase III Expansion/Exit	Promoting gender equality, empowering women	No	Assam	Kamrup, Morigaon, Nalbari, Barpeta, Goalpara, Darrang, Baksa, Bongaigaon, Chirang, Dhubri, Karbi Anglong,	Jan-2021 to Dec-2023	1.55*	1.58*	Nil	No	RGVN, SeSTA	SeSTA-CSR00000087 RGVN - CSR00002390
	Livelihoods (in Assam)	Promoting gender equality, empowering women	No	Assam	Nalbari, Kamrup	Jan-2019 to Dec-2022			Nil	No	SeSTA, Grameen Sahara	SeSTA-CSR00000087 Grameen Sahara - CSR00011289

* For both the projects – Mein Pragati (Assam) – Phase III Expansion/Exit and Livelihoods (in Assam)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. no	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (Rs crore)	Amount spent in the current fiscal (Rs crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs crore)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District						Name	CSR Registration number
2	Centre for Financial Literacy (CFL) Pilot Project Extension	Promoting gender equality, empowering women	No	Maharashtra, Haryana, Rajasthan	Washim, Ratnagiri, Karnal, Panipat, Gurugram, Nuh, Durgapur	July-2019 to Nov-2021	1.48	1.49	Nil	Yes	NA	NA
3	Gram-Shakti - Phase I	Promoting gender equality, empowering women	No	Assam, Rajasthan, Maharashtra, Haryana	Kamrup, Morigaon, Nalbari, Barpeta, Goalpara, Darrang, Baksa, Bongaigaon, Chirang, Dhubri, Karbi Anglong, Dausa, Alwar, Ratnagiri, Washim, Karnal, Panipat, Gurugram, Nuh, Durgapur	June-2018 to Dec-2021	1.23	1.24	Nil	Yes	NA	NA
4	CRISIL Re (Environment)	Ensuring environmental sustainability	Yes	Maharashtra, Karnataka and West Bengal	Mumbai, Pune, Bengaluru, Kolkata	June-2020 to June-2022	0.77	0.77	Nil	No	Grow-Trees (Pangea EcoNetAssets Pvt. Ltd.), IAHV, NEWs, Nature Forever Society, Say Trees Environmental Trust	IAHV - CSR00000683 Nature Environment & Wildlife Society (NEWs) - CSR00000806 Nature Forever Society - CSR00002915 Say Trees Environmental Trust - CSR00000702
TOTAL							5.03	5.08	Nil	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl.no	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (Rs crore)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration number
1.	Covid-19 Relief	Disaster management	Yes	Maharashtra, Karnataka, Andhra Pradesh, Gujrat, West Bengal	Mumbai, Pune, Bengaluru, Delhi, Hyderabad, Kolkata, Ahmedabad	0.72	No	United Way of Bengaluru (UWB), Sambhav Foundation	UWB - CSR00000324 Sambhav Foundation - CSR00000475

(d) Amount spent in administrative overheads : **Rs 0.39 crore**

(e) Amount spent on impact assessment, if applicable : **Rs 0.26 crore**

(f) Total amount spent for the fiscal (8b+8c+8d+8e) : **Rs 6.45 crore**

(g) Excess amount for set off, if any : **Nil**

Sl.no	Particular	Amount (Rs)
i.	Two percent of average net profit of the company as per section 135(5)	6.37 cr
ii.	Total amount spent for the financial year	6.45 cr
iii.	Excess amount spent for the financial year [(ii)-(i)]	0.08 cr
iv.	Surplus arising out of the CSR projects or programmes or of the previous financial years, if any	Nil
v.	Amount available for set-off in succeeding financial year [(iii)-(iv)]	0.08 cr

9. (a) Details of unspent CSR amount for the preceding three financial years: **Not Applicable**

Sl.no	Preceding financial year	Amount transferred to Unspent CSR Account under section 135(6) (Rs crore)	Amount spent in the reporting financial year (Rs crore)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (Rs crore)
				Name of the fund	Amount (Rs crore)	Date of transfer	
Not applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. no	Project ID	Name of the project	Financial year in which the project commenced	Project duration	Total amount allocated for the project (Rs crore)	Amount spent on the project in the reporting financial year (Rs core)	Cumulative amount spent at the end of reporting financial year (Rs crore)	Status of the project - Completed / Ongoing
Not applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): **Not Applicable**

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

For CRISIL Limited

Amish Mehta
Managing Director
& Chief Executive Officer
(DIN: 00046254)

For and on behalf of the Corporate Social Responsibility
Committee of CRISIL Limited

Vinita Bali
Chairperson
Corporate Social Responsibility Committee
(DIN: 00032940)

Mumbai, February 15, 2022

Annexure II to the Directors' Report

Form No. AOC - 2

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act 2013, including certain arms-length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sl. no.	Name of related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of contracts/arrangements/transactions	Salient features of contracts/arrangements/transactions, including value, if any	Justification for entering into such contracts/arrangements/transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which special resolution was passed in general meeting u/s 188(1)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
Not Applicable								

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sl. no.	Name of related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of contracts/arrangements/transactions	Salient features of contracts/arrangements/transactions, including value, if any	Justification for entering into such contracts/arrangements/transactions	Date(s) of approval by the Board /Audit Committee	Amount paid as advances, if any	Date on which special resolution was passed in general meeting u/s 188(1)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1	S&P Global Inc (Formerly known as McGraw-Hill Financial, Inc.) and its subsidiaries (SPGI) (Fellow subsidiaries)	Global Analytical Center	Ongoing subject to renewal as per contractual terms	Support SPGI and its group in their global operations, consideration of around Rs. 220.18 crore in 2021	Services rendered by CRISIL are at arm's length pricing (ALP) and in the ordinary course of business. CRISIL maintains appropriate documentation to support ALP with SPGI and its group Companies.	October 20, 2020	Nil	December 15, 2014*
2	CRISIL Irevna UK Limited (100% Subsidiary)	Global Research and Risk Solutions (GR&RS)	Ongoing subject to renewal as per contractual terms	CRISIL invoices CRISIL Irevna UK for GR&RS services which Irevna UK has recovered from external clients. The pricing is after considering appropriate remuneration to Irevna UK to meet its functional obligation Amount invoiced by CRISIL to CRISIL Irevna UK Limited is Rs. 173.77 crore in 2021.	Services rendered by CRISIL are at arm's length pricing (ALP) and in the ordinary course of business. CRISIL maintains appropriate documentation to support ALP with CRISIL Irevna UK.	October 20, 2020	Nil	Not applicable

* CRISIL has been S&P's trusted partner and has been providing support services to S&P entities since 2003 (i.e. prior to CRISIL becoming a subsidiary of S&P). Approval for this transaction was sought through a shareholders postal ballot conducted in December 2014. This resolution was voted upon by the minority shareholders, without participation of S&P. Services provided by CRISIL are at arm's length pricing and in the ordinary course of business.

For and on behalf of the Board of Directors of CRISIL Limited

John L Berisford
Chairman
(DIN: 07554902)

Mumbai, February 15, 2022

Annexure III to the Directors' Report

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st December, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
CRISIL Limited
CRISIL House, Central Avenue,
Hiranandani Business Park,
Powai, Mumbai-400076

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CRISIL Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st December, 2021 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st December, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (**External Commercial Borrowings are not Applicable to the Company during the Audit Period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not Applicable to the Company during the Audit Period**);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (**Not Applicable to the Company during the Audit Period**)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not Applicable to the Company during the Audit Period**); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable to the Company during the Audit Period**).

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records including Internal audit report in pursuance thereof on test-check basis, the Company has complied with the Securities and Exchange Board of India (Research Analysts) Regulations, 2014.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards made there.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the company has allotted 2,75,156 equity shares of face value of Re 1 each pursuant to Employee Stock Option Scheme.

**For Makarand M. Joshi & Co.
Company Secretaries**

**Makarand M. Joshi
Partner**

FCS: F5533

CP: 3662

PR: 640/2019

UDIN: F005533C002596429

Date: 15-02-2022

Place: Mumbai

Annexure IV to the Directors' Report

Disclosures pursuant to Section 197(12) of the Companies Act, 2013, and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The ratio of remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each director, CFO, CEO, Company Secretary or Manager, if any, in the financial year:

Sr. no.	Name of the director	Ratio of the remuneration to the median remuneration of the employees	% increase in remuneration
a.	Mr. John L Berisford, Chairman, Non-Executive Director	NA*	NA*
b.	Mr. M Damodaran, Independent Director [%]	2.87	-10.50%
c.	Ms. Vinita Bali, Independent Director	3.91	22.95%
d.	Mr. Girish Paranjpe, Independent Director	3.84	19.79%
e.	Ms. Shyamala Gopinath, Independent Director [#]	3.41	145.77%
f.	Mr. Amar Raj Bindra, Independent Director ^{\$}	0.36	NA
g.	Mr. Ewout Steenberg, Non-Executive Director	NA*	NA*
h.	Mr. Martin Fraenkel, Non-Executive Director [@]	NA*	NA*
i.	Ms. Elizabeth Mann, Non-Executive Director [^]	NA*	NA*
j.	Ms. Ashu Suyash, ex- MD & CEO	78.70 ^{^^}	69.45% ^{^^}
k.	Mr. Amish Mehta, MD & CEO [~]	10.17	NA
l.	Mr. Amish Mehta, COO (upto September 30, 2021)	NA	20.69%
m.	Mr. Sanjay Chakravarti, CFO	NA	49.42%
n.	Ms. Minal Bhosale, Company Secretary	NA	22.34%

* Since April 2015, S&P Global has waived sitting fees and commission payable to its nominees

% Ceased to be a Director with effect from October 1, 2021

Remuneration not comparable since Ms. Gopinath joined the Board in July 2020 and last year's remuneration is for part of the year

\$ Appointed as an Independent Director on December 1, 2021

@ Ceased to be Non -Executive Director with effect from November 29, 2021

^ Appointed as Non-Executive Director with effect from November 29, 2021

^^ The ratio as well as remuneration is not comparable to last year since Ms. Suyash was in employment for part of the year. Further, the 2021 remuneration includes perquisite value resulting out of exercise of options at the end of tenure.

~ Appointed as Managing Director and CEO with effect from October 1, 2021. Since remuneration is for a part of the year, it is not comparable. Based on annualised remuneration the ratio will be 40.69.

2. The % increase in median remuneration of employees in the financial year: Median pay increased by 3.21% in 2021 compared with 2020.

3. The number of permanent employees on the rolls of the Company: 3973

4. Average percentile increase already made in salaries of employees, other than the managerial personnel, in the last financial year and its comparison with the percentile increase in the managerial remuneration, and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Average increase in remuneration for 2021 over 2020 was 10.07%. Overall managerial remuneration to KMPs has increased by 59.04%. During the year, on account of planned succession led changes to the position of CEO and Managing Director, associated one-time payments such as end-term benefits, perquisite charged on exercise of options have been included in the current year's managerial remuneration. Further, variable component linked to Company performance, in the form of performance bonus and one-time deferred cash awards paid out to two KMPs in the senior management levels as compared to executive and middle management levels has contributed to a higher increase. For clarity on the details of the individual compensation to Key Managerial Personnel, please refer to the Annual Return available on the website of the Company.

5. Affirmation that the remuneration is as per the remuneration policy of the Company: Yes

Annexure to the Directors' Report

Management Discussion and Analysis Report

CRISIL Ratings

Corporate bond issuances remained subdued in fiscal 2021 amid an uncertain interest rate environment and investor risk aversion. Bond issuers preferred external commercial borrowings (ECB) and shorter-tenure instruments during the year. However, in second half of 2021, activity in the lending markets saw an uptick in line with economic recovery, albeit the bank credit growth in MSMEs and retail borrowers' segments significantly outpaced the corporate segment.

Going forward, the infrastructure push and gradual revival of the capex cycle is expected to lead to higher bond issuances and rise in wholesale credit growth.

Both the bond ratings and Bank Loan Ratings (BLR) segments are expected to gradually benefit from these trends. The BLR market will continue to see the impact of a few large banks having an increased minimum exposure threshold for seeking BLRs.

Securitisation volume was subdued in the first half. However, there has been strong pick-up in economic activity after the second wave subsided, leading to improved collections across asset classes. Lenders and investors are seen returning to the market gradually; an increase in securitisation transactions is expected in the coming year.

New client acquisitions and healthy traction in new products maintained CRISIL Ratings' market leading position in 2021. Over 1000 new BLRs were assigned in the year. Ratings have been assigned to more than 35,000 large and mid-size corporates till date. Further, we on-boarded 150+ new large corporate clients. Despite intense competition and decline in number of new companies seeking new BLRs, we were able to increase our market share in the BLR space.

Further, during the year, CRISIL GAC enhanced its support to S&P Global Ratings on surveillance and ESG activities and led efforts for digitisation, simplification and standardisation of content in data and analytical domains. GAC continued to partner in market outreach efforts and content creation for publications.

CRISIL Research

India Research

India Research business saw marked recovery in 2021 despite the second wave of Covid-19 infections. A pick-up in economic activity, improving business sentiment and buoyant capital markets drove demand for our key products and services, helping us deliver strong revenue and profitability.

With corporates starting to refocus on growth opportunities and significant capital raising, our Customised Research business benefited significantly, driving a strong mandates flow and acquiring new clients.

We maintained a dominant position in the Funds and Fixed Income Research business. We held our position as the largest provider of fixed income indices in India and launched nine indices in 2021, taking the total to 107. CRISIL AIF Benchmarks continue to witness good traction.

The Industry Research vertical's new sectoral reports, which provide more granular research, insights and databases, saw excellent traction among corporate clients.

Quantix, our strategic initiative in the data and analytics space, improved its value proposition by enhancing data coverage and strengthening analytical tools.

CRISIL ESG Gauge, launched in June, has received very positive response from key stakeholders. Our ESG Compendium also bagged two coveted marketing awards in September.

We continued to focus on virtual training during the year as physical classroom training was largely on hold amid emergence of new Covid-19 variants. We launched CRISIL Wealth Manager Certification in association with NISM, which saw good retail participation and emerging interest from corporate clients.

The C-CER and CRISIL Research businesses continued to focus on franchise and thought-leadership activities by conducting distinctive research on contemporary issues.

Global Research & Risk Solutions (GR&RS)

Market-led factors, along with regulatory push, are driving the transformation agenda across financial institutions. With increased competition from fintech firms, banks are looking at digitalising parts of the credit risk workflow to optimise compliance costs. They are also setting up data architecture to seamlessly access data to improve day-to-day monitoring, portfolio analytics, regulatory reporting, and the implementation of their digitalisation agenda.

Banks, lenders and asset managers (AMs) continue to boost investments in digitalising, transforming and automating their operations, technology and infrastructure as they look to scale up and generate efficiencies in the long term.

Regulators, too, are increasingly monitoring and reviewing the risk management practices of financial institutions and prodding them to strengthen their current practices. Banks are increasingly investing in accelerating their regulatory compliance programmes, especially across Fundamental Review of Trading Book (FRTB), switching to alternative reference rates, repairing internal models, and stress testing, with the inclusion of climate risk and large-scale black-swan events such as Covid-19 into the scenarios.

Global Benchmarking Analytics

In sync with our expansion initiatives, we have broadened our capabilities and reach to serve a more regional client base across the globe. With a focus on strengthening the

relationship management function and deepening analytical expertise, the business services 300+ clients across the financial services space.

The design of the foundational components of our future digital platform has been completed, and core capabilities are now being implemented. The focus is on data governance, security and standardisation to provide a solid base to improve scalability and robustness across all data and analytics processes – leading to enhanced client value and experience.

Global Benchmarking Analytics retained the coveted SSAE16 SOC2 Type II certification, which is a testimony of the stringent controls and measures deployed for data and IP protection.

CRISIL Infrastructure Advisory

The business continued its engagement with clients globally and worked with various stakeholders, conducted webinars and knowledge-sharing sessions, and closed several mandates through successful virtual delivery of milestones, in the midst of the second wave.

Despite the challenge of the pandemic, CRISIL Infrastructure Advisory booked several large-value assignments, further strengthening the order book.

The business was associated with central and state governments in the areas of policy advocacy, transaction advisory leading to private sector investments and programme management of large government schemes.

On the international front, we partnered with multilateral agencies in developing frameworks and capacity-building initiatives in international geographies, especially in south-east Asia and east Africa.

CRISIL Business Intelligence & Risk Solutions (BIRS)

The banking environment witnessed increasing focus on digitisation and automation of credit processing, given the regulatory focus on automation of asset classification and provisioning, apart from the continued traction on credit monitoring. Our risk and business intelligence solutions — ICON, Early Warning Solution (EWS), Regulatory and Portfolio evaluation/monitoring — are aligned to address these requirements.

We continue to expand our suite of offerings with innovative business analytics and digital enablement solutions in the Middle East.

Our ICON platform with the new-age RAM, which comes with modular and configurable features, was implemented successfully with banks during the year. We continue to expand and invest in our technology capabilities on our Fulkrum platform (analytics platform) and suite of risk products.

We continue to expand our product suite and modules on both ICON and Fulkrum.

Analysis of consolidated financial performance and result of operations

Consolidated financial statements include financial statements of CRISIL Ltd combined with its wholly owned subsidiaries ('Group'). Subsidiaries are entities controlled by the Company.

Financial statements of the Group and its subsidiaries have been combined on a line-by-line basis by adding the book values of like items – assets, liabilities, income, and expenses – after duly eliminating intra-group balances and transactions, and the resulting gains/ losses.

Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, read along with Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. Financial statements have been prepared under historical cost convention on an accrual basis except for certain financial instruments, which are measured at fair value at the end of each reporting period. Management accepts responsibility for the integrity and objectivity of financial statements as well as for various estimates and judgment used therein.

The results attributable to Greenwich Associates include the 12-month financials of Greenwich Associates LLC (acquired on February 26, 2020). Ten-month financials were considered for the same period last year.

The consolidated financial performance and result of operations are relevant for understanding CRISIL's performance.

A. Financial performance

1. Property, plant, equipment, and intangible assets

The Group's investments in property, plant, and equipment represent the cost of buildings, leasehold improvements, computers, office equipment, furniture, fixtures, and vehicles. Property, plant, and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

The Group's intangible assets – software, customer relationship, technology, database, tradename, platform, and Right of Use Assets – are stated at cost of acquisition or construction less accumulated amortisation and impairment losses, if any. The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each fiscal.

During the year, the Group capitalised Rs 80.17 crore to its gross block and deducted Rs 16.13 crore from the gross block on disposal of various assets. Capitalised assets include office equipment, computers, software, and leasehold improvements to support business expansion and provide for replacement of the existing assets.

The Group expects to fund its investments in fixed assets and infrastructure from internal accrual and liquid assets.

At the end of the year, the Group's investments in property, plant, equipment, and intangible assets were as follows:

(Rupees in crore)

Details	As on December 31,	
	2021	2020
Carrying value		
Property, plant, equipment, and intangible assets	776.94	796.26
Less accumulated depreciation	488.79	409.60
Net block	288.15	386.66
Depreciation as a % of total income	4%	6%
Accumulated depreciation as % of gross block	63%	51%

2. Goodwill on consolidation

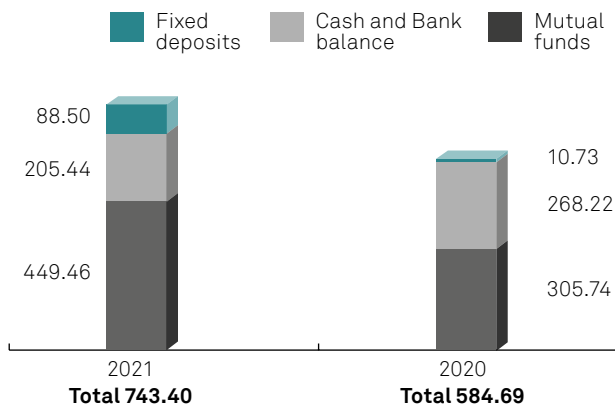
Goodwill on consolidation represents excess of purchase consideration over the net asset value of acquired subsidiaries on the date of such acquisition. Goodwill is tested for impairment annually or more frequently, if there are indications of impairment.

Financial assets

A. Investments and treasury: The Group's investments and treasury comprise non-current equity investments, current investments, cash and bank balances, and fixed deposits.

Treasury

(Rupees in crore)



- a. **Equity investments:** All equity investments (quoted and unquoted) are measured at fair value through other comprehensive income (FVTOCI).
- b. **Current investments and treasury:** The Group's investments in mutual funds are classified as fair value through profit or loss (FVTPL). The Group's treasury was Rs 743.40 crore as on December 31, 2021, as against Rs 584.69 crore in the previous year. Increase in treasury is in line with strong business performance.
- c. The Group maintains adequate amount of liquidity/treasury to meet strategic and growth objectives. It has ensured a balance between earning adequate returns on

liquidity/ treasury assets and the need to cover financial and business risks. The Group's treasury policy calls for investing surplus in combination of fixed deposits with scheduled banks and debt mutual funds.

B. Loans

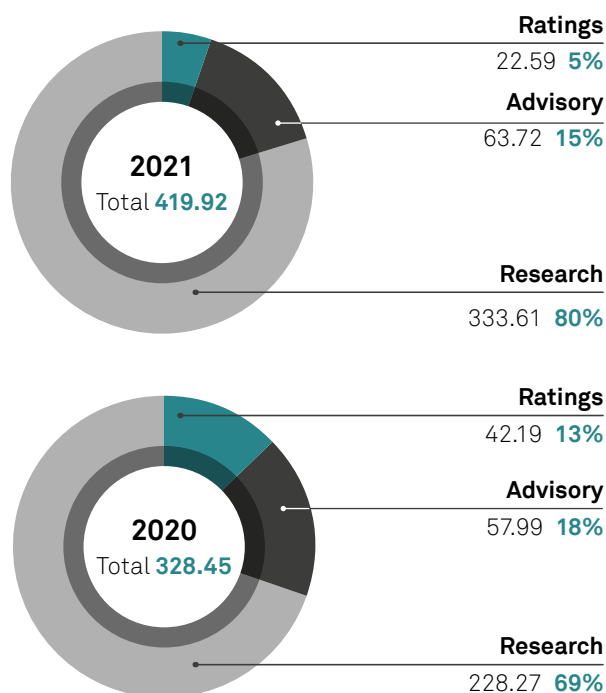
Loans comprise security deposits and loans to staff. Loans were Rs 37.04 crore as on December 31, 2021, as against Rs 45.76 crore in the previous year.

C. Trade receivables

Trade receivables at gross levels were Rs 419.92 crore as on December 31, 2021, compared with Rs 328.45 crore in the previous year. Trade receivables constituted 18% of operating revenue compared with 17% of operating revenue during the previous year.

The break-up of debtors relating to the segment is as below:

(Rupees in crore)



The Group believes that the outstanding trade receivables are recoverable and it has adequate provision for bad debt. Provision for doubtful debt balance was Rs 21.38 crore as on December 31, 2021, as against Rs 21.09 crore in the previous year. Provision for bad debt as a percentage of revenue for the year ended December 31, 2021, was 1% compared with 1% in the previous year.

D. Other financial assets

Other financial assets comprise unbilled receivables, accrued interest, and forward contract receivable. Other financial assets amounted to Rs 157.23 crore for the year ended December 31, 2021, compared with Rs 102.84 crore in the previous year.

3. Deferred tax assets and advance taxes

Deferred tax assets and liability primarily comprise deferred taxes on property, plant, equipment, leave encashment, accrued compensation to employees, gratuity, fair valuation of quoted/unquoted investments, business combination, provision for bad debt, and deferred initial rating fees. The Group's net deferred tax assets totaled Rs 59.21 crore as on December 31, 2021, as against Rs 64.06 crore in the previous year. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The net advance income tax asset was Rs 115.70 crore as on December 31, 2021, compared with Rs 79.69 crore in the previous year.

4. Other assets

Other assets mainly comprise advances to vendors, accrued revenue, prepaid expenses, and tax credit receivable. Other assets amounted to Rs. 130.65 crore for the year ended December 31, 2021, compared with Rs. 72.97 crore in the previous year

5. Equity share capital

The Company's authorised capital is Rs 10 crore, comprising 100,000,000 equity shares of Re 1 per share. During the year, the company issued and allotted 275,156 equity shares to eligible employees on exercise of options granted under Employee Stock Option Scheme (ESOP) 2014. Consequently, the company issued, subscribed and paid-up capital increased from 72,593,290 to 72,868,446 equity shares of Rs 1 each.

6. Other equity

Other equity was Rs 1,571.33 crore as on December 31, 2021, as against Rs 1,304.55 crore in the corresponding period of the previous year. Other equity comprises reserves and surplus, and other comprehensive income (OCI).

7. Financial liabilities

A. Trade payables

Trade payables as on December 31, 2021, were Rs 133.70 crore as against Rs 105.36 crore in the previous year. Trade payables include amount payable to vendors for the supply of goods and services.

B. Other financial liabilities

Other financial liabilities, which include dues to employees, unclaimed dividend, and miscellaneous liabilities were Rs 392.46 crore as on December 31, 2021, as against Rs 430.02 crore in the previous year.

8. Provisions and other liabilities

A. Provision for employee benefits

The overall liability was Rs 102.67 crore as on December 31, 2021, compared with Rs 105.27 crore in the previous year.

B. Others

Other non-financial liabilities include unearned revenue and statutory liabilities. Unearned revenue represents fee received in advance for which services have not been rendered. Other liabilities were as Rs 291.34 crore against Rs 237.99 crore in the previous year.

B. Results of operations

The summary of the operating performance is given below:

(Rupees in crore)

Particulars	Year ended December 31,			
	2021	% of revenue	2020	% of revenue
Income from operations	2,300.69	97	1,981.83	96
Other income	77.02	3	83.15	4
Total income	2,377.71	100	2,064.98	100
Expenses				
Personnel expenses	1,286.91	54	1,068.44	52
Finance cost	8.93	1	14.39	1
Depreciation	105.98	4	121.11	6
Other expenses	403.27	17	402.75	20
Total expenses	1,805.09	76	1,606.69	78
Profit before exceptional item and tax	572.62	24	458.29	22
Exceptional item	45.82	2	-	-
Profit before tax	618.44	26	458.29	22

CRISIL Ratings maintained its market leading position in 2021, driven by improved activity in lending markets in line with economic activity. Companies increasingly sought to refinance debt and strengthened their liquidity positions. The business added new clients and focused on high-growth segments. In a challenging credit environment, we witnessed continuation of the phenomenon of flight to quality – issuers as well as investors/ lenders continued to prefer working with quality-focused CRAs, especially CRISIL, over others.

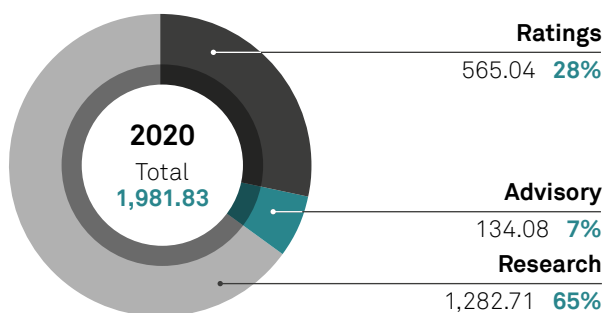
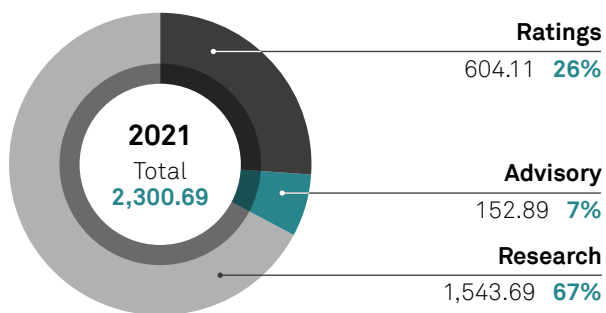
The Global Analytical Centre (GAC) enhanced its support to S&P Global Ratings on surveillance and ESG activities, and digitisation, simplification and standardisation of content in the data and analytical domains.

In the Research segment, GR&RS saw traction in regulatory reporting, product control, automation, transformation, and Non-Financial Risk. The fundamental research offerings witnessed increasing traction in ESG and buy-side research.

Buoyancy in the domestic capital market and pick-up in economic activity continue to steer the need for research and analytics. In the India Research business, growth was driven by continued demand for data, capital market-related insights and new products launched in funds and fixed-income. The business also launched Environmental, Social, Governance (ESG) scores for 225 Indian corporates across 18 sectors, which was well received by the market.

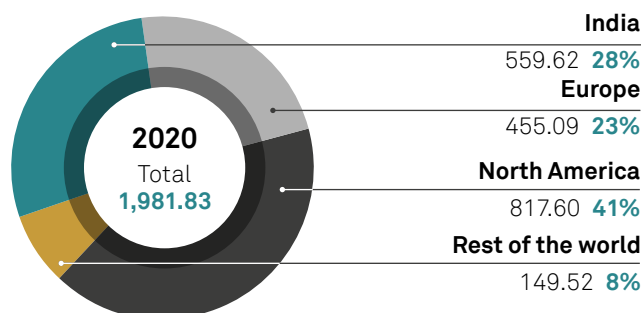
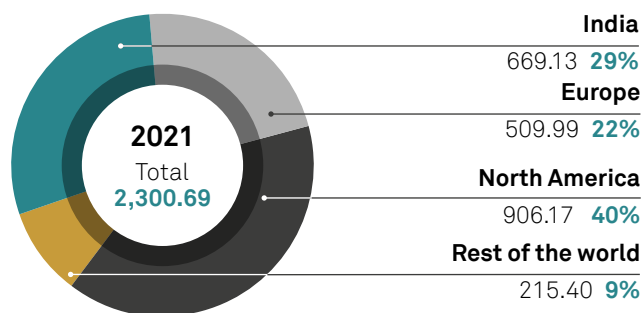
Segmental revenue analysis

(Rupees in crore)



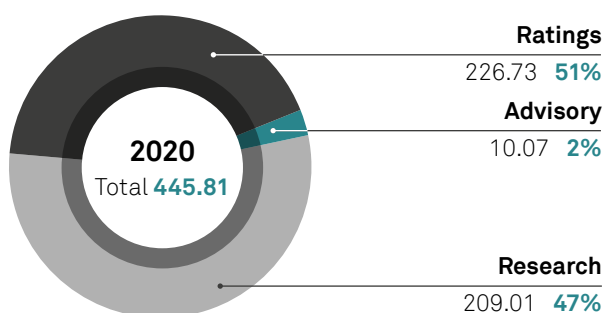
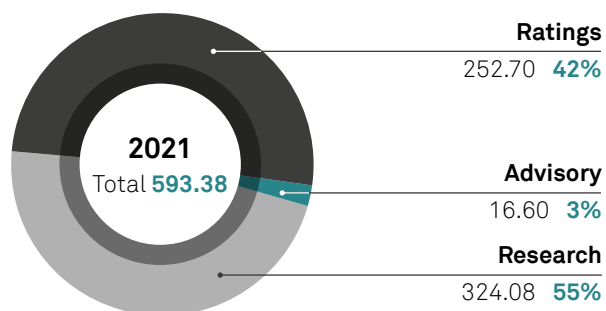
Segmental revenue by geography

(Rupees in crore)



Segmental profits

(Rupees in crore)



led technology offerings in the risk and analytics space to support the evolving credit, risk and regulatory needs of the banking and financial sector.

Other income (net)

Other income was Rs 77.02 crore as on December 31, 2021, compared with Rs 83.15 crore in the previous year.

Expense analysis

Total expenses in the year amounted to Rs 1,805.09 crore as against Rs 1,606.69 crore in the previous year. The composition of expenses is given below:

(Rupees in crore)

Particulars	Year ended December 31,	
	2021	2020
Personnel expenses	1,286.91	1,068.44
Finance costs	8.93	14.39
Depreciation	105.98	121.11
Other expenses	403.27	402.75
Total expenses	1,805.09	1,606.69

Personal expenses were mainly driven by merit increase and increase in headcount for billable roles.

Global Benchmarking Analytics revenue grew on continuing demand for benchmarking analytics from its core client segments. In commercial banking, with clients focusing on revenue expansion, opportunities increased.

Despite the overall slowdown, the Advisory business booked several large-value assignments, further strengthening the order book. CRISIL Business Intelligence & Risk Solutions (BIRS) business leveraged its strong domain and domain-

Key ratios

Metrix	2021	2020	2019	2018	2017
Personnel expenses/revenue	54%	52%	49%	49%	50%
Operating and other expenses/revenue	76%	78%	73%	73%	74%
Operating profit (PBIDT)/revenue	29%	29%	29%	30%	29%
Depreciation and amortisation/revenue	4%	6%	2%	2%	3%
Tax/revenue	6%	5%	8%	7%	8%
Operating profit margin	27%	26%	26%	27%	27%
Net profit margin	20%	17%	19%	20%	18%
Operating revenue per employee (Rs. lakh)	60.28	54.54	46.86	45.52	42.21
Operating expense per employee (Rs. lakh)	44.28	40.49	34.52	33.25	30.62
Operating profit per employee (Rs. lakh)*	16.00	14.05	12.34	12.27	11.59
Debtor turnover ratio (in times)	6	7	6	6	7
Current ratio (in times)	2	2	2	2	2
Return on net worth	32%	29%	30%	33%	30%

*Excludes exceptional items

Analysis of CRISIL's standalone financial performance and result of operations
A. Financial performance
1. Property, plant, equipment, and intangible assets

The Company's investments in property, plant, and equipment represent cost of buildings, leasehold improvements, computers, software, office equipment, furniture, fixtures, and vehicles. Property, plant, equipment, and intangible assets are measured at cost less accumulated depreciation and impairment losses, if any.

During the year, the Company capitalised Rs 62.04 crore to its gross block and deducted Rs 14.05 crore from the gross block on disposal of various assets. Property, plant, and equipment capitalised during the year include office equipment, computers, software, and leasehold improvements to support expansion of the business and provide for replacement of the existing assets.

Depreciation as a percentage of total income was 4% in the current year. The Company expects to fund its investments in fixed assets and infrastructure from internal accruals and liquid assets.

At the end of the year, the Company's investments in net property, plant, equipment, and intangible assets were Rs 142.90 crore as against Rs 145.93 crore in the previous year.

2. Financial assets

A. Investments and treasury: The Company's investments and treasury comprise non-current equity investments, current investments, cash and bank balances, and fixed deposits.

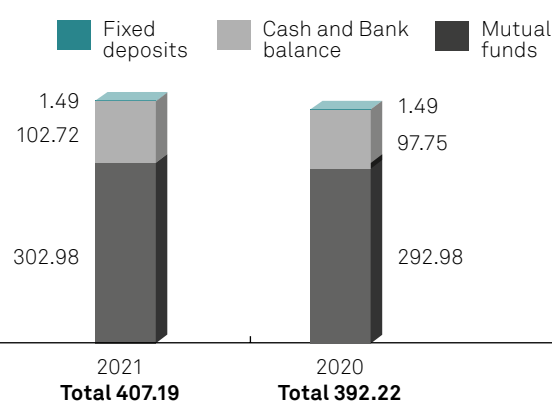
a. Equity investments

All equity investments (quoted and unquoted, other than investment in subsidiaries) are measured at fair value through OCI (FVTOCI).

Investments in subsidiaries are measured at cost. As on December 31, 2021, the cost of investment in subsidiaries stood at Rs 208.93 crore.

Treasury

(Rupees in crore)


b. Current investments and treasury

The Company's investments in mutual funds are classified as fair value through profit and loss (FVTPL). The Company's treasury totaled Rs 407.19 crore as on December 31, 2021, as against Rs 392.22 crore in the previous year.

Cash and cash equivalents constituted 25% of the treasury as on December 31, 2021, as against 25% in the previous year.

The Company's treasury policy calls for investing surplus in a combination of fixed deposits with scheduled banks and debt mutual funds. The Company's treasury position is healthy.

B. Loans

Loans comprise security deposits and loans to subsidiaries and staff. As on December 31, 2021, the outstanding amount totaled Rs 32.39 crore compared with Rs 90.02 crore in the previous year.

C. Trade receivables

Trade receivables at gross levels were 164.18 crore as on December 31, 2021, compared with Rs 122.13 crore in the previous year. Trade receivables as a percentage of operating revenue was 16% compared with 14% in the previous year.

The Company believes that the outstanding trade receivables are recoverable and it has adequate

provision for bad debt. Provision for doubtful debt balance was Rs 4.49 crore as on December 31, 2021, as against Rs 4.90 crore in the previous year. Provision for bad debt as a percentage of revenue for the year ended December 31, 2021, was less than 1%.

D. Other financial assets

Other financial assets comprise advances recoverable in cash/kind, accrued revenue, accrued interest, and forward contract receivable. Other financial assets for the year ended December 31, 2021, amounted to Rs 68.06 crore compared with Rs 104.48 crore in the previous year.

3. Deferred tax assets and advance taxes

Deferred tax assets and liability primarily comprise deferred taxes on property, plant, equipment, leave encashment, accrued compensation to employees, gratuity, fair valuation of quoted/unquoted investments, provision for bad debt, and unearned revenue. The Company's net deferred tax assets were valued at Rs 30.53 crore as on December 31, 2021, as against Rs 24.33 crore in the previous year. Deferred tax assets are recognised only to the extent that there is reasonable certainty sufficient future taxable income will be available against which such deferred tax assets can be realised.

Advance income tax asset was Rs 71.64 crore as on December 31, 2021, compared with Rs 41.45 crore in the previous year.

4. Other assets

Other assets mainly comprise prepaid expenses, assets held for sale, and tax credit receivable.

5. Equity share capital

The Company's authorised capital is Rs 10 crore, comprising 100,000,000 equity shares of Re 1 per share. During the year, the Company issued and allotted 275,156 equity shares to eligible employees on exercise of options granted under ESOP 2014. Consequently, the issued, subscribed and paid-up capital of the Company increased from 72,593,290 equity shares of Re 1 each to 72,868,446 equity shares of Re 1 each.

6. Other equity

Other equity comprises reserves, surplus and OCI. It was Rs 964.12 crore as on December 31, 2021, as against Rs 688.06 crore in the corresponding previous period.

7. Financial liabilities

A. Trade payables

Trade payables amounted to Rs 88.55 crore as on December 31, 2021, as against Rs 54.95 crore in the previous year. Trade payables include amount payable to vendors for supply of goods and services.

B. Other financial liabilities

Other financial liabilities, which include unclaimed dividend, book overdraft, dues to employees and sundry deposit payable, were Rs 188.55 crore as

on December 31, 2021, as against Rs 459.29 crore in the preceding year.

8. Provisions

Provisions comprise provisions for employee benefits. The overall liability was Rs 73.69 crore as on December 31, 2021, as against Rs 72.45 crore at the end of the previous year.

9. Other liabilities

Other liabilities mainly represent payables on account of withholding tax, Goods and Service Tax, other duties, and unearned revenue. Unearned revenue represents fee received in advance or advance billing for which services have not been rendered.

B. Results of operations

The summary of standalone operating performance is given below

(Rupees in crore)

Particulars	Year ended December 31,			
	2021	% of revenue	2020	% of revenue
Income from operations	1,052.91	76	888.78	90
Other income	332.28	24	103.95	10
Total income	1,385.19	100	992.73	100
Expenses				
Personnel expenses	490.85	35	436.34	44
Finance cost	5.67	0	6.94	1
Depreciation	52.89	4	65.68	7
Other expenses	329.63	24	265.44	26
Operating expenses	879.04	63	774.40	78
Profit before exceptional item and tax	506.15	37	218.33	22
Exceptional item	45.82	3	-	-
Profit before tax	551.97	40	218.33	22
Tax expense	74.95	6	51.61	5
Profit after tax	477.02	34	166.72	17

Revenue analysis

Other income (net)

Other income during the year increased to Rs 332.28 crore from Rs 103.95 crore in the previous year. This was mainly due to dividend on investments.

Expense analysis

The total expenses for the year ended December 31, 2021 amounted to Rs 879.04 crore as against Rs 774.40 crore during the corresponding previous year.

Risk management

The Company has a robust risk management framework in place with overall governance and oversight from the Risk Management Committee of the Board as well as the Audit Committee and Board of Directors. CRISIL has

a Risk Management policy in place that outlines the key accountabilities and responsibilities for managing risks.

CRISIL has a balanced approach to risk management by mitigating risks to an acceptable level within its tolerances and protecting CRISIL's reputation and brand, while supporting the achievement of operational and strategic goals and objectives. Risk assessment is conducted periodically, and the Company has a mechanism to identify, assess, mitigate and monitor various risks to key business objectives. The Internal Risk Management Committee, comprising senior members of the leadership team, provides governance and oversight on the process. The Company has a specialised role of 'Chief Risk Officer' to drive the risk management agenda.

Risk assessment is a combination of bottom-up and strategic view of key risks facing the business across all segments and functions. All the key risks were reviewed and assigned probability of occurrence and potential impact (financial and non-financial) based on deliberations with business leaders and independent assessment. Mitigation plans are designed, implemented, and monitored on a quarterly basis.

Key business risks and mitigation strategies are highlighted below.

1. Business risks

Covid-19 pandemic continued to impact the operating environment and businesses in 2021. However, by the end of 2021, increasing coverage of vaccines and decreasing number of daily cases reported, injected confidence in economic recovery. As a result, the impact of pandemic is also expected to reduce in coming quarters. However, chances of further waves and mutations cannot be ruled out. Threats from new variants, restrictions on travel, potential lockdowns and spread of pandemic are being monitored closely. Timely steps and actions were initiated by the Company to ensure minimal disruption to operations and client delivery.

The Company strives to add value to its clients by providing services of a superior quality, introducing relevant tools, platforms, and products, and by maintaining a robust franchise with investors and end-users, to mitigate the risk arising from slowdown in global economy and competitive pricing.

To mitigate the risk arising from high dependence on any one business for revenues, the Company has adopted the strategy of diversifying into new products/services and different business segments. To address the risk of dependence on a few large clients and a few sectors in the business segments, the Company has also actively sought to diversify its client base and industry segments.

The Company carries reputation risk for services rendered, especially in the ratings subsidiary. CRISIL Ratings' process is designed to ensure that all ratings are based on the highest standards of independence and analytical rigour.

2. Foreign exchange earning risk

CRISIL foreign currency revenue earnings are significant and any appreciation or depreciation in the rupee can have a significant impact on revenue and profitability. The Company has in place a well-defined foreign exchange management policy and process designed to minimise the impact of volatility in foreign exchange fluctuations on earnings. We evaluate exchange rate exposure arising from these transactions and enter into foreign exchange hedging contracts to mitigate the risks arising out of movement in the rupee. The foreign exchange management programme covers a large portion of projected future revenues over a 12-month period, and is restricted to standard forward contracts and options.

Appropriate internal controls are in place for monitoring.

3. Policy risk

In the past two to three years, Securities and Exchange Board of India (SEBI), the regulator for credit rating agencies (CRAs) in India, issued guidelines to mandate more disclosures by CRAs, ensure greater discipline in the rating processes, set enhanced norms for functioning of rating committees, underline the process to be adopted in the event of non-cooperation by issuers, introduced independent members in the Rating Committee for appeal cases, sought segregation of legal entity for regulated and non-regulated businesses, introduced and standardized probability of default (PD) benchmarks, added a new subscript to the ratings symbols for credit enhanced (CE) ratings, strengthened the Board composition of CRAs, and introduced a new role of Chief Ratings Officer, etc. SEBI has also raised the bar on the eligibility to set up a CRA and stipulate greater disclosure for issuers on their financial performance. Overall, the guidelines will improve transparency of the credit rating process and enhance standards of the CRA industry. The recent guidelines increase the operational intensity of the rating process. CRISIL continues to focus on leveraging technology to build appropriate controls and monitoring tools for safeguarding the rating process and facilitating necessary disclosures.

Pursuant to amendments to the Securities and Exchange Board of India (SEBI) Credit Ratings Agencies (CRA) Regulations, 1999, mandating segregation of the ratings and non-ratings businesses of credit rating agencies, CRISIL Ltd transferred its ratings business to wholly-owned subsidiary CRISIL Ratings Limited, effective December 31, 2020. The segregation has no impact on the company's consolidated business profile and its stakeholders. The newly created CRISIL Ratings Limited has an independent Board of Directors comprising eminent and distinguished leaders with diverse expertise and experience.

The Research business of CRISIL Limited has also received a license as a Research Analyst, under the SEBI (Research Analyst) Regulations, 2014 for specified research products, following the segregation of the Ratings business to a subsidiary.

The policy announcements for development of the

bond market have been supportive in recent years. The steps towards nudging large corporates to raise 25% of their funding needs from the bond market, persuading insurance and pension regulators to accord recognition to corporate bonds rated in 'A category', recently announced plan to allow netting off financial contracts for Credit Default Swaps (CDS) and implementation of insolvency and bankruptcy code (IBC), once fully implemented, will structurally enhance the bond market's role in India's financing landscape over time. As a part of its franchise strategy, CRISIL continues to highlight the critical role played by the bond market in the financial system, engage with the regulators and policy makers to facilitate development of the bond market, conduct regular events on the theme of bond markets, and invest significant efforts towards innovations that have the potential to expand the role of the bond market.

4. People risk

Amidst the pandemic, employee health and well-being has been the primary focus for the Company. The Company has taken adequate measures and equipped the employees with resources to ensure health, safety and availability. Dedicated vaccination drives were carried out across major cities where company has offices. The Company also extended support on emergency healthcare resources for all employees and their immediate family members. The Company has made arrangements for Covid-19 dedicated helplines to employees and also professional and confidential counselling medical assistance (in partnership with a third party). Frequent updates, safety advisory, quarantine measures, general precautions including webinar sessions on tackling the pandemic situation were issued and presented to all employees. Strategy for return to office is also initiated keeping in mind the health and safety of employees. Guidance on official travel restrictions were also issued. Adequate IT infrastructure arrangements were also made to ensure continued availability and minimum disruption to ongoing operations. CRISIL also introduced multiple employee benefits such as financial assistance and additional leaves to help employees impacted with Covid-19.

Overall, the employee attrition increased in 2021 and the risk was elevated due to challenges in hiring due to broader shortage of talent in the market. CRISIL continues to accord top priority to manage employee attrition by formulating talent retention and recognition programmes, and by offering a competitive salary and growth path for key talent.

5. Legal and statutory risks

CRISIL is subject to various international, national and regional laws including but not limited to products, trademarks, copyright, competition, data protection and privacy, environment, corporate governance, listing and disclosure, employment and labour, and taxation. Failure to comply with laws and regulations could expose CRISIL and/ or its employees to civil and/

or criminal actions leading to damages, fines and/ or criminal sanctions with possible consequences for our corporate reputation. Changes in laws and regulations could have a material impact on the cost of doing business. CRISIL is committed to complying with the laws and regulations of the countries in which it operates. In specialist areas, the relevant teams at global, regional or local levels are responsible for setting detailed standards and ensuring that all employees are aware of and comply with regulations and laws relevant to their roles. Our legal and regulatory specialists are heavily involved in monitoring and reviewing our practices to provide reasonable assurance that we remain aware of and in line with all relevant laws and legal obligations. Our tax principles provide overarching governance and our tax experts set out the controls established to assess and monitor tax risk for direct and indirect taxes. We monitor proposed changes in taxation legislation and ensure these are taken into account when we consider our future business plans.

All legal and regulatory risks that could trigger eventual exposure are monitored regularly by the legal and compliance functions, which further seek to mitigate such risks with support from other departments. These functions aim to ensure that laws and regulations are observed, to react appropriately to all impending legislative changes or new court rulings, to attend to legal disputes and litigation, and provide legally appropriate solutions for transactions and business processes.

6. Information and Cyber Risks

Inadvertent sharing of client confidential data or CRISIL proprietary information by staff is an important risk. Further, the incidents of cyber-attack globally continue to rise, especially in the current remote working environment. In addition to impact on business operations, a data breach could result in reputational damage, legal claims, and financial liabilities. In order to mitigate against such risks, the Company has a dedicated Chief Information Security Officer (CISO) to drive the information and cyber security agenda. CISO and the Information Security team acts as a second line of defence in strengthening the information and cyber security posture by defining appropriate perimeter security controls, detecting and evaluating areas of vulnerabilities, and implementing data leak prevention (DLP) tools. The Company continues to evaluate and invest in additional mitigation plans through automated prevention and detection tools and infrastructure for enhanced monitoring. In addition, enhanced level of awareness of vigilance against pertinent themes of information and cyber security was imparted to all employees by way of digital learning courses, awareness videos, external speaker sessions, emailers, case studies and quizzes.

Audits are conducted regularly to identify areas of vulnerability and to identify actions that mitigates the operational risks. ISO certification of key processes is conducted to ensure compliance with policies related to IT and management system.

7. Business Continuity Risks

CRISIL operates and caters to clients from multiple geographies. Any disruption in operations on account of BCP expansion incident may result in negative reputation impact and exposure of breach in client contracts. A review of Business Impact Analysis (BIA) and Functional Recovery Plan (FRP) is performed for all critical processes on an annual basis.

Focused planning enabled smooth transition to 'Work from home', before mandatory lockdowns which ensured all CRISIL employees to work remotely from the safety of their homes, while continuing to provide uninterrupted services to our customers across all

business units and geographies. During the pandemic, Company ensured ongoing asset delivery to new joiners and address any malfunctioning or breakdown in assets at employee's homes. The technology used by the Company at all locations provides for redundancy and disaster recovery. For critical business processes, the business teams have defined a business continuity plan and have tested it with the help of the IT team. CRISIL is gradually moving towards returning to office in 2022 after taking into consideration all the precautions for safety and social distancing at office locations. Company continues to monitor threats and potential incidents impacting business continuity.

Independent Auditors' Certificate on Corporate Governance

To the Members of CRISIL Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated July 16, 2021.
2. We have examined the compliance of conditions of corporate governance by CRISIL Limited ('the Company') for the year ended on December 31, 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and

Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended December 31, 2021.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For Walker Chandiok & Co LLP

Chartered Accountants
Firm Registration No. 001076N/N500013

Khushroo B. Panthaky

Partner

Place: Mumbai

Date: February 15, 2022

Membership No.: 042423

UDIN: 22042423ACYCGA1619

Managing Director & CEO's declaration

To the members of CRISIL Limited

I hereby confirm that all the members of the Board and Senior Management have affirmed compliance with the Code of Conduct.

For CRISIL Limited

Amish Mehta

Managing Director & CEO

DIN: 00046254

Mumbai, February 15, 2022

Report of the Directors on Corporate Governance

At CRISIL, the operations are managed and directed in accordance with the principles of transparency and ethical conduct espoused in CRISIL's Code of Ethics. Policy decisions and processes take into consideration a fair balance to the interests of its stakeholders. This principle-based approach is at the centre of a state-of-the-art and future-ready organisation, ensuring sustainable year-on-year growth. CRISIL maintains the highest standards of corporate governance and disclosure practices, and is committed to transparency in all its dealings. A strict regard for the mission, vision and values, together with our endeavour for consistent growth, culture of innovation and global footprint helps us create value for our stakeholders.

The Directors present below the Company's policies and practices on corporate governance.

A. Board of Directors

Size and composition of the Board





The Board of Directors has eight members, of whom seven (87.5%) are Non-Executive Directors and 37.5% represent women directors. Four (50%) of the eight Board members are Independent Directors. The Chairman of the Board is a Non-Executive Director. As per the Articles of Association of the Company, the Board can have up to 15 members. None of the Directors are related to any other Director on the Board. Names of CRISIL Board members and other details of their Directorship profile are presented in Table 1.1.

Criteria for Board membership

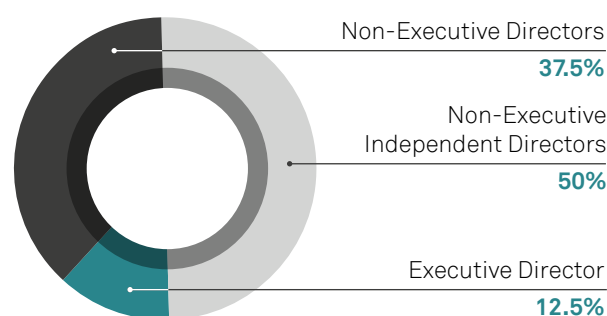
The Board has adopted the Nomination and Remuneration Policy to ensure that the Board composition is balanced with the requisite skillsets, so that the Company benefits

Matrix setting out the core skills/ expertise/ competence of the Board of Directors

The Board has identified the core skills/ expertise/ competencies of the Directors in the context of the Company's business for effective functioning, as follows:

Skills	Icon	Particulars
Strategic orientation		Ability to think expansively, evaluate alternatives and make choices
Commercial orientation		Understanding the business model and how the business makes money
Customer orientation		Creating compelling value propositions for customers as the differentiating attribute
People orientation		Track record and understanding of what motivates and inspires people to deliver superior performance

Percentage of Board positions









from new insights, guidance and challenges to business proposals. The Policy outlines the appointment criteria and qualifications of the Directors on the Board of CRISIL and the matters related to remuneration of the Directors. Besides this, other considerations for the Board composition are:

- Presence of at least one woman Independent Director
- Presence of at least one Resident Director
- Independent Directors are expected not to serve on the Boards of competing companies
- Maximum number of Director positions to be held: Not more than 20 companies, of which, not more than 10 shall be public companies and not more than 7 shall be listed companies

Profiles of Directors

The brief profiles of Directors forming a part of this Annual Report (pages 8 to 12) give an insight into the education, expertise, skills and experience of CRISIL Directors, thus bringing in diversity to the Board's perspectives.

Skills	Icon	Particulars
Technology and business transformation		Knowledge and understanding of how technology can be leveraged to produce competitively superior results and stay ahead
Experience in M&A		Ability to identify, value and coalesce acquisitions and mergers
Global business experience		Experience of overseeing and managing businesses across multiple countries and environments
Knowledge of financial markets		Understanding of Indian and global trends and challenges across banking and securities markets, other credit rating agencies, asset management and advisory firms
Governance and regulations		Experience of corporate governance; and understanding of the regulatory environment across banking and securities laws, data protection and privacy, and cyber security for India and countries where business is transacted
Stakeholder management		Experience of dealing with government officials, regulators, customers, boards, partners and suppliers, employees; and broader community for corporate social responsibility agenda

The manner in which the current Board of Directors fulfils these skills, expertise and competencies has been outlined in Table 1.1.

The Board members are highly involved in Company matters and the attendance record at such meetings, mentioned in Table 3.6 of the Corporate Governance Report, resonates the level of involvement, dedication and time allocated by the Board members. Board members actively seek and attend trainings and off-cycle discussions on various topics pertinent to the Company. Engaging discussions with experts on emerging trends in the economy, future of work, cyber security, and interactions with employees are some of the notable events where Board members have participated wholeheartedly. More details of the Board sessions are available on the website of the Company at <https://www.crisil.com/en/home/investors/corporate-governance.html>

Membership term

As per the Articles of Association of the Company, at least two-thirds of the Board members shall be retiring Directors, excluding Independent Directors. One-third of such Directors are required to retire every year and if eligible, the retiring Directors qualify for re-appointment. The Managing Director is appointed by the shareholders for a period of five years, but can be reappointed on completion of the term, if eligible. The employment may be terminated by either party by giving three months' notice. Independent Directors shall hold office for up to two terms of five years each.

Succession policy

The Board constantly evaluates the contribution of its members and recommends to shareholders their re-appointment if thought fit, upon expiry of their respective tenures. The Nomination and Remuneration Committee of the Board regularly reviews succession planning and competency planning priorities of the Board and Senior Management.

The Board has adopted a retirement policy for its members. The maximum age of retirement for Executive Directors is 60 years, provided that the term of the person holding this position may be extended beyond the age of 60 years with the approval of shareholders by passing a special resolution.

Details of shareholdings of Directors as on December 31, 2021

None of the Directors held any shares in the Company as on December 31, 2021. However, Mr Amish Mehta, Managing Director & Chief Executive Officer, holds 42,151 options (vested and unvested) under the Company's ESOP Scheme 2014.

Certificate from Practicing Company Secretary regarding non-debarment and non-disqualification of Directors









































The Company has obtained a certificate from M/s Makarand M Joshi & Co., Practicing Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority, and the same forms part of this report as **Annexure II**.

Responsibilities

The Board takes decisions on long-term strategic planning, annual budget approvals, and policy formulation. The Board also has a strong operational oversight and reviews business plans, key risks and opportunities in the business context. The Board meets at least four times every calendar year and the maximum time gap between any two meetings is not more than 120 days. During the year ended December 31, 2021, the Board met seven times: February 11, March 31, April 19, July 19, September 21, November 10 and December 13. A detailed agenda, setting out the business to be transacted at the meeting(s), supported by notes and presentations and action taken reports from previous meetings, where applicable, is sent to each Director at least seven days before the date of the Board and committee meetings. The Directors are also provided the facility of video conferencing to enable them to participate effectively in the meeting(s), as and when required. All procedures stipulated under the Secretarial Standards and other legal requirements were complied with in the conduct of these meetings.

The Company has an Executive Committee comprising the Managing Director and a team of senior leaders with proper demarcation of responsibilities and authority. The Managing Director is responsible for corporate strategy,

Table 1.1: CRISIL's Board of Directors details, as on December 31, 2021

Name of the Director	Category	Age	Nationality status	Tenure	Directorship*	Name of other listed companies where he/she is a Director	Type of directorship	Membership of committees*	Chairmanship of committees*	Skills identified and areas of core expertise
Mr John L Berisford (DIN:07554902)	Non-Executive Chairman	58 years	USA	5.6 years	1	-	-	0	0	    
Ms Vinita Bali (DIN:00032940)	Independent, Non-Executive Director	66 years	India	7 years	2	Syngene International Limited	Independent Director	2	0	    
Mr Girish Paranjpe (DIN:02172725)	Independent, Non-Executive Director	63 years	India	4.2 years	4	Axis Bank Limited	Independent Director	2	3	    
Ms Shyamala Gopinath (DIN:02362921)	Independent, Non-Executive Director	72 years	India	1.5 years	7	Colgate-Palmolive (India) Limited BASF India Limited Tata Elxsi Limited	Independent Director	1	5	    
Mr Amar Raj Bindra (DIN:09415766)	Independent, Non-Executive Director	66 years	India	1 month	1	-	-	1	0	    
Mr Ewout Steenbergen (DIN:07956962)	Non-Executive Director	52 years	The Netherlands	4.3 years	1	-	-	1	0	    
Ms Elizabeth Mann (DIN:09407237)	Non-Executive Director	46 years	USA	1 month	1	-	-	1	0	    
Mr Amish Mehta (DIN:00046254)	Managing Director & Chief Executive Officer	51 years	India	3 months	1	-	-	1	0	    

Covers private, public and listed companies, including CRISIL Limited, but excludes foreign companies and Section 8 companies.

* Memberships/chairmanships in audit committee and shareholders'/investors' grievance committee of listed and public limited companies including CRISIL Limited. Committee membership(s) and chairmanship(s) are counted separately.

Notes:

- Ms Ashu Suyash (DIN: 00494515) resigned as Managing Director & CEO with effect from September 30, 2021, pursuant to her decision to move on to set up her own venture.
- Mr Amish Mehta (DIN: 00046254) has been appointed as the Managing Director & CEO for a term of five years with effect from October 1, 2021.
- Mr M Damodaran (DIN: 02106990) resigned as an Independent Director with effect from October 1, 2021, as his company, Excellence Enablers Private Limited, active in the area of Corporate Governance, was set to expand its offerings and in this process, his position as an Independent Director on the Board of CRISIL Limited could place him in a situation of potential conflict. Mr Damodaran has confirmed that there were no other material reasons for his resignation other than the one stated above.
- Ms Elizabeth Mann (DIN: 09407237) has been appointed as an Additional Non-Executive Director of the Company with effect from November 29, 2021.
- Mr Amar Raj Bindra (DIN: 09415766) has been appointed as Additional Director of the Company with effect from December 1, 2021.

planning, external contacts, and Board matters. The heads of individual businesses and the CRISIL leadership team are responsible for business development, customer relations, day-to-day operations-related issues, profitability, productivity, recruitment and employee retention in their divisions. Important decisions taken by the Board and its committees are promptly communicated to the leadership team concerned for execution and status reports on actions taken are reported at subsequent meeting(s). Attendance at the meetings of the Board of Directors during 2021 and at the last Annual General Meeting is mentioned at Table 3.6.

Role of Independent Directors and familiarisation process

As trustees of shareholders, Independent Directors play a pivotal role in upholding corporate governance norms and ensuring fairness in decision-making. Being experts in various fields, they also bring independent judgement on matters of strategy, risk management, controls and business performance. The Directors' Report contains the requisite disclosures regarding fulfilment of the requisite independence criteria by CRISIL's Independent Directors.

At the time of appointing a new Independent Director, a formal letter of appointment is given to the Director, inter alia, explaining the roles, duties and responsibilities of the Director. The Director is also explained in detail the compliances required from him/her under the Act, SEBI Regulations and other relevant regulations and his/her affirmation is taken with respect to the same.

By way of an introduction to the Company, presentations are also made to the newly appointed Independent Directors on relevant information, such as overview of the various CRISIL businesses, offerings, market and business environment, growth and performance, organisational set-up of the Company, governance, and internal control processes.

Ongoing familiarisation aims to provide insights into the Company and the business environment to enable the

Independent Directors to be updated of newer challenges, risks and opportunities relevant in the Company's context and to lend perspective to the strategic direction of the Company. The Company's policy of conducting the familiarisation programme and the details of familiarisation programmes imparted to Independent Directors during 2021 have been disclosed on the website of the Company at <https://www.crisil.com/en/home//investors/corporate-governance.html>.

The above initiatives help the Directors to understand the Company, its business and the regulatory framework in which it operates and equips him/her to effectively discharge his/her role as a Director of the Company.

Directors are covered under the Directors & Officers' Liability Insurance Policy and the terms of the same have been reviewed by the Board.

Remuneration policy

1) Remuneration to Non-Executive Directors

Non-Executive Directors are paid sitting fees for each meeting of the Board or its committees attended by them and are also eligible for commission. The commission payable to each Non-Executive Director is in accordance with the Nomination and Remuneration Policy and is determined by the Board, based on the Company's performance, prevailing norms and roles and contributions of Board members. In terms of a shareholders' resolution passed on April 20, 2017, the Company can pay remuneration not exceeding 1% of the net profit to the Non-Executive Directors. The Non-Executive Directors have not been granted any stock options of the Company. The overall remuneration to Non-Executive Directors for 2021 aggregates to 0.28% of the standalone net profit of the Company calculated as per Section 198 of the Companies Act, 2013.

Sitting fees and commission paid to Non-Executive Directors

Table 2.1

			Rs
Name of Directors	Sitting fees	Commission	Total
Mr M Damodaran [^]	10,70,000	28,50,000	39,20,000
Ms Vinita Bali	15,35,000	37,95,000	53,30,000
Mr Girish Paranjpe	14,40,000	37,95,000	52,35,000
Ms Shyamala Gopinath	8,50,000	37,95,000	46,45,000
Mr Amar Raj Bindra [%]	1,70,000	3,16,000	4,86,000
Mr John L Berisford	Nil*	Nil *	Nil *
Mr Ewout Steenbergen	Nil*	Nil *	Nil *
Mr Martin Fraenkel [@]	Nil*	Nil *	Nil *
Ms. Elizabeth Mann [#]	Nil*	Nil *	Nil *
TOTAL	50,65,000	1,45,51,000	1,96,16,000

* Since April 2015, S&P Global has waived the sitting fees and commission payable to its nominees

[^] Ceased to be an Independent Director with effect from October 1, 2021

[@] Ceased to be a Director with effect from November 29, 2021

[#] Appointed as a Director with effect from November 29, 2021

[%] Appointed as an Independent Director with effect from December 1, 2021

Directors holding Board positions in subsidiaries may be paid sitting fees and commission for performance of directorial duties by the respective Boards. Accordingly, during 2021, Mr Girish Paranjpe was paid sitting fees of Rs 1,50,000 for attending Board meetings and commission of Rs 11,00,000 pertaining to the year 2020, from CRISIL's subsidiary, CRISIL Irevna UK Limited. Ms Shyamala Gopinath received sitting fees of Rs 4,40,000 for attending Board meetings of CRISIL's subsidiary, CRISIL Ratings Limited (CRL) in 2021 and the CRL Board approved a commission of Rs 25,00,000 for 2021.

2) Managing Director

During 2021, Ms. Ashu Suyash stepped down as Managing Director and CEO with effect from September 30, 2021 to pursue her own venture. Mr. Amish Mehta, CRISIL's Chief Operating Officer, succeeded as Managing Director & CEO with effect from October 1, 2021.

Mr Amish Mehta, Managing Director & CEO, has signed an agreement containing the terms and conditions of his employment. Key terms of the service contract and the remuneration package are as mentioned in Table 2.2:

Table 2.2

Component	Details
Appointment period	October 1, 2021 - September 30, 2026
Short-term-fixed remuneration*	Base pay of Rs 3,57,25,000 p.a., which includes salary, allowances, reimbursements, and retirement benefits
Perquisites	Company car with driver, group medical insurance and personal accident insurance cover, group term life insurance cover, and leave encashment
Annual performance bonus^	Maximum of 100% of base pay, based on the level of performance which will be decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee
Performance-linked deferred cash award	Mr Mehta has been granted a special long-term incentive equivalent to 100% of his base pay, effective October 1, 2021. This is a performance-linked deferred cash award based on cumulative business performance between 2021 and 2025, vesting equally at one-third each at the end of years 2023, 2024 and 2025, subject to the achievement of certain performance criteria determined by the Nomination and Remuneration Committee
Others	Eligible to benefits under the Long Term Incentive Plan (LTIP)^ and Employee Stock Option Plan (ESOP)**, in accordance with the schemes and rules of the Company for its staff as applicable from time to time
Notice period	Three months
Severance fee	Nil

Base pay is Annual Fixed Compensation

* Eligible for such annual increments, as may be decided by the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee or any other committee constituted by it from time to time.

^ The annual performance bonus framework links individual performance to the Company's achievements on the balance scorecard, comprising financial and non-financial/sustainability targets.

^^ Since the LTIP is based on achievement of certain criteria, the financial impact is measured based on actuarial valuations. Hence, the precise long-term incentives component for the Managing Director cannot be stated and will be disclosed upon these becoming due and payable as a part of compensation for the year.

** Details of outstanding ESOPs provided in a separate table later.

Mr Mehta holds options (vested and unvested) under the Company's ESOP schemes as under:

Table 2.3:

Plan	Date	No.s	Price	Remarks
Employee Stock Option Scheme – 2014	July 17, 2017	25,000	1956.55	These options will vest in three equal tranches in the third, fourth and fifth year from the grant and can be exercised after two years from each vesting
Employee Stock Option Scheme – 2014	April 4, 2018	5,517	1841.35	These options will vest in three equal tranches in the second, third and fourth year from the grant and can be exercised after two years from each vesting
Employee Stock Option Scheme – 2014	April 16, 2019	11,634	1568.85	These options will vest in three equal tranches in the second, third and fourth year from the grant and can be exercised after two years from each vesting

Remuneration paid to the Managing Director(s) & CEO(s) for the year ended December 31, 2021

Table 2.4:

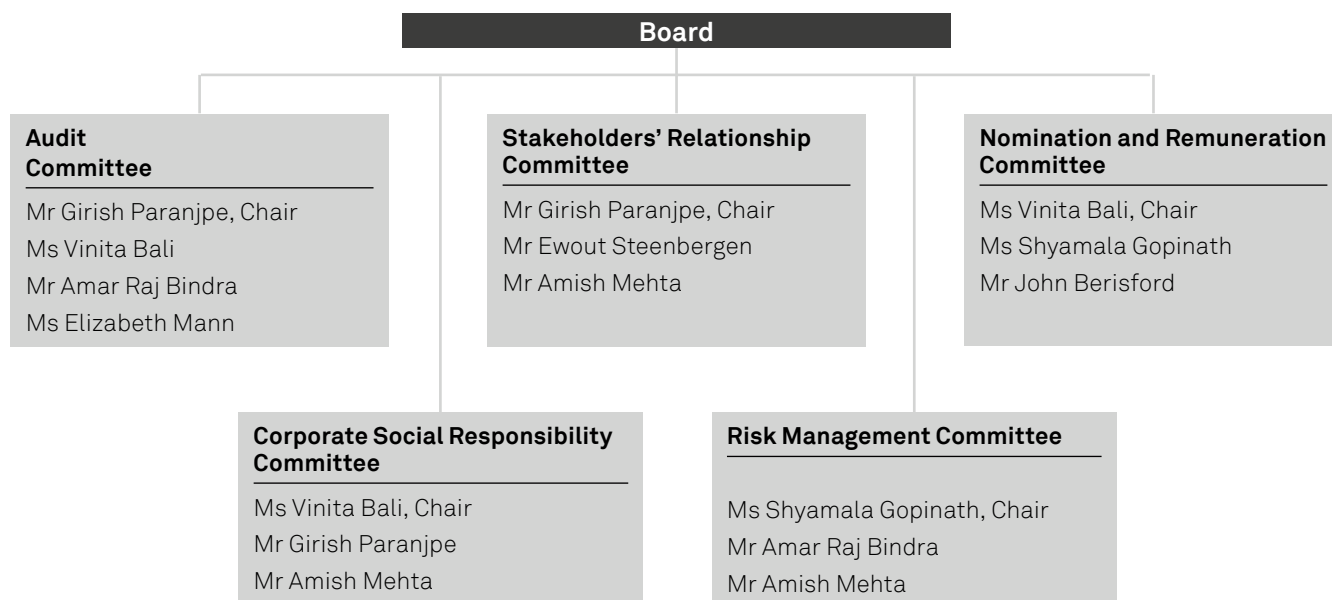
Name	Ms. Ashu Suyash (upto September 30, 2021)	Mr Amish Mehta (w.e.f October 1, 2021)
Salary*	30,294,803	8,195,121
Variable pay	20,343,375	4,960,233
Perquisites:		
- ESOP	40,494,543	-
- Others	1,689,087	3,45,366
LTIP payout	3,319,765	NIL
Others:		
- Provident Fund	1,283,148	3,75,111
- Leave Encashment	9,913,014	-
ESOP granted during 2021	NIL	NIL

* Employee benefits that require actuarial valuation or are linked to events or fulfillment of conditions are disclosed in managerial remunerations as & when paid

Besides, any pecuniary transaction if undertaken between a Director and the Company in the ordinary course of business, is reflected in the related party disclosure in the notes to financial statements. Other than loans provided to subsidiaries with common directors, no loan was advanced to firms/companies in which directors are interested. The details with respect to the loans provided to these subsidiaries are provided elsewhere in the Annual Report.

B. Board committees as on December 31, 2021

The Board has constituted committees consisting of Executive and Non-Executive Directors to focus on the critical functions of the Company. Each committee has the authority to engage outside experts, advisors, and counsels to the extent it considers appropriate to assist in its function. Minutes of proceedings of committee meetings are circulated among the Directors and placed before the Board meeting for noting thereat.



1. Audit Committee

The Audit Committee of the Company has been constituted in line with the provisions of Section 177 of the Companies Act, 2013, read with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee comprises of four Non-Executive Directors who are well versed in financial matters and corporate laws.

The role of the Committee, the topics reviewed by it and the frequency of review is mentioned in Table 3.1. The Audit Committee invites the executives of the Company as it considers appropriate (particularly the Head of Finance function), representatives of statutory auditors, and representatives of internal auditors, to its meetings.

Table 3.1: Role of the Committee and frequency of review

Role of the Committee	Frequency of review
Review of the annual financial statements, the auditor's report thereon, Director's Responsibility Statement and Management discussion and analysis report, before submission to the Board for approval	A
Review of financial statements before submission to the Board for approval	Q
Discussions with auditors (whenever necessary, without the presence of member of the Management) regarding the Company's audited financial statements and seeking auditors' judgment on the quality and applicability of the accounting principles, the reasonableness of significant judgments, the adequacy of disclosures in the financial statements and other matters as the Committee deemed necessary	Q
Recommendation of the appointment, remuneration and terms of appointment of auditors of the Company and approve payments for any other services	A
Review of performance of statutory and internal auditors, and adequacy of the internal control systems	A
Approving the internal audit plan for the year	A
Review of internal audit findings, the action taken status and other matters concerning the internal audit functioning of the Company	Q
Review of findings of any internal investigations by the internal auditors in matters where there was suspected fraud or irregularity or failure of internal control systems of material nature and reporting the matter to the Board	E
Noting of material subsidiaries	A
Review of significant transactions, including related party transactions of the subsidiaries	Q
Omnibus approval for related party transactions proposed to be entered into by the Company	A
Review and approval of transactions with related parties and subsequent modifications, if any	Q
Review of investment policy, scrutiny of inter-corporate loans and investments and review of the investment portfolio and treasury operations	A
Evaluation of internal financial controls and risk management systems of the Company	A
Review functioning of the whistle blower mechanism	Q
Review material updates in litigations, and show cause/demand/ prosecution and penalty notices	Q
Review audit reports under the SEBI Research Analyst Regulations and compliance with the SEBI Outsourcing Policy	A
Review compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 and systems for internal controls with them	A
Recommendation of the appointment of the Chief Financial Officer of the Company and remuneration payable to him	E
Noting of disclosure regarding encumbrance of promoter shareholding, if any, as per the SEBI Takeover Code	A
Review of schemes involving merger, amalgamation, etc. of the listed entity	E
Review of substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends), and creditors, if any	E

Frequency: A - Annually; Q - Quarterly; E - Event based

The Audit Committee met six times in 2021- February 10, April 16, June 18, July 19, November 10 and December 13. The necessary quorum was present for all the meetings. The Chairman of the Audit Committee was present at the last AGM of the Company held on April 20, 2021. Details of attendance at the meetings of the Audit Committee in 2021 are presented in Table 3.6.

In line with the terms of reference, the Audit Committee, at each meeting in 2021, reviewed operations and audit reports for businesses pursuant to audits undertaken by internal auditors under the audit plan approved at the commencement of the year. The quarterly financial results were reviewed by the Committee before submission to the Board. Independent sessions were held with statutory and internal auditors to assess the effectiveness of the audit process. The Committee reviewed the adequacy of internal financial controls on a company-wide basis and provided recommendations on internal control processes to the Board. As a special action, the Committee conducted a thematic review of audit findings and improvement trends during the year. The Committee also reviewed the system and processes in place for risk management, analytical processes, insider trading compliance and information technology. The Committee discussed the use of evolving techniques such as agile auditing practices and other efficiencies for continuous improvement of audit procedures. On a quarterly basis, the Committee continues to review whistleblower complaints with corrective actions and controls put in place therefor, material litigations/notices and related party transactions.

2. Risk Management Committee

The Risk Management Committee of the Company has been constituted in line with the provisions of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The role of the Committee, the topics reviewed by it and the frequency of review are mentioned in Table 3.2.

Table 3.2: Role of the Committee and frequency of review

Role of the Committee	Frequency of review
Review of the risk management policy, framework and procedures	A
Monitor, review and approval of the Risk Management Plan	A
Review of key risks and mitigation plans	P
Review of the Business Continuity Plan	A
Review of the Company's cyber security and data framework	P
Review appointment, removal and terms of remuneration of the Chief Risk Officer	E
Liaise with the Audit Committee on items of risk management and control activities	P

Frequency: A - Annually; P - Periodically; E - Event based

The Committee met twice in 2021 – on June 18 and December 13. The necessary quorum was present for the meetings. The Committee reviewed the risk management framework and its operation, and risk heat maps, and deliberated over the mitigation plans for key risks. More details on key risks and mitigation actions in respect thereto are provided in the Management Discussion and Analysis Report. Details of attendance at the meetings of the Risk Management Committee in 2021 are presented in Table 3.6.

3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company has been constituted in line with the provisions of Section 178 of the Companies Act, 2013, read with Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The role of the Committee, the topics reviewed by it and the frequency of review is mentioned in Table 3.3.

Table 3.3: Role of the Committee and frequency of review

Role of the Committee	Frequency of review
Finalise the process of evaluation and carry out evaluation of the performance of the Board, its committees, Directors and Chairman of the Company, and mapping of chart/matrix of core skill/expertise/ competencies of the Board	A
Review the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills	P
Review succession plans for the Board, Senior Management and key leadership positions, and monitor the development plans of key leadership personnel	A
Recommend appointment of new directors and changes to senior management	E
Review talent management strategy and talent priorities of the business	A
Review people metrics including attrition, diversity, mobility and engagement	P
Review, approve and recommend amendments to the Nomination and Remuneration Committee Policy	A

Frequency: A - Annually; P - Periodically; E - Event based

The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013, has been published on the Company website, <https://crisil.com/en/home/investors/corporate-governance.html>.

The Nomination and Remuneration Committee met five times in 2021- February 1, March 19, April 16, July 12 and August 13. The necessary quorum was present for all the meetings. In terms of its mandate, the Committee during 2021, focussed on review of initiatives related to talent acquisition and management, succession planning, employee engagement and employee compensation. The Committee also reviewed and recommended Board appointments.

The Chairperson of the Nomination and Remuneration Committee was present at the last AGM of the Company held on April 20, 2021. Details of attendance at the meetings of the Nomination and Remuneration Committee in 2021 are presented in Table 3.6.

Further, details of remuneration paid to the directors and other disclosures required to be made under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been provided in the previous section of this report – Board of Directors.

4. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee has been constituted in line with the provisions of Section 178 of the Companies Act, 2013, read with Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The role of the Committee, the topics reviewed by it and the frequency of review is mentioned in Table 3.4.

Table 3.4: Role of the Committee and frequency of review

Role of the Committee	Frequency of review
Review grievances of security holders, including shareholders	Q
Review the grievances of other stakeholders such as vendors, customers, and employees, with the exception of whistle blower complaints or potential frauds or matters having financial implications, dealt with by the Audit Committee	Q
Approve transfer of shares, transmission of shares and issue of duplicate share certificates	E
Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent	A
Review various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company	Q
Review the internal audit report presented by the Registrar & Share Transfer Agent as required by the SEBI (Registrar & Share Transfer Agent) Regulations	A
Scrutinize all share related matters including legal cases and compliances under the SEBI Regulations related to the aforesaid securityholders	E
Review measures taken for effective exercise of voting rights by shareholders	A

Frequency: A - Annually; Q - Quarterly; E - Event based

The Committee met four times in 2021 – on February 10, April 19, July 19, and October 18. The Company Secretary is the Secretary to the Committee and is the ‘Compliance Officer’ pursuant to the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The necessary quorum was present for all the meetings. The Committee reviewed the status of shareholder grievances and their redressal. The Committee reviewed adherence to the service standards for investors, adopted by CRISIL’s Registrar & Share Transfer Agent and various measures and initiatives taken for ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company. The Committee also reviewed complaints from all stakeholders of the Company, including customers, employees and vendors/business partners. Through this process, the Committee steered improvements in relation to service delivery, quality and other issues pertaining to other stakeholders as well.

The Chairman of the Committee was present at the last Annual General Meeting of the Company held on April 20, 2021. Details of attendance at the meetings of the Stakeholders’ Relationship Committee in 2021 are presented in Table 3.6.

Details of shareholder complaints received and redressed during the year are provided in Section D of this report.

5. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been constituted in line with the provisions of Section 135 of the Companies Act, 2013 and the Rules made thereunder.

The role of the Committee, the topics reviewed by it and the frequency of review is mentioned in Table 3.5.

Table 3.5: Role of the Committee and frequency of review

Role of the Committee	Frequency of review
Review of the CSR Policy and recommend modifications as necessary.	A
Recommend to the Board, the expenditure to be incurred on the activities undertaken	A
Review the performance of the Company in the area of CSR, including the evaluation of the impact of the Company’s CSR activities	P
Consider and recommend to the Board, the Corporate Social Responsibility Report of the Company for approval and inclusion in the Annual Report of the Company	A
Consider and recommend to the Board, Annual Action Plan of the Company for the next financial year, and subsequent modifications, if any	A
Recommend the deployment strategy for CSR activities, through partnerships with various agencies, intermediaries and foundations	P

Frequency: A - Annually; P - Periodically; E - Event based

The Committee met twice in 2021 – on June 19 and December 13. The necessary quorum was present for all the meetings. Details of attendance at the meetings of the Corporate Social Responsibility Committee in 2021 are presented in Table 3.6.

Details of the Company’s CSR activities undertaken during the year were reviewed by the Committee at these meetings. Details are mentioned in annexures to the Directors’ Report.

Table 3.6 Attendance of Directors at Board, Committee Meeting(s) and last Annual General Meeting

The following table shows attendance of Directors at the Board and Committee Meeting(s) held during 2021 and at the last Annual General Meeting of the Company. Attendance at the Board and Committee Meeting(s) is presented as number of meeting(s) attended, out of the number of meeting(s) required to be attended or held during their respective tenure.

Name	Mr John Berisford	Ms Vinita Bali	Mr Girish Paranjpe [✓] &	Ms Shyamala Gopinath [%]	Mr Amar Raj Bindra ^{\$}	Mr Ewout Steenbergen	Ms Elizabeth Mann ^{\$}	Mr Amish Mehta [#]	Mr M Damodaran ^{*@}	Ms Ashu Suyash [^]	Mr Martin Fraenkel [^]
Board/ Committee/ General meeting											
Board	7 out of 7	7 out of 7	7 out of 7	7 out of 7	1 out of 1	7 out of 7	1 out of 1	2 out of 2	5 out of 5	4 out of 5	6 out of 6
Audit Committee	-	6 out of 6	6 out of 6	-	1 out of 1	-	1 out of 1	-	4 out of 4	-	5 out of 5
Risk Management Committee	-	-	1 out of 1	2 out of 2	1 out of 1	-	-	1 out of 1	-	1 out of 1	-
Nomination & Remuneration Committee	5 out of 5	5 out of 5	-	-	-	-	-	-	5 out of 5	-	-
Stakeholders' Relationship Committee	-	-	4 out of 4	-	-	4 out of 4	-	1 out of 1	-	3 out of 3	-
Corporate Social Responsibility Committee	-	2 out of 2	2 out of 2	-	-	-	-	1 out of 1	-	1 out of 1	-
34th Annual General Meeting	Yes	Yes	Yes	Yes	-	Yes	-	-	Yes	Yes	Yes

* Ceased to be the Chairman and a member of the Audit Committee due to resignation with effect from October 1, 2021

✓ Appointed as the Chairman of the Audit Committee with effect from December 2, 2021

^ Ceased to be a member of the Audit Committee due to resignation with effect from November 29, 2021

\$ Appointed as members of the Audit Committee with effect from December 2, 2021

& Ceased to be the Chairman and a member of the Risk Management Committee with effect from December 2, 2021

% Appointed as the Chairperson of the Risk Management Committee with effect from December 2, 2021

^ Ceased to be a member of the Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee with effect from September 30, 2021

Appointed as a member of the Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee with effect from October 1, 2021

@ Ceased to be a member of the Nomination and Remuneration Committee due to resignation with effect from October 1, 2021

∞ Appointed as a member of the Nomination and Remuneration Committee with effect from October 25, 2021

6. Meeting of Independent Directors

The Company's Independent Directors met five times in 2021 — on February 10, April 21, July 21, October 20 and November 10 — without the presence of Managing Director & CEO, Non-Executive, Non-Independent Directors and the management team. The meetings were informal, enabling the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors.

7. Performance evaluation

We have devised a mechanism for performance evaluation of directors, which is explained in the Directors' Report.

C. Shareholders

Means of communication

- Quarterly and annual financial results are published in leading national and regional newspapers and displayed on the Company's website.
- News releases, press releases and presentations made to investors and analysts are displayed on the Company's website.
- The Annual Report is circulated to all members and is also available on the Company's website.
- Material developments related to the Company that are potentially price-sensitive in nature or that could impact continuity of publicly available information regarding the Company are disclosed to stock exchanges in keeping with the Policy for Disclosure of Material Information. They are also available on CRISIL's website.
- The Company's website contains information on businesses, governance and important policies.

To serve the investors better and, as required under Regulation 46(2)(j) of the Listing Regulations, the Company's Grievance Redressal Division has a designated email address for investor complaints, investors@crisil.com. The Company's Compliance Officer monitors this email constantly.

The Annual Report of the Company for the financial year 2021 has been emailed to the members whose email addresses are registered with the depositories for communication purposes or are obtained directly from the members, as per Section 136 of the Companies Act, 2013 and Rule 11 of the Companies (Accounts) Rules, 2014. For other members, who have not registered their email addresses, the Annual Report has been sent to their registered address. If any member wishes to get a duly printed copy of the Annual Report, the Company will send the same, free of cost, upon receipt of request from the member.

We encourage our shareholders to subscribe to e-communications. For this, shareholders have to update their email addresses in the forms prescribed by their respective depository participants for shares held in the demat form and write to our registrar and share transfer agent to update email addresses for shares held in physical mode.

Grievance redressal

The Board has established the Stakeholders' Relationship Committee to review and redress complaints received from shareholders. The Committee meets periodically to review the status of investor grievances received and redressed.

General body meetings:

The location, time, and venue of the last three Annual General Meetings are as follows:

Table 4.1:

Nature of meeting	Date and time	Venue	Special resolutions passed
32 nd Annual General Meeting	April 17, 2019 3.30 pm	Rangaswar Hall, 4th floor, Yashwantrao Chavan Pratishthan, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai 400 021	None
33 rd Annual General Meeting	August 28, 2020 4.00 pm	Video conferencing (VC) and/or other audio-visual means (OAVM), without the in-person presence of shareholders	One special resolution was passed regarding appointment of Ms Shyamala Gopinath as an Independent Director of the Company
34 th Annual General Meeting	April 20, 2021 4.00 pm	Video conferencing (VC) and/or other audio-visual means (OAVM), without in-person presence of shareholders	None

Postal ballot

In financial year 2021, a special resolution was passed by the members through postal ballot to approve the appointment of Mr Amish Mehta (DIN: 00046254) as a Director of the Company with effect from October 1, 2021, and the terms and conditions of the appointment of Mr Mehta as Managing Director & Chief Executive Officer. The notice of the postal ballot dated August 12, 2021, was sent via e-mail to shareholders with registered email addresses for electronic communication and via post/courier to others. The postal ballot was conducted in compliance with Sections 108 and 110 and the Circular No 14/2020 dated April 8, 2020, Circular No 17/2020 dated April 13, 2020 and Circular No 33/2020 dated September 28, 2020, issued by the MCA. In compliance with the circulars issued by the MCA, postal ballot forms and prepaid business reply envelopes were not sent to Members for the Postal Ballot. Members were requested to provide their assent or dissent through e-voting only.

Mr Makarand Joshi, Practising Company Secretary, who was appointed as the Scrutiniser for the postal ballot process, submitted his report to Ms Ashu Suyash, the then Managing Director & CEO of the Company. The results of the postal ballot were announced on September 23, 2021. The resolution was passed with requisite majority.

Pursuant to the provisions of the Companies Act, 2013, in view of the e-voting facilities provided by the Company, none of the businesses proposed to be transacted in the forthcoming Annual General Meeting required passing a special resolution through Postal Ballot.

Disclosures

During the year, there were no related-party transactions that were materially significant and that could have a potential conflict with the interests of the Company. Related-party transactions have been disclosed in the annexures to the Directors' Report, as required by the Companies Act, 2013.

There was no non-compliance by the Company, and no penalties or strictures were imposed on the Company by the stock exchange or the SEBI, or any statutory authority on any matter related to the capital markets during the last three years.

The Company has complied with all the mandatory requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has also complied with the following discretionary requirements specified in Part E of Schedule II of Regulation 27(1):

- i. **Modified opinion(s) in Audit Report:** The Company's financial statements have unmodified audit opinions.
- ii. **Reporting of internal auditors:** The internal auditors of the Company directly report to the Audit Committee.

CRISIL Code of Conduct

The Board of Directors of CRISIL has adopted the Code of Conduct for Directors and the Senior Management, which is available on the Company's website, <https://crisil.com/en/home/investors/corporate-governance.html>. Affirmation regarding compliance with the Code of Conduct by the CEO has been published elsewhere in this Annual Report. The

Company has also adopted a Code of Ethics for employees. The CRISIL's Code of Ethics is also available on the Company's website, <https://crisil.com/en/home/investors/corporate-governance.html>.

Prohibition of insider trading

CRISIL has formulated a Code of Ethics and Trading Policy for Directors, Promoters and Promoter Group and Personal Trading Policy for Employees to comply with SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Regulations'). This policy is framed in keeping with the standards set out in the Regulations to monitor and facilitate reporting of trading by employees.

Vigil mechanism and Whistleblower Policy

We have a Whistleblower Policy for establishing a vigil mechanism for directors and employees to report genuine concerns regarding unethical behaviour, grave misconduct, leak of unpublished price-sensitive information, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics Policy. During the year, we established an ethics hotline number and email address as an additional channel to report any concerns under the Policy. This mechanism also provides adequate safeguards against victimisation of persons and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that none of our employees were denied access to the Audit Committee. The Whistleblower Policy has been uploaded on the Company's website, <https://crisil.com/en/home/investors/corporate-governance.html>.

Policy for determining 'material' subsidiaries

As required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have formulated a policy for determining 'material' subsidiaries, which has been uploaded on the website, <https://crisil.com/en/home/investors/corporate-governance.html>.

Material unlisted subsidiary

In 2021, four of CRISIL's unlisted subsidiary companies were identified as material subsidiaries as per the policy for determination of material unlisted subsidiary companies. These are subject to special governance norms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Minutes of the meetings of the Board of Directors of all subsidiaries are placed before the Board of Directors of CRISIL Limited for their review and noting.

Policy against Sexual and Workplace Harassment

CRISIL values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. We are committed to providing an environment, which is free of discrimination, intimidation and abuse. We believe it is the responsibility of any organisation to protect the integrity and dignity of employees and also to avoid conflicts and disruptions in the work environment.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('Sexual Harassment Act').

CRISIL has a 'Policy on Redressal of Sexual Harassment'. In keeping with the Sexual Harassment Act, the policy mandates strict confidentiality and recognises the right to privacy of every individual. The policy states that any employee may complain to the Independent Committee formed for this purpose. We affirm that all complainants were given easy and unhindered access to the Committee.

During the year, we did not receive complaints from any employee of the Company under this Policy.

Related-party Transactions Policy

As required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Related-Party Transactions Policy which can be accessed at <https://crisil.com/en/home/investors/corporate-governance.html>.

Record Management Policy

As required under Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Board of Directors has approved the Policy for Preservation of Documents.

Policy for determining materiality of an event or information and for making disclosures to stock exchanges

As required by the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has approved the policy for determining materiality of an event or information and for making disclosures to the stock exchanges. It is available at <https://crisil.com/en/home/investors/corporate-governance.html>.

The Board of Directors has authorised the Chief Financial Officer to determine the materiality of an event or information and make disclosures to the stock exchanges under the said regulation.

Code of Practices and Procedures for Fair Disclosure of Unpublished Price-sensitive Information

Pursuant to the Regulation 8 in Chapter IV of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors has formed a 'CRISIL Code of Practices and Procedures for Fair Disclosure of Unpublished Price-sensitive Information'. The Code has been uploaded on www.crisil.com.

Commodity price risk or foreign exchange risk and hedging activities

As such, the company is not exposed to any commodity price risk. Hence, the disclosures under Clause 9(n) of Part C of Schedule V in terms of the format prescribed vide SEBI Circular No SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018, is not applicable.

A detailed discussion on the foreign exchange risk CRISIL faces and hedging activities is given in the Management Discussion & Analysis Report and the Notes to the Financial Statements.

Unclaimed equity shares

Under Regulation 39(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Schedule VI thereof, the

Company has opened a demat account in the name and style 'CRISIL Limited - Unclaimed Shares Suspense Account' for credit of shares which were unclaimed as per these provisions.

At the beginning of the year, 2,000 equity shares belonging to two shareholders were lying in the account. During the year, one shareholder claimed 1,000 equity shares from the account, which were transferred to such shareholder after adequate verification.

Further, in terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, notice was sent to a shareholder holding 1,000 shares lying in the CRISIL Limited - Unclaimed Shares Suspense Account, in respect of which dividend was not claimed by shareholders for seven consecutive years. These shares were subsequently transferred in January 2022 to the Investor Education & Protection Fund Authority in accordance with the procedure prescribed by the said rules. As a result, as on the date of this report, there are no shares lying in the CRISIL Limited - Unclaimed Shares Suspense Account.

Total fees for all services paid to statutory auditors by the Company and its subsidiaries

Total fees paid by the Company and its subsidiaries on a consolidated basis to the statutory auditor, M/s Walker Chandio & Co LLP (an affiliate of Grant Thornton network) and all entities in the network firm/ network entity of which the statutory auditor is a part, are as follows:

Table 4.2

Particulars	Amount (Rupees lakhs)
Audit fees	235.0
Other services*	8.4
Out of pocket (OPE) expenses	5.0
Total	248.4

* The other services fee includes certification fees for downstream investment, allotment of ESOPs and for fulfilling certification requests from clients.

SEBI Complaints Redress System (SCORES)

The capital market regulator has a centralised web-based system to redress complaints named, SEBI Complaints Redress System (SCORES). It enables investors to lodge and follow up complaints and track the status of redressal online on the website, www.scores.gov.in. It also enables market intermediaries and listed companies to receive complaints from investors against them, redress such complaints and report redressal. All the activities, from lodging of a complaint to disposal, are carried out online automatically and the status of every complaint can be checked online at any time. CRISIL is registered on SCORES and endeavours to resolve all investor complaints received through SCORES or otherwise within 15 days of their receipt. During 2021, we received one complaint through SCORES which was responded to within 15 days of its receipt.

Transfer of shares only in demat mode

As per SEBI norms, all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. The procedure to dematerialise shares is available at <https://www.crisil.com/en/home/investors/shareholder-services/procedure-for->

dematerialisation-of-shares.html. Further vide circular date January 24, 2022, SEBI has notified that all request for duplicate issuance, splitting and consolidation requests too will be processed in a demat mode only. The necessary forms are available on the Company's website @ <https://www.crisil.com/en/home/investors/shareholder-services/forms-for-download.html>

Updating KYC details

Efforts are underway to update Permanent Account Number (PAN) and bank account details of shareholder(s) as required by SEBI. The regulator, vide circular dated November 3, 2021 and December 15, 2021, has mandated furnishing of PAN, KYC details and nomination by holders of physical securities by March 31, 2023, and linking PAN with Aadhaar by March 31, 2022. Members are requested to submit their PAN, KYC and nomination details to the Company's registrars through the forms available at <https://www.crisil.com/content/crisil/en/home/investors/shareholder-services.html>. CRISIL has sent communications in this regard to eligible shareholders.

In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, our registrars are obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. In case the securities continue to remain frozen as on December 31, 2025, the registrar/ the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/ or Prevention of Money Laundering Act, 2002.

D. General Shareholders Information:

1.	Annual General Meeting	
	Date and time	: April 22, 2022, at 3.30 pm
	Venue	: AGM will be held through video conferencing (VC) or other audio-visual means (OAVM)
2.	Calendar for financial reporting	
	First quarter ending March 31, 2022	In April 2022
	Second quarter ending June 30, 2022	In July 2022
	Third quarter ending September 30, 2022	In October 2022
	Year ending December 31, 2022	In February 2023 (The dates are available on the Company's website @ https://www.crisil.com/en/home/investors/shareholder-services.html)
	Newspapers where the results are published	: Currently in Financial Express and Sakal or any other newspaper with a wide circulation. Copies of the newspaper advertisements will also be submitted to the stock exchanges
	Websites where the financial results, shareholding pattern, annual report etc. are uploaded	: www.crisil.com , www.bseindia.com and www.nseindia.com
3.	Proposed final & special dividend	: Final dividend of Rs 22 (including special dividend of Rs7) per share having nominal value of Re 1 each
4.	Dates of book closure	: April 1, 2022, to April 2, 2022 (both days inclusive)
5.	Dividend payment date	: April 28, 2022 (if dividend payment is approved at the Annual General Meeting)
6.	Listing details	: CRISIL's shares are listed on: The National Stock Exchange of India Ltd, (NSE) Exchange Plaza, 5th Floor, Plot No C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051 BSE Ltd, PJ Towers, Dalal Street, Fort, Mumbai 400 001 The Company has paid listing fees to both the exchanges and complies with the listing requirements
7.	Stock codes	: NSE – CRISIL BSE – 500092 ISIN : INE007A01025 CIN : L67120MH1987PLC042363

8.	Registrar and share transfer agents ('Registrars')	:	KFin Technologies Private Limited Unit: CRISIL Ltd Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad 500032 Email: einward.ris@kfintech.com Toll Free No: 1-800-309-4001 Fax: +91 40 6716 1567
9.	Compliance officer	:	Ms Minal Bhosale, Company Secretary, CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400076 Phone: 022-3342 3000 Fax: 022-3342 3001
10.	Depository system	:	As on December 31, 2021, 99.90% of the Company's share capital is held in dematerialised form. For any assistance in converting physical shares to electronic form, investors may approach KFin Technologies Private Limited at the address given above.
11.	Electronic clearing service (ECS)	:	We have extended the ECS facility to shareholders to enable them to receive dividend through electronic mode in their bank account. We encourage members to avail of this facility as ECS provides adequate protection against fraudulent interception and encashment of dividend warrants, apart from eliminating loss/ damage of dividend warrants in transit and correspondence with the Company on revalidation/ issuance of duplicate dividend warrants.
12.	Bank details for electronic shareholding	:	Members are requested to notify their Depository Participant (DP) about the changes in the bank details. Members are requested to furnish complete details of their bank accounts, including the MICR codes of their banks, to their DPs.
13.	Furnish copies of PAN	:	SEBI has mandated submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the registrar.
14.	Investor complaints to be addressed to	:	The Registrars and Share Transfer Agents or to Ms Minal Bhosale, Company Secretary, at the above mentioned addresses.
15.	Email ID of the Grievance Redressal Division	:	einward@kfintech.com, investors@crisil.com

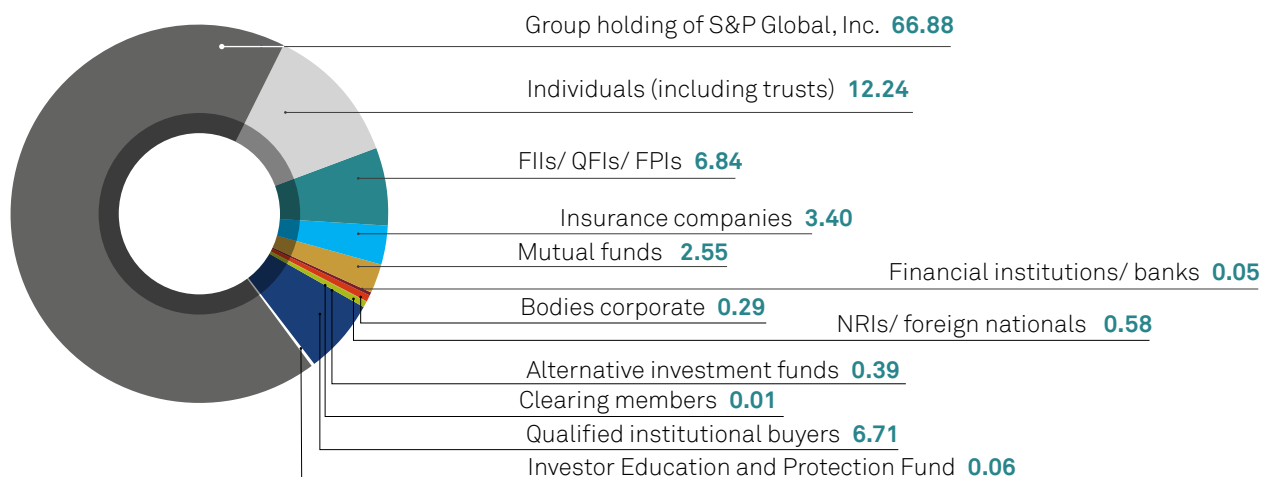
Notes:

Shareholders whose shares are in physical form and wish to make/ change a nomination in respect of their shares, as permitted under Section 72 of the Companies Act, 2013, may submit to the Registrar and Share Transfer Agent in the prescribed Forms SH-13/SH-14. Available on the Company's website, <https://www.crisil.com/en/home/investors/shareholder-services/forms-for-download.html>

16. Category-wise shareholding pattern as on December 31, 2021

Sr. No.	Category	No. of shares	% holding
1	Group holding of S&P Global, Inc: - S&P India LLC - Standard & Poor's International, LLC - S&P Global Asian Holdings Pte. Ltd.	4,87,32,586	66.88
2	Individuals (including trusts)	89,18,852	12.24
3	FIIIs/ QFIs/ FPIs	49,82,622	6.84
4	Insurance Companies	24,80,085	3.40
5	Mutual Funds	18,61,683	2.55
6	Financial Institutions/ Banks	35,954	0.05
7	Bodies Corporate	2,08,419	0.29
8	NRIs/ Foreign Nationals	4,26,669	0.58
9	Directors	-	-
10	Clearing Members	9,587	0.01
11	Alternative Investment Funds	2,83,052	0.39
12	Investor Education and Protection Fund	41,152	0.06
13	Qualified Institutional Buyers	48,87,785	6.71
Total		7,28,68,446	100.00

Category-wise shareholding pattern as on December 31, 2021



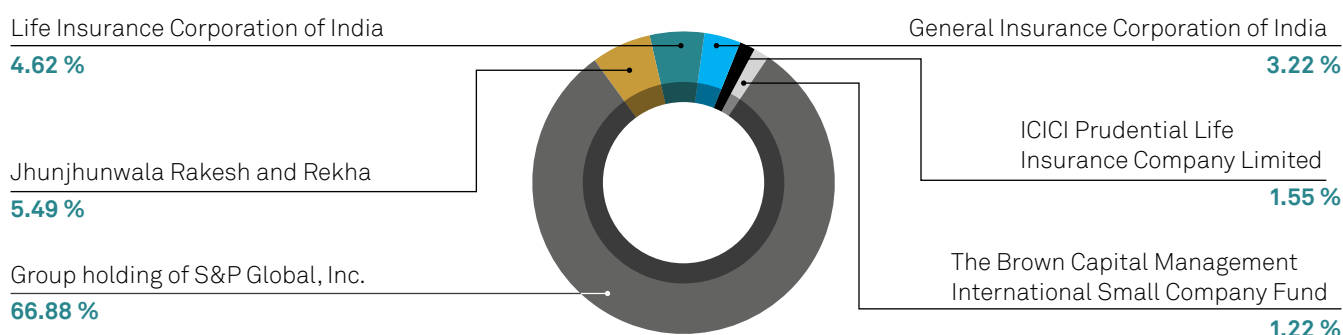
17. Distribution of shareholding as on December 31, 2021

Range of equity shares held	No. of shareholders	As % of total no. of shareholders	No. of shares	As % of total no. of shares
1 – 5,000	43,994	99.51	30,79,005	4.23
5,001 – 10,000	75	0.17	5,41,010	0.74
10,001 – 20,000	39	0.09	5,86,361	0.80
20,001 – 30,000	21	0.05	5,07,461	0.70
30,001 – 40,000	13	0.03	4,56,674	0.63
40,001 - 50,000	7	0.02	3,16,239	0.43
50,001 – 1,00,000	22	0.05	16,49,167	2.26
1,00,001 and above	37	0.08	6,57,32,529	90.21
Total	44,208	100.00	7,28,68,446	100.00

18. Members holding more than 1% of the paid-up share capital as on December 31, 2021

Sr. No.	Name of the shareholder	No. of shares	% holding
1.	Group holding of S&P Global, Inc: - S&P India LLC - Standard & Poor's International, LLC - S&P Global Asian Holdings Pte. Ltd.	4,87,32,586	66.88
2.	Jhunjhunwala Rakesh and Rekha	40,00,000	5.49
3.	Life Insurance Corporation of India	33,63,528	4.62
4.	General Insurance Corporation of India	23,50,000	3.22
5.	ICICI Prudential Life Insurance Company Limited	11,27,638	1.55
6.	The Brown Capital Management International Small Company Fund	8,86,263	1.22

Members holding more than 1% as on December 31, 2021



19. Status report of shareholder complaints during the year ended December 31, 2021

Nature of complaints	No. of complaints received
Outstanding as on January 1, 2021	1
Received during 2021	36
- Non-receipt of dividend	10
- Non-receipt of shares	1
- Non-receipt of annual report	0
- Issues relating to general meeting	0
- Complaints received through SCORES/stock exchanges/the Ministry of Corporate Affairs/regulatory authorities	25
Total	37

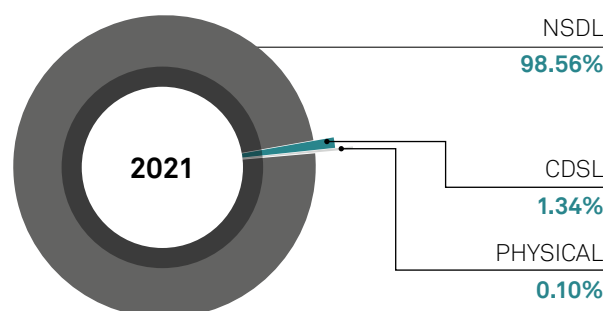
The Company addressed all the investor complaints received as indicated above, except two complaints that were received towards the end of the fourth quarter of 2021 and have been resolved since.

20. Shares held in physical and dematerialised forms as on December 31, 2021

The break-up of physical and dematerialised shareholding as on December 31, 2021, is presented graphically:

Members who still hold share certificates in physical form are advised to dematerialise their shareholding to avail numerous benefits, including easy liquidity, ease of trading and transfer, savings in stamp duty, and elimination of any possibility of loss of documents and bad deliveries.

Distribution of holdings – demat and physical



21. Equity history since sub-division of shares

Date	Particulars	No. of shares	Cumulative no. of shares
01.10.2011	No. of issued and fully paid-up equity shares of face value Re 1 each after stock split	7,09,68,440	7,09,68,440
04.01.2012	Extinguishment of shares consequent to buyback	(-) 9,10,000	7,00,58,440
2012	Allotment of shares to employees on exercise of options granted	(+) 1,77,300	7,02,35,740
2013	Allotment of shares to employees on exercise of options granted	(+) 4,17,150	7,06,52,890
2014	Allotment of shares to employees on exercise of options granted	(+) 7,04,165	7,13,57,055
2015	Allotment of shares to employees on exercise of options granted	(+) 93,465	7,14,50,520
16.07.2015	Extinguishment of shares consequent to buyback	(-) 5,11,932	7,09,38,588
17.10.2015	Allotment of shares to employees on exercise of options granted	(+) 2,70,515	7,12,09,103
2016	Allotment of shares to employees on exercise of options granted	(+) 1,26,255	7,13,35,358
2017	Allotment of shares to employees on exercise of options granted	(+) 3,69,570	7,17,04,928
2018	Allotment of shares to employees on exercise of options granted	(+) 4,10,854	7,21,15,782
2019	Allotment of shares to employees on exercise of options granted	(+) 1,88,544	7,23,04,326
2020	Allotment of shares to employees on exercise of options granted	(+) 2,88,964	7,25,93,290
2021	Allotment of shares to employees on exercise of options granted	(+) 2,75,156	7,28,68,446

22. Dividend

Dividend policy: CRISIL believes in maintaining a fair balance between cash retention and dividend distribution. Cash retention is required to finance acquisitions and future growth, and also as a means to meet any unforeseen contingency. CRISIL's dividend policy specifies the financial parameters that would be considered when declaring a dividend, the internal and external factors that would be considered for declaring a dividend, and the circumstances under which shareholders can or cannot expect a dividend. The policy has been uploaded to the Company's website, www.crisil.com/en/home/investors/corporate-governance.html; it is also annexed herewith as **Annexure I**.

Modes of payment of dividend: Dividend is paid through the following two modes:

- Credit to the bank account via Electronic Clearing Service (ECS)/ National Electronic Clearing Service (NECS)/ SWIFT transfer
- Despatch of physical dividend warrants/ cheques

Tax on dividend: The Finance Act 2021 abolished Dividend Distribution Tax (DDT) and made dividend income taxable in the hands of the recipient shareholders, with effect from April 1, 2021. CRISIL has made the necessary changes in its dividend payment process in coordination with internal and external stakeholders such as Registrar & Share Transfer Agents and bankers. The Company regularly sends communication to its shareholders before each dividend, requesting them to submit the required documents for claiming beneficial tax rates, if applicable.

ECS/ NECS: CRISIL has extended the ECS/NECS facility to shareholders to enable them to receive dividend through electronic mode in their bank account. The Company encourages members to make use of this facility as ECS/NECS provides adequate protection against fraudulent interception and encashment of dividend warrants, apart from eliminating loss/ damage of dividend warrants in transit and correspondence with the Company on revalidation/ issuance of duplicate dividend warrants. Investors may obtain the ECS/ NECS mandate form from the FAQs link (<https://www.crisil.com/en/home/investors/shareholder-services/faqs.html>) in the Investors section of the Company's website, www.crisil.com.

Bank details for electronic shareholding: Members are requested to furnish complete details of their bank accounts, including the bank's MICR code, to their DPs. They are also requested to notify their DPs about changes in bank details.

Unclaimed dividend: Dividend that is not encashed or claimed, within seven years from the date of its transfer to the unpaid dividend account, will, in terms of the provisions of Section 124(5) of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund (IEPF) established by the government. In respect of the transfers made after coming into effect of the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, shareholders will be entitled to claim the dividend transferred from the IEPF in accordance with such procedure and on submission of such

documents as may be prescribed. The details of unclaimed dividend as on December 31, 2021, and the dates when the dividend will be transferred to the IEPF are as follows:

Sr. No.	Dividend name	Dividend per share (Rs)	%	Date of declaration/ approval of dividend	Due date for transfer to IEPF*
1.	Unclaimed Final and Special Dividend 2014	10.00	1000	Apr 17, 2015	May 18, 2022
2.	Unclaimed 1st Interim Dividend 2015	4.00	400	Apr 17, 2015	May 18, 2022
3.	Unclaimed 2nd Interim Dividend 2015	4.00	400	Jul 17, 2015	Aug 17, 2022
4.	Unclaimed 3rd Interim Dividend 2015	5.00	500	Oct 17, 2015	Nov 17, 2022
5.	Unclaimed Final and Special Dividend 2015	10.00	1000	Apr 19, 2016	May 20, 2023
6.	Unclaimed 1st Interim Dividend 2016	5.00	500	Apr 19, 2016	May 20, 2023
7.	Unclaimed 2nd Interim Dividend 2016	6.00	600	Jul 19, 2016	Aug 19, 2023
8.	Unclaimed 3rd Interim Dividend 2016	7.00	700	Oct 14, 2016	Nov 14, 2023
9.	Unclaimed Final Dividend 2016	9.00	900	Apr 20, 2017	May 20, 2024
10.	Unclaimed 1st Interim Dividend 2017	6.00	600	Apr 20, 2017	May 20, 2024
11.	Unclaimed 2nd Interim Dividend 2017	6.00	600	Jul 18, 2017	Aug 17, 2024
12.	Unclaimed 3rd Interim Dividend 2017	6.00	600	Oct 17, 2017	Nov 16, 2024
13.	Unclaimed Final Dividend 2017	10.00	1000	Apr 17, 2018	May 17, 2025
14.	Unclaimed 1st Interim Dividend 2018	6.00	600	Apr 17, 2018	May 17, 2025
15.	Unclaimed 2nd Interim Dividend 2018	6.00	600	Jul 17, 2018	Aug 16, 2025
16.	Unclaimed 3rd Interim Dividend 2018	7.00	700	Oct 16, 2018	Nov 15, 2025
17.	Unclaimed Final Dividend 2018	11.00	1100	Apr 17, 2019	May 17, 2026
18.	Unclaimed 1st Interim Dividend 2019	6.00	600	Apr 17, 2019	May 17, 2026
19.	Unclaimed 2nd Interim Dividend 2019	6.00	600	Jul 23, 2019	Aug 22, 2026
20.	Unclaimed 3rd Interim Dividend 2019	7.00	700	Nov 08, 2019	Dec 08, 2026
21.	Unclaimed Final Dividend 2019	13.00	1300	Aug 28, 2020	Sep 28, 2027
22.	Unclaimed 1st Interim Dividend 2020	6.00	600	Apr 21, 2020	May 22, 2027
23.	Unclaimed 2nd Interim Dividend 2020	6.00	600	Jul 21, 2020	Aug 21, 2027
24.	Unclaimed 3rd Interim Dividend 2020	7.00	700	Oct 20, 2020	Nov 20, 2027
25.	Final Dividend 2020	14.00	1400	Apr 20, 2021	May 20, 2028
26.	Unclaimed 1st Interim Dividend 2021	7.00	700	Apr 20, 2021	May 20, 2028
27.	Unclaimed 2nd Interim Dividend 2021	8.00	800	Jul 20, 2021	Aug 19, 2028
28.	Unclaimed 3rd Interim Dividend 2021	9.00	900	Nov 10, 2021	Dec 08, 2028

***Note:**

Investors are requested to send in their claim at least 15 days prior to the due date for transfer to the IEPF to ensure payment of their dividend.

Transfer of shares to the IEPF

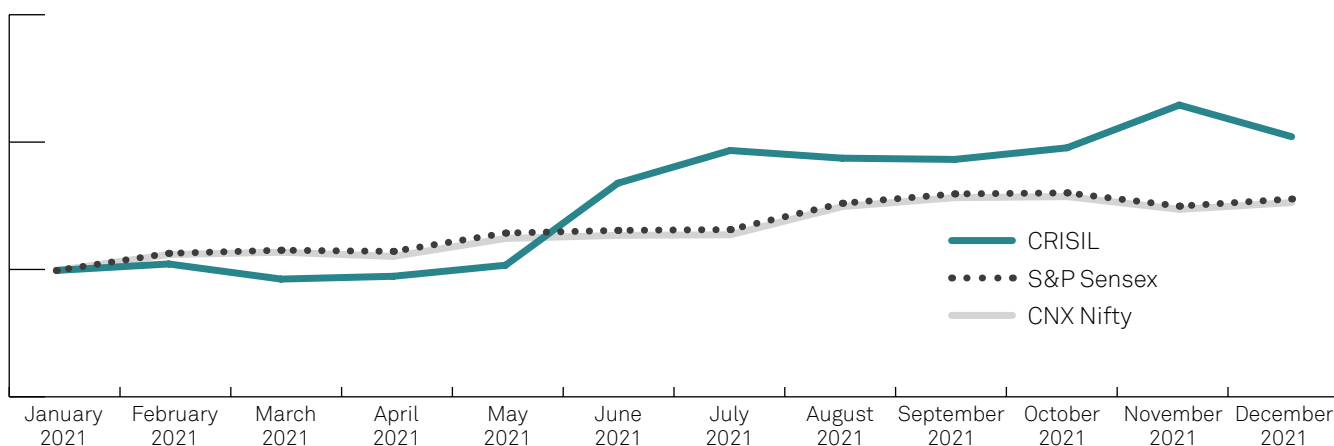
Pursuant to the provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, CRISIL is required to transfer equity shares in respect of which dividends have not been claimed for seven consecutive years to the IEPF. The Company has transferred 3,000 shares to the IEPF during the year. Details of these shares are available on the Company's website, www.crisil.com.

Further, shares in respect of which dividends remain unclaimed progressively for seven consecutive years will be reviewed for transfer to the IEPF as required by law. The Company will transfer the said shares, after sending an intimation of the proposed transfer in advance to the concerned shareholders, as well as publish a public notice in this regard. Names of such transferees will be available on the Company's website, www.crisil.com.

23. Stock price and movement of the Company’s shares on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for January–December 2021:

NSE			BSE		
Month	High (Rs)	Low (Rs)	Month	High (Rs)	Low (Rs)
January	1,984.90	1,869.50	January	1,984.00	1,884.60
February	2,049.00	1,881.05	February	2,050.00	1,886.20
March	2,039.00	1,822.60	March	2,035.00	1,820.10
April	1,923.70	1,741.00	April	1,920.00	1,742.35
May	1,972.05	1,838.00	May	1,970.00	1,845.00
June	2,969.95	1,934.85	June	2,955.00	1,936.55
July	3,330.00	2,530.25	July	3,323.00	2,532.00
August	3,062.30	2,425.20	August	3,065.05	2,425.45
September	2,968.25	2,687.10	September	2,966.00	2,700.00
October	3,069.00	2,702.25	October	3,063.50	2,710.85
November	3,498.00	2,790.00	November	3,496.00	2,794.00
December	3,120.00	2,884.45	December	3,159.50	2,885.55

Price movement of CRISIL shares in 2021 on NSE and BSE vis-a-vis movement of CNX Nifty and S&P Sensex



24. Shareholders’ rights

A shareholder in a Company enjoys certain rights, which are as follows:

- To receive share certificates, on allotment or transfer as the case may be, in due time, subject to applicable regulations
- To receive copies of the annual report, balance sheet and profit and loss account, and auditor’s report
- To participate and vote in general meetings
- To receive dividends in due time, once approved in general meetings or Board meetings
- To receive corporate benefits such as rights and bonus, once approved
- To apply to the National Company Law Tribunal to call or direct the annual general meeting
- To inspect the minute books of general meetings and to receive copies thereof
- To proceed against the Company by way of civil or criminal proceedings
- To apply for the winding-up of the Company
- To receive the residual proceeds

- Other rights are as specified in the Memorandum and Articles of Association available on the website, <https://www.crisil.com/en/home/investors/shareholder-services/faqs.html>

Apart from the above rights, the shareholders enjoy the following rights as a group:

- To appoint the Directors and Auditors of the Company
- To requisition an extraordinary general meeting
- To apply to the National Company Law Tribunal to investigate the affairs of the Company
- To apply to the National Company Law Tribunal for relief in cases of oppression and/ or mismanagement

The above-mentioned rights may not necessarily be absolute.

Statutory disclosures

Directors state that there being no transactions with respect to the following items during the financial year under review, no disclosure or reporting is required with respect to the same:

1. Details of utilisation of funds of preferential allotment/QIP
2. Disclosure in relation to recommendation made by any committee which was not accepted by the Board

For and on behalf of the Board of Directors of CRISIL Limited

John L. Berisford
Chairman
(DIN: 07554902)

Mumbai, February 15, 2022

Annexure I to Corporate Governance Report: Dividend policy

Policy for determining 'Dividend Payout' to shareholders

1. Purpose and scope

The Dividend Distribution Policy (Policy) has been framed in line with the provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the provisions of the Companies Act, 2013 (Act) and the rules made thereunder to the extent applicable.

The purpose of this Policy is to broadly specify external and internal factors including, financial parameters that will be considered when declaring a dividend, and the circumstances under which the shareholders of CRISIL Limited (the Company) may or may not expect a dividend. The Board of Directors (Board) will refer to the Policy when declaring/recommending dividends on behalf of the Company.

2. Decision framework

2.1 The circumstances under which shareholders can or cannot expect a dividend:

The Company has been consistently paying out dividends to shareholders and can be reasonably expected to continue declaring more than 50% of standalone profit after tax in future unless the Company is constrained by insufficient profits or if any internal or external factor or financial parameter indicated below becomes adverse or if there is any likely requirement for business expansion or acquisition as determined by the Board.

2.2 The financial parameters that will be considered when declaring dividends:

- a. Profit after tax
- b. Positive cash flow after taking into consideration future business needs
- c. Debt/EBITA

2.3 Internal and external factors that would be considered for declaring dividends:

- a. Business environment and trends in capital markets
- b. Statutory regulations and guidelines
- c. Profit earned during the year
- d. Net worth
- e. Company's need for growth capital
- f. Working capital requirements and contingency plan
- g. Any other factor as deemed fit by the Board

2.4 Utilisation of retained earnings shall be towards:

- a. Business expansion and growth
- b. Acquisitions
- c. Working capital requirements and contingencies

2.5 Provision with regard to various classes of shares:

Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The policy shall be suitably revisited at the time of issue of any new class of shares depending on the nature and guidelines thereof.

The Board shall have the power to recommend the final dividend to the shareholders for their approval in the general meeting of the Company. The Board shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit.

2.6 Policy review:

This Policy shall be reviewed by the Board as and when any changes are to be incorporated owing to changes in the Listing Regulations or the Act as may be felt appropriate or once in three years, whichever is earlier. Any changes or modifications in the Policy would be put up for approval of the Board of Directors.

This Policy is dated November 10, 2021.

Annexure II to Corporate Governance Report: Certificate from practicing Company Secretary regarding non-debarment and non-disqualification of Directors

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

**The Members
of CRISIL Limited.**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **CRISIL Limited** having CIN L67120MH1987PLC042363 and having registered office at **CRISIL House, Central Avenue, Hiranandani Business Park, Powai, , Mumbai, Maharashtra, 400076** (hereinafter referred to as **'the Company'**), provided to us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the period ended as on 31st December, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Table A

Sr. No.	Name of the Directors	Director Identification Number	Date of appointment in Company
1.	Mr. John Lee Berisford	07554902	19/07/2016
2.	Ms. Shyamala Gopinath	02362921	10/07/2020
3.	Mr. Amish Pramodrai Mehta	00046254	01/10/2021
4.	Ms. Vinita Bali	00032940	14/02/2014
5.	Mr. Ewout Steenbergen	07956962	17/10/2017
6.	Mr. Girish Paranjpe	02172725	17/10/2017
7.	Mr. Amar Raj Bindra	09415766	01/12/2021
8.	Ms. Elizabeth Dexter Mann	09407237	29/11/2021

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Makarand M. Joshi & Co.,
Practicing Company Secretaries**

**Kumudini Bhalerao
Partner**

FCS No. 6667

CP No. 6690

Place: Mumbai

Date: 22 February, 2022

UDIN: F006667C002668777

Secretarial Audit Report of CRISIL Ratings Limited

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st December, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
CRISIL Ratings Limited
CRISIL House, Central Avenue
Hiranandani Business Park,
Powai, Mumbai 400076

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. CRISIL Ratings Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st December, 2021 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st December, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(Not Applicable to the Company during the Audit Period)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment. **(Not Applicable to the company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,

1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable to the Company during the Audit Period)**
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not Applicable to the Company during the Audit Period)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period).**

We have also examined compliance with the applicable clauses of the following:

- (iii) Secretarial Standards issued by The Institute of Company Secretaries of India
- (iv) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(Not Applicable to the Company during the Audit Period)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards made thereunder.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records including Internal audit report in pursuance thereof on test-check basis, the Company has complied with the Securities Exchange Board of India (Credit Rating Agencies) Regulations, 1999.

We further report that the Board of Directors of the Company is duly constituted as required under the Act. There were changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For MMJB and Associates LLP
Practising Company Secretaries**

Saurabh Agarwal
Designated Partner

FCS No. F9290

CP No. 20907

Peer Review: 904/2020

Date: 11-02-2022

Place: Mumbai

UDIN: F009290C002530622

CREATING POSSIBILITIES

Through commitment to sustainability



Launched a comprehensive **ESG compendium** and ESG scores for top 225 Indian companies



Integrated ESG analytics and research



Increased number of **sustainability specialists** to 77

Sustainability

CRISIL ESG REPORT 2021

- 100** Operating responsibly
- 106** Our ESG products and services
- 110** Our people, our capital
- 118** Fostering close partnerships
- 124** Our commitment to the environment
- 128** Our commitment to communities

This ESG Report should be read along with the ESG Databook and Business Responsibility and Sustainability Report appearing on pages 134 to 163 of the CRISIL Annual Report 2021. These reports form part of consolidated reporting on CRISIL's ESG performance.

Amish Mehta

Managing Director & Chief Executive Officer, CRISIL Limited

Dear Stakeholder,

Investors, consumers and lenders are evaluating the sustainability credentials of companies with as much rigour these days as they scrutinise financial statements.

This is persuading Indian companies to integrate environmental, social and governance (ESG) frameworks into their decision-making process.

On its part, the Securities and Exchange Board of India (SEBI) has also asked listed companies to start publishing their Business Responsibility and Sustainability Report (BRSR) from next fiscal.

I am happy to share that your company has voluntarily begun preparing the BRSR report starting calendar 2021.

This is in line with our commitment to continuously refine our sustainability disclosures and stay apace with the global standards.

Indeed, sustainability is the cornerstone of our strategy and operations. Our quest for excellence in this space has also shaped our ESG statement.

In 2021, we conducted a materiality

assessment to identify topics most relevant to us from the ESG standpoint, and then created policies and frameworks for each of its three aspects.

As an eco-friendly enterprise, we also make consistent efforts to minimise our carbon footprint through environmental conservation and tree-plantation initiatives.

Our CSR arm, CRISIL Foundation, endeavours to create a social impact among economically disadvantaged communities within and beyond our office locations.

We also foster a diverse talent pool and provide an inclusive and equitable work culture, and strive to be a well-governed organisation that creates sustainable value for stakeholders.

Technology is integral to enabling your company maintaining the highest governance standards of data privacy, risk management, and information security.

One of the important developments for your company this year has been integration of ESG principles across organisational functions and offerings.

Our ESG research, data, insights, and solutions empower customers and stakeholders to make decisions with conviction and redefine their approach to risk management for sustainable value

creation. Our endeavour is to address the challenges of disclosure quality and comparability.

Most recently, towards our commitment to be an ESG leader, we:

- Led with empathy and care to ensure safety and well-being of our employees and their families; rolled out timely interventions, including medical support, financial support, vaccination drives, and leave benefits
- Extended our best-in-class governance practices to our major subsidiaries in the UK and India, and appointed independent members to these Boards, going beyond the regulatory thresholds to engender greater governance and transparency
- Adopted a supplier diversity framework to welcome more micro, small and medium enterprises, and businesses led by women, veterans, specially abled, and LGBTQ+ persons into our supply chain
- Stepped up focus on information security through investments and employee awareness initiatives
- Continued to contribute to financial inclusion in India through Mein Pragati, our flagship CSR programme. As part of the Reserve Bank of India's MoneyWise Centre for Financial Literacy project, the

CRISIL Foundation launched 419 centres to serve people across 17 states and union territories

- Planted over 36,500 trees and rationalised our real estate footprint to tackle climate change
- In 2021, we launched the first-of-its-kind ESG compendium along with ESG scores for the top 225 listed Indian companies. We also work with top global financial institutions to accelerate the integration of ESG analytics and research
- As thought leaders, we engage with policy makers and regulators to shape policy frameworks and disclosure requirements

This report explains how we assess and manage material ESG risks and opportunities across our global operations. We hope it helps you gain a deeper insight into our ESG orientation.

We look forward to your continued encouragement to enable us to play a leading role in this very important journey.

With best wishes



Amish Mehta

About CRISIL

CRISIL (CRISIL Limited and its subsidiaries) is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

We are India's foremost provider of ratings, data, research, analytics and solutions, with a strong track record of growth, a culture of innovation, and a global footprint that sets us apart. We have delivered independent opinions, actionable insights and efficient solutions to over 100,000 customers.

Our market-leading ratings, benchmarks, analytics and solutions empower lenders, borrowers, issuers, investors, regulators, and intermediaries to make decisions with conviction. We help clients manage and mitigate risks, take pricing and valuation decisions, reduce time to market, generate more revenue, and enhance returns.

We also help catalyse global economic growth and development by helping shape public policy on infrastructure in emerging markets.

We are majority owned by S&P Global Inc., a leading provider of transparent and independent ratings, benchmarks, analytics, and data to the capital and commodity markets worldwide.

3,973
EMPLOYEES WORLDWIDE



PRESENCE IN
11 COUNTRIES

Awards

Marketing Impact Recognition



Product Launch—ESG Gauge

Human Resources Recognition



Excellence Award

Global Recognition



Product Innovation—SEM

CSR Recognition



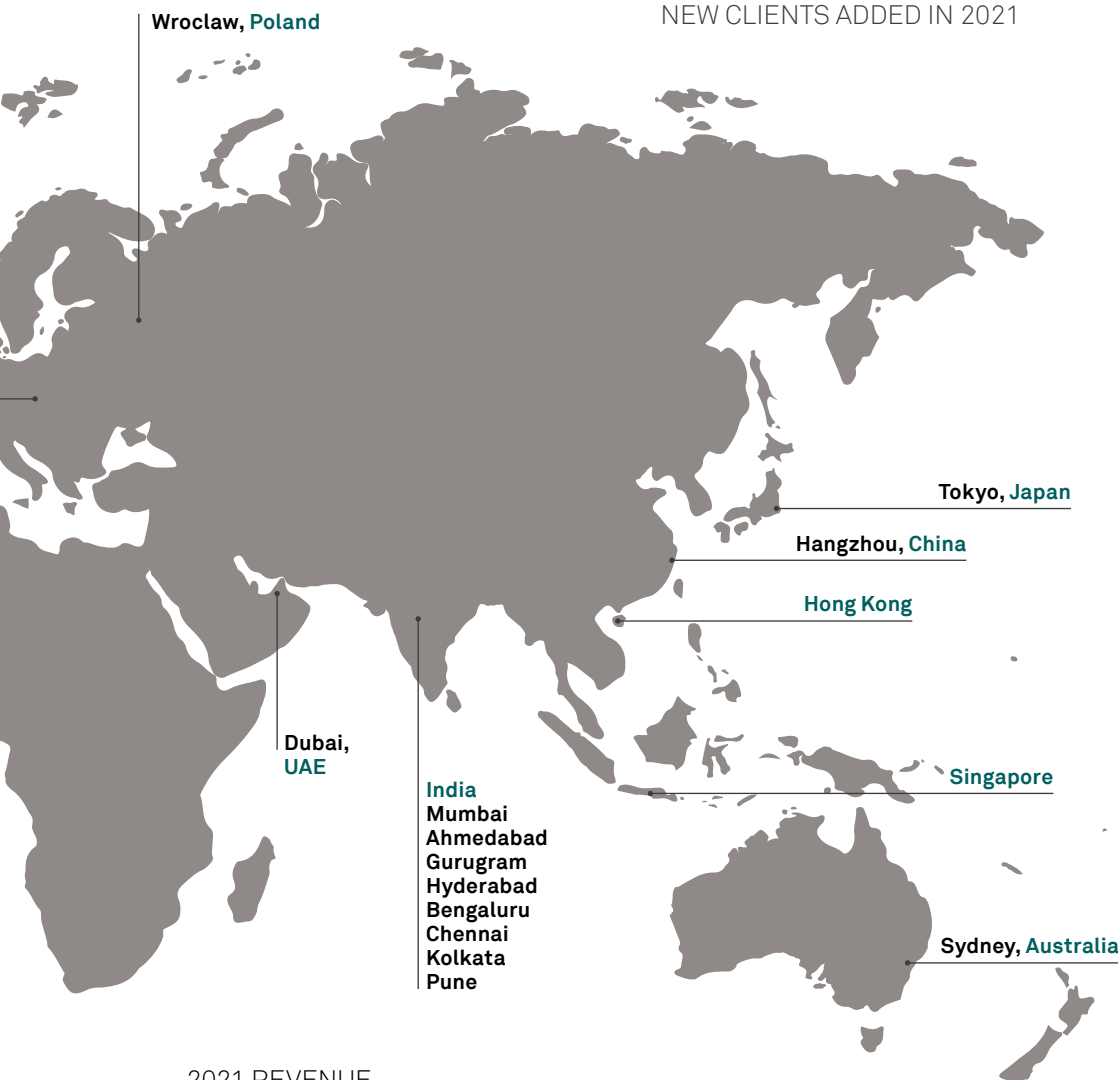
CSR Foundation of the Year Award

12600+

CLIENTS

2,800+

NEW CLIENTS ADDED IN 2021



2021 REVENUE

RS 2,300.69 CRORE

At CRISIL, ESG is serious business

In 2021, CRISIL Limited's Board reviewed the ESG practices and policies of CRISIL and renewed its commitment towards ESG, by enhancing practices, disclosures and a decision to enrich its ESG offerings. CRISIL also formed a management level steering committee, comprising senior leaders and enthusiastic young team members to conduct a comprehensive review of its ESG practices and define the path forward. The committee met regularly and actively evaluated existing ESG practices, and benchmarked and aligned CRISIL's policies with the best in class global standards. Defining new practices and policies in the areas of stakeholder engagement, public engagement, employee health and safety, diversity & inclusion, emission management and other environment factors for the year, has given an impetus to CRISIL's ESG journey in 2021.

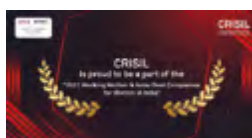
Great Place to Work Recognition



We are proud to announce that CRISIL has been recognised as **Great Place to Work™ Certified**.

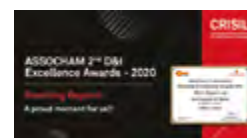
2nd year in a row

Diversity Recognition



Hall of Fame

Diversity and Inclusion Recognition



Excellence Award

ESG is foundational to CRISIL

At CRISIL, we endeavour to make sustainability foundational to everything we do. We minimise our carbon footprint and contribute to protecting the ecosphere of the communities we work in. Diversity, equity and inclusion, and employee well-being are essential for our long-term, sustainable growth. We are committed to upholding the highest standards of corporate governance. We integrate environmental, social and governance (ESG) factors in our offerings. Our ESG research, data, insights, assessments and solutions empower customers and stakeholders to make decisions with conviction and contribute to sustainable progress globally.

CRISIL's ESG Statement

Heightened awareness about the ill-effects of environment pollution and the need to adopt sustainable practices has spurred demand for environmental, social and governance (ESG) data and analysis across the financial world. The pandemic has telescoped this trend.

At CRISIL, forethought on these aspects has helped us integrate ESG factors in our offerings early on. Today, our ESG research, data, insights, assessments and solutions are empowering customers and stakeholders to make sustainable choices and contributing to global progress on this front.

ESG is already playing a material role in the decisions of governments, regulators, investors, lenders and corporates. Our insights and solutions are powering these decisions, and also helping redefine their approach

to risk management, creating sustainable value, and surmounting challenges of disclosure quality and standardisation.

ESG reporting has been evolving globally. The Securities and Exchange Board of India (SEBI), for one, has introduced new requirements for ESG reporting by listed Indian companies and enhanced disclosures on ESG standards. Starting fiscal 2022-2023, listed companies are required to publish Business Responsibility and Sustainability Reports (BRSR) annually.

CRISIL is committed to continuously refine its ESG disclosures in line with globally recognised standards. In keeping with this, CRISIL has prepared this report voluntarily for fiscal 2021 even though BRSR is not mandatory so far.

Our ESG goalposts



Environmental

- Baseline reporting metrics on emission considering work from home scenario
- Measures for optimization of resource use
- Reduce, reuse and recycle to minimise waste, including e-waste



Social

- Foster diversity and nurture inclusion
- Drive annual targets set for key Social metrics :
 - Increase in female employee population
 - Employee engagement (VIBE*) score
 - VIBE score for DEI*
- Women as an integral part of CRISIL skilled workforce and strong representation in CRISIL leadership
- Address pertinent social and environmental issues through CSR initiatives



Governance

- Set highest standards of corporate governance
- Continue to engage with stakeholders
- Ensure supplier diversity and ESG assessment of value chain



Sustainable products

- Revenue from new ESG offerings

* VIBE is our annual employee engagement tool. VIBE Score for DEI (Diversity, Equity, Inclusion): Average % favourable response in employee engagement survey for DEI specific questions

About the Report

This is CRISIL's first elaborate ESG Report ("the Report"). It has been prepared in accordance with SEBI's BRSR framework to highlight CRISIL's ESG practices. The reporting scope and boundaries for our disclosures, unless otherwise stated, cover the operations of CRISIL Limited and all its subsidiaries.

Since CRISIL is in the services business, specialising in research and analytics, our solutions and services rely more on intellectual, rather than physical assets. We do not have any manufacturing facilities. From among the ESG themes therefore, governance and social factors and respective impacts are more relevant to us.

The CRISIL Annual Report contains Directors' Report and Management Discussion & Analysis Report, which provide information on our business strategy and financial performance. The Corporate Governance report, contains disclosures of the company's governance framework. The ESG Databook highlights the key ESG metrics, while the Business Responsibility and Sustainability Report co-relates the ESG reporting with the BRSR reporting principles. All reports should be read in conjunction with this ESG Report for a holistic perspective of CRISIL's ESG performance for the year.

Reporting boundaries

The report's boundaries and exclusions have been listed below:

Data	Basis	Exclusions
Financial	CRISIL's consolidated global operations	Indicated at appropriate places in the Report
Environment	CRISIL's consolidated global operations	Serviced offices, where CRISIL does not have operational control and occupancy of less than or equal to 10 employees are excluded. (Singapore (1), Japan (1), UAE (1), Australia (1), Switzerland (1), US (1), UK(1) and India (2) offices are excluded).
Social	CRISIL's consolidated global operations	Indicated at appropriate places in the Report
Governance	All policies, trainings, stakeholder engagement efforts and other reported metrics cover consolidated operations, including subsidiaries	All Board related data / metrics relate to CRISIL Limited on a standalone basis. Other exclusions, if any, are indicated at appropriate places in the Report
Communities	India operations of CRISIL	Overseas operations of CRISIL

Unless specifically stated at appropriate places in the Report, all data / metrics relate to the financial year January 1 to December 31 2021.

Materiality and strategy

Material ESG topics

ESG risks and opportunities impact and shape our operations and business activity. It is, therefore, important to have a firm grasp on what they are and sharpen focus on which matter most to our stakeholders. Our materiality assessment helps us pinpoint the ESG priorities for CRISIL and its internal and external stakeholders. In 2021, we conducted a materiality assessment to identify our most relevant (or “material”) reporting topics from an ESG perspective — which is a broader standard than that used in our financial disclosures. These topics are incorporated in the material topics graphic.

In deciding on these priorities for the Company, we have been guided by the Global Reporting Initiative (GRI) Standards’ principles of materiality, stakeholder inclusiveness, sustainability context and completeness.

The universe of our priorities within the domains of E, S and G has been derived through a consultative exercise, wherein the priorities were evaluated in order of their importance to our business and our stakeholders. We leveraged inputs from stakeholder engagements, surveys, strategic processes, peer benchmarking and industry standards to sharpen management insight on material topics. We organise and present this Report around these carefully identified material topics.

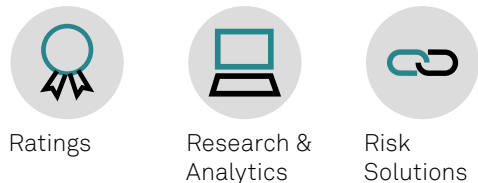


Strategy

Our strategy focuses on evolving and growing our core business, which includes Ratings, Research & Analytics and Risk Solutions. Further, by leveraging our domain and intellectual property, we aim to pursue growth in attractive adjacencies and new markets. Our strategy is underpinned by technology and talent as key enablers. In addition, with strong focus on innovation, we are constantly investing in new products and solutions in emerging areas.

The recent pandemic has made a compelling case for corporates, lenders, investors and policy-makers around the world to embrace sustainability in decision making. We have adopted sustainability as a strategic approach with an aim to minimise our carbon footprint and protecting the ecosphere of communities we work in. Further, we also strive to provide a comprehensive and best-in-class suite of sustainability offerings across evaluation, scores, analytics and services.

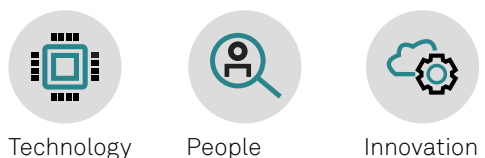
Evolve and grow the core business



Pursue growth via adjacencies



Develop foundational capabilities





Operating responsibly

Sanjay Chakravarti

President and Chief Financial Officer, CRISIL Limited

The principles of responsible behaviour and governance, embedded in the core of CRISIL, have enabled us to take purposeful and pioneering strides in our ESG journey.

Our values of integrity, excellence, accountability, teamwork, and respect inform our business activities and behaviour, and enable us to sustain our credible and independent voice. Our Code of Ethics guides employees towards ethical conduct, conflict-free working, and respect for client data confidentiality. The Whistle-Blower Policy encourages reporting of concerns around unethical behaviour, misconduct and violation of the Code of Ethics. Essentially, therefore, corporate governance at CRISIL reflects principles that are held in high esteem globally. We have also focused on risk management to enable us to continue successfully on the path of sustainable goals. We also believe in extending the mission to the industry by offering ESG products and services and thought leadership programmes, thus establishing a virtuous cycle of responsible behaviour that benefits the society at large.

Business ethics, transparency and accountability

CRISIL's objective is to make markets function better by providing independent opinions, actionable insights and efficient solutions. Ethics, transparency and accountability are our guiding principles in achieving this end. They form the foundation of our business conduct and make CRISIL stand tall as an independent and credible opinion maker with high analytical rigour. These principles are enshrined in CRISIL's Code of Ethics.

CRISIL's Code of Ethics holds its employees to the highest standards of ethical conduct, conflict-free working and respect for client data confidentiality. The Code of Ethics covers overarching norms for ethical business practices, non-discrimination, diversity, fair labour practices, workplace safety and conduct, information protection and confidentiality, conflict-free working and anti-bribery including gifts or favours.

CRISIL's Code of Ethics and Supplier Code of Conduct for employees and suppliers, respectively, are available on the website at:

Code of Ethics: <https://www.crisil.com/content/dam/crisil/investors/corporate-governance/code-of-ethics.pdf>

Supplier Code of Conduct: <https://www.crisil.com/content/dam/crisil/investors/corporate-governance/supplier-code-of-conduct.pdf>

Individual policies reinforce and articulate detailed practices for certain principles. In addition to the Code of Ethics, CRISIL's employees are expected to adhere to the S&P Code of Business Ethics Policy.

Conflict-free environment

As an independent intermediary, CRISIL is expected to act with unimpeachable integrity at all times. For this, we have established a strong governance framework for conflict management.

CRISIL has in place practices and policies for managing conflict across businesses. Sharing of client confidential information is restricted through the institution of strong physical and logical firewalls within and across businesses. Periodic reviews are conducted across businesses for

identifying potential conflicts. CRISIL's personal trading policy imposes strict restrictions on employees' investing activities to ensure avoidance of potential conflicts. CRISIL's Gift Policy is available at <https://www.crisil.com/content/dam/crisil/investors/corporate-governance/gift-policy.pdf>.

CRISIL's ratings business is housed in a subsidiary - CRISIL Ratings Limited with a separate independent board embracing highest governance standards and transparency norms.

Corporate governance

At CRISIL, corporate governance is a reflection of the principles embedded in its values, policies and day-to-day business practices, leading to sustainable, value-driven growth of the Company. CRISIL maintains the highest standards of corporate governance and disclosure practices and is committed to transparency in all its dealings.

The Board of CRISIL comprises eminent persons of proven competence and integrity. Board members are highly involved in Company matters, reviewing long-term strategic planning, budgets, policies, risk mitigation and operations, directly or through Board committees in a planned manner. The Company has an executive committee comprising the Managing Director and a team of senior leaders with proper demarcation of responsibilities and authority. The Board and Senior Management are committed to continuous improvement through annual evaluations, succession planning and regular training.

The Nomination and Remuneration Policy of CRISIL lays down detailed guidelines for remuneration of the Board, Managing Director, Senior Management and employees and covers fixed and variable components. Long-term incentives

CRISIL BOARD HIGHLIGHTS



Non-Executive Chairperson

88%

Non-executive members

50%

Independent members

38%

Women members

3

Nationalities

5 Dedicated committees – Audit, Risk Management, Stakeholders' Relationship, Nomination & Remuneration, CSR

Blend of global experience

CRISIL Values

CRISIL Values set out the fundamental principles that we stand for. These are at the core of every business activity and underpin our business behaviour. Steadfast adherence to our Values has earned CRISIL its reputation of credible independent voice, earning long-standing stakeholder support and pivoting its growth over the years.



INTEGRITY

We are independent in our thinking and act with unimpeachable integrity at all times. Our opinions and analyses are credible, unbiased and not bound by any company, government or market.



EXCELLENCE

We continuously innovate to deliver actionable analyses and solutions that help customers make informed business decisions and mitigate risk. We are committed to the highest quality standards, while robust analytical rigour ensures that our insights are objective, distinct, consistent and reliable.



ACCOUNTABILITY

We are committed to what we do, we stand by our opinions and analyses, and we assume complete responsibility and ownership of our decisions and actions.



TEAMWORK

We collaborate with, and incorporate the expertise and insights of each team member to enhance the value of our deliverables to customers, investors and other market participants.



RESPECT

We treat everyone with mutual trust and respect, be they colleagues, customers or other stakeholders. We embrace and cherish the inclusivity and diversity of our organisation.

are envisaged for management and key talent to bind management's performance to the long term sustainability of the Company. These are in the form of ESOPs with staggered vesting or performance-linked deferred cash with payouts in multiple tranches linked to Company's performance in terms of 3 year EPS CAGR. The annual variable pay approach links to business, financial and non-financial sustainability goals through balance score-card model by linking individual performance to Company's achievements on the balance score-card.

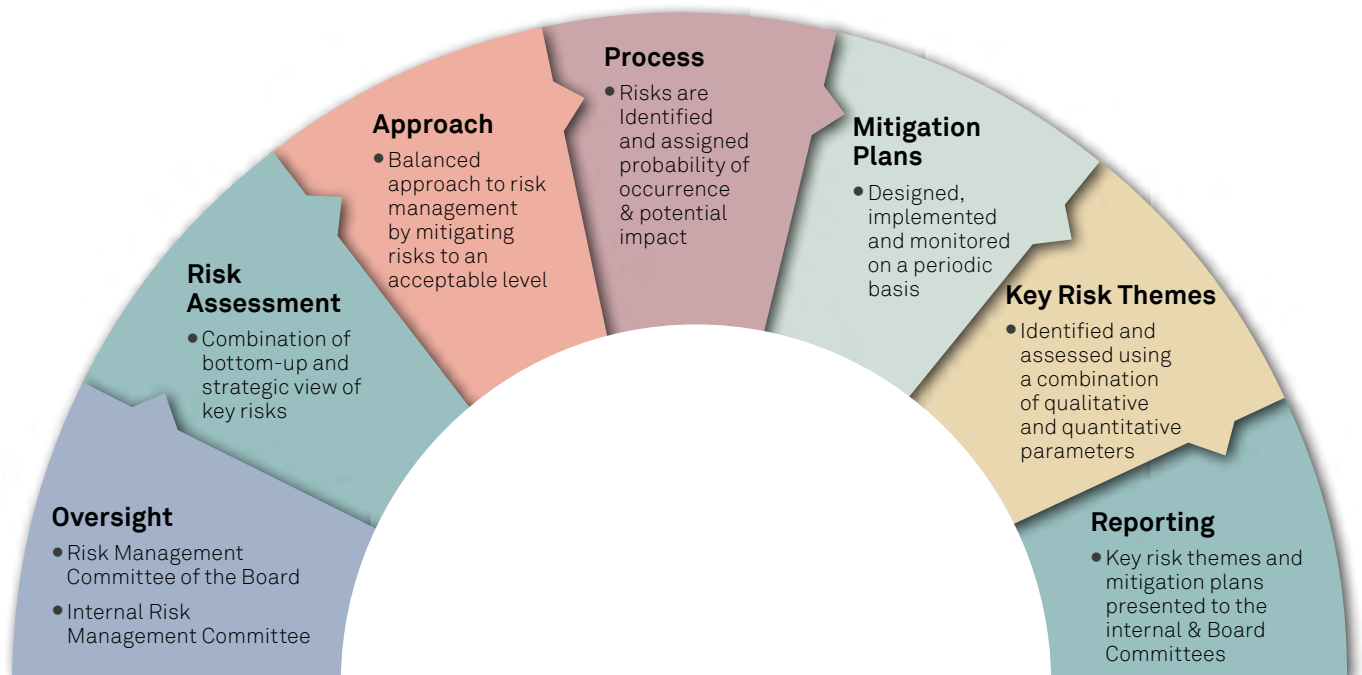
CRISIL is majority owned by S&P Global Inc. We have been S&P's trusted partner and have been providing support services to S&P entities since 2003 (i.e. prior to becoming a subsidiary of S&P). Services provided by CRISIL are at arm's length pricing and in the ordinary course of business. CRISIL

has a robust mechanism for scrutiny and approval of related party transactions by its Audit Committee. CRISIL's Related Party Transactions Policy is available at: <https://www.crisil.com/content/dam/crisil/investors/corporate-governance/Related-PartyTransaction-Policy-of-CRISIL.pdf>

CRISIL's Taxation Policy, aims to outline the Company's approach to matters relating to tax compliance and management and commitment to maintaining full transparency with tax authorities, both in letter and spirit. This Policy is available at: <https://www.crisil.com/content/dam/crisil/investors/corporate-governance/crisil-taxation-policy.pdf>.

More details on CRISIL's Corporate Governance framework are available in the Corporate Governance Report section of the Annual Report.

Risk management



Evaluation of environmental, sustainability and governance related risks is embedded in the overall risk assessment process. Achievement of related goals is evaluated. Key scenarios of supporting processes and activities that enable

achievement of these goals are assessed. Appropriate mitigation and monitoring plans are put in place to mitigate ESG related risks.

Knowledge organisation

Our talent pool is our biggest strength. High quality talent has enabled CRISIL to be at the forefront of innovation and lead in introducing many state-of-the-art ratings products over the years. Our employees come from diverse backgrounds spanning knowledge areas, age, gender, skills and experience.

As part of our thought leadership and outreach initiative, we authored several opinion pieces and articles on important industry and regulatory developments, in

As on December 31, 2021, CRISIL's India employees include:

1712	121	20
MBA & PGDM	Chartered Accountants	CFA

premier dailies and online platforms. We also contributed as knowledge partners, speakers or panellists at various summits organised by industry associations. During the year, we reached out to over 40,000 stakeholders, including government officials, policymakers, regulators, corporates, banks, investment banks, MSMEs, industry associations and financial intermediaries in Indian and global markets, through 5 virtual events and 60+ webinars hosted by CRISIL and 100+ events at which CRISIL experts participated as speakers or panellists.

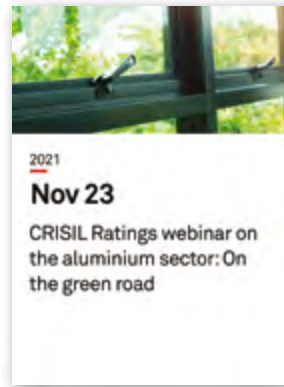
We are members of industry associations such as the Confederation of Indian Industry and Federation of Indian Chambers of Commerce and Industry. Several employees participate in national and sub-committees set up for facilitating and enabling a conducive policy and regulatory framework for sectors.

Association		Committee
FICCI	Member	National Committee on Capital Markets
FICCI	Member	Civil Aviation
FICCI	Co-Chairman	Economic Policy Committee
CII	Member	Economic Advisory Committee

External stakeholders look up to us as a domain expert and a credible, independent voice. Our engagements may also influence policy and outcomes. In order to ensure that our engagement on public policy matters is responsible, CRISIL has adopted a Framework for Responsible Public Engagement which is available at: <https://www.crisil.com/content/dam/crisil/investors/corporate-governance/>

CRISIL-Framework-for-Responsible-Public-Engagement.pdf.

It demonstrates what guides us while engaging on public policy matters, the manner of engagement, and sets out the responsible behaviour expected of employees while engaging with regulators, industry or other forums.



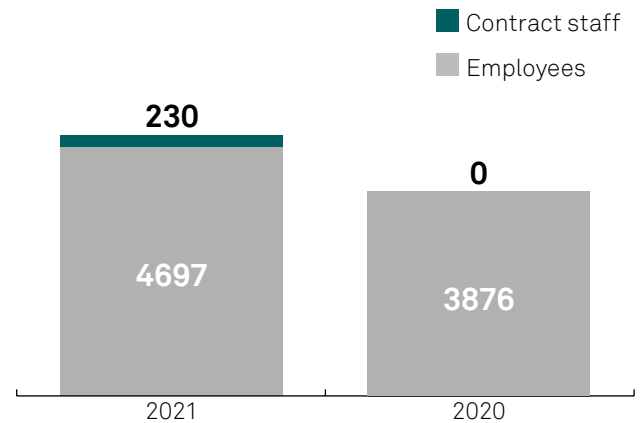
Training on ethics

CRISIL's Code of Ethics is communicated throughout the organisation and reinforced through training, assessment and affirmation of employees at the time of joining, and on an annual basis. Training/certification on the Code of Ethics and S&P Code of Business Ethics is mandatory for all employees across the organisation, including the senior management. Further, we conduct special drives through the year for raising awareness on compliance policies through mailers, online interactions and Q&A sessions with employees.

In a first, during 2021, the training was extended to contract staff working on CRISIL premises as well to familiarise them with CRISIL principles of ethical conduct and affirm their commitment to the principles. 230 of our contract staff benefited from the trainings.

The tone is set at the top as CRISIL Board members too participate in annual e-learning on the Code of Conduct and affirm the same annually.

Training on Code of Ethics



* Headcount covers new joiners as well as employees, taking the on-boarding and annual refreshers respectively

Grievance Redressal

Employees may raise concerns, seek advice and report violations, if any, in respect of Code of Ethics with either their manager, the Human Resources department representative, or the Legal or Compliance departments.

Additionally, CRISIL's Whistle-Blower Policy encourages and supports reporting of concerns about issues such as unethical behaviour, grave misconduct, leaking of unpublished price-sensitive information (UPS), and actual or suspected fraud or violation of the Code of Ethics. Complaint redressal is tracked rigorously at various levels of management. During the year, we established an ethics hotline number and email address as an additional channel to report any concerns under the Policy.

The Stakeholders' Relationship Committee of the Board regularly dedicates exclusive time to review policy violations and stakeholder complaints.

Heightened sensitivity towards policy violations, taking a rigid stance on transgressions and review of such matters at the highest levels by a Board-level committee reinforce the compliance culture at CRISIL.

The Whistle-Blower Policy and contacts for reporting complaints are available at <https://www.crisil.com/content/dam/crisil/investors/corporate-governance/CRISIL-Whistle-Blower-Policy.pdf>

During the year, we established an ethics hotline number and email address as an additional channel to report any concerns under the Whistle-Blower Policy.

Our ESG Products and Services

Importance of ESG products in India

With the world striving to curb increasingly severe climate disasters and governments pledging support to sustainability issues, ESG has become a corporate *sine qua non*. Appreciation of the non-financial impact of businesses enables investors and other stakeholders to take an informed view on the risks and opportunities associated with the enterprise.

Demand for sustainable and socially responsible investment is rising. Investment managers are encouraging companies to improve their disclosure of such issues. Therefore, consistent, reliable and comparable ESG data is a top priority for investors and corporations.

CRISIL's ESG offerings

ESG is a strategic and important agenda for CRISIL, and we integrate ESG factors in our offerings. Our ESG research, data, insights, assessments, and solutions empower customers and stakeholders to make decisions with conviction and contribute to sustainable progress globally.

Globally, CRISIL Research & Risk Solutions (GRRS) team supports sell-side houses, asset managers and other financial institutions address their sustainability challenges. CRISIL's bespoke research solutions, which include ESG data models, custom due-diligence questionnaires and deep-dive reports, are used by investment research firms to enhance and augment their ESG research capabilities. We have partnered with firms to enhance their ESG coverage, ensure standardisation, overcome data gaps, and improve data accuracy.

CRISIL Ratings continues to consider ESG factors impacting fundamental business sustainability as a part of credit assessments. Taking cognisance of its increasing importance in investment decisions, CRISIL Ratings will start disclosing the impact of ESG parameters separately while assigning credit ratings.

As its first offering in the ESG research segment in India, CRISIL released 'ESG Compendium-ESG Gauge' in 2021, where we analysed and scored top 225 listed Indian companies. Powered by our strong sectoral research capabilities and rich databases, the ESG score measures the track record, trends and disclosure standards followed by the 225 companies. It provides a relative, pan-sectoral assessment on all material ESG parameters relevant to the Indian context.

As a part of the customised engagement with clients

CRISIL's ESG offerings

ESG Scores (India):

225+ companies

ESG research for sell side and buy side

Sustainability assessment of loan book

ESG Benchmarks and framework assessment

Supporting S&P Global in ESG Evaluations

we provide analysis of a company's ESG/Sustainability practices in relation to its peers and best in class global practices. In addition to gap analysis, an assessment on the way forward and implementation roadmap is provided.

Custom and annual research done by our Global Benchmarking Analytics business reviews the impact of ESG on our clients - Research in this area serves dual purposes. It allows for peer to peer insight for research participants and our clients to understand related trends amongst their competitors as well as in their role as a service provider.

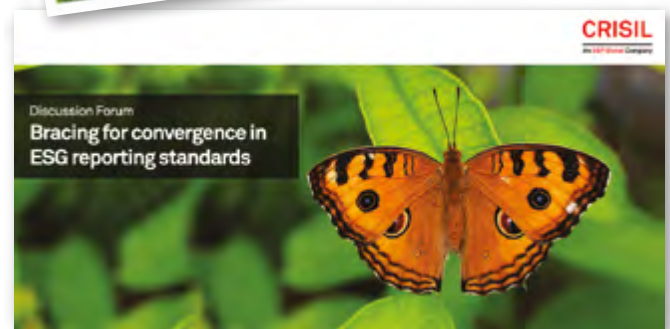
CRISIL Global Analytical Centre (GAC), which provides dedicated financial analytical support for S&P businesses, supports S&P Global Ratings on ESG evaluations, which provides a forward-looking, long-term opinion of readiness for disruptive ESG risks and opportunities.

Thought leadership on ESG

During 2021, we conducted multiple webinars and launched a comprehensive whitepaper that focused on specific ESG topics. Snapshot and links to some of the popular ESG research content is given here

- Race to comply with SFDR and taxonomy rules⁺
- Bracing for convergence in ESG reporting standards⁺
- Convergence cometh, know thy blind spots⁺
- How collaboration between banks can help them better navigate the impact of climate risk⁺
- How cross-industry collaboration between multilateral development banks (MBDs) can help them better navigate the impact of climate risk⁺
- Fossil-fuel financing flourishes amid climate-change clamour⁺
- Tech the road to green finance - Mounting regulatory scrutiny will steer EU automakers towards sustainable debt⁺
- Impact of ESG and PPP Loans on U.S. Businesses and Their Relationships with Banks⁺
- Asset Growth, Manager Turnover and ESG Create Opportunities for Global Managers⁺
- In Year of Crisis, European Institutions Sought Stability, Embraced ESG⁺
- Amid Diverging Strategies, U.K. Corporates and Local Authorities Agree on ESG⁺
- For Corporate Banks, the Clock is Ticking on ESG and Sustainability⁺
- ESG can bridge the growth capital gap⁺
- Alongside the ESG Leadership Summit 2021, CRISIL released the ESG Compendium for Indian companies, which scores and compares top 225 Indian listed companies

Click on + to read. All content available on www.crisil.com



Case Studies

Marquee ESG assignments delivered during 2021:

CRISIL assesses climate transition plan for green loan guarantee

CRISIL GRRS performed an independent assessment of the climate transition plan of a UK-based energy services company, acting on behalf of UK Export Finance (UKEF). This was related to the UK government's first ever green loan guarantee transaction under its Transition Export Development Guarantee (TEDG) scheme. It allowed the energy company to analyze/understand sustainability/ESG issues to raise £430 million to capitalise on opportunities linked to clean energy, hydrogen and decarbonisation. Website link - <https://www.gov.uk/government/news/ukef-backs-landmark-430-million-green-transition-loan-for-wood-plc>.

CRISIL supported IFC in a report on Green building market

The International Finance Corporation (IFC), a member of the World Bank Group, fosters sustainable economic growth in developing countries by financing private sector investment, mobilizing private capital in local and international financial markets, and providing advisory and risk mitigation services to businesses and governments. One of IFC's priority areas is mainstreaming climate change mitigation and reduction of greenhouse gas (GHG) emissions. IFC aims to support climate-related investments and activities to support the private sector to address climate change. IFC is particularly interested in green buildings, with a focus on supporting the development of green building regulations at national and sub-national level as well as developing voluntary standards and approaches. Through advisory services, targeted financing and direct investment, IFC aims to create a new path for green growth in the built environment.

CRISIL's Risk & Infrastructure Solutions business (CRIS) assisted IFC in gathering and analysing information to inform IFC of the current state of the building market in India to assess the maturity of the green building market within it, and to identify key actors.



Our People, Our Capital



Anupam Kaura

President and Chief Human Resources Officer, CRISIL Limited

At CRISIL, we strive to create an ESG ecosystem — one that values people, diversity, responsibility, and innovation as much as data privacy, information security, and technology-backed solutions. Creating a truly inclusive workplace is our primary building block to evolving a responsible, inclusive and conscious organisation. CRISIL further fosters the principles of inclusion through carefully curated learning and development experiences, including new-age skills and a vast training agenda on issues such as emotional intelligence, leadership, future-ready managerial skills, collaboration, and skills development for mid-career stage women. CRISIL also makes efforts to permeate the culture of responsibility and inclusiveness to our suppliers and partners, in the true spirit of partnership that we believe in. Together, we are committed to evolving a supremely ESG conscious organisation.

Diversity and inclusion

We all thrive when each of us brings our true, whole, human self to work. Diversity unlocks opportunity, inclusion drives growth, and together they spark innovation, unleashing potential in each of us, for all of us.

CRISIL's Diversity Statement

An organisation can innovate and excel only when it includes people from varied backgrounds and welcomes different thoughts, perspectives and ideas. Enabling collaboration between multiplicity of thought processes and building a culture of inclusivity is paramount at CRISIL. We are committed to ensuring an inclusive environment for all employees, where they can look forward to bringing their true, whole self to work each day.

During the year, CRISIL undertook several initiatives and programmes to encourage diversity and inclusion. These have enhanced employee awareness and encouraged reflection on racism, empathy, gender, and transgender & LGBTQ needs, and nurtured cultural sensitivity.





In response to the pandemic, we offered flexibility in working patterns. Some of our women leaders hosted sessions on

topics such as 'Finding the New Balance'. We also ensured that pregnant colleagues and employees with pregnant wives were given additional support during these trying times.

We endeavour to enhance global inclusion by conducting trainings on diversity and inclusion for new joiners and enhancing equity through policies and benefits.

Our annual CEO awards framework includes a category on Diversity Equity and Inclusion (DEI) champions.

Our employees have consistently acknowledged our good work environment and are appreciative of the inclusive and secure team environment at CRISIL. Our internal VIBE scores also reiterate that an inclusive and secure team climate has created a positive outlook among our employees.

			
<p>CRISIL recognised as one of the 100 Best Companies for Women in India for the sixth consecutive year by Avtar Group in 2021, which is testimony to our efforts on diversity and inclusiveness.</p>	<p>CRISIL continued to be certified as a Great Workplace™ by the Great Place to Work® Institute.</p>	<p>CRISIL received 'Silver' employer title in India Workplace Equality Index (IWEI) 2021</p>	<p>VIBE score for DEI* 85%</p>

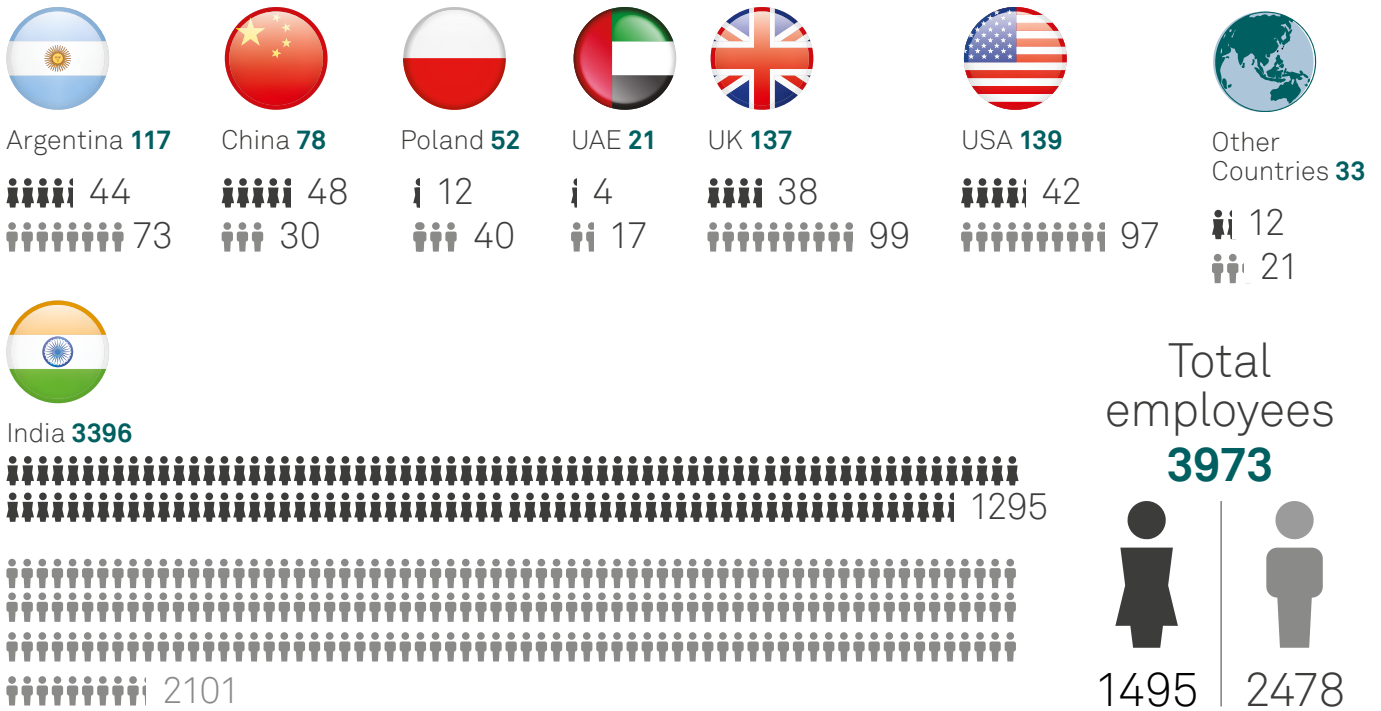
* VIBE Score for DEI (Diversity, Equity, Inclusion) : Average % favourable response in employee engagement survey for DEI specific questions

Our global workforce

Diversity of the workforce has always been our strength. Spanning knowledge areas, age, gender, skills, experience, and nationalities, we have employees based in 11 countries across the world.

Diversity helps broaden our perspective and enriches us with a better understanding of client requirement and markets. In the process, it enables us to equip our clients with the best solutions.

Our employee distribution across regions and gender is as follows:



We had 861 people working on a contract basis as on December 31, 2021.

Women colleagues drive diversity

Women constitute 37.6% of CRISIL's workforce

Women constitute 37.6% of our workforce, 30% of our Manager-and-above level and 38% of our Board members. They are spread across diverse roles and hold highly visible positions, ranging from profit and loss responsibilities to leading critical functions, such as strategy, marketing, information security, and compliance. This stems from our conviction that only excellence, innovation and achievement matter.

36.7%
Employees hired during 2021 are women

16%
of women at grade Director and above

16,029
Hours of training to women employees

Hiring related initiatives

- Focused women hiring, including efforts at tapping women alumni from a rehire standpoint
- Women panellists as part of every internal job post interview
- Career fair to hire women with career break
- Second career programme for women
- Hiring from women-specific B-schools

Women-centric programmes

- WINSPIRATION/WINS: Leadership programmes for women employees
- WiT (Women in Technology)
- Women's Leadership Development Programme: Over 150 women in mid-career stages covered in a learning journey for over a year

Maternity-stage programmes

- Maternity counselling
- Performance-rating protection for employees on maternity leave

- Flexible work arrangements
- Six-month paid maternity leave
- Child care support
- Sabbatical leave policy

Other initiatives

- Women's Day focused initiatives and events
- Women career development programme
- Tracking promotion rates at mid-career stages
- Tracking attrition rates by gender
- Adequate board representation

LGBTQ+ initiatives

Committed to creating an open and equal workplace for a diverse workforce, CRISIL has gone a step further. We are moving beyond gender diversity and making structured efforts to attract and hire candidates from the LGBTQ+ community.

Our endeavour has been to stand in support of our LGBTQ+ colleagues and foster belonging and empowerment at work. During the year, CRISIL celebrated Pride Month in June,

whereby we launched initiatives where employees shared their messages to support and encourage colleagues from the LGBTQ+ community on their coming out journey. We also commemorated their past struggles.

We also conducted webinars on inclusion and sensitisation sessions for the recruitment team and people managers. We were also a part of a panel discussion around diversity and inclusion strategies held by LGBTQ+ leaders.

Initiatives taken to support our LGBTQ+ colleagues:



- Pride Month celebration- June 2021
- Medical insurance covering same-sex partners
- Performance recognition and equal career development opportunities
- Self-identification opportunities
- Participation in diversity job fairs
- Promoted inclusivity through emails with preferred pronouns
- 300 + employees attended webinar on diversity along with a fireside chat with an external LGBTQ+ leader.
- Virtual job fairs with DEI vendors (India)

Initiatives for differently abled colleagues

In keeping with our focus on diversity and inclusion, we have taken several strides to recruit differently abled persons. As a case in point, we participate in career fairs for the differently abled.

During the year, we conducted a survey to identify differently abled employees and their special needs, if any. 12 employees have voluntarily reported special needs under this survey. We are conscious of addressing the needs of employees and visitors with special needs. All our major offices have infrastructure that is safe and friendly for our differently abled employees. Our recruitment questionnaire also incorporates questions to understand special needs when a differently-abled employee joins CRISIL.



Equal opportunities and treatment

We are an equal opportunity employer. The Company's commitment to maintaining a discrimination-free work environment extends to all persons involved in the operation of the business and prohibits discrimination or unlawful

harassment. All employees are responsible for maintaining a work atmosphere free from discrimination by treating others with dignity and respect.

Talent development and training

In a highly competitive environment, CRISIL's formidable talent pool is the key differentiator. We, as an organisation, strongly believe in equipping our people with the best and latest technology, domain expertise and competencies by imparting continuous training and upskilling programmes, which give them a competitive advantage.

During the year, CRISIL launched the 'Manager of the future' programme to develop managerial effectiveness, empowering employees to lead teams effectively in an evolving/future work environment. Also, we equipped managers with tools and frameworks to lead and engage with their teams virtually.

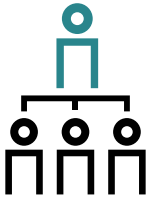
Artificial intelligence-driven (AI) solutions are becoming a competitive requirement for enhancing the customer experience. Given that CRISIL already has talent that can

Particulars	Count	Training person hours	Average training person hours
Permanent employees	3973	42807.61	10.77
Permanent women employees	1495	16028.85	10.72
Contract staff	861	5018.89	5.83

Note: Headcount of employees as on Dec 31, 2021. Additionally, there are awareness programmes conducted under CSR, etc where participation was on a walk-in basis. These are not included in the aforesaid data


LEAD

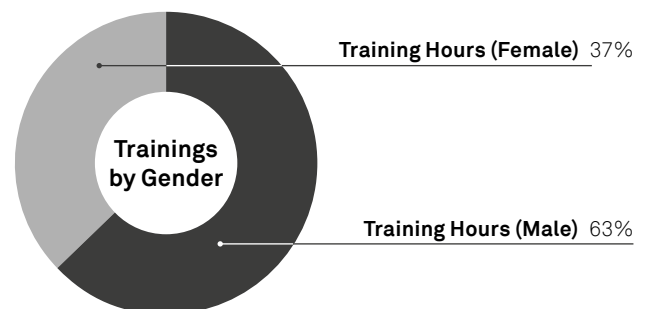
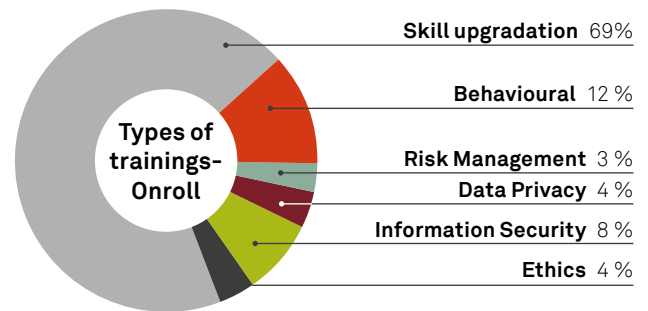
A leadership development programme, helped build future-ready leaders and strengthen the succession pipeline for CXO and CXO-1 roles.



EMPOWER

A women's leadership development programme enabled women leaders at CRISIL to progress their career. This programme also helped build a strong pipeline of women talent to take up senior leadership positions.





Note: Covers trainings to permanent employees only.

be swiftly repurposed by refreshing their skills, the Data Science Certification Programme was launched for the GR&RS business during the year. The idea was to create a self-learning programme that starts at a beginner/hobbyist level and graduates towards a practitioner and finally an industry-leader level. This is being done to gain good traction among CRISIL's young and diverse demographic and keep them motivated throughout their learning journey.

The Lead Team was a training launched during the year for tenured managers on developing agility and a growth mindset, emotional intelligence, accountability and collaboration, solution-oriented decision-making, and building resilient teams through virtual classroom trainings.

In order to align individuals with the need for embodying professionalism and learning as a way of life, CRISIL has launched the Campus to Corporate Programme.

Various other programmes for skill upgradation, covering presentation skills and business communication, among others, were launched during the year.

I have been working with CRISIL since 5 years. Moving to a new role and team through Internal Job Posting (IJP) has given me enhanced exposure and scope to grow personally and professionally. The driving factor to apply for an IJP was a desire to do something different from what I did in my previous role, learn new skills and move to a more challenging environment.

Increased mobility is a great move not just for the individual but also the larger team. CRISIL gives its employees space to grow and also invests in their professional growth. I feel happy and motivated in my new role.

~ Our Employee from Global Analytical Centre team

Employee engagement

With communication holding the key to any symbiotic relationship, we at CRISIL constantly strive to engage with our employees across geographies. Our intranet – CRISIL Yammer – is an online pan-organisation engagement platform. Our employee town halls, conducted by our MD and CEO and respective business leaders every quarter, are a vital channel of communication wherein employees across the globe can interact freely with the leadership. We deepen our employee engagement through impactful training and by ensuring the work environment is motivating and positive. If anything, we deepened our engagement during the pandemic through virtual fun activities such as interactive games and talent contests.

We celebrate our employee achievements with our robust Reward and Recognition programme. To ensure employees are motivated and are at their productive best, we continue to strengthen the programme, with annual awards for

85%
employees feel comfortable voicing their ideas and opinions

73%
employees feel that their work is appreciated

77%
employees feel motivated by CRISIL's vision for the future

excellence, quarterly rewards for service excellence, and spot recognition programmes.

We recognise the right to freedom of association in accordance with the laws of the land. However, we do not have a recognised employee association.

Employees participated in large numbers in the annual employee engagement surveys. Over 89% of the employees responded to the survey in 2021.

Employee Expectations

- Career advancement
- Fair compensation
- Meaningful collaboration at work

Employee metrics tracked by CRISIL in its balanced scorecard

- Diversity
- Attrition
- Engagement

Modes of engagement with Employees

Meetings, letters, emails, calls
Internal HR communications
Employee town halls
Cultural events
Training
Appraisals
Mobile applications and portals
Survey

Frequency of engagement

Ongoing
Ongoing
Quarterly, special
Event based
Planned frequency
Mid-term, annual
Ongoing
Mid-term and annual

Promoting health and wellness

Employee safety

CRISIL has rolled out a Health and Safety Policy, which covers the impact the nature of work environment has on health, including ergonomic health impacts, fire safety, communicable diseases, and commute/business travel safety. The policy is aimed at including employee participation to eliminate hazards and reducing occupational health and safety risks.

Being in the financial services sector, our workplace and processes are inherently non-hazardous and safe in nature. All our work facilities are risk-assessed for safety. Office infrastructure is well-sanitised, periodic maintenance of electric and electronic devices is undertaken, cafeteria services ensure healthy food – all to ensure that safety and well-being of employees is taken care of at the workplace.

Standard operating norms have been issued to ensure that all offices in India are compliant on working conditions and health & safety measures. All offices in India have been assessed for compliance with such norms during 2021 to verify and validate our EHS performance. As a regular practice during the pre-pandemic period this used to be supplemented with various training sessions on emergency response, fire-fighting and evacuation.

At CRISIL, we value the importance of providing a safe working environment to women employees. Women employees commuting to airports and returning home at night are accompanied by security. Also, a confirmation phone call is made by the security control room to ensure the women employees travelling at night have reached safely.

Care during the pandemic

4440+
COVID vaccinations

1862
persons attended awareness sessions on covid



The unprecedented second wave of COVID – 19 affected several employees and their families, some of whom needed medical attention. Several initiatives were undertaken

during the pandemic, focused on not only our employees, but also their families. The highlights of the same are presented below:

MEDICAL SUPPORT



- Support for hospitalisation
- Ambulance assistance and help with securing hospital bed
- Covid-19 testing and medicine home deliveries
- Daily health assessment and remote case management
- Delivering medical equipment (oxygen concentrators) to homes
- Launched CRISIL Care- an emergency health response app to facilitate timely access to medical advice and infrastructure

FINANCIAL SUPPORT



- Covid-19 treatment for employees and family members
- Advance bonus - Advance bonus payment for India employees at executive and middle management levels (50% bonus calculation at 100% of targets)
- Emergency interest-free salary advance to meet immediate medical expenses related to Covid-19 treatment
- Reimbursements for technology infrastructure, monthly internet expenses
- Medical reimbursements towards Covid-19 treatment

SUPPORTING FAMILIES



- Inclusion of Covid-19 treatment expenses in the medical insurance policy
- Employee communication with wellness seminars and awareness events
- Employment support and professional counselling support for surviving spouse / sibling of deceased employee

- One year's salary to dependents
- Health insurance coverage for two years for the family members of the deceased colleague
- Education support for children of deceased employee up to class 12
- Covid-19 care packages

VACCINATION DRIVES



- Vaccination camps for employees and their immediate family members and reimbursement of vaccine cost

LEAVE BENEFITS



- Leave for Covid-19 infected employee
- Compassionate leave granted to employees in the unfortunate event of the demise of an immediate family member - spouse, parent, child
- Wellness day-offs, over and above available leaves, for rest and rejuvenation of our employees

OTHER MEASURES



- Launched dedicated CRISIL Helpline to extend all hands support for any kind of help required by any employee
- Communication from senior leadership advising periodically on best health practices, resources available from CRISIL and a flexible approach
- Volunteer groups extended help in hospital searches, finding oxygen concentrators, food supply, etc.
- 26 webinars were held on various topics covering work-from-home wellness, sleep, work-life balance, communication in relationships, digital detox, gratitude, managing mental health, etc.

I have been working with CRISIL for nine years. CRISIL's working environment is employee-friendly, and consideration for employee convenience is high. While I missed the working environment at CRISIL during the past two years due to the pandemic-enforced WFH, we still have a close engagement within the teams. I attended a number of interactive programmes, too, which helped us cope well with WFH challenges. The upgrade to medical support assistance was exemplary. My mother had to undergo a surgery. I was worried about the long documentation part, but I just had to submit my E-card while admitting in the hospital; rest all was taken care by CRISIL HR, Mediclaim and the partner teams. The discharge and the claim processes were also quick and smooth. A big KUDOS to the HR team for running the process smoothly!!

~ Employee from our Corporate Technology team



Respect for human rights

CRISIL upholds the principles of human rights and fair treatment in its business activities. We have reinforced this stance by adopting the Policy on Anti-Slavery, which ensures transparency and prohibits the use of forced, compulsory or trafficked labour in our business. The policy extends to all CRISIL subsidiaries (please refer to the statement appended at the end of this Report). The statement is also accessible at <https://www.crisil.com/en/home/investors/corporate-governance.html>

Our Supplier Code of Conduct requires our suppliers and vendors to uphold our objective of protection of human

rights by ensuring, prohibition of child and forced labour and promoting health and safety.

Standard operating norms have been issued to ensure that all offices in India are compliant on working conditions, health & safety measures and have requisite safeguards against engagement of child labour, forced labour and sexual harassment violations. All offices in India have been assessed for compliance with such norms during 2021 to verify and validate our Environment, Health & Safety (EHS) performance.



3537

employees trained during the year on POSH (Prevention of Sexual Harassment)



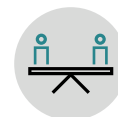
247

employees trained during the year on Modern Slavery Code



100%

of CRISIL offices in India assessed for EHS performance



No

instances of Human rights violations

Various reporting channels and redressal mechanisms are made available at all levels to all the employees for reporting violations of human rights.

Fostering close partnerships

Sustainable Supply Chain

We at CRISIL provide fair and equal opportunity to all suppliers. Partnering with diverse suppliers is a significant component of CRISIL's overall commitment to seek a diverse and inclusive workplace. CRISIL's Central Procurement Team is based out of India and manages global procurement.

We encourage our suppliers to adopt our Suppliers' Code of Conduct, which outlines the minimum standards of conduct that CRISIL expects its vendors and suppliers in the areas of business ethics and integrity, fraud prevention, non-

discrimination, diversity, child labour, health and safety, environmental compliance and sustainability. Suppliers who have deployed their resources at CRISIL's premises and where resources have access to our technology infrastructure and applications, need to affirm compliance with the Code of Conduct in their dealings with CRISIL. The Supplier Code of Conduct is available on the website at <https://www.crisil.com/content/dam/crisil/investors/corporate-governance/supplier-code-of-conduct.pdf>.

Supply Chain Sustainability Assessment

In 2021, 170 suppliers, covering 52% of our spend participated in a self -assessment survey to gauge how effectively our supply chain is managing critical issues, such as working conditions, health and safety and labour practices. We believe that learnings from this assessment will bring more rigor to our supplier assessment process and raise the bar on ESG practices across CRISIL's supply chain over time.

170 suppliers covering **52%** of our procurement spend* assessed for ESG practices

*In computing the aforesaid percentage, total procurement spend has been considered excluding employee and associate costs, rental, utilities and bank charges.

Supplier diversity

CRISIL's policy of equal opportunity towards our stakeholders ensures that we engage with suppliers on merit and business needs. However, CRISIL is equally conscious of the need for inclusive procurement, to deliver broader societal benefits by generating economic opportunity for disadvantaged communities. During 2021, CRISIL adopted a Supplier Diversity framework through which we intend to welcome the marginalized section of suppliers classified as MSME (micro, small and medium enterprises) and businesses owned / led by women, veterans, differently-abled and LGBTQ+ enterprises into our supply chain. The framework also provides guidance on reviewing our spend through diverse supplier base and for defining goals for sourcing from diverse group of suppliers.

During 2021, our sourcing from marginalised suppliers was as follows:



19.1% procurement through MSME suppliers*



0.3% procurement through suppliers that are women owned enterprises *



0.1% procurement through differently-abled suppliers*

*In value terms

Supplier engagement

As a part of enhancing our supplier engagement, in 2021, we rolled out our first annual feedback survey to our suppliers. This survey is aimed at strengthening our relationship with the suppliers by identifying their expectations and improving the procurement process at CRISIL.

Our supplier engagement survey outcomes

98%
suppliers would recommend CRISIL to others.

94%
suppliers find it very easy to talk to the concerned personnel within the organization

93%
suppliers feel that CRISIL responds to the queries and resolves the raised issues actively within agreed timelines.

Supplier Expectations

- Responsiveness and timely resolution of queries
- Long term and mutually beneficial relationship

Metrics tracked by CRISIL in its corporate procurement team's Balanced Scorecard

- Engagement Score
- Enhanced ESG Assessment of supply chain
- Improved supplier diversity

Modes of engagement with suppliers

Meetings, letters, emails, calls
Surveys and assessments
Applications and portals

Frequency of engagement

Ongoing
Annual
Ongoing

Customer orientation

Our clients range from large corporates to investors and top global financial institutions. We work with commercial and investment banks, insurance companies, private equity players, and asset management companies globally. We also engage with governments and policy makers in the infrastructure space in India and other emerging markets. Our clients rely on us to provide rich research-back data,

insightful analysis and independent opinions to enable them to make decisions with conviction. CRISIL has a culture of innovation and has many a firsts to its credit in the development of the Indian ratings, bond valuation and indices market. We are a preferred partner when it comes to rating innovative structures.

ESG conscious eco-system

We operate in a ESG conscious ecosystem which values data privacy & confidentiality, information security, innovation, technology backed solutions and a holistic solution-oriented approach. Continuous engagement with clients drives agility and prompts us in introducing new offerings and expanding client relationships with value-enriching solutions. We track as a part of our balanced scorecard, key metrics relating to customers, like growth in revenue from new offerings and revenue from key customers, which are cascaded across the businesses. We demonstrate strong ESG stewardship as is expected by many of our global clientele.



2840
new clients added during 2021

93%
revenues from repeat business during 2021

We operate in a high ESG-conscious ecosystem. Each of our top 10 clients have published sustainability reports

Research Insights

CRISIL's objective is to make markets function better. Our franchise activities play a vital role in this regard. During 2021, CRISIL continued to interact with market participants and issuers through seminars and webinars on key developments in the economy and sectors. Such interactions help us shape up the thought process and give direction to the market on key issues impacting the sectors. Many of CRISIL's clients are institutions responsible for

handling finances of small investors. CRISIL strives to add value through its franchise and thought leadership activities and distinctive research on contemporary issues, which help clients and investor community to quantify and mitigate investment and credit risks. CRISIL also regularly comes out with new research publications. Snapshot of some of the new publications and apps released by CRISIL's businesses:

Our marquee publications to our clients

- CRISIL Analytica
- Essential Insights
- Fund Insights
- Rate View

80,000+
readers* for our weekly and monthly newsletters from across businesses

100+
leading media publications carried our views globally with over 4000+ quotes

*Gross readership

Engagement practices

CRISIL undertook the net promoter score (NPS) survey across its client base as a step towards our objective to be customer and market-led and deliver exceptional and differentiated customer experience. The NPS system creates a consistent and simplified baseline customer sentiment metric among customers and provides timely insights that are easy to act on.

Additionally, our business development and senior

management teams from various businesses engage with customers through periodic meetings, project level feedback and surveys to help us assess our clients' needs and improve our offerings and service quality. Besides, we emphasise on regular one-on-one interactions with clients and undertake conscious outreach initiatives to clients and investors to understand their perspectives and address their concerns.

Listening to customers

Each business receives and addresses customer complaints regularly. Complaint redressal is tracked rigorously at various levels of management. The Stakeholders'

Relationship Committee of the Board regularly dedicates exclusive time to review stakeholder complaints, including customer complaints.

Customer Expectations

- Actionable insights
- Cutting edge analysis
- Effective solutions

Customer metrics tracked by CRISIL in its Balance Scorecard

- Net Promoter Score
- Revenue from key clients
- Contribution from new offerings

Modes of engagement with customers

Meetings, letters, emails, calls
Mobile applications and portals
Webinars, newsletters, publications
Surveys
Feedback forms

Frequency of engagement

Ongoing
Ongoing
Weekly / monthly
Monthly
Project/ service based

I have been using CRISIL Research for nearly 25 years. They have been a dependable partner helping us make sound credit decisions. The quality of analysis, quick turnaround and well-thought out responses to queries is commendable.
-Chief Credit Officer of a leading bank in India

Business Continuity, Data privacy and information security

At CRISIL, we are deeply invested in ESG and as a digitally enabled organization, we are investing heavily in cloud computing with a security first mindset. This means that we continue to improve the impact to the environment through more efficient use of technology resources while keeping information and cyber security as our top priority. We constantly evolve our technology tools and processes to ensure the highest standards of data privacy, governance and protection and in the process, also digitally enable our clients with benchmarking, market insights and analytics.

Zak Murad, Chief Technology and Information Officer, CRISIL Limited

Our clients trust us to retain confidentiality of the sensitive information that we have access to as part of our service delivery. Very often, we access our clients' internal systems/

platforms and our clients trust that we will continue to maintain the integrity of such systems.

Comprehensive IT policies

Information technology (IT) is core to the operations of all CRISIL businesses. All technology services are governed through comprehensive policies and processes. These processes allow information access to personnel within the Company based on identified roles. Audits are conducted

regularly to identify areas of vulnerability and to identify actions that mitigate the operational risks. ISO certification of key CRISIL offices is conducted to ensure compliance with policies related to IT and management system.

Data leakage protection & protection from cyber risks

The Company has put in place a 'Data Leakage Prevention' process. The Information security team implements tools to strengthen information security posture and evaluate areas of vulnerabilities and improve the controls to prevent/detect/neutralise malicious network penetration (cyber-

attack). Various monitoring controls are in place to timely detect and respond to any targeted cyber-attacks. Highly responsive technology team and enablement efforts have ensured smooth transition to remote working during the pandemic.

Business continuity and disaster recovery

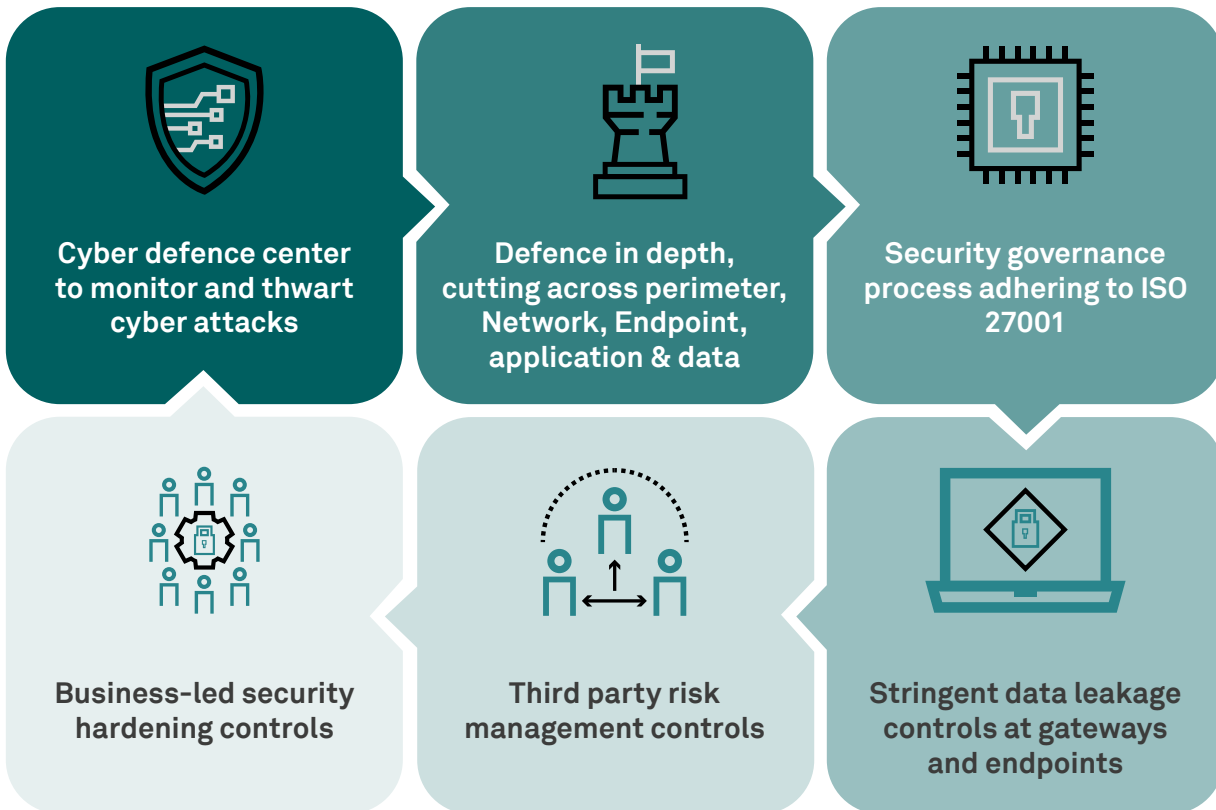
CRISIL's business processes are automated through bespoke business applications that capture and maintain information regarding business processes, client agreements, reports generated and assignments delivered, thus creating an adequate database for our knowledge. The technology used by the Company at all locations provides for redundancy and disaster recovery.

For critical business processes, the business teams have defined a business continuity plan (BCP) and have tested it with the help of the IT team. BCP outlines critical processes,

downtime tolerances, planned recovery methodologies and ensures that requisite alternate infrastructure is readily available, while at the same time, ensuring safety of teams during emergencies. CRISIL BCP embeds crisis communication.

The technology department keeps abreast of the changes and suitably undertakes projects for technology upgradation to keep the infrastructure current and to provide for redundancy.

Key focus areas of CRISIL's data privacy practices



Conflict of interest

Confidentiality of client information is of utmost importance at CRISIL. We lay great stress on appropriate policies and controls over employee trading practices, regular awareness and training sessions and reporting. Our policies not only cover CRISIL's, but also clients' securities depending on the restricted list maintained for each business. A critical initiative related to empanelment of brokers in India through

whom CRISIL's employees are permitted to trade has enabled monitoring of employee trades on a timely and independent basis and reduced the reliance on self-disclosure by employees. This channelled approach has strengthened monitoring and surveillance of security trades and holdings disclosed by employees as well as augmented our conflict management framework.

Data privacy

As companies increasingly deliver products and services over the internet and through mobile devices, privacy concerns associated with handling customer data are on the rise. Being in B2B domain, CRISIL does not have access to wide range of personal data of customers. CRISIL is fully committed in following the highest standards of data privacy in accessing and managing personal data of stakeholders. CRISIL's Corporate Privacy Policy describes the manner in which data is collected, used, disclosed and security and retention procedures. Stakeholders rights, including for erasure and storage are guaranteed under the Policy. We adapt privacy policy and processes as needed in line with new technologies, changing customer needs and emerging regulations.

CRISIL's Corporate Privacy Policy is available on <https://www.crisil.com/en/home/crisil-privacy-notice.html>.

4678.25
hours of training on
cyber security and
InfoSec imparted to
employees during 2021

More than **82%**
employees undertook
trainings on cyber
security and InfoSec
during 2021

Initiatives to increase information security awareness :

- InfoSec advisory
- InfoSec awareness, materials and posters
- Phishing simulations
- Tabletop exercise on managing ransomware threat
- Insider threat awareness
- Be risk aware program
- Security JAM program



Our commitment to the environment

Maya Vengurlekar

COO, CRISIL Foundation, and Senior Director, Marketing & Communication, CRISIL Limited

CRISIL believes economic progress cannot be at the cost of the environment.

This year, we initiated significant efforts to enhance the rigour of tracking our carbon footprint, which would help strengthen reporting of our environment performance and bring down carbon emissions in a planned manner. Through 'CRISIL Re', our flagship environment conservation initiative, we remain committed to the climate change and environment agenda. We have also rolled out dedicated training modules to constructively engage employees, their families, and their friends in the conservation of oceans and forests, tackling climate change and its impact. CRISIL is fully committed to improving environmental performance across its business activities and encourages employees to join this effort.

Positive Environmental Impact

Being in the services sector, CRISIL's business activities are inherently non-energy intensive. Nonetheless, CRISIL recognizes the potential of its operations and its footprint and its impact on natural ecosystems through the usage of resources such as energy and water as well as through emissions and other outputs. CRISIL therefore strives to minimize this impact and believes that environmental considerations should be integrated in its business activities. We are fully committed to improving our environmental performance across all of our activities.

CRISIL has an environmental policy which governs the environmental practices followed by the Company. CRISIL's environment policy underlines our commitment to be responsible by improving our environmental performance across activities, and encouraging our employees

and members of the wider community to work for the environment. This policy is available on the website at <https://www.crisil.com/content/dam/crisil/investors/corporate-governance/crisil-environment-policy.pdf>.

2203* employees undertook training on environmental awareness

*Upto January 31, 2022

With the objective of educating our employees on ESG, in 2021, we rolled out a dedicated training module on environmental awareness. This training module highlighted the need for environment conservation, how CRISIL can contribute to building a greener planet and how our employees can do their bit in conserving the environment.

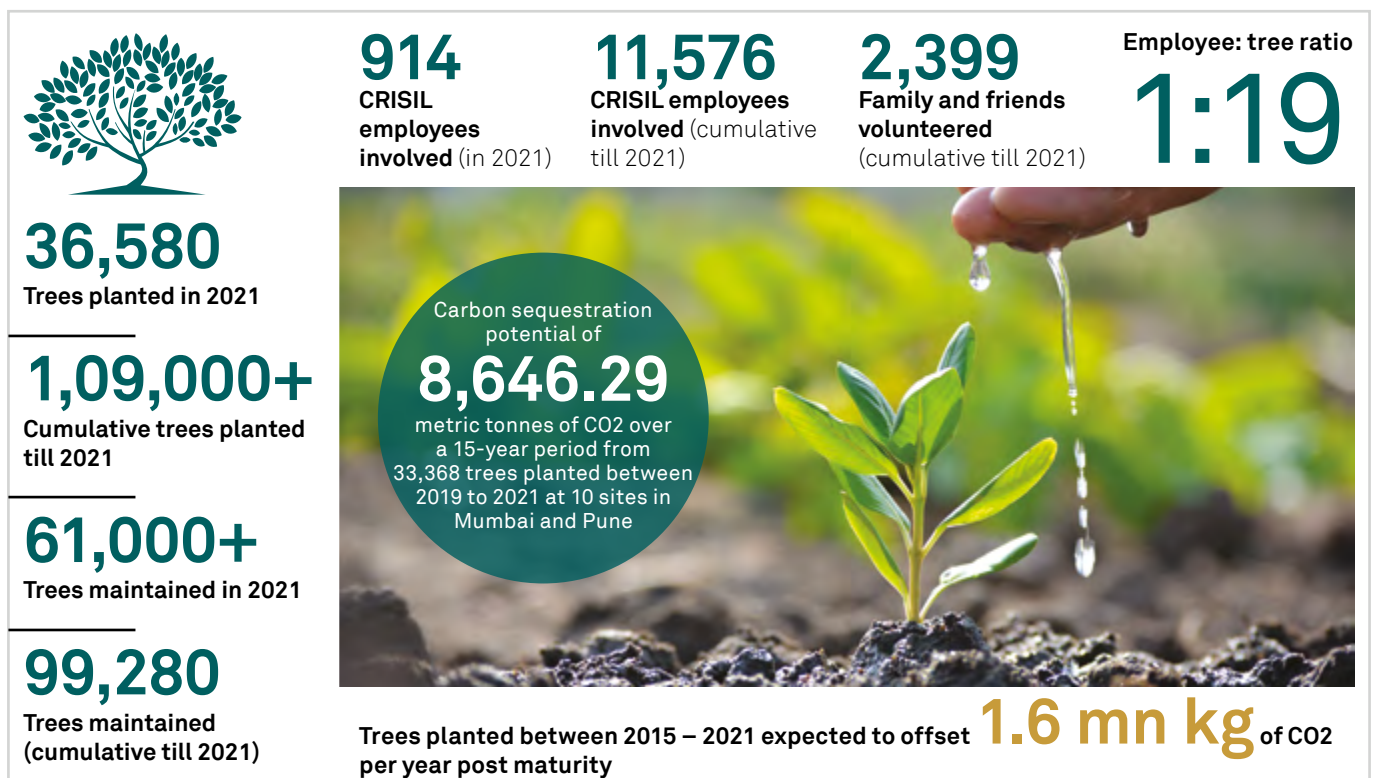
Trees for Future

CRISIL's environment conservation programme, under the aegis of the CRISIL CSR Policy undertaken by its CSR arm CRISIL Foundation, focuses on the conservation of the environment by focusing on relevant programmes in the vicinity of CRISIL offices. The program strives to constructively engage employees and their families, friends and relatives in environment conservation. This involves preserving the oceans and forests, tackling climate change and its impact – thereby positively impacting "Life below Water" and "Life on Land" – two of the key United Nations Sustainable Development Goals (UN SDGs).

In 2021, the Foundation planted 36,580 trees across four

cities, taking the cumulative number of tree plantations to over 109,000 (2015 to 2021). With an aim to keep the employees engaged in conversations pertaining to bio-diversity, environment conservation, sustainability and responsible volunteering, CRISIL Foundation organised a series of webinars and virtual knowledge sessions on environment protection, bio-diversity conservation and social leadership.

CRISIL observed World Environment Day (June 5) and World Ocean's Day (June 8) through a series of speaker sessions in collaboration with S&P Global India focusing on environment, climate change and bio-diversity conservation.



Green Buildings

Leadership in Energy and Environmental Design (LEED) is a green building certification program used worldwide. CRISIL House, Mumbai, our corporate headquarters, has achieved a LEED Platinum certification, the highest such certification in 2009. As the commitment continues with the same vigour and dedication, the certification was renewed in 2016 retaining the Platinum certification which is a hallmark of our commitment to the environment. The second largest office within the CRISIL family in India is CRISIL House, Gurugram which has been given a LEED Gold certification. Both offices together, house more than 50% of the CRISIL workforce in India.



Energy Conservation

The goal of conservation of the environment is aligned with CRISIL's strong belief of doing business in greener ways. As a conscious step in this direction, we are progressively moving towards energy-saving LED technology for our office lighting needs, monitoring energy consumption and embracing composting techniques to reduce waste removal to landfills.

The pandemic has brought in newer ways of doing business and engaging with stakeholders and given immense learnings to businesses. Progressive business thinking demands that successful practices be absorbed for

operational convenience and efficiency. CRISIL intends to therefore introduce a hybrid work model post pandemic, as a result of which, a part of its workforce will work from home. This model will eschew excess office space no longer required. Towards preparing for this model, we have consolidated our office space across geographical locations in India. We had area inventory of 494933 sq.ft. which has been reduced by 132987 sq.ft (27% of total office space). This has resulted in lower consumption of electricity, water and other utilities, thus contributing to lower emissions.

CRISIL's initiatives to reduce energy consumption



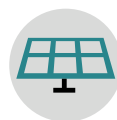
At the operations level, CRISIL has consolidated its data centers by reducing the number of physical servers through virtualization, and has provided an enclosed space and focused cooling for the servers



The design and usage of the air-conditioning system in CRISIL House conserves energy and minimizes electricity usage. Air-conditioning units are specific to areas; individual units are controlled and adjusted zonewise using an integrated building management system. The building is designed and built to minimize thermal leakage, both inward and outward



Motion sensors are used to optimize lighting usage



In addition to reducing energy consumption, bank of photovoltaic panels are installed at CRISIL House to generate solar energy



Employees are encouraged to use conferencing facilities and webinars as a means of interacting with clients and the market wherever possible



The Company has provided buses for employees to travel to office, which apart from enhancing employee convenience also reduces usage of vehicles due to pooling effect



Preferred parking slots and charging points are provided for electric cars at CRISIL House

Direct and indirect energy consumption
India Operations (in Giga Joules)

15679.03
Fiscal 2021

21872.12
Fiscal 2020

Reduced GHG Emissions

Our efforts to promote a sustainable environment encompass our operations and people. At our facilities, we are embedding best practice management and green behaviours to support our environmental goals.

During 2021, CRISIL's scope 1 and 2 emissions decreased as a result of consolidation of office spaces. As a part of our computation methodology for emissions, we have covered home working related emissions too under Scope 3. During 2021, emissions under scope 3 increased in view of continued work from home due to the Covid-19 pandemic as well as increase in capex and procurement expenses.

Emissions	Units	2020	2021
Scope 1 and 2 GHG emissions	MtCO2e	5101	3527.4
Scope 3 emissions	MtCO2e	5581	6225.7
Total GHG emissions (Scopes 1-3)	MtCO2e	10682	9753.1
Emissions per employee (Scope 1 & 2)	MtCO2e	1.20	0.8
Emissions per rupee crore of turnover (Scope 1 & 2)	MtCO2e/ crore	2.47	1.53

Water conservation

CRISIL recognises the potential of its operations and large employee footprint, to create an impact on natural ecosystems through optimal usage of resources such as energy and water. Therefore CRISIL believes water conservation should be an important element of its business activities and strives towards minimising the environmental impact by its operation.

CRISIL House Mumbai has a Sewage Treatment Plant (STP) for recycling of water routed to sanitary use and for watering CRISIL House's 17,000 square feet of green areas at CRISIL House, Mumbai

Waste Management

The Company's solid waste management practices also ensures zero contribution to landfills from CRISIL House. Dry waste is handed over to scrap vendors for recycling whereas the wet waste is converted to compost on the site itself. Throughout CRISIL, a number of initiatives have been taken over the years to reduce paper consumption. One of the most pervasive uses of paper is the paper cup – a company of CRISIL's size can save as much as 12 tonnes of paper in a year, besides savings on transport and disposal, by not using these cups. CRISIL has replaced paper cups with reusable metal cups.



Our commitments to communities

CRISIL further builds the sustainability of various rural communities through its CSR programmes, thereby contributing towards building the resilience and capacities of marginalized communities. Over the many years, CRISIL has remained focused in its belief of 'doing good with what we are good at' in building financial capabilities of vulnerable communities, especially women.

Mein Pragati, RBI MoneyWise Centers for Financial Literacy (CFL) and GramShakti Certification are our prominent initiatives towards building financial capabilities among the socially and economically disadvantaged sections of the society.

Mein Pragati (in Assam and Rajasthan)

Launched in Assam in 2015 and replicated in Rajasthan in 2016, Mein Pragati aims to empower rural women through financial capability building. Phase I of the programme empowered over 1.65 lakh women through multi-touchpoint financial literacy workshops.

Phase II of the programme, aimed to consolidate the programme in order to achieve deeper and more meaningful

intervention with participants of Phase I by creating a cadre of community workers called the 'Sakhi' to support the community in building their financial awareness and access. The year 2021 aimed to strengthen, sustain and expand the impact created so far through on-boarding Sakhis in newer locations of Assam and Rajasthan.

Impetus on long-term sustainability of the Sakhi cadre

The 2021 strategy focused on covering a larger geography by expansion and institutionalisation of Sakhi cadre and making it self-sustainable, by forming Sakhi Clusters in Assam and expanding into new blocks and districts of Assam and Rajasthan.

During the year, the programme witnessed a seamless, organic expansion into new locations, backed by a robust, self-sufficient Sakhi cadre. 1,257 Sakhis were on-boarded during the year, taking the total to over 1,852 Sakhis in 2,482 villages. These Sakhis are proactively driving the agenda of financial awareness, inclusion and strengthening social security cover for the vulnerable population.

Sakhi cadre drives last-mile impact

The Sakhi cadre has been instrumental in enhancing awareness about and access to banking, financial services and government schemes among the community. The efficacy, robustness and relevance of Sakhis came to the fore as they continued to provide timely support to the community to access financial services – despite the pandemic situation.



Assam Sakhi cadre

Impact and reach as on December 31, 2021 *

(Barpeta, Darrang, Goalpara, Kamrup, Morigaon, and Nalbari)

No. of Sakhis	1,245
Cumulative outreach	623,500+
Linkages enabled by the Sakhi cadre	487,100+
<ul style="list-style-type: none"> Banking and Financial products/ services 	196,300+
<ul style="list-style-type: none"> Government entitlements and social welfare schemes 	147,900+
<ul style="list-style-type: none"> KYC, Aadhaar, PAN card applications 	142,800+

* Cumulative data from April 1, 2018

Rajasthan Sakhi cadre

Impact and reach as on December 31, 2021 *

(Alwar and Dausa)

No. of Sakhis	607
Cumulative outreach	261,400+
Linkages enabled by the Sakhi cadre	77,600+
<ul style="list-style-type: none"> Banking and Financial products/ services 	37,360+
<ul style="list-style-type: none"> Government entitlements and social welfare schemes 	27,000+
<ul style="list-style-type: none"> KYC, Aadhaar, PAN card applications 	8,760+

*Cumulative data from September 1, 2018

The story of Pragati Das

A 30 year old widow with two children, Pragati Das, is a CRISIL Sakhi who hails from Kamrup Rural, a district in Assam. She was always self-driven and motivated, and was part of the local self-help group in the village. After being trained as a Sakhi, she started providing doorstep services to her community members and thereby gradually increasing her surplus income.

She became very enthusiastic about learning new schemes and products – especially government sponsored welfare schemes. She went about linking the community members with various schemes like Ujjwala scheme, Caste certificate, and PAN cards. Due to her proactive work in her village, she has now become a community leader of her village – a member of the panchayat.



GramShakti Certification Programme

Having proved the efficacy and relevance of Sakhi cadre in Assam and Rajasthan, CRISIL Foundation devised an online learning and certification programme called GramShakti incorporating all the best practices involved in training and development of Sakhis. Accessed through a tech-based learning application, customised in regional languages with interactive and engaging content, the programme comprises theory and practical assignments.

Launched in late 2018, GramShakti is CRISIL Foundation's attempt to provide a scalable model for creating a pan-India cadre of trained community leaders who can effectively

address the issue of financial exclusion and empower women.

During the year, the programme expanded to over 3,100 end users across CRISIL Foundation's intervention areas and replicated in non-intervention locations through partnerships. There are currently 790 community cadre in Assam, Haryana and Maharashtra, who have been formally certified through a convocation programme and provide support to their communities through last-mile awareness and handholding.

3,100+
No. of end users

10
States covered

790
Certified cadre

1,700+
Cadre completed course

RBI MoneyWise Centres for Financial Literacy (CFL)

CRISIL Foundation is the only corporate CSR arm selected by the Reserve Bank of India (RBI) to implement its pilot Moneywise Centres for Financial Literacy (CFL) project for financial inclusion in Maharashtra and Haryana during 2017. In August 2019, the RBI awarded CRISIL Foundation five additional tribal blocks in Rajasthan, expanding the project’s scope to 25 centres across three states in partnership with NABARD and seven sponsor banks.

Since inception in 2017, the centres have directly reached out to over 650,000 community members and facilitated over 125,000 applications for banking products and schemes. A footfall of over 26,000 walk-ins for query resolution and handholding indicates their growing trust and acceptance among the community. Each of these centres, have actively supported local banks and stakeholders, and have become integral part of the financial inclusion eco-system over the years.

In its National Strategy for Financial Inclusion (2019-2024), the RBI had formally announced¹ its intent towards expanding into all blocks in the country by 2024. As part of the scale-up phase, CRISIL Foundation has received a formal mandate to expand CFLs in 429 blocks across 18 States/UTs over a three year period (2021-24).

Towards the scale-up mandate, CRISIL Foundation has successfully opened 419 CFLs during the year across 17 States and UTs.

States

Impact and reach as on December 31, 2021 *
(Haryana, Maharashtra and Rajasthan)

7 Districts	25 Blocks	1,613 Villages
-----------------------	---------------------	--------------------------

26,000+ Walk-ins to CFL offices	125,000+ Applications mobilised for banking services (Bank accounts, social security schemes, digital linkages etc.)
-------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------

650,000+ Cumulative outreach (through multiple touch-point trainings)

* Cumulative data from October 1, 2017

The story of Sulochana

Sulochana lives with husband, son and two daughters, in a village at Manora, Washim in Maharashtra. After becoming CRISIL certified GramShakti, she became well aware of the banking sector and understood the on-ground constraints faced by rural women and banks.

She gradually began supporting the community members in building their financial awareness. She became a proponent for Sukanya Samrudhi Yojana – a government scheme for the girl child. Apart from them, she regularly guided and facilitated registration for insurance and pension schemes to build the safety net. She has now been appointed as a Bank Sakhi by the District Co-operative Bank (DCCB).



1 Formally documented in the National Strategy for Financial Inclusion 2019-2024 released by the RBI (<https://www.rbi.org.in/Scripts/Publication-ReportDetails.aspx?UrlPage=&ID=1154>)

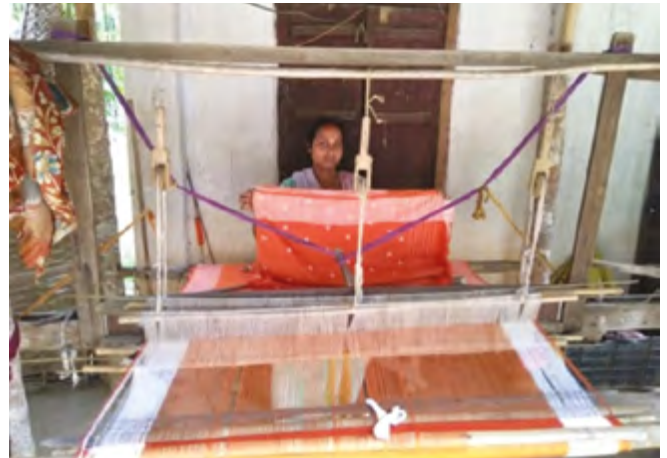
Deepening Mein Pragati impact through sustainable livelihoods in Assam

Financial independence & livelihoods opportunities go hand-in-hand and hence, CRISIL Foundation, in 2018 initiated a few livelihood pilots (on a small scale) in Assam.

1. **Areca-nut plate manufacturing** – to establish a community-owned, operated and managed areca-nut plate manufacturing unit
2. **Eri Silk cultivation** – to establish a community-owned, operated and managed Eri Silk producing unit and move up the value chain (cocoon – yarn – yardage – apparel)
3. **Handloom** – to set up backward (production) and forward (marketing) linkages

In 2018, these pilots were initiated with a small pool of 75 households and were subsequently scaled up over 2019 and 2020 with help from local NGOs. These initiatives have gained steady momentum through enhanced household coverage, and improved income generation for over 1,500 households by 2021.

Initiatives like setting up of an Eri Resource Centre to improve overall cocoon production, creating low-cost rearing spaces to increase quantity/quality of produce, enhancing design and business skills and leveraging online platforms (like Antaran Artisan Connect) for weavers have increased beneficiaries' returns and stabilised their income over the years.



A dedicated Covid-19 response – lighting numerous lives

Project 'Oxygen for All' – a partnership between CRISIL Foundation and ACT Grants – successfully deployed 118 oxygen devices across 10 facilities in Delhi, Bangalore, Hyderabad, Ahmedabad and Kolkata. These included low-flow oxygen concentrators and cylinders.

Project 'Take the Shot' – To support marginalized communities with COVID-19 vaccination, CRISIL Foundation also partnered with Sambhav Foundation to organize vaccination drive for over 8,339 community members across Mumbai and Pune – largely comprising of construction workers, street vendors, drivers, house helps, and daily wage laborers. This initiative was also facilitated through employee contribution.



Shaping the larger social consciousness quotient ...

Despite a Work from Home scenario, CRISIL continued keeping the employees meaningfully engaged by contributing to the 'social' agenda. A series of virtual knowledge sessions on environment protection, bio-diversity conservation and social leadership enabled CRISILites to engage and interact with key social impact leaders

In addition, an array of virtual volunteering opportunities allowed them to give back to the communities by way of their time and inputs.

1. **Wise Wednesdays – A virtual capacity building initiative for Foundation’s field staff**
 Focused initiative to build capacities of the Foundation’s field team by leveraging the CRISIL employees. Sessions include those on improving presentation skills, making impactful presentation, mutual funds, building networking skills etc.
2. **Telephonic Spoken English Programme (TSEP)**
 Improving spoken English to school drop-outs/ unemployed youth in partnership with Kotak Education Foundation.
3. **Teaching rural India – eVidyaloka**
 Enable rural children learn Maths and Science through self-recorded videos in English and regional languages.



Daan Utsav

Engagement with Team Everest & Book Share India

over 1,200 books/ items received.





ESG Databook

(This Databook should be read in conjunction with ESG Report and BRSR Report)

General information

1. Number of locations where plants and/or operations / offices of the entity are situated

Location	Number of plants	Number of offices	Number of locations	State/Countrywide presence
National	-	11	11	7 states
International	-	11	11	10 countries (excluding India)

2. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

Sr. no.	Product/Service	NIC Code	% of Turnover of the entity
1	Ratings	66190	26%
2	Research	66190	67%
3	Advisory	70200	7%

3. Details of business activities (accounting for 90% of the turnover)

Sr. no.	Description of Main Activity	Description of Business Activity	% of turnover of the entity
1	Ratings	Providing credit ratings including bond ratings, bank loan ratings, SME ratings, other grading services	26%
2	Research	Research services include Global Research & Risk Solutions activities divided into financial research, risk & analytics and corporate research and India research activities comprising economy & industry research, funds & fixed income research and equity & company research	67%
3	Advisory	Providing policy and regulatory advisory, public-private partnership frameworks, infrastructure financing mechanisms, business / commercial diligence and strategic advice, programme management, monitoring and evaluation, providing consulting and software solutions pertaining to credit risk, market risk, operational risk, providing software solutions, regulatory requirements, business intelligence, analytics and digital software solutions	7%

4. Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Group Holding of S&P Global, Inc. a) S&P India LLC b) S&P Global Asian Holdings Pte. Ltd. c) S&P International LLC	Holding Company	66.88	No. The holding companies have an independent reporting on ESG.
2.	CRISIL Ratings Limited	Subsidiary Company	100	Yes for all subsidiaries. Refer to "Reporting boundaries" on pg. no. 97 of the ESG report.
3.	CRISIL Risk and Infrastructure Solutions Limited	Subsidiary Company	100	
4.	Pragmatix Services Private Limited	Subsidiary Company	100	
5.	CRISIL Irevna UK Limited	Subsidiary Company	100	
6.	CRISIL Irevna US LLC	Subsidiary Company	100	
7.	CRISIL Irevna Argentina S.A.	Subsidiary Company	100	
8.	CRISIL Irevna Poland Sp. Z.oo.	Subsidiary Company	100	
9.	CRISIL Irevna Information Technology (Hangzhou) Co. Ltd.	Subsidiary Company	100	
10.	Coalition Development Limited	Subsidiary Company	100	

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
11.	Coalition Development Singapore Pte. Ltd.	Subsidiary Company	100	
12.	Greenwich Associates LLC	Subsidiary Company	100	
13.	Greenwich Associates Singapore PTE. LTD.	Subsidiary Company	100	
14.	Greenwich Associates Japan K.K.	Subsidiary Company	100	
15.	Greenwich Associates Canada ULC	Subsidiary Company	100	
16.	Greenwich Associates UK Limited	Subsidiary Company	100	
17.	CRISIL Irevna Australia Pty Ltd	Subsidiary Company	100	

Governance related

5. Details of women representation

	Participation/Inclusion/Representation of women (including differently abled)				
	Total	No. of Females (including differently abled)		No. of females who are differently abled persons	
		No.	%	No.	%
Board of Directors	8	3	37.50%	0	0
Key Management Personnel	3	1	33.33%	0	0

6. Percentage coverage by training and awareness programmes on any of the Principles during the financial year

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1*	Ethics, transparency and accountability	100% [@]
Key Managerial Personnel**	7	Code of Ethics, Prevention of sexual harassment, Information and cyber security awareness, Risk awareness, Environment conservation, Data privacy, Personal trading policy	100%
Employees other than BoD & KMPs [@]	23	Code of Ethics, Prevention of sexual harassment, Modern slavery, environment conservation, Business continuity management, Risk awareness, Information and cyber security, Data privacy, Personal trading policy and various skill upgradation trainings	92 %

* Training rolled out in December 2021 and includes completion up to January 2022.

** MD & CEO is included in both KMP and Board trainings.

[@] Covers various trainings on principles of ethical conduct, fairness and transparency, such as CRISIL Code of Ethics, CRISIL Code of Conduct for Directors and S&P COBE. Copies of the Codes and their coverage of ethical conduct principles are available at <https://investor.spglobal.com/corporate-governance/documents/code-of-business-ethics-for-employees/> ; <https://www.crisil.com/content/dam/crisil/investors/corporate-governance/code-directors-sr-management.pdf> and <https://www.crisil.com/content/dam/crisil/investors/corporate-governance/code-of-ethics.pdf>

7. Details of remuneration/salary/wages

	Male		Female	
	Number	Median remuneration/Salary/wages of respective category	Number	Median remuneration/Salary/wages of respective category
Board of Directors	6**	3,920,000	3	4,987,500
Key Managerial Personnel	2	46,067,563	2*	62,815,346
Employees other than BoD & KMP	2750	1,137,598	1600	9,86,242 [@]

** Note: Remuneration to MD & CEO has been included in KMP. Includes all Directors who have served on the CRISIL Limited Board during the year.

* Includes remuneration paid to Ms. Ashu Suyash who held the position of Managing Director & CEO of CRISIL Limited till September 30, 2021

[@] Aggregate number of employees are not comparable with the headcount as on December 31, 2021 since the aforesaid data pertains to remuneration paid to employees on-roll during 2021.

7 (a). Ratio of remuneration

Ratio of remuneration of MD & CEO to the median remuneration of employees	2021
Mr. Amish Mehta, MD & CEO ~	10.17

~ Appointed as Managing Director and CEO with effect from October 1, 2021. The ratio indicated above is calculated basis the remuneration for the period October 1, 2021 to December 31, 2021. Based on annualised remuneration the ratio will be 40.69.

8. Details on material business conduct issues

Material responsible business conduct and sustainability issues pertaining to environmental, social and governance matters that present a risk or an opportunity to business and the approach that the Company is taking to address them

Sr. No.	High Priority / Material issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Strong governance oversight	Opportunity	ESG risks and opportunities impact and shape our operations and business activity. In 2021, we conducted a materiality assessment to identify our most relevant (or "material") reporting topics from an ESG perspective — which is a broader standard than that used in our financial disclosures.	Please refer to the section titled 'Risk Management' on page no 103 of the ESG Report	Strong governance oversight ensures growth and strategic direction.
2	Ethical conduct	Opportunity	The universe of our priorities within the domains of E, S and G has been derived through a consultative exercise, wherein the priorities were evaluated in order of their importance to our business and our stakeholders. We leveraged inputs from stakeholder engagements, surveys, strategic processes, peer benchmarking and industry standards to sharpen management insight on material issues.		Ethical conduct is central to CRISIL's value proposition and recognition as an independent and credible analytical organization which has led to continued trust from its clientele
3	Diversity & inclusion	Opportunity			Creates a diverse workforce with different perspectives, high engagement and fosters innovation
4	Talent retention & succession	Risk			High attrition could have negative implications which are mitigated through talent retention initiatives
5	Employee enablement & well being	Opportunity			Employee empowerment, learning & development and well-being initiatives leads to a productive workforce
6	Risk Management & Compliance	Risk			Risk management ensures timely identification of risks and stability of operations
7	Data privacy & information security	Risk			Investments in this area will have short term financial impact but in the long run will create positive outcomes in the form of improved security and controls
8	ESG products & offerings	Opportunity			Increased ESG focus globally presents valuable revenue potential
9	Environmental response	Risk			Climate change can lead to physical risk to company property due to climate disasters and cost for transition to low carbon economy
10	CSR programs	Opportunity			CSR program leads to equitable and sustainable development of the communities in which CRISIL operates.

9. Details on awareness programmes conducted for value chain partners on any of the Principles during 2021

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered under the awareness programmes
21	Code of Ethics, Prevention of sexual harassment, Modern slavery, environment conservation, Risk awareness, Information and cyber security, Data privacy, Personal trading policy and various skill upgradation trainings	35%

10. Detail on list of trade & industry chambers/ associations of which the Company is a member of/are affiliated to

Sr No	Name of the trade and industry chambers/ associations	Scope of Entity (State/National)
1	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2	The Confederation of Indian Industry (CII)	National
3	All India Management Association (AIMA)	National

Employee related

CRISIL has no workmen amongst its employee category as all employees are at positions of executive and above. Hence, all the references and data points required for workmen are not applicable.

11. Headcount

(a) Total (including differently abled)

S. No.	Particulars	Total (A)	Male (%)		Female (%)	
			No. (B)	(B/A)%	No. (C)	% (C/A)
1	Permanent Employees	3973	2478	62.4%	1495	37.6%
2	Contract staff	861	524	60.9%	337	39.1%
3	Total	4834	3002	62.1%	1832	37.9%

The above data is as of December 31, 2021

(b) Differently abled Employees

S.No.	Particulars	Total (A)	Male (%)		Female (%)	
			No. (B)	(B/A)%	No. (C)	% (C/A)
1	Permanent Employees	12	10	83.3%	2	16.7%
2	Contract staff	0	0	-	0	-
3	Total	12	10	83.3%	2	16.7%

The above data is as of December 31, 2021

12. Details of employees in terms of minimum wages paid

Category	Total	2021				2020				
		Equal to minimum wage		More than minimum wage		Equal to minimum wage		More than minimum wage		
		No.	%	No.	%	No.	%	No.	%	
Employees										
Male	2101	0	0%	2101	100%	1981	0	0%	1981	100%
Female	1295	0	0%	1295	100%	1175	0	0%	1175	100%
Total	3396	0	-	3396	-	3156	0	-	3156	-

The above table covers only India employees.

13. Details of statutory dues (PF, Gratuity, ESI) deducted and deposited with the authorities approved by government

Statutory Dues	2021			2020		
	No. of employees eligible for deduction	Deducted as prescribed (in Rs.)	Deposited (in Rs.)	No. of employees & eligible for deduction	Deducted as prescribed (in Rs.)	Deposited (in Rs.)
PF	4359	17,63,95,379	17,63,95,379	3,705	15,98,44,880	15,98,44,880
Gratuity	230	6,44,81,110	6,44,81,110	149	5,21,47,303	5,21,47,303
ESI	1	142	142	6	3,980	3,980

Number of employees, in respect of which PF and statutory dues given above are not comparable with the overall headcount as on Dec 31 since the above table indicates payments made in respect of employees on-roll during the years.

14. Details of measures for the well-being

Category	Total	Health Insurance		Accident Insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No	%	No	%	No	%	No	%	No	%
Permanent											
a. Male	2101	2101	100	2101	100	-	-	2101	100	-	-
b. Female	1295	1295	100	1295	100	1295	100	-	-	1295	100
c. Total	3396	3396	100	3396	100	1295	-	2101	-	1295	-
Contract staff											
a. Male	523	523	100	523	100	-	-	523	100	-	-
b. Female	337	337	100	337	100	337	100	-	-	-	-
c. Total	860	860	100	860	100	337	-	523	-	-	-

Note: This covers eligible India employees as on December 31, 2021. Well-being measures are extended to overseas employees in accordance with the statutory norms and regulations as applicable to the respective overseas jurisdiction.

15. Details of performance and career development reviews of employees

Category	2021			2020		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	2174	2174	100%	2040	2040	100%
Female	1267	1267	100%	1188	1188	100%
Total	3441	3441	100%	3228	3228	100%

Note: The table covers the employees who were on-roll and subject to performance reviews during the years. Hence, the employee numbers are not comparable with the headcount as on December 31.

16. Return to work and retention rates from parental leave

Gender	Permanent employees		Contract staff		Gender	Permanent employees	
	Paternity leave	Maternity leave	Paternity leave	Maternity leave		Return to work rate	Retention rate
Male	61	NA	0	NA	Male	100%	100%
Female	NA	27	NA	0	Female	100%	100%
Total	61	27	0	0			

Note: The above table covers only India employees

Health & Safety and Trainings

17. Details of training

Category	2021			2020			Category	2021			2020		
	Total assigned	Trained on health & safety measures		Total assigned	Trained on health & safety measures			Total assigned	Trained on skill upgradation		Total assigned	Trained on skill upgradation	
		No	%		No	%			No	%		No	%
Employees						Employees							
Male	310	213	68.71%	0	0	0%	Male	13,969	10,750	76.96%	10,389	10,115	97.36%
Female	160	154	96.25%	0	0	0%	Female	8,454	6,613	78.22%	7,412	7,239	97.67%
Total	470	367	78.09%	0	0	0%	Total	22,423	17,363	77.43%	17,801	17,354	97.49%
Contract staff						Contract staff							
Male	0	0	0%	0	0	0%	Male	861	359	41.70%	2,094	2,091	99.86%
Female	0	0	0%	0	0	0%	Female	592	309	52.20%	1,338	1,335	99.78%
Total	0	0	0%	0	0	0%	Total	1453	668	45.97%	3,432	3,426	99.83%

Notes:

- (1) The aforesaid headcount of training is an aggregation of multiple trainings assigned to/taken by different sections of employees during the year. For example a person who has been assigned or who has taken 3 trainings would be counted thrice. In view of this, the total number of headcount will not be comparable with the headcount figures as on December 31.
- (2) Total assigned column represents the number of persons to whom trainings were assigned during the years. The numbers and percentage in the trained column indicates the persons who have completed the respective trainings.
- (3) H&S training such as fire safety, evacuation, etc. requires physical presence of staff. Due to work from home, H&S trainings were suspended in 2020. In 2021, these commenced only to a limited extent, for BCP coordinators. Besides this, 26 webinars on care during Covid were held where participation was on a walk-in basis, which are not included in the aforesaid data.

18. Details on training on human rights issues and policy(ies) of the company

Category	2021			2020		
	Total (A)	Nos. trained (B)	% (B/A)	Total (C)	Nos. trained (D)	% (D/C)
Permanent employees	5247	3801	72.44%	3462	3054	88.21%
Contract staff	1293	532	41.11%	1514	1360	88.21%
Total	6540	4333	66.25%	4976	4414	88.70%

Note: The table depicts that aggregate number of employees to whom various human rights related trainings were assigned during the years (A&C columns) and number of employees completing the training (B&D columns). Hence, the number is not comparable with the employee headcount as on December 31.

19. Details on assessment of value chain partners

Assessment for the year	% of value chain partners (by value of business done with such partners) that were assessed*
Sexual Harassment	52%
Working Conditions	52%
Health & Safety	52%
Discrimination at workplace	52%
Child Labour	52%
Forced Labour/Involuntary Labour	52%
Wages	52%

*In computing the aforesaid percentage, total procurement spend has been considered excluding employee and associate costs, rental, utilities and bank charges

20. Details on assessment of office on human rights.

Assessment for the year 2021*	% of your offices that were assessed
Child labour	100%
Forced/involuntary labour	100%
Health and safety practices	100%
Sexual harassment	100%
Working Conditions	100%
Discrimination at workplace	100%
Wages	100%

* This assessment framework was designed and rolled out in 2021. In the first phase, only Indian locations have been covered.

21. Details on Complaints/Grievances on any aspect of the National Guidelines on Responsible Business Conduct in the financial year

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	2021			2020		
		Number of complaints received during the year	Number of complaints pending resolution at close of year	Remarks	Number of complaints received during the year	Number of complaints pending resolution at close of year	Remarks
Communities	Yes	Nil	Nil	-	Nil	Nil	-
Business partners	Yes	Nil	Nil	-	Nil	Nil	-
Investors	Yes	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes	36	2*	-	19	1	-
Employees	Yes	2	Nil	-	1	Nil	-
Customers	Yes	7	1	-	2	1	-
Value Chain Partner	Yes	1	Nil	-	1	Nil	-
Others	Yes	Nil	Nil	-	3	Nil	-

Note: The above complaints pertain to CRISIL Limited on standalone basis.

*The two shareholders' complaints were received towards the end of the fourth quarter of 2021 and have been resolved since.

22. Details on Number of Complaints made by employees

	2021			2020		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	1*	-	-
Working Conditions	2	-	-	1	-	-
Health & Safety	NIL	-	-	NIL	-	-
Discrimination at workplace	NIL	-	-	NIL	-	-
Child Labour	NIL	-	-	NIL	-	-
Forced Labour/Involuntary Labour	NIL	-	-	NIL	-	-
Wages	NIL	-	-	NIL	-	-
Other human rights related issues	NIL	-	-	NIL	-	-

Note: The above complaints pertain to to CRISIL Limited on standalone basis.

*Complaint by contract staff

23. Details on turnover rate for permanent employees

	2021			2020			2019		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	20.1%	17.8%	19.2%	12.5%	11.6%	12.2%	22.1%	21.3%	21.8%

Note: Exits given are voluntary regrettable exits

Communities

24. Percentage of input material (by value of all inputs) to total inputs sourced from suppliers

	2021	2020
Directly sourced from MSMEs/ small producers	19.13%	NA
Sourced directly from within the district and neighbouring districts	NA	NA

NA: Information not available

24(a). Details of Social Impact Assessment

Name & brief details of Project	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Mein Pragati (Rajasthan)	Yes	Yes	https://www.crisil.com/content/dam/crisil/crisil-foundation/generic-pdf/mein-pragati-rajasthan-phase-II-endline-report-2021.pdf
CRISIL Re	Yes	Yes	https://www.crisil.com/content/dam/crisil/crisil-foundation/generic-pdf/crisil-re-tree-audit-report-2021.pdf
GramShakti	Yes	Yes	https://www.crisil.com/content/dam/crisil/crisil-foundation/generic-pdf/gramshakti-certification-phase-I-endline-report-2021.pdf

24(b). Details on CSR projects undertaken in designated aspirational districts as identified by government bodies

Sr. No.	State	Aspirational Districts*	Amount Spent
1	Assam	Darrang, Barpeta, Goalpara, Dhubri and Baksa	INR 1.58 cr
2	Maharashtra	Washim	INR 1.49 cr
3	Haryana	Nuh/ Mewat	

Note: *As per Government of India data - link: <https://nfdb.gov.in/PDF/List%20of%20AD.pdf>

24(c). Details of beneficiaries of CSR Projects

Sr. No	CSR Project	No. of persons benefitted from CSR Projects*	% of beneficiaries from vulnerable and marginalised groups	Names of vulnerable & marginalized groups
1	Mein Pragati (Assam and Rajasthan)	3,66,710	100%	Women, Scheduled Castes (Dalits) Scheduled Tribes, Backward Classes Elderly or Aged People
2	RBI-CFL Pilot (Maharashtra, Haryana and Rajasthan)	95,703	100%	

*For the year 2021

Environment

25(a). Energy consumption (In Giga Joules) and energy intensity

Parameter	2021	2020
Total electricity consumption (A)	15303.70	21311.50
Total fuel consumption (B)	375.33	560.62
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	15679.03	21872.12
Energy intensity per crore rupees of turnover	6.81	10.60
Energy intensity per employee	3.42	5.35

25(b). Details of water consumption based on sources

Parameter	2021	2020
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	7228.50	14731
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	7228.50	14731
Total volume of water consumption (in kilolitres)	7228.50	14731
Water intensity per crore rupee of turnover (Water consumed / turnover)	3.14	7.13

Note: Data available only for Mumbai, Pune and Gurugram offices which are exclusively managed and controlled by CRISIL.

26. List innovative technologies, solutions & initiatives undertaken resulting in lower environment footprint adopted by the company, if any

Sr. No	Environmental footprint	Initiatives undertaken	Web link, if any
a	Land use	Consolidation of offices initiated in 2021 and reduced approx 132987 sq.ft. area	-
b	Emissions	-	-
c	Water	CRISIL House Mumbai has a Sewage Treatment Plant (STP) for recycling of water routed to sanitary use and for watering CRISIL House's 17,000 square feet of green areas at CRISIL House, Mumbai	-
d	Energy	<ul style="list-style-type: none"> Consolidation of data centre Office AC controlled through integrated building management system at CRISIL House Photovoltaic panels are installed at CRISIL House to generate solar energy Preferred parking slots and charging points are provided for electric cars at CRISIL House 	-
e	Biodiversity	-	-
f	Any other	Hybrid work model post pandemic	-

**27(a). Details related to waste management
(Metric tonnes)**

Parameter	2021	2020
Plastic waste (A)	NA	NA
E-waste (B)	8.07**	NA
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other Hazardous waste. (G)	0	0.28
Other Non-hazardous waste generated (H).	2.49*	NA
Total Waste generated (in metric tonnes (A+B + C + D + E + F + G +H)	10.56	0.28

Notes for table no. 27(a,b,c):

* Data relates only to CRISIL House Mumbai premises. During 2021, standard operating guidelines were issued for management of waste for other office locations as well.

** Data related to all India office.

NA: Information not available

27(b). Details on total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	2021	2020
(i) Recycled	8.70	NA
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	8.70	-

NA: Information not available

27(c). Details on total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	2021	2020
(i) Incineration	-	-
(ii) Landfilling	0.06	-
(iii) Other disposal operations	1.80	0.28
Total	1.86	0.28

28. Details of air emissions (other than GHG emissions) by the entity

Parameter	Unit	2021	2020
Nox	Grams	7320.18	NA
SOx	Grams	635.60	NA
Particulate matter (PM)	Grams	1149.07	NA
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	Grams	5284.80	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others –please specify - Carbon dioxide (as CO ₂)	Grams	523.41	NA
Others –please specify - Carbon monoxide (as CO)	Grams	3551.68	NA

NA: Information not available

29(a). Carbon emitted (in Metric tonnes of CO₂ equivalent)

Parameter	2021	2020
Scope 1 GHG emissions	249.21	737.30
Scope 2 GHG emissions	3278.20	4364.17
Total Scope 1 and Scope 2 emissions per crore rupee of turnover	1.53	2.47
Emission per employee (Scope 1& 2)	0.8	1.20

29(b). Carbon emitted (in Metric tonnes of CO₂ equivalent)

Parameter	2021	2020
Total Scope 3 emissions	6225.7	5580.55
Total Scope 3 emissions per crore rupee of turnover	2.71	2.70
Emission per employee (Scope 3)	1.29	1.30

GHG emissions computational method

The reporting period of this inventory is calendar year 2021.

The emission calculation includes Scope 1, 2, and 3 emissions from all relevant Kyoto Protocol gases. The below sources of emission have been included in the scope of this inventory.

Scope 1 emissions: these are direct emissions resulting within an organization’s boundary and arise from sources that the organization owns or controls. In the case of this inventory, the scope 1 sources include natural gas combustion, fuel combustion, fugitive emissions of refrigerants, combustion of fuels in backup generators.

Scope 2 emissions: these are indirect emissions from the electricity that is used by the organization and is outside the organization’s boundary.

Scope 3 emissions: this includes all other indirect emissions that occur outside the organization but are a result of the activities related to the organization. In the case of this inventory, the scope 3 sources include business travel (via road, rail, and air), hotel stay, paper and work from home provision for employees.

Data computational methods

An independent GHG inventory has been developed for all the locations under CRISIL Limited. A detailed discussion was conducted to understand the operational boundary and identification of sources of GHG emissions. After the discussion, the data for these identified activities resulting in scope 1,2, and 3 has been captured for calculation.

Provided below is the general process of activity data collection and source of respective emission factors that have been used for the calculation:

Stationary combustion- The total annual quantity of high-speed diesel (fuel) used by diesel generators (Diesel used in owned DG set which is part of scope 1 and shared DG sets which are part of scope 3) was captured and used for the emissions calculation. The emissions factor for the calculation was derived from the IPCC 5th Assessment Report for CO₂, CH₄, and N₂O. Similarly, The Global Warming Potentials (GWP) was sourced from the IPCC 5th Assessment Report for CO₂, CH₄, and N₂O. In certain cases where the total amount spent on the purchase of HSD was available, instead of the quantity consumed, the annual average price of HSD per liter for 2021 has been taken from the Ministry of Petroleum & Natural Gas, Government of India (ppac.gov.in) to obtain the total quantity of HSD consumed.

$$\sum \text{Total Diesel Consumption (in liters)} \times \text{Liter to kg conversion} \times \text{Net Calorific Value} \times \text{Emission factor (CO}_2 \text{ CH}_4 \text{ and N}_2\text{O)} = \text{Total Emissions from DG sets owned in buildings}$$

Mobile emissions- The total annual quantity of fuel

consumed in company-owned vehicles accounting for scope 1 as well as fuel used for employee commute and business travel via road accounting to scope 3, were captured and used for the emission calculation. The emissions factor for diesel/petrol was sourced from the IPCC 5th Assessment Report for CO₂, CH₄, and N₂O. Similarly, The Global Warming Potentials (GWP) were sourced from the IPCC 5th Assessment Report for CO₂, CH₄, and N₂O. In certain cases where the total amount spent on the purchase of HSD and petrol available, instead of the quantity consumed, the annual average price of HSD or petrol per liter for 2021 was taken from the Ministry of Petroleum & Natural Gas, Government of India (ppac.gov.in) to obtain the total quantity of respective fuel consumption.

If fuel consumption from mobile sources is given in amount spent

$$\sum \text{Total Diesel or Petrol Consumption (in INR)} \times \text{Avg. INR to liter of diesel or Petrol in 2021} \times \text{Liter to kg conversion} \times \text{Net Calorific Value} \times \text{Emission factor (CO}_2 \text{ CH}_4 \text{ and N}_2\text{O)} = \text{Total mobile emissions}$$

If fuel consumption from mobile sources is given in liters of fuel

$$\sum \text{Total Diesel or Petrol Consumption (in liters)} \times \text{Liter to kg conversion} \times \text{Net Calorific Value} \times \text{Emission factor (CO}_2 \text{ CH}_4 \text{ and N}_2\text{O)} = \text{Total mobile emissions}$$

Fugitive emissions- The quantity of refrigerants based on the monthly top-up on air conditioning equipment. The emissions factors were sourced from the UK Department for Environment, Food and Rural Affairs, 2021 (DEFRA-2021).

$$\sum \text{Total refrigerants top up in buildings (in kg)} \times \text{Net Calorific value} \times \text{Emission factor (CO}_2 \text{ CH}_4 \text{ and N}_2\text{O)} = \text{Total fugitive emissions}$$

Gaseous fuels LPG emissions- The quantity of LPG used in office locations was captured and used for the calculation of emissions. The emissions factors were sourced from the UK Department for Environment, Food and Rural Affairs, 2021 (DEFRA-2021).

If fuel consumption provided in Kgs

$$\sum \text{Total LPG consumption (in kg)} \times \text{Net Calorific Value} \times \text{Emission factor (CO}_2 \text{ CH}_4 \text{ and N}_2\text{O)} = \text{Total LPG emissions}$$

If fuel consumption provided in amount spent

$$\sum \text{Total LPG consumption (in INR)} \times \text{Average INR to Kg conversion based on commercial LPG prices in 2021} \times \text{Net Calorific Value} \times \text{Emission factor (CO}_2 \text{ CH}_4 \text{ and N}_2\text{O)} = \text{Total LPG emissions}$$

Emissions from electricity consumed: The total electricity consumed in kWh was collected for each of the buildings in the target locations. The corresponding location wise grid emission factors were sourced from the websites and publications of base countries (India: CEA grid emission factor report, UK: 2021 Government Greenhouse Gas Conversion Factors for Company Reporting, USA: EPA database, Argentina: IGES database, China: IGES database)

$$\frac{\sum \text{Total electricity used (in kWh)} \times \text{Grid emission factor (CO}_2\text{e)}}{\text{Total emissions}}$$

Paper emissions- Total number of reams of paper consumed was collected. The emission factor used sourced from the UK Department for Environment, Food and Rural Affairs, 2021 (DEFRA-2021).

$$\sum \text{Total reams purchased} \times \text{weight per ream} \times \text{Emission factor (CO}_2\text{e)} = \text{Total emissions}$$

Business travel air & rail emissions- The total distance traveled from the air and rail (both international and national) was captured and used for emission calculation. The emission factors used for respective travel modes were sourced from the UK Department for Environment, Food and Rural Affairs, 2021 (DEFRA-2021) and India GHG protocol 2015.

$$\sum \text{Total distance travelled (in Kms)} \times \text{Emission factor (CO}_2\text{e)} = \text{Total emissions}$$

Business travel road emissions- The total amount claimed (covering both national and international travel) was captured and used for emission calculation. The emissions factor for diesel/petrol was sourced from the IPCC 5th Assessment Report for CO₂, CH₄, and N₂O. Similarly, The Global Warming Potentials (GWP) were sourced from the IPCC 5th Assessment Report for CO₂, CH₄, and N₂O. The annual average price of HSD or petrol per liter for 2021 was taken from individual country level prices from government databases.

$$\sum \text{Total Diesel or Petrol amount claimed (in INR)} \times \text{Avg. INR to liter of diesel or Petrol in 2021}$$

$$\times \text{Liter to kg conversion} \times \text{Net Calorific Value} \times \text{Emission factor (CO}_2\text{, CH}_4\text{ and N}_2\text{O)} = \text{Total emissions}$$

Hotels stay- The number of nights stayed in the hotel for the year were captured and used to calculate the emissions due to stay in the hotel. The emission factor used for respective travel modes was sourced from the UK Department for Environment, Food and Rural Affairs, 2021 (DEFRA-2021).

$$\sum \text{Total number of nights stayed (in days)} \times \text{Emission factor (CO}_2\text{e)} = \text{Total emissions}$$

Work from Home emissions: In order to properly account for home working emissions, energy use and natural gas consumption, which would not have occurred in an office-working scenario has been accounted for. We have used a no survey approach based on the white paper by Anthesis Group¹ which uses two parameters: number of remote

workers and recommended regional energy intensities (i.e., energy consumed per person per day) for estimating the amount of electricity and natural gas consumed. Further to this, the energy consumption is then multiplied by appropriate emission factors to calculate the GHG footprint of remote workers.

To obtain the energy intensity (i.e., energy consumed per person per day), we have used two relevant data categories,

- **“Baseline Energy Intensity”:** which refers to the energy consumption measured in a household before the pandemic period when some household members might have been home during the day while others were working outside of the home. These are derived by dividing the energy consumption data from International Energy Agency (IEA) by the corresponding country’s population data.
- **“Incremental Energy Intensity”:** which refers to the incremental energy consumption measured in a household, in which some household members have transitioned to working from home, causing an increase in residential energy use. The incremental energy intensities are an average of select countries covered by the various studies on remote work.

The value for these two categories has been taken from the estimates provided in the discussed white paper. These values are region specific, hence the values specific to region under our consideration are obtained. These regions are North, Central and South America (AMER), Europe, the Middle East and Africa (EMEA), and Asia Pacific (APAC). The energy intensity is then calculated as provided in below equation which is then multiplied with the emission factor to obtain the work from home emission.

$$\text{Energy use per day (kWh/person/day)} = \text{Baseline energy intensity (kWh)} \times \text{Ratio of incremental to baseline}$$

Where,

Ratio of incremental to baseline is the ratio of incremental energy intensity and baseline energy intensity.

$$\text{Emission from Work from home (tCO}_2\text{e)} = \text{Number of employees working from home} \times \text{Energy Intensity}$$

Purchased goods and services emissions: The total amount spend on purchased goods have been collected. Trucost’s environmentally extended input-output (EEIO) method has been used to calculate the total emission. The emission factor combines industry-specific environmental impact data with quantitative macroeconomic data on the flow of goods and services between different sectors in the economy. The scope of calculation covers the annual spent on Advertising and related services, Business support services, Employment services, Facilities support services, Insurance carriers, Management, scientific, and technical consulting services, Other computer related services, including facilities management, Software publishers, Telecom and Printing.

Capital goods emissions: The total amount spend on capital goods have been collected. Trucost’s environmentally extended input-output (EEIO) has been used to calculate the total emission. The scope of capital goods emissions covers office equipment and other hardware.

¹ Whitepaper: Estimating Energy Consumption & GHG Emissions for Remote Workers: available at <<https://www.anthesisgroup.com/whitepaper-estimating-energy-consumption-ghg-emissions-for-remote-workers/>>

Business Responsibility and Sustainability Report

(Prepared in accordance with SEBI Circular no. CIR/2021/562 dated May 10, 2021. This report should be read together with ESG Report and ESG Databook)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Corporate Identity Number (CIN) of the Listed Entity	L67120MH1987PLC042363
Name of the Listed Entity	CRISIL Limited
Year of incorporation	1987
Registered office address	CRISIL House, Central Avenue Hiranandani Business Park, Powai Mumbai 400 076
Corporate address	Same as above
E-mail	investors@crisil.com
Telephone	+91 22 33423 701 +91 22 33423 000
Website	http://www.crisil.com/
Financial year for which reporting is being done	January 1 - December 31, 2021
Name of the Stock Exchange(s) where shares are listed	Equity shares of CRISIL Limited are listed on National Stock Exchange of India Ltd (NSE) and Bombay Stock Exchange Ltd (BSE)
Paid-up Capital	Rs. 7,28,68,446
Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Sanjay Chakravarti Designation: Chief Financial Officer Telephone: +91 22 3342 3000 Email Id: investors@crisil.com
Reporting boundary	Please refer to "Reporting boundaries" on pg. no. 97 of the ESG Report.

II. Products/services

Details of business activities (accounting for 90% of the turnover)	Please refer to Table No. 2 on pg. no.134 of the ESG Databook.
Products/Services sold by the entity (accounting for 90% of the entity's Turnover)	Please refer to Table No. 2 on pg. no.134 of the ESG Databook.

III. Operations

Number of locations where plants and/or operations/offices of the entity are situated	Please refer to Table no. 1 on pg. no.134 of the ESG Databook and pg. no. 94 & 95 of the ESG Report.
Markets served by the entity: Number of locations	We have presence in 11 countries. For detailed information please refer to Table no. 1 on pg.no.134 of the ESG Databook and pg. no. 94 & 95 of the ESG Report.
What is the contribution of exports as a percentage of the total turnover of the entity?	81%
A brief on types of customers	Please refer to "Customer orientation" on pg. no. 119 of the ESG Report.

IV. Employees

Details as at the end of Financial Year	
Employees and workers (including differently abled)	Please refer to Table No. 11(a) on pg. no.137 of the ESG Databook. For details refer to “Our global workforce” on pg. no. 112 of the ESG Report.
Differently abled Employees and workers	Please refer to Table No. 11(b) on pg. no.137 of the ESG Databook.
Participation/Inclusion/Representation of women	Please refer to Table No. 5 on pg. no.135 of the ESG Databook. For details please refer to “Women colleagues drive diversity” on pg. no.112 & “CRISIL Board Highlights” on pg. no.101 of the ESG Report.
Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)	Please refer to Table No.23 on pg. no. 140 of the ESG Databook.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

Names of holding / subsidiary / associate companies / joint ventures	Please refer to Table No. 4 on pg. no.134 & 135 of the ESG Databook.
----------------------------------------------------------------------	----------------------------------------------------------------------

VI. CSR Details

Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
a) Turnover (in Rs.)*	Rs. 1052.91 crore
b) Net worth (in Rs.)*	Rs. 971.41 crore

*on standalone basis

VII. Transparency and Disclosures Compliances

Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct	Please refer to Table No.21 on pg. no.140 of the ESG Databook.
Overview of the entity’s material responsible business conduct issues	Please refer to Table No.8 on pg. no.136 of the ESG Databook. For details refer to “Materiality and Strategy” on pg. no.98 of the ESG Report.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
• Code of Ethics	• Code of Ethics	• Strategic framework on ESG offerings	• Policy on redressal of Workplace Harassment	• Stakeholder Engagement Policy	• Policy on Modern Slavery	• Environment Policy	• Framework for Responsible Public Engagement	• Policy on Corporate Social Responsibility	• Stakeholder Engagement Policy
• Code of Conduct for Board & Senior Mgt	• Supplier Diversity Policy	• Policy on redressal of Sexual Harassment	• Policy on redressal of Sexual Harassment	• Code of Ethics	• Code of Ethics	• Supplier Code of Conduct	• Responsible Public Engagement	• Policy on Social Responsibility	• Confidentiality Policy
• Whistle-blower Policy	• Equal Opportunity Policy	• Equal Opportunity Environment Policy	• Equal Opportunity Environment Policy	• Equal Opportunity Environment Policy	• Whistle-blower Policy	• Policy on redressal of Sexual Harassment	• Policy on Social Media	• Corporate Privacy Policy	
• Tax Policy	• Supplier Code of conduct	• Health & Safety Policy	• Health & Safety Policy	• Supplier Diversity Policy	• Supplier Code of Conduct				
• Policy for determining Materiality for Disclosures		• Policy on Maternity & Day Care Benefits	• Policy on Maternity & Day Care Benefits		• Policy on redressal of Sexual Harassment				
• Code of Practices and Procedures for Fair Disclosure of UPSI	• Internal Mobility Policy	• Internal Mobility Policy	• Internal Mobility Policy						
• Nomination & Remuneration Policy	• Corporate framework on Rewards & Recognition	• Corporate framework on Rewards & Recognition	• Corporate framework on Rewards & Recognition						
• Gift Policy	• Leave Policy	• Leave Policy	• Leave Policy						
• Confidentiality Policy	• Policy on Working Hours and attendance	• Policy on Working Hours and attendance	• Policy on Working Hours and attendance						
• Supplier Code of Conduct	• Transfer and Relocation Policy	• Transfer and Relocation Policy	• Transfer and Relocation Policy						
• Policy on Anti-Money Laundering & Countering Terrorist Financing	• Education assistance Policy	• Education assistance Policy	• Education assistance Policy						
	• Policy on Paid sabbatical leave	• Policy on Paid sabbatical leave	• Policy on Paid sabbatical leave						
	• Short term loan Policy	• Short term loan Policy	• Short term loan Policy						
	• Guidelines on Flexible Work Timing	• Guidelines on Flexible Work Timing	• Guidelines on Flexible Work Timing						
	• Guidelines on Mediclaim	• Guidelines on Mediclaim	• Guidelines on Mediclaim						

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
b. Has the policy been approved by the Board? (Yes/No)	First 7 policies are Board approved. Rest have been approved by Management	Approved at various levels of Management	Approved at various levels of Management	First 2 policies are Board approved. Rest have been approved by Management	First 3 policies are Board approved. Rest have been approved by Management	Approved by Management	First policy is Board approved. Second has been approved by Management	Approved by Board	First policy is Board approved. Balance two have been approved by Management
c. Web Link of the Policies, if available	https://www.crisil.com/en/home/investors/corporate-governance.html	Available on Company internal network/intranet.	Available on Company internal network/intranet	https://www.crisil.com/en/home/investors/corporate-governance.html Last 2 available on Company internal network/intranet	https://www.crisil.com/en/home/investors/corporate-governance.html Last policy available on Company internal network/intranet	https://www.crisil.com/en/home/investors/corporate-governance.html	https://www.crisil.com/en/home/investors/corporate-governance.html Last one available on Company internal network/intranet	https://www.crisil.com/en/home/investors/corporate-governance.html	https://www.crisil.com/en/home/investors/corporate-governance.html
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y. Supplier Code of Conduct extends to value chain partners	Y. Supplier Code of Conduct and Supplier Diversity Policy extends to value chain partners	No	No	Y. Modern Slavery Policy and Supplier Code of Conduct extends to value chain partners	Y. Supplier Code of Conduct extends to value chain partners	No	No	No
4. Name of the national and international codes/ certifications/ labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea standards (e.g.SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	None								
	ISO 27001 for Information Security								

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.

Please refer to “Our ESG goalpost” on pg. no. 97 of the ESG Report.

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.

Please refer to the following KPIs and initiatives on ESG performance:

- i) “Reduced GHG Emissions” on pg. no. 127 of the ESG Report.
- ii) “Diversity and Inclusion” on pg. no. 111 of the ESG Report.
- iii) “Women colleague drive diversity” on pg. no. 112 of the ESG Report.
- iv) “Employee engagement” on pg. no. 115 of the ESG Report.
- v) “Supplier Diversity” on pg. no. 118 of the ESG Report.
- vi) “Supply chain sustainability assessment” on pg. no. 118 of the ESG Report.
- vii) “Corporate Governance on pg. no. 65 of the Annual Report”

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

Please refer to “Message from MD & CEO” on pg. no. 92 & 93 of the ESG Report

Governance, leadership and oversight

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

The Managing Director and Chief Executive Officer of CRISIL Limited is responsible for implementation and oversight of the Business Responsibility policy(ies)

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Yes.

CRISIL Limited has formed a Management level Steering Committee. The MD & CEO of the Company is a part of the Committee. The Committee meets at regular intervals to evaluate the environmental, social and economic performance of the Company and continues to strengthen the efforts on ESG. During the year 2021, total 9 Committee meetings were held to review new policies introduced during 2021 for ESG, monitoring key metrics, reviewing progress on key initiatives to enhance ESG performance and reporting updates.

10. Details of Review of NGRBCs by the Company

Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee

	P1	P2	P3	P4	P5	P6	P7	P8	P9
Review by	Board Committee	Board	Board/ Board Committee	Board/ Board Committee	Board Committee	Board/ Board Committee	Board	Board Committee	Board
Frequency	Quarterly	Need basis	Quarterly	Quarterly	Quarterly	Half-yearly	Need basis	Half-yearly	Quarterly
Compliance with statutory requirements & rectification of any non-compliances	Status of compliance with all applicable statutory requirements is reviewed on a quarterly basis by the CRISIL Board.								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

No

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Not applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 **Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year.	Please refer to Table No.6 on pg. no.135 of the ESG Databook.
2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year	No fines/penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year.
3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed	Not Applicable
4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.	No, CRISIL currently does not have anti-corruption or anti-bribery policy. However, CRISIL's Code of Ethics, inter-alia, covers prohibition of bribery and corruption. CRISIL's Code of Ethics is available at https://www.crisil.com/content/dam/crisil/investors/corporate-governance/code-of-ethics.pdf
5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption	No such instances of bribery/corruption took place during the year.
6. Details of complaints with regard to conflict of interest	No complaints with regard to conflict of interest were received during the year.
7. Provide details of any corrective action taken or underway on issues related to fines /penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest	Not applicable as there were no such instances.

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year	During 2021, an aggregate of 5018.89 hours of training was imparted to contract staff covering topics such as prevention of sexual harassment, code of ethics, information & cyber security, data privacy and personal trading. Please refer to Table No.9 on pg. no.137 of the ESG Databook.
2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.	Yes. CRISIL has in place a comprehensive "Code of Conduct for Directors and Senior Management" available at https://www.crisil.com/content/dam/crisil/investors/corporate-governance/code-directors-sr-management.pdf . Every Board member discloses the names of the entities or arrangements in which they are interested which is brought to the attention of the Board.

PRINCIPLE 2 **Businesses should provide goods and services in a manner that is sustainable and safe.**

ESSENTIAL INDICATORS

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.</p> | <p>ESG is a strategic and important agenda for CRISIL, and we integrate ESG factors in our offerings. Considering that we are in the services sector, our offerings rely on niche data, practical deep insights and cutting edge analysis and as such are not capital intensive in nature. Capex is predominantly in the form of IT investment as we invest regularly in our IT infrastructure for improving our customer interface and meet security and data privacy needs.</p> |
| <p>2.a) Does the entity have procedures in place for sustainable sourcing? (Yes/No)</p> <p>b) If yes, what percentage of inputs were sourced sustainably?</p> | <p>Yes. For details please refer to “Sustainable Supply Chain” on pg. no. 118 of the ESG Report.</p> <p>170 suppliers covering 52% of our spend were assessed for ESG practices.</p> <p>For details, please refer to “Supply Chain Sustainability Assessment” on pg. no. 118 of the ESG Report.</p> |
| <p>3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.</p> | <p>Not Applicable.</p> <p>CRISIL is in the service business; it does not have manufactured products. Hence these issues are not relevant.</p> |
| <p>4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.</p> | <p>Not Applicable.</p> <p>CRISIL is in the service business; it does not have manufactured products. Hence these issues are not relevant.</p> |

LEADERSHIP INDICATORS

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?-</p> | <p>Not Applicable.</p> <p>CRISIL is in the service business; it does not have manufactured products. Hence these issues are not relevant</p> |
| <p>2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.</p> | <p>Not Applicable.</p> <p>CRISIL is in the service business; it does not have manufactured products. Hence these issues are not relevant.</p> |
| <p>3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)</p> | <p>As CRISIL is in the services business we do not have large spends on input material (input material is 0.37% of total spends), offering opportunity for reuse or recycling. However, we have taken specific initiatives wherever possible, to optimize resources and recycle, which are outlined under “Water conservation” and “Waste Management” on pg. no.127 and table no. 27(b) on pg. no. 143 of the ESG Databook.</p> |
| <p>4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed</p> | <p>Not Applicable.</p> <p>CRISIL is in the service business; it does not have manufactured products. Hence these issues are not relevant.</p> |
| <p>5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category</p> | <p>Not Applicable.</p> <p>CRISIL is in the service business; it does not have manufactured products. Hence these issues are not relevant.</p> |

PRINCIPLE 3 **Businesses should respect and promote the well-being of all employees, including those in their value chains**

ESSENTIAL INDICATORS

1. a) Details of measures for the well-being of employees	Please refer to Table no. 14 on pg. no.138 of the ESG Databook. For details please refer to “Promoting health and wellness” on pg. no. 115 of the ESG report.
b) Details of measures for the well-being of workers	CRISIL does not have any workers.
2. Details of retirement benefits, for Current FY and Previous Financial Year	Please refer to Table no. 13 on pg. no.138 of the ESG Databook.
3. Accessibility of workplaces Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.	Our offices are accessible with ramps at applicable locations. At large office locations like Mumbai, Gurugram & Pune washrooms are enabled for wheel chair access. For details, please refer “Initiatives for differently abled colleagues” on pg. no. 113 of the ESG Report.
4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.	CRISIL has adopted “Equal Opportunity Environment Policy” and the same is available on Company’s intranet for internal stakeholders. For more details please refer “Equal opportunities and treatment” on pg. no. 113 of the ESG Report.
5. Return to work and Retention rates of permanent employees and workers that took parental leave.	Please refer to Table no. 16 on pg. no. 138 of the ESG Databook.
6. Is there a mechanism available to receive and redress grievances for employees and workers? If yes, give details of the mechanism in brief.	Yes, employee can reach out to their managers and HR business partners to redress their grievances in terms of the “Policy on redressal of work place harassment”. The mechanism is also applicable to vendors and contractual staff working on CRISIL premises.
7. Membership of employees and worker in association(s) or Unions recognized by the listed entity	CRISIL recognizes the right to freedom of association in accordance with the laws of the land. However, we do not have a recognized employee association.
8. Details of training given to employees and workers	Please refer to Table no. 17 on pg. no.139 of the ESG Databook. For details refer to “Talent development and training” on pg. no. 114 of the ESG Report.
9. Details of performance and career development reviews of employees and worker	Please refer to Table no. 15 on pg. no. 138 of the ESG Databook.
10. Health and safety management system:	
a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?	Yes. CRISIL has implemented a “Health and Safety Policy” at its workplaces. Details on the policy and the other initiatives taken towards health and safety considerations are mentioned under “Promoting health and wellness” on pg. no. 115 of the ESG report.
b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	Being in the financial services sector, our workplace and processes are inherently non-hazardous and safe in nature. For details on Health and safety assessments, please refer to “Promoting health and wellness” on pg. no. 115 of the ESG Report.
c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)	Yes. For details please refer to “Promoting health and wellness” on pg. no. 115 of the ESG Report.

d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes. Please refer to “Care during pandemic” on pg. no. 116 & 117 of the ESG Report and table no 14 on pg. no. 138 of the ESG Databook.
11. Details of safety related incidents	There were no safety related incidents during the current and the previous financial year.
12. Describe the measures taken by the entity to ensure a safe and healthy work place.	Measure are described under “Promoting health and wellness” on pg. no. 115 of the ESG Report.
13. Number of Complaints made by employees and workers	Please refer to Table no. 22 on pg. no.140 of the ESG Databook.
14. Assessments of plants and offices on health and safety practices, working conditions, etc. for the year	Please refer to Table no. 20 on pg. no.139 of the ESG Databook.
15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.	There were no safety related incidents reported during 2021.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of:	
(A) Employees (Y/N)	Yes. CRISIL extends life insurance/ compensatory packages in the event of death of employee.
(B) Workers (Y/N)	Not applicable as CRISIL does not have any workers
2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.	We contractually bind our major suppliers of IT support, staffing solutions partners, facility management and security services that employ people from the more vulnerable sections with lower literacy levels, to comply with labour standards such as minimum wages, gratuity, bonus, leave, employees’ state insurance and other employment laws.
3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	None of the employees from CRISIL suffered high consequence work-related injury / ill-health / fatalities during 2021. Hence, not applicable.
4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)	We provide retirement planning assistance for employees who are in the retirement stage which includes coverage of financial planning, investment opportunities evaluation, and corpus protection. For role closures, we align the employees to a well-known placement consultancy. We had also launched “ReBoot with CRISIL” programme which was exclusively for women who were on a career break. Flexible working hours option was extended to them for their smooth return to work and re-start of their career.
5. Details on assessment of value chain partners	Please refer to Table no. 19 on pg. no.139 of the ESG Databook. For details please refer to “Supply Chain Sustainability Assessment” on pg. no. 118 of the ESG Report.
6. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from assessments of health and safety practices and working conditions of value chain partners.	CRISIL has commenced assessment of its value chain partners on various parameters including the health & safety practices and working conditions. Based on current year assessment, no gaps have been identified necessitating corrective actions.

PRINCIPLE 4 **Businesses should respect the interests of and be responsive to all its stakeholders**

ESSENTIAL INDICATORS

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. Describe the processes for identifying key stakeholder groups of the entity.</p> | <p>CRISIL has in place “Stakeholder Engagement Policy” accessible at https://www.crisil.com/content/dam/crisil/investors/corporate-governance/CRISIL-Stakeholder-Engagement-Policy.pdf</p> <p>In terms of this policy, CRISIL identifies stakeholders as those individuals, groups of individuals or organizations that affect and/or could be affected by, or could impact the Company’s activities, products or services and associated performance. The process of identification of stakeholders includes the basis of engagement and is guided by:</p> <ul style="list-style-type: none"> • Direct or indirect dependence on the Company’s activities, products or services and associated performance • Groups or individuals engaged with the Company with regard to financial, economic, social or environmental issues • Groups or individuals who can have an impact on the Company’s strategic or operational decision-making • Groups or individuals with whom the Company has, or may have in future, legal, commercial or operational responsibilities |
| <p>2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group</p> | <p>Refer to the tables on employee engagement, supplier engagement and listening to customers on pg. no. 115, pg. no. 119, pg. no. 120 of the ESG Report and “means of communication” on pg. no. 75 of the Corporate Governance Report.</p> |

LEADERSHIP INDICATORS

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.</p> | <p>CRISIL believes that proactive and continuous engagement with key stakeholders is key to success of a business enterprise. At CRISIL, feedback gathered in the course of engagement with stakeholders is considered and, after due evaluation, incorporated to improve business processes. Significant learnings may also help shape CRISIL’s strategic initiatives and growth levers. Stakeholders are encouraged to put forth any concerns relating to their engagement with CRISIL and to reach out to senior management, if necessary. The engagement scores, complaints and other feedback from stakeholders are monitored at various levels of management, and also receive the highest attention from the Board/Board Committee in its reporting processes.</p> |
| <p>2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.</p> | <p>At CRISIL, consultation with the stakeholders is important for management of the ESG attributes in the areas of diversity & inclusion, stakeholder engagement and ESG offerings. Such feedback is an important input while devising goals and plans in these areas.</p> |
| <p>3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.</p> | <p>Annual engagement surveys are conducted for assessing expectations of stakeholder groups. Please refer to tables on pg. no. 115, pg. no. 119, pg. no. 120 of the ESG Report on the outcomes of these surveys</p> |

PRINCIPLE 5 **Businesses should respect and promote human rights**

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy (ies) of the entity	Please refer to table no. 18 on pg. no.139 of the ESG Databook.
2.Details of minimum wages paid to employees and workers	Please refer to table no. 12 on pg. no.137 of the ESG Databook.
3.Details of remuneration/salary/wages	Please refer to table no. 7 on pg. no.135 of the ESG Databook.
4.Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/ No)	Yes. Please refer to “Grievance Redressal” on pg. no. 105 of the ESG Report.
5.Describe the internal mechanisms in place to redress grievances related to human rights issues.	Please refer to “Grievance Redressal” on pg. no. 105 of the ESG Report.
6.Number of Complaints on Sexual Harassment, Discrimination at workplace, Child Labour, Forced Labour/Involuntary Labour, etc. made by employees and workers	Please refer to Table no. 22 on pg. no.140 of the ESG Databook.
7.Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.	CRISIL has in place “Policy on redressal of work place harassment” which specifies the detailed procedure to report and redress harassment cases. In terms of the policy, retaliation, in any form, against an employee or applicant for employment who exercises his/her right to make a complaint, in good faith is strictly prohibited. Also “Whistleblower Policy” of CRISIL protects complainant from any form of reprisal for reporting complaints under the policy.
8.Do human rights requirements form part of your business agreements and contracts? (Yes/No)	We contractually bind our major suppliers of IT support, staffing solutions partners, facility management and security services that employ people from the more vulnerable sections with lower literacy levels, to comply with human rights requirements.
9.Assessments of office on human rights for the year	Please refer to Table no. 20 on pg. no.139 of the ESG Databook. For further details please refer to “Respect for Human rights” on pg. no. 117 of the ESG Report.
10.Provide details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments at Question 9 above.	Based on current year assessment, no gaps have been identified necessitating corrective actions.

LEADERSHIP INDICATORS

1. Details of a business process being modified /introduced as a result of addressing human rights grievances/ complaints.	CRISIL has not received any complaint in respect of child labour or forced labour. CRISIL upholds the basic principles of human rights in all its dealings and is committed to acting ethically and with integrity in its business dealings. Slavery and human trafficking are severest forms of human rights abuse and to prevent and combat this we have published the Modern Slavery Statement. CRISIL regularly sensitises its employees on appropriate behaviours respecting human rights through various training programmes.
2.Details of the scope and coverage of any Human rights due-diligence conducted.	Please refer to Table no. 20 on pg. no.139 of the ESG Databook. For further details please refer to “Respect for Human rights” on pg. no. 117 of the ESG Report.

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016? | Our offices are accessible with ramps at applicable locations. At large office locations like Mumbai, Gurugram & Pune washrooms are enabled for wheel chair access. For details, please refer 'Initiatives for differently abled colleagues' on pg. no. 113 of the ESG Report. |
| 4. Details on assessment of value chain partners | Please refer to Table no. 19 on pg. no. 139 of the ESG Databook. For more details, refer to "Supply Chain Sustainability Assessment" on pg. no. 118 of the ESG report. |
| 5. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments at Question 4 above. | Based on current year assessment, no gaps have been identified necessitating corrective actions. |

PRINCIPLE 6 **Businesses should respect and make efforts to protect and restore the environment**

ESSENTIAL INDICATORS

- | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Details of total energy consumption (in Joules or multiples) and energy intensity | Please refer to Table no. 25(a) on pg. no. 142 of the ESG Databook. |
| 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. | Not applicable since CRISIL's operations do not relate to the designated consumers specified under the PAT scheme of the Government of India. |
| 3. Provide details related to water | Please refer to Table no. 25(b) on pg. no. 142 of the ESG Databook on water consumption in our operations. Currently we do not have the mechanism to measure the water discharge from our operations. However, recognizing the importance of optimal usage of resources, CRISIL strives to conserve water. For details, please refer to "Water conservation" on pg. no. 127 of the ESG Report. |
| 4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. | No, currently we do not have a mechanism for Zero Liquid Discharge.
For other details, please refer to "Water conservation" on pg. no. 127 of the ESG Report. |
| 5. Please provide details of air emissions (other than GHG emissions) by the entity | Please refer to Table no. 28 on pg. no. 143 of the ESG Databook. |
| 6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity | Please refer to Table no. 29(a) on pg. no. 143 of the ESG Databook. For details refer to "Reduced GHG Emissions" on pg. no. 127 of the ESG Report. |
| 7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. | For details refer to "Energy conservation" and "Reduced GHG Emissions" from pg. no. 126 & 127 of the ESG Report. |
| 8. Provide details related to waste management by the entity | Please refer to Table no. 27 (a, b & c) on pg. no. 143 of the ESG Databook. For details please refer to "Waste Management" on pg. no. 127 of the ESG Report. |
| 9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes. | Being in the financial services sector, our processes are inherently non-hazardous and safe in nature and does not involve usage of hazardous and toxic chemicals. For waste management practices adopted by CRISIL, please refer to "Waste Management" on pg. no. 127 of the ESG Report. |

- 12. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required**
- We do not have operations/offices in/around ecologically sensitive areas.
- 13. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year**
- Not applicable. Environmental impact assessment is applicable for companies operating in infrastructure development and not relevant for CRISIL's operations.
- 14. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances.**
- Yes.

LEADERSHIP INDICATORS

- 1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources**
- Energy consumption from renewable sources is Nil. Overall energy consumption for the year 2021 has been reported under "Energy consumption" on pg. no. 126 of the ESG Report.
- 2. Provide details related to water discharged**
- Currently we do not have the mechanism to measure the water discharge from our operations. However, recognizing the importance of optimal usage of resources, CRISIL strives to conserve water. For details, please refer to "Water conservation" on pg. no. 127 of the ESG Report.
- 3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**
- 1. For each facility / plant located in areas of water stress, provide the following information:**
- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge
- CRISIL offices are not located in areas which are water stressed. We do not use groundwater. Water supplied to CRISIL offices is from the city municipal supply.
- 4. Please provide details of total Scope 3 emissions & its intensity**
- Please refer to Table no. 29(b) on pg. no. 143 of the ESG Databook.
- 5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**
- Not applicable as we do have operations/offices in/around ecologically sensitive areas.
- 6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives.**
- Please refer to "Reduced GHG Emission" on pg. no. 127 of the ESG Report and Table no. 26 on pg. no. 142 of the ESG Databook.
- 7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link**
- Please refer to "Business continuity and disaster recovery" on pg. no. 121 of the ESG Report.
- 8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**
- CRISIL has conducted the assessment of its suppliers, including environmental impact. This assessment covered 52% of our procurement spend (excluding employee and associate costs, rental, utilities and bank charges). Based on this assessment, no corrective action has been necessitated on the aforesaid parameters.
- 9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

PRINCIPLE 7 **Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

ESSENTIAL INDICATORS

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| <p>1.a. Number of affiliations with trade and industry chambers/ associations.</p> <p>b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to</p> | <p>Please refer to Table no.10 on pg. no.137 of the ESG Databook.</p> |
| <p>2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.</p> | <p>There are no instances of adverse orders from regulatory authorities for anti-competitive conduct.</p> |

LEADERSHIP INDICATORS

- | | |
|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| <p>Details of public policy positions advocated by the entity</p> | <p>Please refer to “Knowledge Organisation” on pg. no. 103 & 104 of the ESG Report.</p> |
|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|

PRINCIPLE 8 **Businesses should promote inclusive growth and equitable development**

ESSENTIAL INDICATORS

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year</p> | <p>Not Applicable. However, CRISIL undertakes impact assessment of the CSR Projects undertaken by it. Refer to table no. 24(a) on page 141 of ESG Databook.</p> |
| <p>2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement(R&R) is being undertaken by your entity</p> | <p>Not Applicable.</p> |
| <p>3. Describe the mechanisms to receive and redress grievances of the community.</p> | <p>In areas where CRISIL Foundation is undertaking long term CSR Projects, an on-ground field team is available at the community level to address and respond to any grievances from the community. This is carried out either face-to-face within the office premises, or over telephonic call - gauging the level of the grievance. In addition, each programme has a designated Manager from CRISIL Foundation who periodically monitors and interacts with the teams and beneficiaries to receive feedback and address their queries/ concerns if any.</p> |
| <p>4. Percentage of input material (inputs to total inputs by value) sourced from suppliers</p> | <p>Please refer to table no. 24 on pg. no. 141 of the ESG Databook.</p> |

LEADERSHIP INDICATORS

- | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| <p>1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)</p> | <p>Not Applicable.</p> |
| <p>2. Provide information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies</p> | <p>Please refer to table no. 24(b) on pg. no. 141 of the ESG Databook.</p> |

3.a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)	CRISIL has in place “Suppliers Diversity Policy”. For more details, please refer to “Supplier diversity” on pg. no. 118 of the ESG Report.
b) From which marginalized /vulnerable groups do you procure?	Please refer to “Supplier diversity” on pg. no. 118 of the ESG Report.
c) What percentage of total procurement (by value) does it constitute?	Please refer to “Supplier diversity” on pg. no. 118 of the ESG Report.
4.Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge	CRISIL’s services do not require use of intellectual properties from communities or use of traditional knowledge.
5.Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved	CRISIL services do not require use of intellectual properties from communities or use of traditional knowledge.
6.Details of beneficiaries of CSR Projects	Please refer to table no. 24(c) on pg. no.141 of the ESG Databook.

PRINCIPLE 9 **Businesses should engage with and provide value to their consumers in a responsible manner**

ESSENTIAL INDICATORS

1.Describe the mechanisms in place to receive and respond to consumer complaints and feedback.	Please refer to “Listening to customers” on pg. no. 120 of the ESG Report.
2.Turnover of products and/ services as a percentage of turnover from all products/service that carry information about social and environmental parameters, safe and responsible usage, recycling and safe disposal.	Not applicable considering the nature of CRISIL’s business.
3.Number of consumer complaints in respect of data privacy, advertising, cyber-security, unfair trade practices, etc.	During the year, no consumer complaints were received in respect of data privacy, advertising, cyber-security, unfair trade practices, etc.
4.Details of instances of product recalls on account of safety issues	Not applicable considering the nature of CRISIL’s business.
5.Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy	Please refer to “Data leakage protection & protection from cyber risks” on pg. no. 121 and “Data privacy” on pg. no. 122 of the ESG Report. Additionally, CRISIL also has adopted “CRISIL Global Corporate Privacy policy “which can be accessed at https://www.crisil.com/en/home/crisil-privacy-notice.html .
6.Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.	There were no penalty/action taken by the regulatory authorities in respect of safety of products or services. Aspects such as product recalls and delivery of essential services are not applicable to CRISIL. CRISIL has taken a number of measures to enhance cyber and information security infrastructure. For details refer to “Data leakage protection & protection from cyber risks” on pg. no. 121 and “Data privacy” on pg. no. 122 of the ESG Report.

LEADERSHIP INDICATORS

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).</p> | <p>Details on products and services offered by CRISIL is available at https://www.crisil.com/en/home/our-product.html.</p> |
| <p>2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.</p> | <p>Not applicable considering the nature of CRISIL's business.</p> |
| <p>3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.</p> | <p>Not applicable considering the nature of CRISIL's business.</p> |
| <p>4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)</p> | <p>Please refer to "Engagement practices" on pg. no. 120 of the ESG Report.</p> |

Modern Slavery Act, 2015

Statement

This statement is published by CRISIL Ltd about and to enable its subsidiaries that are subject to the Act, including in particular CRISIL Irevna UK Ltd and Coalition UK Ltd (subsidiaries). CRISIL and its subsidiaries are together referred to as CRISIL entities.

Forced, bonded or compulsory labour, human trafficking and other kinds of slavery signify some of the severest forms of human rights abuse. We are committed to improving our practices to combat slavery and human trafficking.

Organisational structure

CRISIL Ltd provides ratings, research, and risk and policy advisory services in the knowledge process and business process outsourcing sector. S&P Global Inc is the parent company. CRISIL has its registered office in Mumbai, India. We operate in India, China, Singapore, England, Poland, Argentina, Australia and the United States of America, and have about 4,000 employees worldwide.

Our global annual turnover is in excess of £36 million.

Our supply chains

Our supply chains include consultants, advisors, IT (hardware and software) and other office equipment suppliers, professional services from our lawyers, accountants and other advisers, security, catering, office cleaning and other office facilities services, staffing companies, etc.

We require all of our suppliers to conduct business in a lawful and ethical manner as part of our supplier on-boarding process, and accept our trading terms and conditions.

Our policies on slavery and human trafficking

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Modern Slavery Act, 2015, policy reflects our commitment to acting ethically and with integrity in all our business relationships, and implementing and enforcing effective systems and controls, to ensure no slavery and human trafficking takes place in our supply chains.

Due-diligence processes for slavery and human trafficking

As part of our initiative to identify and mitigate risk, we have in place systems to:

- Identify and assess potential risk areas in our supply chains
- Mitigate the risk of slavery and human trafficking in our supply chains
- Protect whistle blowers
- Monitor potential risk areas in our supply chains
- Where possible, build long-standing relationships with local suppliers and make clear our expectations of business behaviour

Supplier adherence to our values

We have zero tolerance to slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our values and ethics.

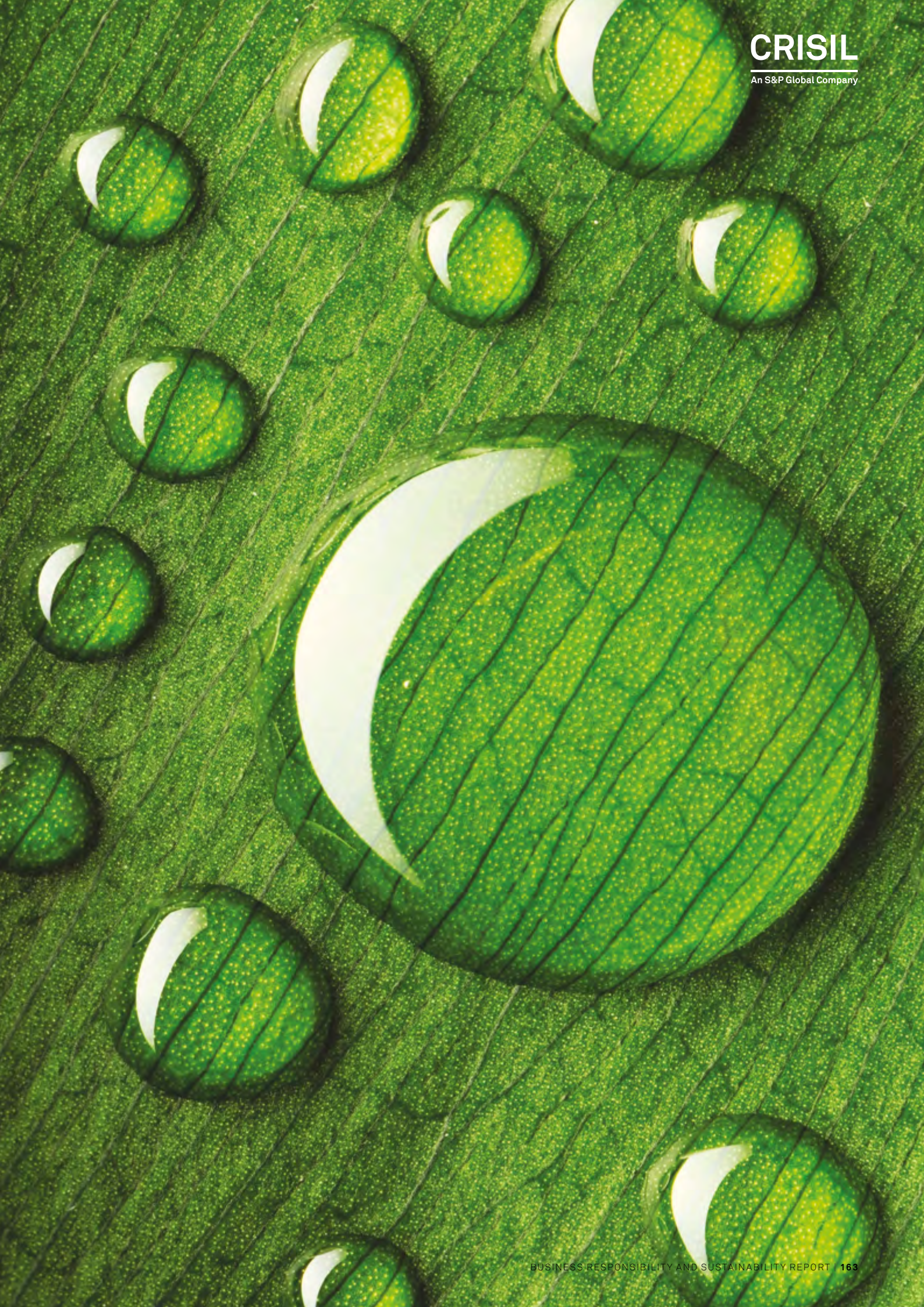
Training

We provide training to our staff to ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business.

Our effectiveness in combating slavery and human trafficking

The Act is relatively new and very few companies, including CRISIL entities, have experience of seeking out, let alone detecting, slavery or trafficking among their own staff or among their suppliers. To date, CRISIL entities are yet to detect or suspect that any CRISIL entities or suppliers employ persons who may be enslaved or trafficked. Therefore, key performance indicators can be set only in respect of reasonable due diligence efforts once experience of the initial outputs of such exercises are collated and analysed.

This statement is made pursuant to Section 54(1) of the Modern Slavery Act, 2015, and constitutes our slavery and human trafficking statement.



CREATING POSSIBILITIES

Through cutting-edge technology



Enhanced cloud readiness and deployed Office 365



Launched new, tech based solutions to help clients in performance monitoring and risk management



Upgraded Ratings operations workflow using modern technology to improve process robustness and our ability to capture process data, providing a more engaging and user-friendly experience



Financial Statements

Consolidated Financial Statements

Independent Auditor's Report

To the Members of CRISIL Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of CRISIL Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure I which comprise the Consolidated Balance Sheet as at 31 December 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, and the branch of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group, as at 31 December 2021, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.
5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the relevant provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. Key audit matter are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, and branch of subsidiary, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition:</p> <p>The Group's income from operations comprises of income from initial rating and surveillance services, global research and risk solutions services, customized research, special assignments and subscriptions to information products and services, revenue from initial public offering (IPO) grading services, independent equity research (IER) services, infrastructure advisory and risk management services. Refer Note 2.18 to the consolidated financial statements, for details of revenue recognized during the year.</p>	<p>Our audit of the recognition of contract revenue included, but was not limited to, the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the revenue and receivable business process, and assessed the appropriateness of the revenue recognition policies adopted by the Group; • Evaluated key controls around the recognition of contract revenue. Tested the design, implementation and operating effectiveness of these identified key controls during the year and as at the year-end. • Evaluated the appropriateness of accounting policies selected by the Group on the basis of our understanding of the Group, the nature and size of its operations, and the requirement of relevant accounting standards under the IND AS framework;

The application of this accounting standard is complex and is an area of focus in the audit, as it involved application of significant judgements and estimates relating to identification of distinct performance obligations, determination of transaction price of identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

Due to the significance of the item to the financial statements, complexities involved, and management judgement involved for ensuring appropriateness of accounting treatment, this matter has been identified as a key audit matter for the current year's audit.

- On a sample of contracts, tested the revenue recognition and our procedures included:
 - reviewing the contract terms and conditions;
 - evaluating the identification of performance obligations of the contract;
 - evaluating the appropriateness of management's assessment of manner of satisfaction of performance obligations and consequent recognition of revenue; and
 - evaluating the reasonableness of the estimates involved in the recognition of revenue from initial rating and surveillance services including testing the calculation of fee allocation to rating and surveillance, in determining revenue from infrastructure advisory and risk management services in accordance with the percentage of completion method etc.;
- Tested revenue recognition for cut-off transactions on sample basis to assess whether timing of revenue recognition is appropriate;
- Evaluated the appropriateness and adequacy of the disclosures made in the accompanying consolidated financial statements for revenue recorded during the year.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding

Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group, covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. We did not audit the financial statements of two subsidiaries and one branch of subsidiary, whose financial statements reflects total assets of ₹6,295.29 lakhs and net assets of ₹5,033.11 lakhs as at 31 December 2021, total revenues of ₹4,950.16 lakhs and net cash inflows amounting to ₹351.07 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and branch of subsidiary, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and branch of subsidiary are based solely on the reports of the other auditors.

Further, of these all the subsidiaries and branch of the subsidiary, are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and

which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and branch of a subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiaries and branch of a subsidiary located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit, we report that the Holding Company, its two subsidiary company covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that one subsidiary company covered under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary company
17. As required by section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and branch of a subsidiary we report, to the extent applicable, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors,
 - c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors of the Holding Company

and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies, covered under the Act, are disqualified as on 31 December 2021 from being appointed as a director in terms of section 164(2) of the Act.

- f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II'; and
- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and a branch of a subsidiary:
 - i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 36 (A) (2) to the consolidated financial statements;
 - ii. the Holding Company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 December 2021;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, during the year ended 31 December 2021; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandio & Co LLP

Chartered Accountants
Firm's Registration No.: 001076N/N500013

Khushroo B. Panthaky

Partner
Membership No.: 042423

UDIN: 22042423ACISKV8864

Place: Mumbai
Date: 15 February 2022

Annexure I

List of subsidiaries included in the Statement

1. CRISIL Risk and Infrastructure Solutions Limited
2. CRISIL Irevna UK Limited
3. CRISIL Irevna US LLC
4. CRISIL Irevna Poland Sp.Z.oo.
5. CRISIL Irevna Information Technology (Hangzhou) Co. Ltd.
6. Coalition Development Limited
7. Coalition Development Singapore Pte. Ltd.
8. CRISIL Irevna Argentina S.A
9. Pragmatix Services Private Limited
10. CRISIL Ratings Limited .
11. Greenwich Associates LLC
12. Greenwich Associates Singapore Pte. Ltd.
13. Greenwich Associates Japan K.K
14. Greenwich Associates Canada ULC
15. Greenwich Associates UK Limited
16. Greenwich Associates UK (Holdings) Ltd (till 13 October 2021)
17. CRISIL Irevna Australia Pty Ltd

Annexure II

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of CRISIL Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 December 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company and its three subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its three subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its three subsidiary companies as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or

Annexure II

improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Khushroo B. Panthaky

Partner

Membership No.: 042423

UDIN: 22042423ACISKV8864

Place : Mumbai

Date: 15 February 2022

Opinion

8. In our opinion, the Holding Company and its three subsidiary companies which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 December 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Consolidated Balance Sheet

as at December 31, 2021

(Rupees in lakhs)

Particulars	Notes	As at December 31, 2021	As at December 31, 2020
ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	4,034	4,102
(b) Right of use asset	4	12,700	20,908
(c) Goodwill	5	37,267	37,586
(d) Intangible assets	6	12,081	13,656
(e) Intangible assets under development		549	1,357
(f) Financial assets			
i Investments	7	19,538	17,028
ii Loans	8	2,989	2,455
iii Other financial assets	9	41	108
(g) Deferred tax assets (net)	10	5,921	6,406
(h) Tax assets	11	11,570	7,969
(i) Other non-current assets	12	331	654
2. Current assets			
(a) Financial assets			
i Investments	7	44,946	30,574
ii Trade receivables	13	39,854	30,736
iii Cash and cash equivalents	14	28,992	27,488
iv Other bank balances	15	443	380
v Loans	16	715	2,121
vi Other financial assets	17	15,682	10,176
(b) Other current assets	18	12,734	6,643
3. Asset held for sale	19	-	318
TOTAL ASSETS		250,387	220,665
EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	20	729	726
(b) Other equity		157,113	130,455
2. Non-current liabilities			
(a) Financial liabilities			
i Other financial liabilities	21	10,205	18,461
(b) Provisions	22	2,115	2,139
(c) Other non-current liabilities	23	50	-
3. Current liabilities			
(a) Financial liabilities			
i Trade payables	24		
Total outstanding dues of micro enterprises and small enterprises		13	10
Total outstanding dues of creditors other than micro enterprises and small enterprises		13,357	10,526
ii Other financial liabilities	25	29,041	24,541
(b) Provisions	26	8,152	8,388
(c) Tax liabilities	27	528	1,620
(d) Other current liabilities	28	29,084	23,799
TOTAL EQUITY AND LIABILITIES		250,387	220,665
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our audit report of even date

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration No.:001076N/N500013

Khushroo B. Panthaky

Partner

Membership No.: 042423

Place: Mumbai

Date: February 15, 2022

For and on behalf of the Board of Directors of CRISIL Limited
John L Berisford

Chairman

[DIN: 07554902]

Place: Connecticut

Sanjay Chakravarti

Chief Financial Officer

Place: Mumbai

Date: February 15, 2022

Amish Mehta

Managing Director and Chief Executive Officer

[DIN: 00046254]

Place: Mumbai

Minal Bhosale

Company Secretary

Place: Mumbai

Consolidated Statement Of Profit And Loss

for the year ended December 31, 2021

(Rupees in lakhs)

Particulars	Notes	Year ended December 31, 2021	Year ended December 31, 2020
Income			
Revenue from operations	29	230,069	198,183
Other income	30	7,702	8,315
Total		237,771	206,498
Expenses			
Employee benefit expenses	31	128,691	106,844
Finance cost	32	893	1,439
Depreciation and amortisation expenses	3, 4 & 6	10,598	12,111
Other expenses	33	40,327	40,275
Total		180,509	160,669
Profit before exceptional item and tax		57,262	45,829
Exceptional item	19.1	4,582	-
Profit before tax		61,844	45,829
Tax expense charge/ (credit)	10		
Current tax		15,004	11,984
Deferred tax		259	(1,628)
Total tax expense		15,263	10,356
Profit after tax for the year		46,581	35,473
Other comprehensive (income)/expense (OCI)			
A. Items that will be reclassified to profit or loss:			
Exchange differences in translating the financial statements of a foreign operation		(99)	(2,078)
The effective portion of gains or (loss) on hedging instruments in a cash flow hedge		(632)	(605)
Tax effect on above		159	153
B. Items that will not be reclassified to profit or loss:			
Remeasurements of the defined benefit plans		(182)	513
Equity instruments through other comprehensive income		(2,510)	3,052
Tax effect on above		61	(150)
Total other comprehensive (income)/ loss		(3,203)	885
Total comprehensive income for the year		49,784	34,588
Profit attributable to:			
Owners of the Company		46,581	35,473
Non-controlling interest		-	-
Total comprehensive income attributable to:			
Owners of the Company		49,784	34,588
Non-controlling interest		-	-
Earnings per share : Nominal value of Rupee 1 per share	46		
Basic		64.03	48.93
Diluted		63.96	48.90
Number of equity shares used in computing earnings per share			
Basic		72,750,531	72,494,072
Diluted		72,827,971	72,547,286
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Profit And Loss referred to in our audit report of even date

For Walker Chandiok & Co LLPChartered Accountants
Firm Registration No.:001076N/N500013**Khushroo B. Panthaky**Partner
Membership No.:042423

Place: Mumbai

Date: February 15, 2022

For and on behalf of the Board of Directors of CRISIL Limited**John L Berisford**Chairman
[DIN: 07554902]
Place: Connecticut**Sanjay Chakravarti**Chief Financial Officer
Place: Mumbai

Date: February 15, 2022

Amish MehtaManaging Director and Chief Executive Officer
[DIN: 00046254]
Place: Mumbai**Minal Bhosale**Company Secretary
Place: Mumbai

Consolidated Cash Flow Statement

for the year ended December 31, 2021

(Rupees in Lakhs)

Particulars	Year ended December 31, 2021	Year ended December 31, 2020
A. Cash flow from operating activities:		
Profit before tax	61,844	45,829
Adjustments for:		
Depreciation/ amortisation	10,598	12,111
Interest income on financial assets carried at amortized cost	(56)	(257)
Waiver of lease liability	(794)	(208)
Exchange difference on translation of assets and liabilities including hyperinflation impact	313	121
Unrealised foreign exchange loss	227	(577)
Profit on sale of property, plant and equipment	(4,661)	(9)
Profit on sale of current investments	(1,040)	(703)
Profit on fair valuation of current investments	(313)	(268)
Provision for doubtful debts / bad debts	308	94
Provision for doubtful deposits	13	45
Excess provision written back	(1,383)	(395)
Interest on bank deposits	(300)	(173)
Interest on income tax refund	(15)	(3)
Share based payment to employees	157	248
Dividend on investments	(429)	(441)
Interest on lease liability	893	1,410
Interest on bank overdraft	-	29
Operating profit before working capital changes	65,362	56,853
Movements in working capital		
(Increase)/decrease in trade receivables	(9,596)	(4,738)
(Increase)/decrease in loans	489	(221)
(Increase)/decrease in other non current assets	75	60
(Increase)/decrease in other current financial assets	(5,207)	2,908
(Increase)/decrease in other current assets	(5,925)	677
Increase/(decrease) in trade payables	4,211	1,533
Increase/(decrease) in provisions	(78)	1,887
Increase/(decrease) in other current financial liabilities	4,713	(712)
Increase/(decrease) in other current liabilities	5,188	3,203
Increase/(decrease) in other non current financial liabilities	727	1,099
Increase/(decrease) in other non current liabilities	50	-
Cash generated from operations	60,009	62,549
Taxes paid	(19,697)	(12,502)
Net cash generated from operating activities - (A)	40,312	50,047

Consolidated Cash Flow Statement

for the year ended December 31, 2021

Particulars	Year ended December 31, 2021	Year ended December 31, 2020
B. Cash flow from investing activities :		
Purchase of property, plant and equipment and intangible assets (including movement of intangible assets under development and capital advances) net of proceeds from sales	(2,279)	(3,492)
Proceeds from sale of property, plant and equipment, intangible assets and asset held for sale	4,979	88
Investments in mutual funds (net of proceeds)	(13,019)	(4,378)
Payment made for acquisition of Greenwich Associates LLC	-	(25,117)
Amount received on net working capital adjustment of Greenwich Associates LLC	749	-
Interest on income tax refund	15	3
Interest on bank deposits	296	177
Fixed deposits placed	5	(8)
Dividend on investments	429	441
Net cash used in investing activities - (B)	(8,825)	(32,286)
C. Cash flow from financing activities :		
Proceeds on account of share application money pending allotment	223	-
Receipts from issuance of share capital on account of exercise of Employee stock option scheme	4,146	3,522
Proceeds from /(repayment of) borrowings	-	(9)
Dividend paid	(27,649)	(23,203)
Payment of lease liability	(5,823)	(6,791)
Interest expense/finance cost	-	(29)
Net cash used in financing activities - (C)	(29,103)	(26,510)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	2,384	(8,749)
Add / (less) : Adjustment towards acquisition - (D)	-	2,530
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	2,384	(6,219)
Cash and cash equivalents - Opening balance	27,488	33,911
Add : Exchange difference on translation of foreign currency cash and cash equivalents	(880)	(204)
Cash and cash equivalents - Closing balance	28,992	27,488
Net Increase/(decrease) in cash and cash equivalents	2,384	(6,219)
Components of cash and cash equivalents :-		
Cash on hand and balances with banks on current account	20,544	26,822
Deposits with original maturity of less than three months	8,448	666
Total	28,992	27,488

The accompanying notes are an integral part of the consolidated financials statements.

This is the Consolidated Cash Flow Statement referred to in our audit report of even date

For Walker Chandio & Co LLP

Chartered Accountants
Firm Registration No.:001076N/N500013

Khushroo B. Panthaky

Partner
Membership No.: 042423

Place: Mumbai

Date: February 15, 2022

For and on behalf of the Board of Directors of CRISIL Limited

John L Berisford

Chairman
[DIN: 07554902]
Place: Connecticut

Sanjay Chakravarti

Chief Financial Officer
Place: Mumbai

Date: February 15, 2022

Amish Mehta

Managing Director and Chief Executive Officer
[DIN: 00046254]
Place: Mumbai

Minal Bhosale

Company Secretary
Place: Mumbai

Statement Of Changes In Consolidated Equity

for the year ended December 31, 2021

A. Equity Share Capital

	(Rupees in lakhs)	
	Balance as at December 31, 2021	Balance as at December 31, 2020
Balance as at January 1, 2021	726	729
Changes in equity share capital during the year (Refer Note 20)	3	-
Balance as at January 1, 2020	723	726
Changes in equity share capital during the year (Refer Note 20)	3	-

B. Other equity

Particulars	Reserves & Surplus										Items Of Other Comprehensive Income (OCI)				Total
	Share application money pending allotment	Capital redemption reserve	Securities premium reserve	General reserve	Share-based payment reserve	Retained earnings	Equity instruments through OCI	Currency fluctuation reserve	Hedge reserve						
Balance as at January 1, 2021	-	27	25,058	14,115	5,483	110,703	(27,545)	2,122	492					130,455	
Profit for the year	-	-	-	-	-	46,581	-	-	-					46,581	
Additions during the year	223	-	4,143	-	-	-	-	-	-					4,366	
Other comprehensive income	-	-	-	-	-	135	2,496	99	473					3,203	
Share based payment to employees	-	-	-	-	157	-	-	-	-					157	
Final dividend (Refer Note 47)	-	-	-	-	-	(10,175)	-	-	-					(10,175)	
Interim dividend (Refer Note 47)	-	-	-	-	-	(17,474)	-	-	-					(17,474)	
Exercise of stock option	-	-	1,328	-	(1,328)	-	-	-	-					-	
Balance as at December 31, 2021	223	27	30,529	14,115	4,312	129,770	(25,049)	2,221	965					157,113	

(Refer Note 20.1)

Statement Of Changes In Consolidated Equity

for the year ended December 31, 2021

(Rupees in lakhs)

Particulars	Reserves & Surplus				Items of other comprehensive income (OCI)					Total
	Share application money pending allotment	Capital redemption reserve	Securities premium reserve	General reserve	Share-based payment reserve	Retained earnings	Equity instruments through OCI	Currency fluctuation reserve	Hedge reserve	
Balance as at January 1, 2020	-	27	20,107	14,115	6,668	99,982	(24,514)	44	40	116,469
Profit for the year	-	-	-	-	-	35,473	-	-	-	35,473
Additions during the year	-	-	3,519	-	-	-	-	-	-	3,519
Other comprehensive income	-	-	-	-	-	(384)	(3,031)	2,078	452	(885)
Share based payment to employees	-	-	-	-	247	-	-	-	-	247
Final dividend (Refer Note 47)	-	-	-	-	-	(9,422)	-	-	-	(9,422)
Interim dividend (Refer Note 47)	-	-	-	-	-	(13,781)	-	-	-	(13,781)
Transitional impact on implementation of Ind AS 116 Leases (Refer Note 39)	-	-	-	-	-	(1,165)	-	-	-	(1,165)
Exercise of stock option	-	-	1,432	-	(1,432)	-	-	-	-	-
Balance as at December 31, 2020	-	27	25,058	14,115	5,483	110,703	(27,545)	2,122	492	130,455

(Refer Note 20.1)

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Changes in Equity referred to in our audit report of even date

For Walker Chandiook & Co LLP

Chartered Accountants
Firm Registration No.: 001076N/N5000013

Khushroo B. Panthaky

Partner
Membership No.: 042423

Place: Mumbai

Date: February 15, 2022

For and on behalf of the Board of Directors of CRISIL Limited

John L Berisford

Chairman
[DIN: 07554902]
Place: Connecticut

Sanjay Chakravarti

Chief Financial Officer
Place: Mumbai

Date: February 15, 2022

Amish Mehta

Managing Director and Chief Executive Officer
[DIN: 00046254]
Place: Mumbai

Minal Bhosale

Company Secretary
Place: Mumbai

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended December 31, 2021

1. Corporate information

CRISIL Limited ('the Company' or 'CRISIL' or 'Parent') (CIN: L67120MH1987PLC042363) and its subsidiaries (collectively referred to as 'the Group') is a globally-diversified analytical Company providing ratings, research, risk and policy advisory services. CRISIL is India's leading ratings agency and the foremost provider of high-end research to the world's largest banks and leading corporations. CRISIL delivers analysis, opinions, and solutions that make markets function better.

CRISIL Limited is a public limited company, domiciled in India. The registered office of the Company is located at CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400076. The equity shares of the Company are listed on recognised stock exchanges in India-the Bombay Stock Exchange and the National Stock Exchange.

These consolidated financial statements for the year ended December 31, 2021 were approved by the Board of Directors on February 15, 2022.

S&P Global Inc. the ultimate Holding Company, through its subsidiaries owned 66.88% as on December 31, 2021 of the Company's equity share capital. (Refer Note 20).

2. Summary of significant accounting policies

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

2.2 Basis of consolidation

The Company consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as disclosed in Note 2.6. Control exists when the Company has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Company.

Transactions eliminated on consolidation:

The financial statements of the Group Companies are consolidated on a line-by-line basis and all intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements.

Functional and presentation currency:

These consolidated financial statements are presented in Indian rupees, which is the functional currency of the parent company. All financial information is presented in Indian rupees.

2.3 Basis of preparation

These consolidated financial statements have been prepared under the historical cost convention on an accrual basis, except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All the assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

2.4 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities (including contingent liabilities) as at the date of the consolidated financial statements and the reported income and expenses for the years presented. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these consolidated financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Estimates and assumptions are required in particular for:

- **Useful life and residual value of property, plant and equipment (PPE) and intangible assets**

Useful lives of PPE and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Group assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

- **Goodwill impairment**

The Group estimates the value in use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and anticipated future economic and regulatory conditions.

Goodwill is tested for impairment, relying on a number of factors including operating results, business plans and future cash flows. Calculating the future net cash flows expected to be generated to determine if impairment exists and to calculate the impairment involves significant assumptions, estimation and judgment. The estimated cash flows are prepared using internal forecasts.

- **Revenue recognition**

Revenue from rendering of services is recognised when the obligation to render services based on agreements/arrangements with the customers are satisfied and when there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of delivery or upon formal customer acceptance depending on customer terms. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue for fixed-price contract is recognised using percentage-of-completion method. The Group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

Contract fulfilment costs are generally expensed

as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

- **Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. As actuarial valuation involves making various assumptions that may be different from the actual development in the future, key actuarial assumptions include discount rate, trends in salary escalation, attrition and mortality rate. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- **Valuation of taxes on income**

Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Uncertain tax position is with regards to items of expense or transaction that may be challenged by tax authorities. The Group reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 2.22

- **Provisions**

Provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement obligations and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

- **Business combinations and intangible assets**

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by valuation experts.

- **Share-based payments**

The grant date fair value of options granted to employees is recognized as an employee expense,

with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share-based payment transaction is presented as a separate component in equity under “share-based payment reserve”. The amount recognized as an expense is adjusted to reflect the impact of the revision of original estimates based on number of options that are expected to vest, in the

statement of profit and loss with a corresponding adjustment to equity.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flow from operating, investing and financing activities are segregated.

2.6 The consolidated financial statements represent consolidation of accounts of the Company, its subsidiaries as detailed below:

Name of the entities	Country of incorporation	Ownership in % either directly or through subsidiaries	
		December 31, 2021	December 31, 2020
CRISIL Risk and Infrastructure Solutions Limited	India	100%	100%
Pragmatix Services Private Limited	India	100%	100%
CRISIL Ratings Limited (Refer Note 42)	India	100%	100%
CRISIL Irevna UK Limited	United Kingdom	100%	100%
CRISIL Irevna US LLC	United States of America	100%	100%
CRISIL Irevna Argentina S.A.	Argentina	100%	100%
CRISIL Irevna Poland Sp.zo.o.	Poland	100%	100%
Coalition Development Limited	United Kingdom	100%	100%
Coalition Development Singapore Pte Limited	Singapore	100%	100%
CRISIL Irevna Information Technology (Hangzhou) Co., Ltd	China	100%	100%
CRISIL Irevna Australia Pty Ltd	Australia	100%	100%
Greenwich Associates LLC*	United States of America	100%	100%
Greenwich Associates International, LLC (till December 22, 2020)*	United States of America	NA	100%
Greenwich Associates UK (Holdings) Limited (till October 13, 2021)*	United Kingdom	100%	100%
Greenwich Associates Singapore PTE. LTD.*	Singapore	100%	100%
Greenwich Associates Japan K.K.*	Japan	100%	100%
Greenwich Associates Canada ULC*	Canada	100%	100%
Greenwich Associates UK Limited*	United Kingdom	100%	100%

* Refer Note 49

2.7 Property, Plant and Equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and impairment losses, if any. Amount capitalised under property, plant and equipment includes purchase price, duties and taxes, other incidental expenses incurred during the construction / installation stage. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

2.8 Intangibles

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Expenditure on development eligible for capitalization are carried as intangible assets under development where such assets are not yet ready for their intended use.

2.9 Depreciation/amortisation

Based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given below best represent the period over which management expects to use these assets. Hence in certain class of assets, the useful lives is different from

the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation/amortization is provided on straight line method (SLM) over useful life.

Type of asset	Estimated Useful Life
Buildings	20 years
Furniture and fixtures	4 to 16 years
Office equipment	3 to 10 years
Computers	3 years
Vehicles	3 years
Customer relationship	3 to 12 years
Technology	5 years
Brand	20 years
Database	4 to 5 years
Tradename	7 years
Platform	5 years
Software	1 to 3 years

The estimated useful lives of PPE and intangible assets and the depreciation and amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

Leasehold improvements are amortized over the lease term or useful life of the asset, whichever is lower, over a period of 1 to 9 years.

2.10 Impairment

a) Impairment of non-financial assets

(i) Goodwill

Goodwill is tested for impairment on an annual basis or whenever there is an indication that goodwill may be impaired. For goodwill impairment testing, the carrying amount of the CGUs (including allocated goodwill) is compared with its recoverable amount by the Group. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU prorata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognised in the statement of profit and loss and is not reversed in the subsequent period.

(ii) Other non financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount in the statement of profit and loss. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) has no impairment

loss been recognised for the asset in the prior years. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) net selling price and its value in use.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Value in use is the present value of an asset calculated by estimating its net future value including the disposal value. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

b) Impairment of financial assets

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i) Financial assets that are measured at amortised cost e.g., loans, deposits, and bank balance.
- ii) Trade receivables.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date.

For all other financial assets, ECL is measured at an amount equal to the twelve month ECL unless there has been a significant increase in credit risk from the initial recognition in which case those are measured at lifetime ECL.

2.11 Business combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103 w.e.f. January 1, 2012. The acquisition date is the date on which control is transferred to the acquirer. The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, less the net recognized amount of the identifiable assets acquired and liabilities (including contingent liabilities) acquired.

When the fair value of the net identifiable assets acquired and liabilities acquired exceeds the consideration transferred, a bargain purchase gain is recognized as capital reserve. Business combinations between entities under common control is accounted at carrying value.

Transaction cost that the Group incurs in connection with business combinations such as finder fees, legal fees and other professional and consulting fees are expensed as incurred.

Goodwill is measured at cost less accumulated impairment loss.

2.12 Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

The Group's lease assets consists of office premises. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease an
- (iii) the Group has the right to direct the use of the asset

Where the Group is a lessee

The Group determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Group is reasonably certain to exercise that option.

At the date of commencement of the lease, the Group recognises a right of use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The cost of the right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right of use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right of use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right of use asset. The estimated

useful lives of right of use assets are determined on the same basis as those of property, plant and equipment.

Right of use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

The lease payments shall include fixed payments, variable lease payments based on an index or rate, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Lease liability and right of use assets have been presented separately in the Balance Sheet and lease payments are classified as cash used in financing activities in the statement of cash flows.

Group as a lessor

Leases under which the Group is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

2.13 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.14 Fair value of financial instruments

In determining the fair value of the financial instruments the Group uses variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine the fair value includes discounted cash flow analysis, available quoted market prices and dealer quotes. All method of accessing fair value results in general approximation of value and such value may never actually be realised. For all other financial instruments the carrying amounts approximates fair value due to short term maturity of those instruments.

2.15 Financial instruments

Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

a) Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held with in a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

b) Derivative financial instruments

The Group uses derivative financial instruments i.e. foreign exchange forward and options contracts to manage its exposure to foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Group uses hedging instruments that are governed by the policies of the Group.

(i) Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity in the cash flow hedging reserve to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction.

(ii) Receivable hedge

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges and the ineffective portion of cash flow hedges are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses).

Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IndAS 109. The changes in fair value of equity investments designated at FVTOCI are accumulated within 'Equity instruments at OCI' reserve within equity. The Group transfers amounts from this reserve to retained earnings when these equity instruments are derecognised. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.16 Provision, contingent liabilities and contingent assets:

A provision is recognized when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the

increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in Note 36. Contingent liabilities are disclosed for:

- (i) possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed where an inflow of economic benefits is probable.

2.17 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.18 Revenue recognition

Income from operations

Income from operations comprises income from initial rating and surveillance services, global research and risk solutions, customised research, core research program, customer projects and experienced management programs, special assignments and subscriptions to information products and services, IPO grading services, independent equity research (IER) services, infrastructure advisory and risk management services.

- Revenue from Initial rating fees are deemed to accrue on the date the rating is awarded and a portion of it is deferred basis an estimate that will be attributed to future surveillance recorded equally over 11 months and recognise the deferred revenue rateably over the estimated surveillance periods.
- Surveillance fee, subscription to information products and services, coalition business and revenue from IER are accounted on a time proportion basis and revenue is straight lined over the period of performance.
- Revenue from customised research and IPO grading are recognised in the period in which such assignments are carried out in a time proportion basis.
- Global research and risk solutions revenue consists of time and material contracts which is recognised on output basis measured by number of hours/days/weeks worked at the rates specified in the agreements.
- Core research program revenue is recognized at a point in time when research report is delivered to the customer.

- Revenue from infrastructure advisory services, risk management services and customer projects and experience management program services are recognized in accordance with percentage completion method.
- Percentage of completion for infrastructure advisory is determined based on the project cost incurred to date as a percentage of total estimated project cost required to complete the project.
- Revenue from risk management services comprise of revenue from sale of software and annual maintenance contracts. Revenue from sale of software licenses are recognized upon delivery of these licenses which constitute transfer of all risks and rewards. Revenue from consultancy services and sale of software which involves customisation are recognised over execution period. Revenue from annual maintenance contracts are recognised on a time proportion basis.

Provision for estimated losses, if any, on uncompleted contracts are recorded in the year in which such losses become certain based on the current estimates.

Accrued revenue are classified as Unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms and is accordingly classified under 'other financial assets'.

Accrued revenue where the right to consideration is conditional upon factors other than the passage of time are contract assets which are classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

Unearned and deferred revenue (contract liability) is recognised when there are billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period. Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Grant income

Export benefits from government authorities are received in the form of saleable scrips and are recognized at fair value in the statement of profit and loss under 'other income', where all attaching conditions will be complied with and to the extent there is no significant uncertainty as to the ultimate realization on transfer of scrips in the year of the sale. The related costs are recognised under 'other expense'.

Interest income

Interest income is recognized on a time proportion

basis taking into account the amount outstanding and the rate applicable.

Dividend income

Dividend income is recognised when the Group's right to receive payment is established by the balance sheet date.

Profit/(loss) on sale of current investment

Profit/(loss) on sale of current investment is accounted when the sale is executed. On disposal of such investments, the difference between the carrying amount and the disposal proceeds, net of expenses, is recognised in the statement of profit and loss.

2.19 Retirement and other employee benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Group recognises gains and losses on

the settlement of a defined benefit plan when the settlement occurs.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

In respect of foreign subsidiaries retirement benefits are governed and accrued as per local statutes and there are no defined benefit plan. The amount contributed to the defined contribution plan is charged to the statement of profit and loss account on accrual basis.

2.20 Employee stock compensation cost

The Group recognizes expense relating to share based payment in net profit using fair value in accordance with Ind AS 102-Share Based Payment.

The grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Share based payment reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

2.21 Foreign currency

Functional currency

The functional currency of the Group and its Indian subsidiaries is the Indian Rupee (INR), whereas the functional currency of the foreign subsidiaries mentioned in AOC-1. These consolidated financial statements are presented in Indian Rupees (rounded off to the nearest lakhs except otherwise indicated).

The financial statements of subsidiary companies whose functional currency is the currency of a hyperinflationary economy are adjusted for the effects of changes in general price index (to reflect the change in purchasing power of the local currency) and expressed in terms of the current unit of measurement at the closing date of the reporting period, in accordance with Ind AS 29 "Financial Reporting in Hyperinflationary Economies".

Subsidiaries with the currency of hyperinflationary economy as their functional currency are restated as per Ind AS 29 before consolidation in accordance with Ind AS 110 "Consolidated Financial Statements". Once restated, all items of the financial statements of such

a subsidiary is converted to INR the closing exchange rate. To determine the existence of hyperinflation, the Group assesses the qualitative characteristics of the economic environment of the country such as the trend of inflation rate over the past three years.

Foreign currency transactions

Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing at the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognized in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated.

Foreign currency translation

Assets and liabilities of the entities with functional currency other than the presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. The statement of profit and loss has been translated using monthly average exchange rates prevailing during the year. Translation adjustment have been reported as foreign currency translation reserve in the statement of changes in equity.

2.22 Taxes on income

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates items recognised directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The current income tax for overseas subsidiaries has been computed based on the tax laws applicable to each subsidiary in the respective jurisdiction in which they operate.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (including those arising from consolidation adjustments).

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future

taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

2.23 Segment reporting policies

The Managing Director and Chief Executive Officer of the Group has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 Operating Segments. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by industry classes. Accordingly, segment information has been presented for industry classes.

The Group is structured into three reportable business segments – Rating, Research and Advisory. The reportable business segments are in line with the segment wise information which is being presented to the CODM. Geographical information on revenue and industry revenue information is collated based on individual customers invoices or in relation to which the revenue is otherwise recognised. The accounting principles used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant policies.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

Inter segment transfers:

The Group generally accounts for inter segment services and transfers as if the services or transfers were to third parties at arm length price.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Unallocable income and expenses includes general corporate income and expense items which are not identified to any business segment.

2.24 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted

average number of equity shares outstanding during the period is adjusted for events such as buy back, Employee Stock Option Scheme (ESOS), etc. that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the Group has adopted treasury stock method to compute the new shares that can possibly be created by un-exercised stock options. The net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.25 Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders. Interim dividend is recognised as a liability on the date of declaration by the Company's Board of Directors.

2.26 Assets held for sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criterias are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the balance sheet date. Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

2.27 Exceptional Items

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the Group for the year, the Group makes a disclosure of the nature and amount of such items separately under the head "exceptional items".

2.28 Recent accounting pronouncements

On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The amendments will be applicable for the Group w.e.f. January 1, 2022.

3. Property, plant and equipment

For the year ended December 31, 2021

Particulars	Carrying value					Accumulated depreciation					Net block		
	As at January 1, 2021	Additions	Deductions	Currency translation reserve	Adjustments	As at December 31, 2021	Up to January 1, 2021	For the year	Deductions	Currency translation reserve	Adjustments	Up to December 31, 2021	As at December 31, 2021
Buildings	10	-	-	-	-	10	10	-	-	-	-	10	-
Furniture and fixtures	1,864	89	183	(17)	-	1,753	1,548	80	145	-	-	1,483	270
Office equipments	1,967	44	247	(22)	-	1,742	1,475	139	215	(11)	-	1,388	354
Computers	12,211	2,125	798	(88)	-	13,450	9,543	1,618	795	93	-	10,459	2,991
Vehicles	595	185	174	(11)	-	595	477	89	146	(5)	-	415	180
Leasehold improvements	4,200	275	211	(115)	-	4,149	3,692	223	195	190	-	3,910	239
Total	20,847	2,718	1,613	(253)	-	21,699	16,745	2,149	1,496	267	-	17,665	4,034

For the year ended December 31, 2020

Particulars	Carrying value					Accumulated depreciation					Net block		
	As at January 1, 2020	Additions	Deductions	Currency translation reserve	Adjustments	As at December 31, 2020	Up to January 1, 2020	For the year	Deductions	Currency translation reserve	Adjustments	Up to December 31, 2020	As at December 31, 2020
Buildings	10	-	-	-	-	10	10	-	-	-	-	10	-
Furniture and fixtures	1,017	52	123	(153)	1,071	1,864	699	89	98	(129)	987	1,548	316
Office equipments	1,813	56	27	(25)	150	1,967	1,207	152	16	(17)	149	1,475	492
Computers	6,613	2,108	72	(134)	3,696	12,211	4,799	1,556	69	(317)	3,574	9,543	2,668
Vehicles	812	27	219	(25)	-	595	528	165	194	(22)	-	477	118
Leasehold improvements	3,480	523	43	(204)	444	4,200	2,990	330	28	(1)	401	3,692	508
Total	13,745	2,766	484	(541)	5,361	20,847	10,233	2,292	405	(486)	5,111	16,745	4,102

4. Right of use asset

For the year ended December 31, 2021

(Rupees in lakhs)

Particulars	Carrying value				Accumulated depreciation				Net block				
	As at January 1, 2021	Additions	Lease modification	Currency translation reserve	Adjustments	As at December 31, 2021	Up to January 1, 2021	For the year	Lease modification	Currency translation reserve	Adjustments	Up to December 31, 2021	As at December 31, 2021
Building	26,585	4,049	(6,852)	(1,477)	-	22,305	5,677	5,438	(1,377)	(133)	-	9,605	12,700
Total	26,585	4,049	(6,852)	(1,477)	-	22,305	5,677	5,438	(1,377)	(133)	-	9,605	12,700

For the year ended December 31, 2020

(Rupees in lakhs)

Particulars	Carrying value				Accumulated depreciation				Net block				
	Transitional impact of Ind AS 116 (Refer Note 39)	Additions	Lease modification	Currency translation reserve	Adjustments (Refer Note 49)	As at December 31, 2020	Up to January 1, 2020	For the year	Lease modification	Currency translation reserve	Adjustments	Up to December 31, 2020	As at December 31, 2020
Building	22,264	3,590	(2,750)	223	3,258	26,585	-	6,935	(1,264)	6	-	5,677	20,908
Total	22,264	3,590	(2,750)	223	3,258	26,585	-	6,935	(1,264)	6	-	5,677	20,908

5. Goodwill

(Rupees in lakhs)

Goodwill consists of the following	As at December 31, 2021	As at December 31, 2020
Carrying value at the beginning of the year	37,586	28,861
On acquisition of Greenwich Associates LLC	-	7,344
On net working capital adjustment of Greenwich Associates LLC	(749)	-
Foreign currency exchange gain/(loss)	430	1,381
Carrying value at the end of the year	37,267	37,586
Goodwill has been allocated in the following CGU's:		
Global research and risk solutions (Irevna)	9,613	9,502
Global Benchmarking Analytics (Coalition)	24,033	24,463
Pragmatix	3,621	3,621
Total	37,267	37,586

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Cash Generating Units (CGU) or groups of CGUs, which benefit from the synergies of the acquisition. The chief operating decision maker reviews the goodwill for any impairment at the CGU's level.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use, both of which are calculated by the Group using a discounted cash flow analysis. These calculations use pre tax cash flow projections over a period of five years, based on financial budgets approved by the management. For calculation of the recoverable amount, the Group has used the following rates:

Particulars	Growth rate	Discount rate
Global research and risk solutions (Irevna)	5.00%	21.70%
Global Benchmarking Analytics (Coalition)	5.00%	21.70%
Pragmatix	5.00%	21.70%

The above discount rate is based on the weighted average cost of capital of the Company or Group. These estimates are likely to differ from future actual results of operations and cash flows.

An analysis of sensitivity of the computation to a change in key parameters (operating margins and discount rate) based on reasonably probable assumptions, did not identify any probable scenario in which recoverable amount of the CGU would decrease below its carrying amount.

As at December 31, 2021, the estimated recoverable amount of the CGU exceeded its carrying amount, hence impairment is not triggered.

6. Intangible assets

For the year ended December 31, 2021

(Rupees in lakhs)

Particulars	Carrying value				Accumulated amortisation				Net block				
	As at January 1, 2021	Additions	Deductions	Currency translation reserve	Adjustments	As at December 31, 2021	Up to January 1, 2021	For the year	Deductions	Currency translation reserve	Adjustments	Up to December 31, 2021	As at December 31, 2021
Brand	3,619	-	-	60	-	3,679	173	181	-	4	-	358	3,321
Technology	2,101	-	-	-	-	2,101	2,101	-	-	-	-	2,101	-
Database	3,926	-	-	49	-	3,975	1,609	739	-	18	-	2,366	1,609
Customer relationship	8,489	-	-	109	-	8,598	2,354	631	-	15	-	3,000	5,598
Tradenname	467	-	-	-	-	467	467	-	-	-	-	467	-
Platform	985	-	-	-	-	985	578	197	-	-	-	775	210
Software	12,607	1,250	-	28	-	13,885	11,256	1,263	-	23	-	12,542	1,343
Total	32,194	1,250	-	246	-	33,690	18,538	3,011	-	60	-	21,609	12,081

For the year ended December 31, 2020

(Rupees in lakhs)

Particulars	Carrying value				Accumulated amortisation				Net block				
	As at January 1, 2020	Additions	Deductions	Currency translation reserve	Adjustments	As at December 31, 2020	Up to January 1, 2020	For the year	Deductions	Currency translation reserve	Adjustments	Up to December 31, 2020	As at December 31, 2020
Brand	-	3,668	-	(49)	-	3,619	-	154	-	19	-	173	3,446
Technology	1,782	-	-	319	-	2,101	1,782	-	-	319	-	2,101	-
Database	838	2,994	-	94	-	3,926	838	631	-	140	-	1,609	2,317
Customer relationship	1,866	6,512	-	111	-	8,489	1,573	553	-	228	-	2,354	6,135
Tradenname	418	-	-	49	-	467	418	-	-	49	-	467	-
Platform	985	-	-	-	-	985	381	197	-	-	-	578	407
Software	4,201	869	-	(135)	7,672	12,607	2,583	1,349	-	129	7,195	11,256	1,351
Total	10,090	14,043	-	389	7,672	32,194	7,575	2,884	-	884	7,195	18,538	13,656

7. Investments

A. Non-current investments	As at December 31, 2021		As at December 31, 2020	
	No. of shares	Rupees in lakhs	No. of shares	Rupees in lakhs
<i>Unquoted equity investments carried at fair value through OCI (Refer Note 7.1)</i>				
Equity Shares of National Commodity and Derivative Exchange Limited of Rupees 10 each, fully paid up	1,875,000	3,043	1,875,000	3,082
Equity Shares of Caribbean Information and Credit Rating Agency of US \$ 1 each, fully paid up	300,000	256	300,000	155
Sub - total (a)		3,299		3,237
<i>Quoted equity investments carried at fair value through OCI (Refer Note 7.1)</i>				
Equity Share of ICRA Limited of Rupees 10 each, fully paid up (Refer Note 7.2)	1	-	1	-
Equity Shares of CARE Ratings Limited of Rupees 10 each, fully paid up	2,622,431	16,239	2,622,431	13,791
Sub - total (b)		16,239		13,791
Total non-current investments - (a + b)		19,538		17,028

B. Current investments	As at December 31, 2021		As at December 31, 2020	
	No. of units	Rupees in lakhs	No. of units	Rupees in lakhs
<i>Investments in mutual funds (Unquoted investments carried at fair value through profit and loss) (Refer Note 34)</i>				
Aditya Birla Sun Life Low Duration Fund - Direct - Growth	485,961	2,776	-	-
ICICI Prudential Savings Fund - Direct - Growth	1,850,433	8,034	-	-
Kotak Low Duration Fund - Direct - Growth	81,920	2,352	-	-
Nippon India Low Duration Fund - Direct - Growth	257,714	8,069	-	-
Nippon India Ultra Short Duration Fund - Direct - Growth	142,757	4,976	-	-
Sundaram Short Duration Fund - Direct - Growth	16,418,181	6,192	-	-
UTI Short Term Income Fund - Direct - Growth	18,291,399	4,845	-	-
UTI Treasury Advantage Fund - Direct - Growth	172,141	4,926	-	-
IDFC Low Duration Fund - Direct - Growth	8,800,620	2,776	17,470,972	5,314
L&T Banking and PSU Debt Fund - Direct Plan - Growth	-	-	8,531,402	1,715
ICICI Prudential Savings Fund - Direct Plan - Growth	-	-	1,168,989	4,885
Invesco India Treasury Advantage Fund - Direct Plan - Growth	-	-	162,221	4,908
DSP Banking and PSU Debt Fund - Dir - Growth	-	-	25,341,488	4,855
IDFC Ultra Short Term Fund - Direct Plan - Growth	-	-	14,699,599	1,746
Aditya Birla Sun Life Savings Fund - Growth - Direct Plan	-	-	1,223,662	5,177
Kotak Savings Fund - Direct Plan - Growth	-	-	5,741,861	1,974
Total investments in mutual funds (c)		44,946		30,574
Total investments (a + b + c)		64,484		47,602

The market value of quoted investments is equal to the carrying value

- 7.1** The total dividend recognised pertaining to FVTOCI instruments for the year ended December 31, 2021 was Rupees 429 lakhs and for the year ended December 31, 2020 was Rupees 433 lakhs. Dividend from equity investments designated at FVTOCI relates to investments held at the end of the reporting period. The Group recognises dividend in statement of profit and loss under the head other income. For all the equity instruments that are classified by the Group as FVTOCI, fair value changes on the instrument, excluding dividends, are recognised in the OCI.
- 7.2** '-' in amounts' columns denote amount less than Rupees 50,000

8. Loans (Non-current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Unsecured, considered good, unless otherwise stated		
Security and other deposits	2,989	2,455
Total	2,989	2,455
Sub-classification of loans:		
Loan receivables considered good- Secured	-	-
Loan receivables considered good- Unsecured	2,989	2,455
Loan receivables which have significant increase in credit risk	-	-
Loan receivables - credit impaired	-	-
Less: Allowance for impairment loss	-	-
Total	2,989	2,455

9. Other financial assets (Non-current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Unsecured, considered good, unless otherwise stated		
Interest accrued on fixed deposits	4	5
Deposits with more than 12 months maturity	37	103
{Deposit includes fixed deposits with banks Rupees 37 lakhs (Previous year: Rupees 50 lakhs) marked as lien for guarantees issued by banks on behalf of the Group (Refer Note 36A[1])}		
Total	41	108

10. Income tax

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Current tax	15,004	11,984
Deferred tax	259	(1,628)
Total income tax expense recognised in current year	15,263	10,356

The tax year for the Company being the year ending March 31, 2022, the tax expense for the year is the aggregate of the provision made for the three months ended March 31, 2021 and the provisions for the nine months upto December 31, 2021. The tax provision for the nine months has been arrived at using effective tax rate for the period April 1, 2021 to March 31, 2022.

The reconciliation between income tax provision of the Group and amounts computed by applying the Indian statutory income tax rate to profit before taxes is summarized below:

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Profit before income tax	61,844	45,829
Enacted income tax rate in India for fiscal year ended March 31, 2022 and March 31, 2021. (%)	25.17%	25.17%
Computed expected tax expense	15,565	11,534
Effect of:		
Income exempt from tax	(160)	(144)
Expenses that are not deductible in determining taxable profit	254	253
Income subject to different tax rates	(79)	(312)
Tax expense of prior years	56	(440)
Others	(373)	(535)
Total income tax expense recognised in the statement of profit and loss	15,263	10,356

Deferred tax

The tax effect of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

As at December 31, 2021						
(Rupees in lakhs)						
Particulars	Opening balance	Recognised in profit and loss	Recognised in OCI	Recognised in retained earnings	Exchange difference	Closing balance
Deferred tax liability on:						
Gains from investments	624	-	15	-	-	639
Gains from mutual funds	63	19	-	-	-	82
Gains / losses on forward contract	166	-	159	-	-	325
Business combination	29	(430)	-	-	-	(401)
Property, plant and equipment and intangibles	638	454	-	-	1	1,093
Gross deferred tax liability	1,520	43	174	-	1	1,738
Deferred tax asset on:						
Provision for compensated absences	1,797	(13)	-	-	(1)	1,783
Provision for bonus and commission	713	1,055	-	-	4	1,772
Provision for gratuity	756	28	(46)	-	-	738
Provision for doubtful debt	535	(4)	-	-	-	531
Initial rating fees and other deferred revenue	381	(131)	-	-	-	250
Lease liability	606	(1,195)	-	-	(11)	(600)
Property, plant and equipment and intangibles	1,302	(112)	-	-	1	1,191
Right of use asset	-	1,242	-	-	9	1,251
40A(ia) of the Income Tax Act, 1961 and other items	602	16	-	-	-	618
Discounting of security deposit	120	(156)	-	-	-	(36)
Brought forward losses	733	(743)	-	-	(7)	(17)
Interest expense disallowance	145	(75)	-	-	-	70
Earnout payments	237	(128)	-	-	(1)	108
Gross deferred tax asset	7,926	(216)	(46)	-	(6)	7,659
MAT credit entitlement	-	-	-	-	-	-
Net deferred tax asset	6,406	(259)	(220)	-	(7)	5,921

As at December 31, 2020						
(Rupees in lakhs)						
Particulars	Opening balance	Recognised in profit and loss	Recognised in OCI	Recognised in retained earnings	Exchange difference	Closing balance
Deferred tax liability on:						
Gains from investments	644	-	(20)	-	-	624
Gains from mutual funds	91	(28)	-	-	-	63
Gains / losses on forward contract	13	-	153	-	-	166
Business combination	407	(378)	-	-	-	29
Property, plant and equipment and intangibles	407	251	-	-	(20)	638
Discounting of security deposit	31	(31)	-	-	-	-
Gross deferred tax liability	1,593	(186)	133	-	(20)	1,520
Deferred tax asset on:						
Provision for compensated absences	1,426	370	-	-	1	1,797
Provision for bonus and commission	766	(85)	-	-	32	713
Provision for gratuity	607	19	130	-	-	756
Provision for doubtful debt	575	(41)	-	-	1	535
Initial rating fees and other deferred revenue	530	(149)	-	-	-	381
Lease liability and right to use	-	190	-	412	4	606
Property, plant and equipment and intangibles	1,145	155	-	-	2	1,302
On unabsorbed depreciation	67	(67)	-	-	-	-
40A(ia) of the Income Tax Act, 1961 and other items	603	(21)	-	-	20	602
Discounting of security deposit	-	120	-	-	-	120
Brought forward losses	-	713	-	-	20	733
Interest expense disallowance	-	141	-	-	4	145
Earnout payments	-	231	-	-	6	237
Gross deferred tax asset	5,718	1,576	130	412	90	7,926
MAT credit entitlement	134	(134)	-	-	-	-
Net deferred tax asset	4,259	1,628	(3)	412	110	6,406

Deferred tax liability of Rupees 14,885 lakhs (Previous year: Rupees 10,298 lakhs) on undistributed earnings of certain subsidiaries has not been recognised, as it is the intention of the Group to reinvest the earnings of these subsidiaries for the foreseeable future.

11. Tax assets (Non-current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Advance taxes paid (net of provision for taxation) {Provision of tax Rupees 155,761 lakhs (Previous year: Rupees 126,182 lakhs)}	11,570	7,969
Total	11,570	7,969

12. Other non-current assets

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Capital advance	28	276
Prepaid expenses	303	378
Total	331	654

13. Trade receivable (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Trade receivables considered good- Secured	-	-
Trade receivables considered good- Unsecured (Refer Note 38)	39,854	30,736
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	2,138	2,109
Less: Allowance for impairment loss	(2,138)	(2,109)
Total	39,854	30,736

The Group uses a provision matrix to determine impairment loss allowance on the portfolio trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At period end, the historical observed default rates are updated and changes in the forward looking estimates are analyzed. Specific allowance for loss is also been provided by the management based on expected recovery on individual customers.

Reconciliation of loss allowance:

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Opening balance	2,109	2,375
Movement during the year	29	(266)
Closing balance	2,138	2,109

14. Cash and cash equivalents (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Cash on hand	4	5
Balances with banks :		
On current accounts	20,540	26,817
Deposits with original maturity of less than three months	8,448	666
Total	28,992	27,488

15. Other bank balances (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
On unpaid dividend accounts	78	76
Deposit with original maturity for more than 3 months but less than 12 months {Deposit includes fixed deposits with banks Rupees 71 lakhs (Previous year: Rupees 114 lakhs) marked as lien for guarantees issued by banks on behalf of the Group (Refer Note 36A[1])}	365	304
Total	443	380

16. Loans (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Unsecured, considered good, unless otherwise stated		
Loans to employees	233	271
Security and other deposits		
- Considered good	482	1,850
- Considered doubtful	122	107
Less: Allowance for impairment loss	(122)	(107)
Total	715	2,121
Sub-classification of loans:		
Loan receivables considered good- Secured	-	-
Loan receivables considered good- Unsecured	715	2,121
Loan receivables which have significant increase in credit risk	-	-
Loan receivables - credit impaired	122	107
Less: Allowance for impairment loss	(122)	(107)
Total	715	2,121

17. Other financial assets (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Unsecured, considered good, unless otherwise stated		
Unbilled receivables (Refer Note 17.1)	14,246	9,179
Interest accrued on deposits	17	12
Fair value of foreign currency forward contract (Refer Note 34.2)	1,290	877
Others	129	108
Total	15,682	10,176

17.1 The balance lying in unbilled receivables as at December 31, 2020 is fully billed during the current year.

18. Other current assets

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Prepaid expense	2,380	1,553
Balances with government authorities	4,172	1,676
Advances to suppliers and employees	2,211	1,121
Accrued revenue	3,971	2,293
Total	12,734	6,643

19. Assets held for sale

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Building (Refer Note 19.1)	-	318
Total	-	318

19.1 The Group had classified a building premise as asset held for sale at its carrying value Rupees 318 lakhs as at December 31, 2020. During the current year, the Group has sold the building for Rupees 4,900 lakhs which has resulted in profit of Rupees 4,582 lakhs, disclosed under exceptional item.

20. Share capital

(Rupees in lakhs)

Particulars	As at	
	December 31, 2021	December 31, 2020
Authorised capital:		
100,000,000 Equity shares of Rupee 1 each (Previous year: 100,000,000 equity shares of Rupee 1 each)	1,000	1,000
Issued, subscribed and paid up:		
72,868,446 equity shares of Rupee 1 each fully paid up (Previous year: 72,593,290 equity shares of Rupee 1 each)	729	726
Total	729	726

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Equity shares

Particulars	As at December 31, 2021	
	Rupees in lakhs	Nos.
At the beginning of the year (face value of Rupee 1 per share)	726	72,593,290
Add : Issued during the year-Under employee stock option scheme (ESOS) (Refer Note 45)	3	275,156
Outstanding at the end of the year	729	72,868,446

Particulars	As at December 31, 2020	
	Rupees in lakhs	Nos.
At the beginning of the year (face value of Rupee 1 per share)	723	72,304,326
Add : Issued during the year-Under employee stock option scheme (ESOS) (Refer Note 45)	3	288,964
Outstanding at the end of the year	726	72,593,290

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rupee 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding/ultimate holding and/ or their subsidiaries

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding Company and their subsidiaries/ associates are as below:

(Rupees in lakhs)

Particulars	As at	
	December 31, 2021	December 31, 2020
Group Holding of the S&P Global Inc.		
31,209,480 equity shares of Rupee 1 each fully paid held by S&P India, LLC, fellow subsidiary (Previous year: 31,209,480 equity shares of Rupee 1 each)	312	312
11,523,106 equity shares of Rupee 1 each fully paid held by S&P Global Asian Holdings Pte. Limited, fellow subsidiary (Previous year: 11,523,106 equity shares of Rupee 1 each)	115	115
6,000,000 equity shares of Rupee 1 are held by Standard & Poor's International LLC, fellow subsidiary (Previous year: 6,000,000 equity shares of Rupee 1 each)	60	60
Total	487	487

(d) The Company has neither issued shares for consideration other than cash or bonus shares nor there has been any buy back of shares during the five years immediately preceding December 31, 2021

(e) **Details of shareholders holding more than 5% shares in the Company.**

Name of the shareholder	As at December 31, 2021	
	% holding in the class	Nos.
Equity shares of Rupee 1 each fully paid		
1. Group Holding of the S&P Global Inc.		
a) S&P India, LLC	42.83%	31,209,480
b) S&P Global Asian Holdings Pte. Limited	15.81%	11,523,106
c) Standard & Poor's International LLC	8.23%	6,000,000
2. Life Insurance Corporation of India	4.62%	3,363,528
3. Jhunjhunwala Rakesh and Rekha	5.49%	4,000,000

Name of the shareholder	As at December 31, 2020	
	% holding in the class	Nos.
Equity shares of Rupee 1 each fully paid		
1. Group Holding of the S&P Global Inc.		
a) S&P India, LLC	42.99%	31,209,480
b) S&P Global Asian Holdings Pte. Limited	15.87%	11,523,106
c) Standard & Poor's International LLC	8.27%	6,000,000
2. Life Insurance Corporation of India	5.95%	4,321,911
3. Jhunjhunwala Rakesh and Rekha	5.48%	3,975,000

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(f) **Shares reserved for issue under options**

For details of shares reserved for issue under the employee stock option scheme (ESOS) of the Company (Refer Note 45).

(g) **Capital management**

The Group is predominantly equity financed and continues to maintain adequate amount of liquidity to meet strategic and growth objectives. The Group manages its capital to ensure that it will be able to continue as going concerns while maximising the return to its stakeholders. The Group has ensured a balance between earning adequate returns on treasury asset and need to cover financial and business risk. The Group actively monitors its portfolio and has a policy in place for investing surplus funds. Appropriate limits and controls are in place to ensure that investments are made as per policy. The Group has an overdraft and other loan facilities sanctioned from banks to support any temporary funding requirements, as and when required.

20.1 Explanation of reserves:

a) General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the retained earnings.

b) Securities premium reserve

The amount received in excess of face value of the equity shares is recognised in securities premium reserve

c) Share based payment reserve

The share based payment reserve account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees.

d) Other comprehensive income (OCI)

Other comprehensive income includes fair value changes in equity instruments, hedge reserve and currency fluctuation reserve through OCI.

e) Hedge reserve

Forward contracts are stated at fair value at each reporting date. Changes in the fair value of the forward contracts that are designated and effective as hedges of future cash flows are recognized directly in OCI and accumulated under the hedging cash flow hedge reserve, net of applicable deferred income taxes.

f) Currency fluctuation reserve

Exchange difference relating to the translation of the results and net assets of the Group's foreign operations from their respective functional currencies to the Group's functional currency is recognised directly in other comprehensive income and accumulated in the currency fluctuation reserve.

g) Retained earnings

Retained earnings represent the cumulative profits of the Group and the effects of measurements of defined benefit obligation.

h) Capital redemption reserve

The Group has recognised capital redemption reserve on buyback of equity shares from its retained earnings. The amount in capital redemption reserve is equal to nominal amount of the equity shares bought back.

i) Share application money pending allotment

It represent the amount received on the application on which allotment is not yet made (pending allotment).

21. Other financial liabilities (Non-current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Employee related payables	2,166	924
Lease liability	7,597	16,580
Earnout payments	442	957
Total	10,205	18,461

22. Provisions (Non-current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Provision for gratuity (Refer Note 40)	2,115	2,139
Total	2,115	2,139

23. Other non-current liabilities

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Unearned revenue	50	-
Total	50	-

24. Trade payables (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Total outstanding dues of micro enterprises and small enterprises (as per intimations received from suppliers)	13	10
Total outstanding dues of creditors other than micro enterprises and small enterprises	13,357	10,526
Total	13,370	10,536

24.1 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 is provided as under

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
- Principal amount remaining unpaid, but not due	13	10
- Interest due thereon as at year end	-	-
- Interest paid by the Group in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
- Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
- Interest accrued and remaining unpaid as at year end	-	-
- Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Group regarding the status its suppliers.

25. Other financial liabilities (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Employee related payables	23,119	18,345
Lease liability	5,617	5,833
Sundry deposits	11	48
Unpaid dividend (Investor education and protection fund will be credited as and when due)	78	76
Others	216	239
Total	29,041	24,541

26. Provisions (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Provision for compensated absences (Refer Note 40)	7,401	7,622
Provision for gratuity (Refer Note 40)	751	766
Total	8,152	8,388

27. Tax liabilities (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Provision for tax (net of advance tax) {Advance tax Rupees 1,803 lakhs (Previous year: Rupees 13,915 lakhs)}	528	1,620
Total	528	1,620

28. Other current liabilities

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Statutory liabilities	8,007	6,696
Advance received from customer (Refer Note 28.1)	899	574
Unearned revenue (Refer Note 28.1)	20,178	16,529
Total	29,084	23,799

28.1 The balance lying in 'Unearned revenue' and 'Advance received from customer' as at December 31, 2020 is fully recognised as revenue during the current year.

29. Income from operations

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Ratings services	60,411	56,504
Research services	154,369	128,271
Advisory services	15,289	13,408
Total	230,069	198,183

29.1 The Group disaggregates revenue from contracts with customers by nature of services. (Refer Note 37)

29.2 The Group has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has right to consideration that corresponds directly with the value of entity's performance completed to date.

30. Other income

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Interest on bank deposits	300	173
Interest on income tax refund	15	3
Interest income on financial assets carried at amortized cost	56	257
Inflation adjustment results (Refer Note 41)	820	845
Profit on sale of property, plant and equipment	79	9
Dividend on investments	429	441
Foreign exchange gain (net)	671	902
Profit on sale of current investments	1,040	703
Profit on fair valuation of current investments	313	268
Grant income (Refer Note 43)	17	2,774
Modification/ waiver of lease rent	794	288
Excess provision written back	1,383	395
Miscellaneous income	1,785	1,257
Total	7,702	8,315

31. Employee benefits expenses

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Salaries, wages and bonus	116,145	96,511
Share based payment to employees	157	247
Contribution to provident and other funds (Refer Note 40)	7,880	6,262
Contribution to gratuity fund (Refer Note 40)	928	848
Staff training and welfare expenses	3,581	2,976
Total	128,691	106,844

32. Finance cost

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Interest on lease liability (Refer Note 39)	893	1,410
Interest expense on bank overdraft	-	29
Total	893	1,439

33. Other expenses

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Repairs and maintenance - Buildings	1,146	1,890
Repairs and maintenance - others	826	784
Electricity	395	633
Communication expenses	1,421	1,457
Insurance	165	197
Rent (Refer Note 39)	1,397	1,254
Rates and taxes	515	516
Printing and stationery	257	283
Conveyance and travelling	896	1,583
Books and periodicals	1,284	1,221
Remuneration to non-whole time directors (Refer Note 38)	249	161
Business promotion and advertisement	61	73
Professional fees	12,391	10,838
Associate service fee	12,256	13,163
Software purchase and maintenance expenses	3,216	1,917
Provision for doubtful debts / bad debts	308	94
Provision for doubtful deposits	13	45
Corporate social responsibility (CSR) expenses (Refer Notes 38 and 48)	824	780
Auditors' remuneration	248	319
Recruitment expenses	824	508
Sales commission	782	508
Miscellaneous expenses	853	2,051
Total	40,327	40,275

34. Financial instruments

The carrying value and fair value of financial instruments by categories as at December 31, 2021 are as follows:

(Rupees in lakhs)

Particulars	Amortised cost	Financial assets/liabilities at FVTPL		Financial assets/liabilities at FVTOCI		Derivative instruments in hedging relationship	Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory			
Assets								
Investments								
Quoted equity investments	-	-	-	16,239	-	-	16,239	16,239
Unquoted equity investments	-	-	-	3,299	-	-	3,299	3,299
Mutual funds	-	-	44,946	-	-	-	44,946	44,946
Cash and cash equivalents	28,992	-	-	-	-	-	28,992	28,992
Other bank balances	443	-	-	-	-	-	443	443
Trade receivables	39,854	-	-	-	-	-	39,854	39,854
Loans	3,704	-	-	-	-	-	3,704	3,704
Other financial assets	14,433	-	-	-	-	1,290	15,723	15,723
Total	87,426	-	44,946	19,538	-	1,290	153,200	153,200
Liabilities								
Trade payables	13,370	-	-	-	-	-	13,370	13,370
Other financial liabilities	39,246	-	-	-	-	-	39,246	39,246
Total	52,616	-	-	-	-	-	52,616	52,616

The carrying value and fair value of financial instruments by categories as at December 31, 2020 are as follows:

(Rupees in lakhs)

Particulars	Amortised cost	Financial assets/liabilities at FVTPL		Financial assets/liabilities at FVTOCI		Derivative instruments in hedging relationship	Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory			
Assets								
Investments								
Quoted equity investments	-	-	-	13,791	-	-	13,791	13,791
Unquoted equity investments	-	-	-	3,237	-	-	3,237	3,237
Mutual funds	-	-	30,574	-	-	-	30,574	30,574
Cash and cash equivalents	27,488	-	-	-	-	-	27,488	27,488
Other bank balances	380	-	-	-	-	-	380	380
Trade receivables	30,736	-	-	-	-	-	30,736	30,736
Loans	4,576	-	-	-	-	-	4,576	4,576
Other financial assets	9,407	-	-	-	-	877	10,284	10,284
Total	72,587	-	30,574	17,028	-	877	121,066	121,066
Liabilities								
Trade payables	10,536	-	-	-	-	-	10,536	10,536
Other financial liabilities	43,002	-	-	-	-	-	43,002	43,002
Total	53,538	-	-	-	-	-	53,538	53,538

34.1 Fair value hierarchy

For financial reporting purpose, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value as at December 31, 2021 and December 31, 2020.

(Rupees in lakhs)

Particulars	As at December 31, 2021			As at December 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value:						
A. Investments at FVTPL						
1. Mutual Funds	44,946	-	-	30,574	-	-
B. Investments at FVTOCI						
1. Quoted equity shares	16,239	-	-	13,791	-	-
2. Unquoted equity shares	-	-	3,299	-	-	3,237
C. Forward contracts receivable	-	1,290	-	-	877	-

34.2 Derivative financial instruments and hedging activity

The Group's risk management policy is to hedge substantial amount of forecast transactions for each of the major currencies presently US\$, GBP £ and Euro €. The hedge limits are governed by the risk management policy. The Group uses forward foreign exchange contracts to mitigate exchange rate exposure arising from forecast sales in foreign currencies. All forward exchange contracts have been designated as hedging instruments in cash flow hedges in accordance with Ind AS 109. Details of currency hedge and forward contract value are as under:

As at December 31, 2021

Type of Hedge	Currency	Number of contracts	Nominal value (Foreign currency in '000)	Carrying amount of hedging instrument (Rupees in lakhs)	Maturity date	Weighted average strike price/rate	Changes in fair value of hedging instrument (Rupees in lakhs)	Change in the hedging item used as the basis for recognising hedge effectiveness (Rupees in lakhs)
Cash flow hedge								
i) Foreign exchange forward contracts	USD	59	58,787	45,503	Jan - Dec-22	77.40	701	(701)
	GBP	21	7,288	7,699	Jan - Dec-22	105.64	201	(201)
	EUR	12	6,846	6,317	Jan - Dec-22	92.27	388	(388)

As at December 31, 2020

Type of Hedge	Currency	Number of contracts	Nominal value (Foreign currency in '000)	Carrying amount of hedging instrument (Rupees in lakhs)	Maturity date	Weighted average strike price/rate	Changes in fair value of hedging instrument (Rupees in lakhs)	Change in the hedging item used as the basis for recognising hedge effectiveness (Rupees in lakhs)
Cash flow hedge								
i) Foreign exchange forward contracts	USD	39	41,162	31,855	Jan - Dec-21	77.39	1005	(1,005)
	GBP	11	6,080	6,005	Jan - Dec-21	98.76	(219)	219
	EUR	12	4,212	3,763	Jan - Dec-21	89.34	(128)	128
Receivables hedge								
i) Foreign exchange forward contracts	USD	1	6,250	4,896	6-Jul-21	78.34	219	(219)

Movement in cash flow hedging reserve

Particulars	
As at January 1, 2020	40
Add: Changes in fair value of effective portion of outstanding forecasted cash flow hedge	179
Less: Amounts reclassified to statement of profit or loss	426
Less: Tax relating to above (net)	(153)
As at January 1, 2021	492
Add: Changes in fair value of effective portion of outstanding forecasted cash flow hedge	333
Add: Amounts reclassified to statement of profit or loss	299
Less: Tax relating to above (net)	(159)
As at December 31, 2021	965

The Group uses foreign exchange forward contracts to hedge its exposure in foreign currency risk. Hedge is broadly classified as revenue hedge and receivable hedge.

Revenue hedge: For forecasted revenue transaction, the Group will adopt cash flow hedge and record mark to market through OCI. Effective hedge is routed through OCI in the balance sheet and the ineffective portion is immediately routed through the statement of profit and loss.

Receivable hedge: The ineffective portion of cash flow hedges are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses).

Details of unhedged foreign exposure

Currency	As at December 31, 2021		As at December 31, 2021	
	(Foreign Currency in '000)		(Rupees in lakhs)	
	Assets	Liabilities	Assets	Liabilities
Monetary				
USD	70,686	8,307	52,774	6,202
GBP	6,041	216	6,059	217
EUR	5,518	884	4,659	746
Others	1,913	5,487	445	1,569

Currency	As at December 31, 2020		As at December 31, 2020	
	(Foreign Currency in '000)		(Rupees in lakhs)	
	Assets	Liabilities	Assets	Liabilities
Monetary				
USD	21,210	879	15,574	646
GBP	19	-	19	-
EUR	3,188	359	2,868	322
Others	1,285	3	340	123

35. Financial risk management

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarised in Note 34. The main types of risks are market risk (foreign currency exchange rate risk and price risk), business and credit risks and liquidity risk. The Company has in place a robust risk management policy with overall governance and oversight from the Audit Committee and Board of Directors. Risk assessment is conducted periodically and the Company has a mechanism to identify, assess, mitigate and monitor various risks to key business objectives.

The policies for managing specific risk are summarized below:

35.1 Market risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market price. Such changes may result from changes in foreign currency exchange rates, interest rate, price and other market changes. The Group's exposure to market risk is mainly due to foreign exchange rates and price risk.

Foreign currency exchange rate risk

Our exposure to market risk includes changes in foreign exchange rates. Exposures to currency exchange rates arise from the Group's overseas sales and purchases, which are primarily denominated in US dollars (USD), EURO, and Pounds Sterling (GBP). As of December 31, 2021 and December 31, 2020, we have entered into foreign exchange forward contracts to hedge the effect of adverse fluctuations in foreign currency exchange rates. The details in respect of the outstanding foreign exchange forward contracts are given under Note 34.2

Following is the currency profile of non-derivative financial assets and financial liabilities:

Currency	As at December 31, 2021		As at December 31, 2021	
	(Foreign Currency in '000)		(Rupees in lakhs)	
	Financial Assets	Financial Liabilities	Financial Assets	Financial Liabilities
USD	70,686	8,307	52,774	6,202
GBP	6,041	216	6,059	217
EURO	5,518	884	4,659	746
Others	1,913	5,487	445	1,569

Currency	As at December 31, 2020		As at December 31, 2020	
	(Foreign Currency in '000)		(Rupees in lakhs)	
	Financial Assets	Financial Liabilities	Financial Assets	Financial Liabilities
USD	21,210	879	15,574	646
GBP	19	-	19	-
EURO	3,188	359	2,868	322
Others	1,285	3	340	123

For the year ended December 31, 2021, every 5% increase/decrease of the respective foreign currencies compared to functional currency of the Group would impact operating margins by Rupees 2,760 lakhs (+/-4.21%). For the year ended December 31, 2020, operating margins would increase/decrease by Rupees 886 lakhs (+/-1.73%). Exposure to foreign currency exchange rate vary during the year depending upon the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposure to currency risk.

Price risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Group has adopted disciplined practices including position sizing, diversification, valuation, loss prevention, due diligence, and exit strategies in order to mitigate losses.

The Group is exposed to price risk arising mainly from investments in mutual funds recognized at FVTPL. The details of such investment are given under Note 7. If the prices had been higher/lower by 5% from the market prices existing as at reporting dates, profit would increase/decrease by Rupees 2,247 lakhs and Rupees 1,529 lakhs for the year ended December 31, 2021 and December 31, 2020 respectively.

The Group is exposed to price risk arising mainly from investments in quoted equity instruments recognized at FVTOCI. The details of such investment are given under Note 7. If the equity prices had been higher/lower by 5% from the market prices existing as at the reporting date, OCI for the year ended December 31, 2021 would increase/decrease by Rupees 812 lakhs and Rupees 690 lakhs for the year ended December 31, 2020.

35.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. For the Group, liquidity risk arises from obligations on account of financial liabilities - trade payables and other financial liabilities.

Liquidity risk management

The Group continues to maintain adequate amount of liquidity/treasury to meet strategic and growth objectives. The Group has ensured a balance between earning adequate returns on liquidity/treasury assets and the need to cover financial and business risks. Group's treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The treasury position of the Company is given below:

Financial assets maturing within one year:

Particulars	(Rupees in lakhs)	
	As at December 31, 2021	As at December 31, 2020
Trade receivables	39,854	30,736
Cash and cash equivalents	28,992	27,488
Other bank balances	443	380
Loans	715	2,121
Investments in mutual funds	44,946	30,574
Other financial assets	15,682	10,176
Total	130,632	101,475

Financial liabilities maturing within and after one year:

Particulars	As at December 31, 2021		As at December 31, 2020	
	within one year	more than one year	within one year	more than one year
Trade payables	13,370	-	10,536	-
Other financial liabilities	29,041	10,205	24,541	18,461
Total	42,411	10,205	35,077	18,461

35.3 Business and credit risks

To mitigate the risk arising from high dependence on any one business for revenues, the Group has adopted a strategy of diversifying in new products/services and into different business segments. To address the risk of dependence on a few large clients and a few sectors in the business segments, the Group has also actively sought to diversify its client base and industry segments.

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to this risk for receivables from customers.

To manage credit risk, the Group periodically assesses the financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Group uses a provision margin to compute the expected credit loss allowance for trade receivables. Further, the Group doesn't have significant credit risk exposure to any single counter party or a group of counter parties and have adequate provision for credit risk/bad debts. Trade receivables are monitored on periodic basis for any non-recoverability of the dues. Bank balances are held with only high rated banks.

(Rupees in lakhs)

Particulars	As at	
	December 31, 2021	December 31, 2020
<= 6 months	36,997	30,555
> 6 months but <= 1 year	2,662	1,310
> 1 year	2,333	980
Provision for doubtful receivables	(2,138)	(2,109)

36. Details of contingent liabilities and capital commitments are as under

(Rupees in lakhs)

Particulars	As at	
	December 31, 2021	December 31, 2020
A. Contingent liabilities		
1. Bank guarantee in the normal course of business	1,455	1,507
2. Disputed income tax, sales tax, service tax and GST demand:		
(i) Pending before appellate authorities in respect of which the Group is in appeal	23,306	8,888
(ii) Decided in the Group's favour by appellate authorities and department is in further appeal	1,215	1,215
3. Provident Fund		
Based on the judgement by the Honorable Supreme Court dated 28 February 2019, past provident fund liability, is not determinable at present, in view of uncertainty on the applicability of the judgement to the Group with respect to timing and the components of its compensation structure. In absence of further clarification, the Group has been legally advised to await further developments in this matter to reasonably assess the implications on its financial statements, if any.		
The Group periodically receives notices and inquiries from income tax authorities related to the Group's operations in the jurisdictions of operations in. The Group has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands by income tax authorities will not succeed on ultimate resolution other than what has been provided or disclosed herein.		
	25,976	11,610
B. Capital commitment		
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	740	189
Management believes that the ultimate outcome of above matters will not have a material adverse impact on its financial position, results of operations and cash flows. In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements pending at various authorities.		
Total	26,716	11,799

37. Segment reporting

Business segments:

The Group has three major business segments: Rating, Research and Advisory. A description of the types of products and services provided by each reportable segment is as follows:

Ratings – Ratings services includes credit ratings for corporates, banks, bank loans, small and medium enterprises (SME), credit analysis services, grading services and global analytical services.

Research – Research segment includes global research and risk solutions, industry reports, customized research assignments, subscription to data services, independent equity research (IER), IPO gradings and training.

Advisory – CRISIL provides advisory services and a comprehensive range of risk management tools, analytics and solutions to financial institutions, banks and corporates in India.

Segment reporting for the year ended December 31, 2021

(Rupees in lakhs)

Particulars	Business segments			Total
	Ratings	Research	Advisory	
Operating revenue (Refer Note 29)	60,411	154,369	15,289	230,069
Segment results	25,270	32,408	1,660	59,338
Add / (less) unallocables:				
1. Unallocable income				
Interest income				371
Profit on sale of current investments				1,040
Profit on sale of fixed asset				79
Grant income				17
Others*				2,527
2. Unallocable expenditure				(952)
3. Depreciation/amortisation (unallocable)				(5,158)
Profit before exceptional item				57,262
Exceptional item				4,582
Profit before tax				61,844
Tax expense				(15,263)
Profit after tax				46,581
Segment assets	19,270	112,749	15,012	147,031
Unallocable assets**				103,356
Segment liabilities	16,128	48,434	4,833	69,395
Unallocable liabilities**				23,150

Revenue and total assets by geographic segments

(Rupees in lakhs)

Geography	Revenue	Assets #
India	66,913	145,510
Europe	50,999	42,282
North America	90,617	35,328
Rest of the world	21,540	9,776
Total	230,069	232,896

Segment reporting for the year ended December 31, 2020

(Rupees in lakhs)

Particulars	Business segments			Total
	Ratings	Research	Advisory	
Operating revenue (Refer Note 29)	56,504	128,271	13,408	198,183
Segment results	22,672	20,901	1,007	44,580
Add / (less) unallocables :				
1. Unallocable income				
Interest income				433
Profit on sale of current investments				703
Profit on sale of fixed asset				9
Grant income				2,774
Others*				4,396
2. Unallocable expenditure				(1,890)
3. Depreciation/amortisation (unallocable)				(5,176)
Profit before exceptional item				45,829
Exceptional item				-
Profit before tax				45,829
Tax expense				(10,356)
Profit after tax				35,473
Segment assets	8,401	103,961	14,925	127,287
Unallocable assets* *				93,378
Segment liabilities	16,764	45,430	5,569	67,763
Unallocable liabilities**				21,721

Revenue and total assets by geographic segments (Rupees in lakhs)

Geography	Revenue	Assets #
India	55,962	125,247
Europe	45,509	38,688
North America	81,760	35,585
Rest of the world	14,952	6,770
Total	198,183	206,290

Notes to segmental results :

* Other income which have been allocated to business segments have not been considered in determining unallocable income.

**Assets and liabilities used interchangeably between business segments have been classified as unallocable. The Group believes that it is currently not practical to allocate these assets and liabilities since a meaningful segregation of the available data is not feasible.

#Total asset for the purpose of geographical segment does not include deferred tax asset and tax asset.

Only one customer of the Group contributed to more than 10% of the consolidated revenue from operations of the Group.

The following table gives details in respect of revenues generated from top customer:

Particulars	(Rupees in lakhs)	
	Year ended December 31, 2021	Year ended December 31, 2020
Total revenue from one customer who contributed to more than 10% of the revenue from operations	24,196	22,086

38. List of related parties

Parties	Relationship
Related parties where control exists	
S&P Global Inc.	The Ultimate Holding Company
CRISIL Foundation	Controlled trust
Other related parties (to the extent where transactions have taken place)	
S&P India, LLC	Fellow subsidiary
Standard & Poor's International LLC	Fellow subsidiary
Standard & Poor's South Asia Services Private Limited	Fellow subsidiary
S&P Global Asian Holdings Pte. Limited	Fellow subsidiary
S&P Global Canada Corp.	Fellow subsidiary
S&P Capital IQ (India) Private Limited	Fellow subsidiary
S&P Global UK Limited	Fellow subsidiary
S&P Global Ratings UK Limited	Fellow subsidiary
S&P Global Ratings Europe Limited	Fellow subsidiary
Standard & Poor's Financial Services, LLC	Fellow subsidiary
S&P Global Ratings Singapore Pte Ltd	Fellow subsidiary
S&P Global Ratings Hong Kong Limited	Fellow subsidiary
S&P Global Ratings Australia Pty Ltd	Fellow subsidiary
S&P Global Ratings Japan Inc.	Fellow subsidiary
S&P Global Market Intelligence LLC	Fellow subsidiary
S&P Global Market Intelligence Inc.	Fellow subsidiary
S&P Global Switzerland SA	Fellow subsidiary
S&P Trucost Limited	Fellow subsidiary
Asia Index Private Limited	Fellow subsidiary
Nreach Online Services Private Limited	Private company in which a Director is interested (with effect from October 1, 2021)
Key Management Personnel	
Girish Paranjpe	Independent Director
Vinita Bali	Independent Director
Amar Raj Bindra	Independent Director (with effect from December 1, 2021)
Shyamala Gopinath	Independent Director (with effect from July 10, 2020)
Arundhati Bhattacharya	Independent Director (upto April 15, 2020)

Parties	Relationship
M. Damodaran	Independent Director (upto October 1, 2021)
Elizabeth Mann	Director (with effect from November 29, 2021)
Ewout Steenbergen	Director
Martin Fraenkel	Director (upto November 29, 2021)
John L Berisford	Chairman
Ashu Suyash*	Managing Director and Chief Executive Officer (upto September 30, 2021)
Amish Mehta*	Managing Director and Chief Executive Officer (with effect from October 1, 2021)
Sanjay Chakravarti*	Chief Financial Officer
Minal Bhosale*	Company Secretary

* Related Party under the Companies Act, 2013

Transactions with related parties

(Rupees in lakhs)

Name of the related party	Nature of transaction / outstanding balances	As at and for	As at and for the
		the year ended December 31, 2021	year ended December 31, 2020
S&P Global Canada Corp.	Professional services rendered	195	161
	Reimbursement of expenses received	-	1
	Amount receivable	17	15
S&P Global Ratings Europe Limited	Professional services rendered	2,773	4,516
	Reimbursement of expenses received	7	6
	Amount receivable	2	831
S&P Global Ratings UK Limited	Professional services rendered	2,054	-
	Amount receivable	2	-
Standard & Poor's Financial Services, LLC	Professional services rendered	13,922	13,354
	Reimbursement of expenses received	-	22
	Reimbursement of expenses paid	536	47
	Amount receivable	17	23
S&P Global Ratings Singapore Pte Ltd	Professional services rendered	522	656
	Amount receivable	50	46
S&P Global Ratings Hong Kong Limited	Professional services rendered	1,616	1,221
	Amount receivable	377	326
S&P Global Ratings Australia Pty Ltd	Professional services rendered	643	608
	Amount receivable	-*	55
S&P Global Ratings Japan Inc.	Professional services rendered	292	289
	Amount receivable	-	25
S&P Global Market Intelligence LLC	Subscription fees paid	395	405
	Professional services rendered	569	568
	Amount receivable	137	79
Standard & Poor's International LLC	Dividend paid	2,280	1,920
	Share capital outstanding	60	60
	Reimbursement of expenses received	-	-*
	Amount receivable	-*	-*
S&P India, LLC	Dividend paid	11,860	9,987
	Share capital outstanding	312	312
S&P Global Asian Holdings Pte. Limited	Dividend paid	4,379	3,687
	Share capital outstanding	115	115
S&P Capital IQ (India) Private Limited	Reimbursement of expenses received	-	22
	Amount receivable	-	-*
Standard & Poor's South Asia Services Private Limited	Reimbursement of expenses received	1,169	1,232
	Amount receivable	52	909
S&P Trucost Limited	Professional services rendered	174	-

Transactions with related parties

(Rupees in lakhs)

Name of the related party	Nature of transaction / outstanding balances	As at and for the year ended December 31, 2021	As at and for the year ended December 31, 2020
	Amount receivable	23	-
Asia Index Private Limited	Reimbursement of expenses paid	2	4
Nreach Online Services Private Limited	Purchase of material	3	-
S&P Global Inc.	Professional services rendered	203	80
	Rent paid	438	372
	Amount payable	-	326
	Amount receivable	-*	-
S&P Global Market Intelligence Inc.	Reimbursement of expenses received	59	56
	Amount receivable	16	4
S&P Global UK Limited	Rent paid	174	236
	Professional services rendered	1,016	737
	Amount payable	10	-
	Amount receivable	195	220
S&P Global Switzerland SA	Professional services rendered	121	-
CRISIL Foundation	Donation	824	856
	Donation collected from employees and paid to foundation	40	-
	Reimbursement of expenses received	-	14
	Amount receivable	-	4
Girish Paranjpe	Sitting fees and commission	76	44
Shyamala Gopinath	Sitting fees and commission	76	19
Arundhati Bhattacharya	Sitting fees and commission	-	11
Vinita Bali	Sitting fees and commission	53	43
M. Damodaran	Sitting fees and commission	39	44
Amar Raj Bindra	Sitting fees and commission	5	-
Ashu Suyash**	Remuneration	1,073	633
	Transfer of assets	43	-
Amish Mehta**	Remuneration	620	399
Sanjay Chakravarti**	Remuneration	257	172
Minal Bhosale**	Remuneration	118	96

*- in amounts column denote amount less than Rupees 50,000

** Note: Employee benefits that requires actuarial valuation or are linked to events or fulfilment of conditions are disclosed in Managerial Remuneration as and when paid.

39. Leases

The Company has adopted Ind AS 116 effective January 1, 2020, using the modified retrospective method and has applied the standard to its leases with the cumulative impact recognized on the date of initial application i.e. January 1, 2020. The lease expenses which were recognized as rent expense in previous periods is now recognized as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The Company has elected not to recognize right-to-use assets and lease liabilities for short term leases (lease term of 12 months or less) and leases of low-value and has recognized the lease payments for such leases as an expense over the lease term.

39.1 The following is the movement in lease liabilities :

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Opening balance	22,413	-
Additions (transitional impact on adoption of Ind AS 116)	-	22,167
Adjustments	(4,651)	3,690
Less: Modification of lease term	(1,557)	(1,809)
Add: Additions	3,322	3,559
Add : Forex adjustment	(588)	239
Add: Interest recognised during the year	893	1,410
Less: Waiver of lease rent	(794)	(52)
Payment made	(5,823)	(6,791)
Closing balance	13,214	22,413

39.2 The table below provides details regarding the contractual maturities of lease liabilities as at December 31, 2021 on an undiscounted basis:

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Future minimum lease payments:		
Not later than one year	6,716	6,961
Later than one year and not later than five years	8,419	17,065
Later than five years	128	5,681
Total	15,263	29,707

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short term leases as per Ind AS 16 was Rupees 1,397 lakhs (Previous year Rupees 1,254 lakhs) for the year.

Effective January 1, 2020, the Company has adopted Ind AS 116, Leases and has recognised interest on lease liability of Rupees 893 lakhs (Previous year Rupees 1,410 lakhs) under finance costs.

The aggregate depreciation on ROU assets has been included under depreciation expense in the Statement of Profit and Loss.

40. Gratuity and other post employment benefits plans

In accordance with the Payment of Gratuity Act, 1972 the Group provides for gratuity, a defined benefit retirement plan covering eligible employees (completed continuous services of five years or more) of the Group. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment at fifteen days salary of an amount based on the respective employee's salary and tenure of employment with the Group.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Net employee benefit expense recognised in Statement of Profit and Loss and OCI:

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Current service cost	790	726
Interest cost on defined benefit obligation	138	124
Re-measurement - actuarial (gain)/loss (recognised in OCI)	(175)	551
Expected return on plan assets (recognised in OCI)	(7)	(38)
Adjustment	-	(2)
Net gratuity benefit expense	746	1,361

Balance Sheet:

Details of provision for gratuity benefit

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Present value of funded obligations	6,235	5,957
Fair value of plan assets	(3,369)	(3,052)
Net liability	2,866	2,905

Changes in the present value of the defined benefit obligation are as follows:

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Opening defined benefit obligation	5,957	4,862
Current service cost	790	726
Interest cost	339	311
Actuarial (gain)/loss	(72)	(11)
Actuarial (gain)/loss (financial assumptions)	(97)	562
Benefits paid	(682)	(493)
Closing defined benefit obligation	6,235	5,957

Changes in the fair value of plan assets are as follows:

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Opening fair value of plan assets	3,052	2,557
Interest income on plan assets	201	187
Contribution by employer	767	763
Return on plan assets greater / (lesser) than discount rate recognised in OCI	13	38
Benefits paid	(664)	(493)
Closing fair value of plan assets	3,369	3,052

The defined benefit obligation shall mature after December 31, 2021 as follows:

Particulars	Rupees in lakhs
December 31, 2022	619
December 31, 2023	706
December 31, 2024	761
December 31, 2025	848
December 31, 2026	920
December 31, 2027 to December 31, 2032	5,285

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Investment with insurer	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity for the Group's plans is as below:

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Discount rate	6.20%	5.70%
Estimated rate of return on plan assets	7.00%	7.00%
Expected employee turnover		
Service years	Rates	Rates
Service < 5	20.00%	20.00%
Service => 5	10.00%	10.00%
Increment	10% for first 4 years starting 2022 and 7% thereafter	10% for first 4 years starting 2021 and 7% thereafter
Expected employer's contribution next year (Rupees in lakhs)	767	751

Broad category of plan assets as per percentage of total plan assets of the gratuity:-

Particulars	As at	
	December 31, 2021	December 31, 2020
Government securities	87%	81%
Fixed deposits, debentures and bonds	9%	13%
Others	4%	6%
Total	100%	100%

The significant actuarial assumptions for the determination of defined benefit obligations are discount rate and salary escalation rate. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, holding all other assumptions constant.

Discount rate	Rupees in lakhs
Effect on DBO due to 0.5% increase in discount rate	(224)
Effect on DBO due to 0.5% decrease in discount rate	239

Salary escalation rate	Rupees in lakhs
Effect on DBO due to 0.5% increase in salary escalation rate	189
Effect on DBO due to 0.5% decrease in salary escalation rate	(185)

Other benefits

The Group has recognised the following amounts in the statement of profit and loss:

(Rupees in lakhs)

Particulars	Year ended	
	December 31, 2021	December 31, 2020
i. Contribution to provident fund	2,501	2,272
ii. Contribution to other funds	5,379	3,990

A provision of Rupees 7,401 lakhs has been made for compensated absences as at December 31, 2021 (Previous year: Rupees 7,622 lakhs).

41. Application of Ind AS 29 in financial reporting of Argentina subsidiary

Ind AS 29 "Financial reporting in Hyperinflation Economies", which requires that the financial statements of entities whose functional currency is that of Hyperinflation economy to be adjusted for the effects of changes in a suitable general price index and to be expressed in terms of the current unit of measurement at the closing rate of the reporting period, is still applicable for the company's Argentine subsidiary. The inflation adjustment was calculated by means of conversion factor derived from the Argentine price indexes published by the Argentina's Official Statistics Bureau ('INDEC'). The average index for the year ended December 31, 2021, was 1.51 (Previous year average index: 1.34).

The main procedures for the above-mentioned adjustment are as follows:

- Monetary assets and liabilities which are carried at amounts current at the balance sheet date are not restated because they are already expressed in terms of the monetary unit current at the balance sheet date.
- Non-monetary assets and liabilities which are not carried at amounts current at the balance sheet date, and components of shareholders' equity are adjusted by applying the relevant conversion factors.
- All items in the income statement are restated by applying the relevant conversion factors.
- The effect of inflation on the Company's net monetary position is included in the income statement, in finance cost, net, under the caption "Inflation adjustment results".

The comparative figure as of December 31, 2020, have been stated as per changes in the general price index applicable to the financial reporting of the company's subsidiary with the Argentine peso as functional currency and, as result have been stated in terms of such currency as of the end of comparative reporting period.

- Securities and Exchange Board of India (SEBI) notifications dated May 30, 2018 and September 19, 2018, under the SEBI (Credit Rating Agencies) Regulations, 1999, have mandated segregation of Ratings and Non-Ratings businesses of Credit Rating Agencies. Pursuant to, and in order to comply with these notifications, CRISIL's Board of Directors approved transfer of the Ratings business to CRISIL Ratings Limited, (incorporated on June 3, 2019), a wholly owned subsidiary of the Company. This transfer has been undertaken through a 'Scheme of arrangement in terms of Section 230 to 232 of the Companies Act, 2013' ('Scheme') which has been approved by Stock Exchanges. The Scheme has been sanctioned by the National Company Law Tribunal (NCLT) with appointed date as January 1, 2020 and the certified copy of the Order dated June 8, 2020 has been received on July 7, 2020 which has been filed with Registrar of Companies on July 20, 2020. Further

SEBI and Reserve Bank of India (RBI) has given necessary approval on December 4, 2020 and March 31, 2021, respectively, to CRISIL Ratings Limited to act as a Credit Rating Agency. On receipt of approval, the Scheme became effective on March 31, 2021 with the appointed date of January 1, 2020.

- 43.** During the year, the Group received export benefits amounting to Rupees Nil (Previous year: Rupees 2,752 lakhs) in the form of duty free saleable scrips under the Service Export Incentive Scheme (SEIS) from the Government authorities and the same has been accounted for as 'Other income' in the consolidated financial statements (Refer Note 30).
- 44.** The Group has considered internal and external information and has performed sensitivity analyses based on current estimates, in assessing the recoverability of receivables, unbilled revenues, goodwill, intangible assets, other financial assets (including cash liquidity), and the profitability of the Group. Whilst the situation continues to be extremely dynamic, at present the Group does not see any material impact on the above. However, the actual impact of the pandemic on the Group's financial performance may differ from what is estimated, and the Group continues to monitor changes to future economic conditions.

45. Employee stock option scheme ("ESOS")

The Group has formulated an ESOS based on which employees are granted options to acquire the equity shares of the parent company that vests in a graded manner. The options are granted at the closing market price prevailing on the stock exchange, immediately prior to the date of grant. Details of the ESOS granted are as under :

Particulars	Date of grant	No. of options granted	Exercise price (Rupees)	Graded vesting period :			Weighted average price (Rupees)**
				1st Year	2nd Year	3rd Year	
ESOS 2014 (1)	17-Apr-14 *	2,860,300	1,217.20	953,433	953,433	953,434	469.48
ESOS 2014 (2)	01-Jun-15 *	71,507	2,101.10	23,835	23,835	23,837	708.36
ESOS 2012 (1)	16-Apr-12	903,150	1,060.00	180,630	361,260	361,260	320.59
ESOS 2012 (2)	16-Apr-12	5,125	1,060.00	5,125	-	-	230.97
ESOS 2012 (3)	14-Feb-14	123,000	1,119.85	24,600	49,200	49,200	334.20
ESOS 2011 (1)	14-Feb-11	1,161,000	579.88	232,200	464,400	464,400	185.21
ESOS 2011 (2)	14-Feb-11	23,750	579.88	23,750	-	-	149.41
ESOS 2011 (3)	3-Oct-14	33,000	1,985.95	6,600	13,200	13,200	583.69
ESOS 2011 (4)	25-Feb-15	22,000	2,025.20	4,400	8,800	8,800	515.78
ESOS 2011 (5)	16-Dec-16	194,200	2,180.85	38,840	77,680	77,680	621.74
ESOS 2012 (4)	16-Dec-16	47,800	2,180.85	9,560	19,120	19,120	621.74
ESOS 2014 (3)	16-Dec-16*	82,100	2,180.85	27,093	27,093	27,914	734.46
ESOS 2014 (4)	09-Mar-17*	13,400	1,997.35	4,422	4,422	4,556	680.28
ESOS 2014 (5)	17-Jul-17*	25,000	1,956.55	8,250	8,250	8,500	626.51
ESOS 2014 (6)	8-Jan-18*	8,000	1,919.25	2,666	2,666	2,667	623.48
ESOS 2014 (7)	24-Jan-18*	238,970	1,969.45	79,656	79,656	79,658	651.23
ESOS 2014 (8)	4-Apr-18	164,457	1,841.35	54,818	54,818	54,820	410.12
ESOS 2014 (9)	16-Apr-19	226,155	1,568.85	75,384	75,384	75,387	332.35

* At the end of 3rd, 4th & 5th year in equal tranches

**Weighted average price of options as per Black -Scholes Option Pricing model at the grant date.

The Company had three schemes under which options have been granted in the past. Under ESOS 2011, ESOS 2012, ESOS 2014 (8) and ESOS 2014 (9) option vest over three years at each of the anniversaries. ESOS 2011 and ESOS 2012 are exercisable within three years from the date of vesting and are settled in equity on exercise. ESOS 2014 (8) and ESOS 2014 (9) are exercisable within two years from the date of vesting and are settled in equity on exercise.

Under ESOS 2014 (1-7) options vest over five years starting from third anniversary of the grant. Options are exercisable within two years from the date of vesting and are settled in equity on exercise.

The summary for each scheme as at December 31, 2021

Particulars	ESOS - 2011		ESOS - 2012		ESOS - 2014	
	Number of options	Wtd. avg. exercise price (Rupees)	Number of options	Wtd. avg. exercise price (Rupees)	Number of options	Wtd. avg. exercise price (Rupees)
Outstanding at the beginning of the year	155,360	2,180.85	31,840	2,180.85	641,465	1,678.36
Granted during the year	-	N.A.	-	N.A.	-	N.A.
Forfeited during the year	-	N.A.	21,840	2,180.85	113,044	1,918.31
Exercised during the year	23,285	2,180.85	-	N.A.	251,871	1,444.53
Expired during the year	-	N.A.	5,000	2,180.85	34,061	1,857.97
Outstanding at the end of the year	132,075	2,180.85	5,000	2,180.85	242,489	1,784.14
Exercisable at the end of the year	132,075	2,180.85	5,000	2,180.85	157,646	1,833.47

The summary for each scheme as at December 31, 2020

Particulars	ESOS - 2011		ESOS - 2012		ESOS - 2014	
	Number of options	Wtd. avg. exercise price (Rupees)	Number of options	Wtd. avg. exercise price (Rupees)	Number of options	Wtd. avg. exercise price (Rupees)
Outstanding at the beginning of the year	207,400	2,168.45	74,030	1,804.92	1,112,938	1,563.03
Granted during the year	-	N.A.	-	N.A.	-	N.A.
Forfeited during the year	-	N.A.	15,030	1,684.59	110,596	1,812.45
Exercised during the year	-	N.A.	19,200	1,119.85	269,764	1,226.04
Expired during the year	52,040	2,131.41	7,960	2,180.85	91,113	1,446.12
Outstanding at the end of the year	155,360	2,180.85	31,840	2,180.85	641,465	1,678.36
Exercisable at the end of the year	155,360	2,180.85	31,840	2,180.85	392,868	1,622.82

Particulars	Date	Wtd. avg. exercise price (Rupees)
Weighted average share price at the date of exercise.	February 11, 2021	1,933.26
	April 19, 2021	1,859.52
	July 20, 2021	2,505.49
	September 30, 2021	2,912.00
	November 10, 2021	2,861.92

Particulars	Range of exercise prices Rupees	Wtd. avg. remaining contractual life
Range of exercise prices and weighted average remaining contractual life.	1,568.85 to 1,997.35	795 days
	2,101.10 to 2,180.85	411 days

Cash inflow on exercise of options at the weighted average share price at the date of exercise.

Particulars	Year ended December 31, 2021		Year ended December 31, 2020	
	Numbers	Rupees in lakhs	Numbers	Rupees in lakhs
Exercised during the year*	275,156	4,146	288,964	3,522
Total	275,156	4,146	288,964	3,522

*Excludes share application money pending allotment

There are no cash settled plans implemented by the Company and hence there is no further liability booked in the books.

The estimates of future cash inflow that may be received upon exercise of options.

Particulars	Year ended December 31, 2021		Year ended December 31, 2020	
	Numbers	Rupees in lakhs	Numbers	Rupees in lakhs
Not later than two years	379,564	7,316	814,380	14,569
Later than two years & not later than five years	-	-	14,285	280
Total	379,564	7,316	828,665	14,849

46. Earning per share

The following reflects the profit and share data used in the basic and diluted earning per share (EPS) computations:

Particulars	(Rupees in lakhs)	
	Year ended December 31, 2021	Year ended December 31, 2020
Net profit for calculation of basic/diluted EPS	46,581	35,473

Particulars	(Rupees in lakhs)	
	Year ended December 31, 2021	Year ended December 31, 2020
Weighted average number of equity shares in calculating basic EPS	72,750,531	72,494,072
Effect of dilution:		
Add: Weighted average stock options granted under ESOS	77,440	53,214
Weighted average number of equity shares in calculating diluted EPS	72,827,971	72,547,286

Particulars	Earnings per share : Nominal value of Rupee 1	
	Year ended December 31, 2021	Year ended December 31, 2020
Basic (Rupees)	64.03	48.93
Diluted (Rupees) (On account of ESOS, Refer note 45)	63.96	48.90

The following potential equity shares are anti-dilutive and therefore excluded from the weighted average number of equity shares for the purpose of diluted EPS

Particulars	Year ended	
	December 31, 2021 Nos.	December 31, 2020 Nos.
Options to purchase equity shares had anti-dilutive effect	-	110,150

47. Dividend

Details of Dividend paid on equity shares are as under:

(Rupees in lakhs)

Particulars	Year ended	
	December 31, 2021	December 31, 2020
Final dividend for the year 2020 (Previous year: 2019) Rupees 14 per equity share of Rupee 1 each (Previous year: Rupees 13 per share)	10,175	9,422
Interim dividend for the year 2021 (Previous year: 2020) Rupees 24 per equity share of Rupee 1 each (Previous year: Rupees 19 per share)	17,474	13,781
Total	27,649	23,203

The Board of Directors at its meeting held on February 15, 2022 have recommended a payment of final dividend of Rupees 22 (including a special dividend of Rupees 7) per equity share of face value of Rupee 1 each for the financial year ended December 31, 2021. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

- 48.** Corporate Social Responsibility (CSR) expenses for the year ended 2021 includes Rupees 824 lakhs (Previous year: Rupees 780 lakhs) includes spend on various CSR schemes as prescribed under Section 135 of the Companies Act, 2013. The CSR amount based on limits prescribed under the Companies Act, 2013 for the year was Rupees 822 lakhs (Previous year: Rupees 730 lakhs). Key CSR activities were “education and women empowerment – financial capability building” and “conservation of environment”.
- 49.** The consolidated financial statements for the year ended December 31, 2021, include full year financials of Greenwich Associates LLC, acquired on February 2020, as against ten-month numbers considered in the same period of the previous year.

50. Statement pursuant to details to be furnished for subsidiaries as prescribed by Companies Act, 2013

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rupees in lakhs	As % of consolidated profit or loss	Rupees in lakhs	As % of consolidated other comprehensive income	Rupees in lakhs	As % of consolidated total comprehensive income	Rupees in lakhs
	1	2	3	4	5	6	7	8
Parent: CRISIL Limited	61.5%	97,141	102.0%	47,702	95.0%	3,029	102%	50,731
Subsidiaries								
Indian								
1. CRISIL Risk and Infrastructure Solutions Limited	4.1%	6,543	2.0%	718	0.0%	(1)	1.0%	717
2. Pragmatix Services Private Limited	1.2%	1,853	1.0%	273	1.0%	45	1.0%	318
3. CRISIL Ratings Limited	4.4%	6,952	33.0%	15,338	2.0%	76	31.0%	15,414
Foreign								
1. CRISIL Irevna Argentina S.A.	3.2%	5,036	1.0%	581	-15.0%	(471)	0.0%	110
2. CRISIL Irevna Poland SP.Zo.o.	0.4%	626	0.0%	220	-1.0%	(43)	0.0%	177
3. CRISIL Irevna UK Limited	35.3%	55,668	10.0%	4,698	3.0%	103	10.0%	4,801
4. CRISIL Irevna US LLC	6.4%	10,033	1.0%	639	-8.0%	(257)	1.0%	382
5. CRISIL Irevna Information Technology (Hangzhou) Co. Ltd.	0.4%	644	1.0%	264	1.0%	36	1.0%	300
6. Coalition Development Limited	3.8%	5,972	9.0%	4,384	2.0%	72	9.0%	4,456
7. Coalition Development Singapore Pte Limited	0.5%	845	1.0%	271	0.0%	- *	1.0%	271
8. Greenwich Associates LLC	-0.6%	(926)	3.0%	1,258	-2.0%	(71)	2.0%	1,187
9. Greenwich Associates Singapore PTE. LTD.	1.1%	1,671	0.0%	125	0.0%	1	0.0%	126
10. Greenwich Associates Japan K.K.	0.1%	233	0.0%	9	0.0%	(12)	0.0%	(3)
11. Greenwich Associates Canada ULC	0.4%	655	0.0%	9	0.0%	15	0.0%	24
12. Greenwich Associates UK Limited	1.8%	2,911	0.0%	59	3.0%	87	0.0%	146
13. CRISIL Irevna Australia Pty Ltd	0.1%	113	0.0%	29	0.0%	(4)	0.0%	25
Total elimination/adjustment	-24.2%	(38,128)	-64.0%	(29,996)	19.0%	598	-59.0%	(29,398)
TOTAL	100%	157,842	100%	46,581	100%	3,203	100%	49,784

* 'in amounts' column denote amount less than Rupees 50,000

51. Personnel expenses to the extent of Rupees 532 lakhs (Previous year : Rupees Nil) is considered for capitalisation as intangible assets.

52. Previous year's figures have been regrouped where necessary to conform to current year's classification.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

For Walker Chandiok & Co LLP

Chartered Accountants
Firm Registration No.:001076N/N500013

Khushroo B. Panthaky

Partner
Membership No.: 042423

Place: Mumbai

Date: February 15, 2022

For and on behalf of the Board of Directors of CRISIL Limited
John L Berisford

Chairman
[DIN: 07554902]
Place: Connecticut

Sanjay Chakravarti

Chief Financial Officer
Place: Mumbai

Date: February 15, 2022

Amish Mehta

Managing Director and Chief Executive Officer
[DIN: 00046254]
Place: Mumbai

Minal Bhosale

Company Secretary
Place: Mumbai

Form AOC-I
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures Part "A": Subsidiaries
(Information in respect of each subsidiary to be presented with amounts in Rupees in lakhs)

Sl. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Name of the subsidiary	CRISIL Infrastructure Solutions Limited	CRISIL Pragmatic Services Private Limited	CRISIL Ratings Limited	CRISIL Argentina S.A. SP.Zo.o	CRISIL Irevna Poland S.A. SP.Zo.o	CRISIL Irevna UK Limited	CRISIL IrevnaUS LLC	CRISIL Information Technology (Hangzhou) Co. Ltd.	Coalition Development Limited Singapore Pte Limited	Coalition Development Singapore Pte Limited	Greenwich Associates LLC	Greenwich Associates PTE. LTD.	Greenwich Associates Japan K.K.	Greenwich Associates Canada UK Limited	Greenwich Associates Pty Ltd	CRISIL Irevna Australia Pty Ltd
The date since when subsidiary was acquired/ Investment in subsidiary	Aug 4, 2000	Jan 24, 2018	Jun 3, 2019	May 21, 2007	Nov 14, 2008	Oct 19, 2004	Oct 19, 2004	Jul 22, 2010	Jul 3, 2012	Jul 3, 2012	Feb 26, 2020	Feb 26, 2020	Feb 26, 2020	Feb 26, 2020	Feb 26, 2020	Aug 28, 2020
Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Dec 31, 2021	Dec 31, 2021	Dec 31, 2021	Dec 31, 2021	Dec 31, 2021	Dec 31, 2021	Dec 31, 2021	Dec 31, 2021	Dec 31, 2021	Dec 31, 2021	Dec 31, 2021	Dec 31, 2021	Dec 31, 2021	Dec 31, 2021	Dec 31, 2021	Dec 31, 2021
Reporting currency	INR	INR	INR	ARS	PLN	GBP	USD	CNY	GBP	SGD	USD	SGD	JPY	USD	USD	AUD
Exchange rate as on the last date (Rs.)	1.00	1.00	1.00	0.73	18.36	100.30	74.66	11.72	100.30	55.14	74.66	55.14	0.65	74.66	74.66	53.97
Share capital	500	314	2,610	172	9	4,441	10,421	247	151	-*	6,666	-*	65	7	1,089	84
Reserves & surplus	6,043	1,539	4,342	4,864	617	51,227	(388)	397	5,821	845	(7,592)	1,671	168	648	1,822	29
Total assets	10,751	3,661	20,847	1,789	1,090	64,705	31,740	1,096	18,091	1,690	20,433	1,943	277	672	3,473	260
Total liabilities	10,751	3,661	20,847	1,789	1,090	64,705	31,740	1,096	18,091	1,690	20,433	1,943	277	672	3,473	260
Investments	-	-	-	-	-	37,167	24,374	-	-*	-	1,161	-	-	-	-	-
Turnover	10,196	5,099	37,413	4,509	3,270	33,706	11,684	2,414	31,219	5,231	30,659	1,649	400	50	1,791	817
Profit before taxation	1,027	390	20,438	671	275	4,960	280	281	5,413	321	2,751	124	19	10	75	39
Tax expense	309	117	5,100	90	55	262	(359)	17	1,029	50	1,493	(1)	10	1	16	10
Profit after taxation	718	273	15,338	581	220	4,698	639	264	4,384	271	1,258	125	9	9	59	29
Dividend Paid	-	200	24,700	-	-	-	-	459	3,322	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

*'-1' in amounts' columns denote amount less than Rs. 50,000

For and on behalf of the Board of Directors of CRISIL Limited

John L Berisford Chairman [DIN: 07554902] Place: Connecticut	Amish Mehta Managing Director and Chief Executive Officer [DIN: 00046254] Place: Mumbai	Sanjay Chakravarti Chief Financial Officer Place: Mumbai	Minal Bhosale Company Secretary Place: Mumbai
------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------	------------------------------------------------------------

Date: February 15, 2022

Standalone Financial Statements

Independent Auditor's Report

To the Members of CRISIL Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of CRISIL Limited ('the Company'), which comprise the Balance Sheet as at 31 December 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 December 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date. Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the relevant provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition:</p> <p>The Company's income from operations comprises of income from global research and risk solutions services, customized research, special assignments and subscriptions to information products and services, revenue from initial public offering (IPO) grading services and independent equity research (IER) services. Refer Note 2.14 to the standalone financial statements, for details of revenue recognized during the year.</p>	<p>Our audit of the recognition of contract revenue included, but was not limited to, the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the revenue and receivable business process, and assessed the appropriateness of the revenue recognition policies adopted by the Company; • Evaluated key controls around the recognition of contract revenue. Tested the design, implementation and operating effectiveness of these identified key controls during the year and as at the year-end. • Evaluated the appropriateness of accounting policies selected by the Company on the basis of our understanding of the Company, the nature and size of its operation, and the requirement of the relevant accounting standards under the IND AS framework;

Due to the significance of the item to the financial statements, complexities involved, and management judgement involved for ensuring appropriateness of accounting treatment, this matter has been identified as a key audit matter for the current year's audit.

- On a sample of contracts, tested the revenue recognition and our procedures included:
 - reviewing the contract terms and conditions;
 - evaluating the identification of performance obligations of the contract;
 - evaluating the appropriateness of management's assessment of manner of satisfaction of performance obligations and consequent recognition of revenue; and
 - evaluating the reasonableness of the estimates involved in the recognition of revenue.
- Tested revenue recognition for cut-off transactions on sample basis to assess whether the timing of revenue recognition is appropriate;
- Evaluated the appropriateness and adequacy of the disclosures made in the accompanying standalone financial statements for revenue recorded during the year.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standards

on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 14. From the matters communicated with those charged with governance, we determine those matters that

were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
17. Further to our comments in Annexure I as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 December 2021 from being appointed as a director in terms of section 164(2) of the Act;
 - f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 December 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 15 February 2022 as per Annexure II expressed an unmodified opinion; and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our

information and according to the explanations given to us

- i. the Company, as detailed in note 36 (A) (2) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 December 2021.;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 December 2021.;
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 December 2021; and
- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Khushroo B. Panthaky

Partner

Membership No.: 042423

UDIN: 22042423ACIRZB6965

Place: Mumbai

Date: 15 February 2022

Annexure I

Annexure I to the Independent Auditor's Report of even date to the members of CRISIL Limited on the standalone financial statements for the year ended 31 December 2021

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of an audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The Company has a regular program of physical verification of its property, plant and equipment under which property, plant and equipment are verified in a phased manner over a period of two years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
 - (a) in our opinion, the terms and conditions of grant of such loans are not, prima facie, prejudicial to the company's interest;
 - (b) the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts of the principal amount and the interest are regular; and
 - (c) there is no overdue amount in respect of loans granted to such companies.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans and investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under subsection (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) There are no dues in respect of goods and service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.

The dues outstanding in respect of income-tax, sales-tax and service-tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (Rupees in lakhs)	Amount paid under Protest (Rupees in lakhs)	Period to which the amount relates	Forum where dispute is pending		
Income Tax Act, 1961	Income tax	50	-	AY 2000-01	High Court (Bombay)		
		46	-	AY 2002-03			
		36	-	AY 2003-04			
		32	-	AY 2004-05			
		29	-	AY 2005-06			
		17	10	AY 2006-07		CIT (Appeals)	
		832	-	AY 2007-08		High Court (Madras)	
		75	-	AY 2007-08		CIT (Appeals)	
		338	127	AY 2008-09		Income Tax Appellate Tribunal (ITAT)	
		*	-	AY 2008-09		CIT (Appeals)	
		406	354	AY 2009-10		ITAT	
		63	-	AY 2009-10		CIT (Appeals)	
		381	381	AY 2010-11			
			511	501		AY 2011-12	ITAT
			1,117	286		AY 2012-13	
			201	-		AY 2013-14	
			51	3		AY 2013-14	
			127	8		AY 2014-15	
			4,345	-		AY 2014-15	CIT (Appeals)
	132	19	AY 2015-16				
	4,135	700	AY 2016-17				
	5,062	-	AY 2017-18				
	5,588	-	AY 2018-19				
Finance Act, 1994	Service tax	487	14	April 2013 to June 2017	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)		
The Haryana Value Added Tax Act, 2003	Value added tax	*	-	FY 2016-17	Excise & Taxation Officer		

(viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable

*represent amount lesser than ₹ 1 lakh

to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid / provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required

by the applicable Ind AS.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Khushroo B. Panthaky

Partner

Membership No.: 042423

UDIN: 22042423ACIRZB6965

Place: Mumbai

Date: 15 February 2022

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of CRISIL Limited ('the Company') as at and for the year ended 31 December 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Khushroo B. Panthaky

Partner

Membership No.: 042423

UDIN:22042423ACIRZB6965

Place: Mumbai

Date: 15 February 2022

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 December 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Standalone Balance Sheet

as at December 31, 2021

(Rupees in lakhs)

Particulars	Notes	As at December 31, 2021	As at December 31, 2020
ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	2,704	3,101
(b) Right of use assets	4	10,635	10,697
(c) Intangible assets	5	951	795
(d) Intangible assets under development		463	979
(e) Financial assets			
i. Investments	6	40,431	37,921
ii. Loans	7	2,945	2,317
iii. Other financial assets	8	5	61
(f) Deferred tax assets (net)	9	3,053	2,433
(g) Tax assets	10	7,164	4,145
(h) Other non-current assets	11	161	372
2. Current assets			
(a) Financial assets			
i. Investments	6	30,298	29,298
ii. Trade receivables	12	15,969	11,723
iii. Cash and cash equivalents	13	10,272	9,775
iv. Other bank balances	14	222	168
v. Loans	15	294	6,685
vi. Other financial assets	16	6,801	10,387
(b) Other current assets	17	6,488	2,754
3. Asset held for sale	18	-	318
TOTAL ASSETS		138,856	133,929
EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	19	729	726
(b) Other equity	20	96,412	68,806
2. Non-current liabilities			
(a) Financial liabilities			
Other financial liabilities	21	7,178	7,896
(b) Provisions	22	1,647	1,688
(c) Other non-current liabilities	23	41	-
3. Current liabilities			
(a) Financial liabilities			
i. Trade payables	24		
- Total outstanding dues of micro enterprises and small enterprises		5	9
- Total outstanding dues of creditors other than micro enterprises and small enterprises		8,850	5,486
ii. Other financial liabilities	25	11,677	38,033
(b) Provisions	26	5,722	5,557
(c) Other current liabilities	27	6,595	5,728
TOTAL EQUITY AND LIABILITIES		138,856	133,929
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Balance Sheet referred to in our audit report of even date

For Walker Chandio & Co LLP

Chartered Accountants
Firm Registration No.:001076N/N500013

Khushroo B. Panthaky

Partner
Membership No.: 042423

Place: Mumbai

Date: February 15, 2022

For and on behalf of the Board of Directors of CRISIL Limited

John L Berisford

Chairman
[DIN: 07554902]
Place: Connecticut

Sanjay Chakravarti

Chief Financial Officer
Place: Mumbai

Date: February 15, 2022

Amish Mehta

Managing Director and Chief Executive Officer
[DIN: 00046254]
Place: Mumbai

Minal Bhosale

Company Secretary
Place: Mumbai

Standalone Statement of Profit and Loss

for the year ended December 31, 2021

(Rupees in lakhs)

Particulars	Notes	Year ended December 31, 2021	Year ended December 31, 2020
Income			
Revenue from operations	28	105,291	88,878
Other income	29	33,228	10,395
Total		138,519	99,273
Expenses			
Employee benefits expenses	30	49,085	43,634
Finance cost	31	567	694
Depreciation and amortisation expenses	32	5,289	6,568
Other expenses	33	32,963	26,544
Total		87,904	77,440
Profit before exceptional item		50,615	21,833
Exceptional items	18.1	4,582	-
Profit before tax		55,917	21,833
Tax expense	9		
Current tax		8,309	5,928
Deferred tax		(814)	(767)
Total tax expense		7,495	5,161
Profit after tax for the year		47,702	16,672
Other comprehensive (income) / expense (OCI)			
A. Items that will be reclassified to profit or loss:			
The effective portion of gains and loss on hedging instruments in a cash flow hedge		(645)	(579)
Tax effect on above		162	146
B. Items that will not be reclassified to profit or loss:			
Remeasurements of the defined benefit plans		(68)	390
Equity instruments through other comprehensive income		(2,510)	3,052
Tax effect on above		32	(118)
Total other comprehensive (income) / loss		(3,029)	2,891
Total comprehensive income for the year		50,731	13,781
Earnings per share : Nominal value of Rupee 1 per share	43		
Basic		65.57	23.00
Diluted		65.50	22.98
Number of equity shares used in computing earnings per share			
Basic		72,750,531	72,494,072
Diluted		72,827,971	72,547,286
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of Profit and Loss referred to in our audit report of even date

For Walker Chandio & Co LLP

Chartered Accountants
Firm Registration No.:001076N/N500013

Khushroo B. Panthaky

Partner
Membership No.: 042423

Place: Mumbai
Date: February 15, 2022

For and on behalf of the Board of Directors of CRISIL Limited

John L Berisford

Chairman
[DIN: 07554902]
Place: Connecticut

Sanjay Chakravarti

Chief Financial Officer
Place: Mumbai

Date: February 15, 2022

Amish Mehta

Managing Director and Chief Executive Officer
[DIN: 00046254]
Place: Mumbai

Minal Bhosale

Company Secretary
Place: Mumbai

Standalone Cash Flow Statement

for the year ended December 31, 2021

(Rupees in lakhs)

Particulars	Year ended December 31, 2021	Year ended December 31, 2020
A. Cash flow from operating activities:		
Profit before tax	55,197	21,833
Adjustments for :		
Depreciation/ amortisation	6,209	7,473
Interest income on financial assets carried at amortized cost	(195)	(249)
Waiver of lease liability	(53)	(167)
Unrealised foreign exchange gain	198	(701)
(Profit)/ loss on sale of property, plant and equipment	(4,645)	1
(Profit)/ loss on fair valuation of current investments	(205)	(252)
(Profit)/ loss on sale of current investments	(574)	(698)
Interest on lease liability	726	691
Interest on bank overdraft	-	3
Provision for doubtful debts / bad debts	228	140
Provision for doubtful security deposits	9	28
Excess provision written back	(364)	(395)
Interest on bank deposits	(19)	(46)
Interest on loan from subsidiary	(82)	(811)
Dividend on investments	(25,788)	(441)
Share based payment to employees	157	76
Operating profit before working capital changes	30,799	26,485
Movements in working capital		
(Increase)/decrease in trade receivables	(4,474)	3,462
(Increase)/decrease in loans	360	469
(Increase)/decrease in other non-current assets	157	100
(Increase)/decrease in other current financial assets	(1,527)	(5,562)
(Increase)/decrease in other current assets	(3,734)	(423)
Increase/(decrease) in trade payables	3,745	(1,249)
Increase/(decrease) in provisions	192	205
Increase/(decrease) in other current financial liabilities	(27,353)	27,693
Increase/(decrease) in other current liabilities	867	(7,192)
Increase/(decrease) in other non-current financial liabilities	454	(40)
Increase/(decrease) in other non-current liabilities	41	-
Cash generated from operations	(473)	43,948
Taxes paid	(11,328)	(5,258)
Net cash (used in)/ generated from operating activities - (A)	(11,801)	38,690
B. Cash flow from investing activities :		
Purchase of property, plant and equipment and intangible assets (including movement of intangible assets under development and capital advances)	(1,585)	(2,576)
Proceeds from sale of property, plant and equipment, intangible assets and asset held for sale	5,112	77
Interest on loan from subsidiaries	240	654
Loan (given to)/ repaid by subsidiaries (net)	5,089	(4,764)
Proceed received from Transfer of Business Unit (Ratings)	5,170	-
Investment in mutual funds (net)	(221)	(3,123)
Investment in CRISIL Ratings Limited	-	(2,600)
Fixed deposit with maturity more than three months placed	(2)	(7)
Interest on bank deposits	15	47

Standalone Cash Flow Statement

for the year ended December 31, 2021

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Dividend on investments	25,788	441
Net cash generated from/ (used in) investing activities - (B)	39,606	(11,851)
C. Cash flow from financing activities :		
Proceeds on account of share application money pending allotment	223	-
Receipts from subsidiaries for employee stock option cost (ESOS)	75	171
Receipts from issuance of share capital on account of exercise of ESOS	4,146	3,522
Dividend paid	(27,649)	(23,203)
Payment of lease liability	(4,103)	(4,679)
Interest on bank overdraft	-	(3)
Net cash used in financing activities - (C)	(27,308)	(24,192)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	497	2,647
Cash and cash equivalents - Opening balance	9,775	7,127
Add : Exchange difference on translation of foreign currency cash and cash equivalents	-	1
Cash and cash equivalents - Closing balance	10,272	9,775
Net increase in cash and cash equivalents	9,775	7,127
Components of cash and cash equivalents		
Cash on hand and balances with banks on current account	10,272	9,775
Total	10,272	9,775

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Cash Flow Statement referred to in our audit report of even date

For Walker Chandio & Co LLP

Chartered Accountants
Firm Registration No.:001076N/N500013

Khushroo B. Panthaky

Partner
Membership No.:042423

Place: Mumbai
Date: February 15, 2022

For and on behalf of the Board of Directors of CRISIL Limited

John L Berisford

Chairman
[DIN: 07554902]
Place: Connecticut

Sanjay Chakravarti

Chief Financial Officer
Place: Mumbai

Date: February 15, 2022

Amish Mehta

Managing Director and Chief Executive Officer
[DIN: 00046254]
Place: Mumbai

Minal Bhosale

Company Secretary
Place: Mumbai

Statement of Changes in Equity

for the year ended December 31, 2021

A. Equity share capital		(Rupees in lakhs)	
	Balance as at January 1, 2021	Changes in equity share capital during the year (Refer Note 19)	Balance as at December 31, 2021
	726	3	729
	Balance as at January 1, 2020	Changes in equity share capital during the year (Refer Note 19)	Balance as at December 31, 2020
	723	3	726

B. Other equity		(Rupees in lakhs)								
Particulars		Reserves & Surplus				Items of OCI			Total	
		Share application money pending allotment	Capital redemption reserve	Securities premium reserve	General reserve	Share-based payment reserve	Retained earnings	Equity Instruments through OCI		Hedge reserve
Balance as at January 1, 2021		-	27	25,058	14,115	5,483	51,199	(27,545)	469	68,806
Profit for the year		-	-	-	-	-	47,702	-	-	47,702
Additions during the year		223	-	4,143	-	-	-	-	-	4,366
Share based payment to employees		-	-	-	-	157	-	-	-	157
Other comprehensive income		-	-	-	-	-	51	2,496	483	3,030
Final dividend (Refer Note 44)		-	-	-	-	-	(10,175)	-	-	(10,175)
Interim dividend (Refer Note 44)		-	-	-	-	-	(17,474)	-	-	(17,474)
Exercise of stock option		-	-	1,328	-	(1,328)	-	-	-	-
Balance as at December 31, 2021		223	27	30,529	14,115	4,312	71,303	(25,049)	952	96,412

(Refer Note 20)

Statement of Changes in Equity

for the year ended December 31, 2021

(Rupees in lakhs)

Particulars	Reserves & Surplus					Items of Other Comprehensive Income (OCI)			Total
	Share application money pending allotment	Capital redemption reserve	Securities premium reserve	General reserve	Share-based payment reserve	Retained earnings	Equity Instruments through OCI	Hedge reserve	
Balance as at January 1, 2020	-	27	20,107	14,115	6,668	58,713	(24,514)	36	75,152
Profit for the year	-	-	-	-	-	16,672	-	-	16,672
Additions during the year	-	-	3,519	-	-	-	-	-	3,519
Share based payment to employees	-	-	-	-	247	-	-	-	247
Transitional impact on implementation of Ind AS 116 Leases (Refer Note 41)	-	-	-	-	-	(690)	-	-	(690)
Other comprehensive income	-	-	-	-	-	(293)	(3,031)	433	(2,891)
Final dividend (Refer Note 44)	-	-	-	-	-	(9,422)	-	-	(9,422)
Interim dividend (Refer Note 44)	-	-	-	-	-	(13,781)	-	-	(13,781)
Exercise of stock option	-	-	1,432	-	(1,432)	-	-	-	-
Balance as at December 31, 2020	-	27	25,058	14,115	5,483	51,199	(27,545)	469	68,806

(Refer Note 20)

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of Changes in Equity referred to in our audit report of even date.

For Walker Chandiook & Co LLP

Chartered Accountants
Firm Registration No.:001076N/N5000013

Khushroo B. Panthaky

Partner
Membership No.: 042423

Place: Mumbai

Date: February 15, 2022

For and on behalf of the Board of Directors of CRISIL Limited

John L Berisford

Chairman
[DIN: 07554902]
Place: Connecticut

Sanjay Chakravarti

Chief Financial Officer
Place: Mumbai

Date: February 15, 2022

Amish Mehta

Managing Director and Chief Executive Officer
[DIN: 00046254]
Place: Mumbai

Minal Bhosale

Company Secretary
Place: Mumbai

Summary of significant accounting policies and other explanatory information to standalone financial statements as at and for the year ended December 31, 2021

1. Corporate information

CRISIL Limited (the Company or CRISIL) [CIN: L67120MH1987PLC042363] is a globally-diversified analytical Company providing ratings and research services. CRISIL is the foremost provider of high-end research to the world's largest banks and leading corporations. CRISIL delivers analysis, opinions, and solutions that make markets function better. CRISIL Limited is a public limited Company, domiciled in India. The registered office of the Company is located at CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400076. The equity shares of the Company are listed on recognized stock exchanges in India- The Bombay Stock Exchange and the National Stock Exchange.

These standalone financial statements for the year ended December 31, 2021 were approved by the Board of Directors on February 15, 2022.

S&P Global Inc. the ultimate holding Company, through its subsidiaries owned 66.88% as on December 31, 2021 of the Company's equity share capital (Refer Note 19).

2. Summary of significant accounting policies

2.1 Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Functional and presentation currency

These standalone financial statements are presented in Indian rupees, which is the functional currency of the Company. All financial information is presented in Indian rupees.

2.2 Basis of preparation

These standalone financial statements have been prepared under the historical cost convention on an accrual basis, except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets

for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of assets and liabilities.

2.3 Use of estimates and judgments

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions that affect the reported balances of assets and liabilities (including contingent liabilities) as at the date of the financial statements and the reported income and expenses for the years presented. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these standalone financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

Estimates and assumptions are required in particular for:

- Useful life and residual value of property, plant and equipment (PPE) and intangible assets**
 Useful lives of PPE and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when it is assessed, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.
- Leases**
 Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to

the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

- **Revenue recognition**

Revenue from rendering of services is recognised when the obligation to render services based on agreements/arrangements with the customers are satisfied and when there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of delivery or upon formal customer acceptance depending on customer terms. Revenue is recognised only to the extent that it is highly probable a significant reversal will not occur.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

- **Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. As actuarial valuation involves making various assumptions that may be different from the actual development in the future, key actuarial assumptions include discount rate, trends in salary escalation, attrition and mortality rate. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- **Valuation of taxes on income**

Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Uncertain tax position is with regards to items of expense or transaction that may be challenged by tax authorities. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under note 2.17.

- **Provisions**

Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement obligations and

compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

- **Share-based payments**

The grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share-based payment transaction is presented as a separate component in equity under share-based payment reserve. The amount recognized as an expense is adjusted to reflect the impact of the revision of original estimates based on number of options that are expected to vest, in the statement of profit and loss with a corresponding adjustment to equity.

2.4 Property, Plant and Equipment (PPE)

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Amount capitalized under property, plant and equipment includes purchase price, duties and taxes, other incidental expenses incurred during the construction / installation stage. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

2.5 Intangibles

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Expenditure on development eligible for capitalization are carried as intangible assets under development where such assets are not yet ready for their intended use.

2.6 Depreciation / amortization

Based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given below best represent the period over which management expects to use these assets. Hence in certain class of assets, the useful lives is different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation/amortization is provided on straight line method (SLM) over useful life.

Type of asset	Estimated useful life
Buildings	20 Years
Furniture and fixtures	10 Years
Office equipment	3 to 10 Years
Computers	3 Years
Vehicles	3 Years
Software	1 to 3 Years

The estimated useful lives of PPE and intangible assets as well as the depreciation and amortization period are reviewed at the end of each financial year and the depreciation and amortization method is revised to reflect the changed pattern, if any.

Leasehold improvements are amortized over the lease term or useful life of the asset, whichever is lower, over a period of 1 to 9 years.

2.7 Impairment

a) Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount in the statement of profit and loss. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) has no impairment loss been recognised for the asset in the prior years. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) net selling price and its value in use.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Value in use is the present value of an asset calculated by estimating its net future value including the disposal value. In determining net selling price, recent market transactions are taken

into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

b) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i) Financial assets that are measured at amortized cost e.g., loans, deposits, and bank balances.
- ii) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date.

For all other financial assets, ECL is measured at an amount equal to the twelve month ECL unless there has been a significant increase in credit risk from the initial recognition in which case those are measured at lifetime ECL.

2.8 Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

The Company's lease assets consists of office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset

Where the Company is a lessee

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

At the date of commencement of the lease, the Company recognises a right of use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The cost of the right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right of use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right of use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right of use asset. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment.

Right of use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease payments shall include fixed payments, variable lease payments based on an index or rate, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Lease liability and right of use assets have been presented separately in the Balance Sheet and lease payments are classified as cash used in financing activities in the statement of cash flows.

Company as a lessor

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are

substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

2.9 Share capital

Ordinary shares are classified as equity, incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

2.10 Fair value of financial instruments

In determining the fair value of the financial instruments the Company uses variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine the fair value includes discounted cash flow analysis, available quoted market prices and dealer quotes. All method of accessing fair value results in general approximation of value and such value may never actually be realized. For all other financial instruments the carrying amounts approximates fair value due to short term maturity of those instruments.

2.11 Financial instruments

Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

a) Non-derivative financial instruments

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held with in a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial

assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

b) Derivative financial instruments

The Company uses derivative financial instruments i.e. foreign exchange forward and options contracts to manage its exposure to foreign exchange risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Company uses hedging instruments that are governed by the policies of the Company.

(i) Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity in the cash flow hedging reserve to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction.

(ii) Receivable hedge

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges and the ineffective portion

of cash flow hedges are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses).

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. The changes in fair value of equity investments designated at FVTOCI are accumulated within 'Equity instruments at OCI' reserve within equity. The Company transfers amounts from this reserve to retained earnings if these equity instruments are derecognized. A financial liability (or a part of a financial liability) is derecognized from the Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.12 Provision, contingent liabilities and contingent assets:

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.

Contingent liabilities are disclosed for:

- (i) possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed wherein an inflow of economic benefits is probable.

2.13 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.14 Revenue recognition

Income from operations

Income from operations comprises income from initial rating and surveillance services, global research and risk solutions services, customised research, special assignments and subscriptions to information products and services, revenue from IPO grading services and independent equity research (IER) services.

- Subscription to information products and services and revenue from IER are accounted on a time

proportion basis and revenue is straight lined over the period of performance.

- Revenue from customised research and IPO grading are recognised in the period in which such assignments are carried out in a time proportion basis.
- Global research and risk solutions revenue consists of time and material contracts which is recognised on output basis measured by number of hours/days/weeks worked at the rates specified in the agreements.

Provision for estimated losses, if any, on uncompleted contracts are recorded in the year in which such losses become certain based on the current estimates.

Revenue from group companies is recognised based on transaction price which is at arm's length.

Accrued revenue are classified as Unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue (contract liability) is recognised when there are billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period. Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Grant income

Export benefits from government authorities are received in the form of saleable scrips and are recognized at fair value in the statement of profit and loss under 'other income', where all attaching conditions will be complied with and to the extent there is no significant uncertainty as to the ultimate realization on transfer of scrips in the year of the sale. The related costs are recognised under 'other expense'.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income

Dividend Income is recognized when the Company's right to receive payment is established by the balance sheet date.

Profit/(loss) on sale of current investment

Profit/(loss) on sale of current investment is accounted when the sale is executed. On disposal of such investments, the difference between the carrying amount and the disposal proceeds, net of expenses, is recognized in the statement of profit and loss.

2.15 Retirement and other employee benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the statement of profit and loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Defined contribution plans

Retirement benefits in the form of provident fund is a defined contribution plan and is charge to the statement of profit and loss for each period of service rendered by the employees. Excess or short of contribution is recognized as an asset or liability in the financial statement. There are no other obligations other than

the contribution payable to the respective authorities.

Employee stock compensation cost

The Company recognizes expense relating to share based payment in net profit using fair value in accordance with Ind AS 102-Share Based Payment.

The grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under share-based payment reserve. The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

2.16 Foreign currency transactions

Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange prevailing at the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognized in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated.

2.17 Taxes on income

Income tax expense comprises current and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates items recognized directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they

can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) The Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets includes Minimum Alternate Tax (MAT) paid in accordance with the tax laws which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliable and it is probable that the future economic benefit associated with the asset will be realised.

2.18 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events such as buy back, Employee Stock Option Scheme (ESOS), etc. that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the Company has adopted treasury stock method to compute the new shares that can possibly be created by un-exercised stock options. The net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.19 Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders. Interim dividend is recognised as a liability on the date of declaration by the Company's Board of Directors.

2.20 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flow from operating, investing and financing activities are segregated.

2.21 Non-current assets held for sale and Discontinued operations

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criterias are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the balance sheet date. Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortized.

A discontinued operation is a component of the entity that has been disposed off or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations and;
- is part of a single co-ordinated plan to dispose of such a line of business or area of operations.

The results of discontinued operations are presented separately in the Standalone Statement of Profit and Loss.

2.22 Exceptional Items

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performane of the Company for the year, the Company makes a disclosure of the nature and amount of such items separately under the head exceptional items.

2.23 Recent accounting pronouncement

On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The amendments will be applicable for the Company w.e.f. financial year January 1, 2022.

3. Property, plant and equipment

For the year ended December 31, 2021

(Rupees in lakhs)

Particulars	Carrying value			Accumulated depreciation			Net block		
	As at January 1, 2021	Additions	Deductions	Adjustments	As at December 31, 2021	Up to January 1, 2021	For the year	Up to December 31, 2021	As at December 31, 2021
Buildings	10	-	-	-	10	10	-	10	-
Furniture and fixtures	833	67	184	-	716	635	61	551	165
Office equipments	1,673	17	243	-	1,447	1,246	108	1,143	304
Computers	6,792	1,009	649	-	7,152	4,796	1,101	5,249	1,903
Vehicles	327	147	116	-	358	250	73	207	151
Leasehold improvements	3,352	-	212	-	3,140	2,949	145	2,959	181
Total	12,987	1,240	1,404	-	12,823	9,886	1,488	10,119	2,704

For the year ended December 31, 2020

(Rupees in lakhs)

Particulars	Carrying value			Accumulated depreciation			Net block		
	As at January 1, 2020	Additions	Deductions	Adjustments (Refer Note 48)	As at December 31, 2020	Up to January 1, 2020	For the year	Up to December 31, 2020	As at December 31, 2020
Buildings	10	-	-	-	10	10	-	10	-
Furniture and fixtures	925	39	123	8	833	665	75	635	198
Office equipments	1,703	42	27	45	1,673	1,176	123	1,246	427
Computers	5,627	1,531	35	331	6,792	4,190	895	4,796	1,996
Vehicles	601	24	148	150	327	341	115	250	77
Leasehold improvements	3,070	325	43	-	3,352	2,725	252	2,949	403
Total	11,936	1,961	376	534	12,987	9,107	1,460	9,886	3,101

4. Right of use asset

For the year ended December 31, 2021

Particulars	Carrying value				Accumulated depreciation				Net block As at December 31, 2021	
	As at January 1, 2021	Additions	Lease modification	Adjustments	As at December 31, 2021	Up to January 1, 2021	For the year modification	Lease Adjustments		Up to December 31, 2021
Building	14,345	4,049	(208)	-	18,186	3,648	3,962	(59)	7,551	10,635
Total	14,345	4,049	(208)	-	18,186	3,648	3,962	(59)	7,551	10,635

(Rupees in lakhs)

For the year ended December 31, 2020

Particulars	Carrying value				Accumulated depreciation				Net block As at December 31, 2020	
	Transitional impact of Ind AS 116 (Refer Note 41)	Additions	Lease modification	Adjustments	As at December 31, 2020	Up to January 1, 2020	For the year modification	Lease Adjustments		Up to December 31, 2020
Building	15,580	1,104	(2,339)	-	14,345	-	4,912	(1,264)	3,648	10,697
Total	15,580	1,104	(2,339)	-	14,345	-	4,912	(1,264)	3,648	10,697

(Rupees in lakhs)

5. Intangible assets

For the year ended December 31, 2021

Particulars	Carrying value				Accumulated amortisation				Net block As at December 31, 2021	
	As at January 1, 2021	Additions	Deductions	Adjustments	As at December 31, 2021	Up to January 1, 2021	For the year	Deductions		Adjustments
Software	3,402	915	1	-	4,316	2,607	759	1	-	951
Total	3,402	915	1	-	4,316	2,607	759	1	-	951

(Rupees in lakhs)

For the year ended December 31, 2020

Particulars	Carrying value				Accumulated amortisation				Net block As at December 31, 2020	
	As at January 1, 2020	Additions	Deductions	Adjustments (Refer Note-48)	As at December 31, 2020	Up to January 1, 2020	For the year	Deductions		Adjustments (Refer Note 48)
Software	2,595	817	-	10	3,402	1,508	1,101	-	2	795
Total	2,595	817	-	10	3,402	1,508	1,101	-	2	795

(Rupees in lakhs)

6. Investments

A. Non-current investments	As at December 31, 2021		As at December 31, 2020	
	No. of shares	Rupees in lakhs	No. of shares	Rupees in lakhs
Investments in subsidiaries				
<i>Unquoted equity investments carried at cost</i>				
Equity Shares of CRISIL Risk and Infrastructure Solutions Limited of Rupee 1 each, fully paid up (Refer Note 6.1)	49,999,970	707	49,999,970	707
Equity Shares of CRISIL Irevna UK Limited, of £ 1 each, fully paid up (Refer Note 6.1)	5,514,100	11,585	5,514,100	11,585
Equity Shares of CRISIL Irevna Argentina S.A. of ARS 1 each, fully paid up (Refer Note 6.1)	704,018	147	704,018	147
100% Investment in the capital of CRISIL Irevna Information & Technology (Hangzhou) Co., Limited (Refer Note 6.1)	-	244	-	244
Equity Shares of Pragmatix Services Private Limited of Rupees 10 each, fully paid up	3,140,000	5,600	3,140,000	5,600
Equity Shares of CRISIL Ratings Limited of Rupee 1 each, fully paid up	261,000,000	2,610	261,000,000	2,610
Sub - total (a)		20,893		20,893
Other investments				
<i>Unquoted equity investments carried at fair value through OCI (Refer Notes 6.2 and 35)</i>				
Equity Shares of Caribbean Information and Credit Rating Agency of US \$1 each, fully paid up	300,000	256	300,000	155
Equity Shares of National Commodity and Derivative Exchange Limited of Rupees 10 each, fully paid up	1,875,000	3,043	1,875,000	3,082
Sub - total (b)		3,299		3,237
<i>Quoted equity investments carried at fair value through OCI (Refer Notes 6.2 and 35)</i>				
Equity Share of CARE Ratings Limited of Rupees 10 each, fully paid up	2,622,431	16,239	2,622,431	13,791
Equity Share of ICRA Limited of Rupees 10 each, fully paid up (Refer Note 6.3)	1	-	1	-
Sub - total (c)		16,239		13,791
Total non-current investments (A) - (a + b + c)		40,431		37,921

B. Current investments	As at December 31, 2021		As at December 31, 2020	
	No. of units	Rupees in lakhs	No. of units	Rupees in lakhs
Investments in mutual funds				
<i>(Unquoted investments carried at fair value through profit and loss)</i>				
<i>(Refer Note 35)</i>				
Nippon India Low Duration Fund - Direct - Growth	159,277	4,987	-	-
Nippon India Ultra Short Duration Fund - Direct - Growth	142,757	4,976	-	-
UTI Treasury Advantage Fund - Direct - Growth	172,141	4,926	-	-
UTI Short Term Income Fund - Direct - Growth	18,291,399	4,845	-	-
ICICI Prudential Savings Fund - Direct - Growth	1,147,227	4,981	-	-
Sundaram Short Duration Fund - Direct - Growth	8,565,805	3,231	-	-
Kotak Low Duration Fund - Direct - Growth	81,920	2,352	-	-
L&T Banking and PSU Debt Fund - Direct Plan - Growth	-	-	8,531,402	1,715
ICICI Prudential Savings Fund - Direct Plan - Growth	-	-	1,168,989	4,885
Invesco India Treasury Advantage Fund - Direct Plan - Growth	-	-	149,826	4,533
DSP Banking and PSU Debt Fund - Direct - Growth	-	-	25,079,791	4,805
IDFC Ultra Short Term Fund - Direct Plan - Growth	-	-	13,849,417	1,645
IDFC Low Duration Fund - Growth - Direct Plan	-	-	16,238,534	4,939
Aditya Birla Sun Life Savings Fund - Growth - Direct Plan	-	-	1,135,020	4,802
Kotak Savings Fund - Direct Plan - Growth	-	-	5,741,861	1,974
Total investments in mutual funds (B)		30,298		29,298
Total investments (A + B)		70,729		67,219

The market value of quoted investments is equal to the carrying value

- 6.1 Includes deemed investment on account of share based payment recharge to employees of subsidiary companies.
- 6.2 The total dividend recognized pertaining to FVTOCI instruments for the year ended December 31, 2021 was Rupees 429 lakhs and for the year ended December 31, 2020 was Rupees 433 lakhs. Dividend from equity investments designated as FVTOCI relates to investments held at the end of the reporting period. For all the equity instruments that are classified by the Company as FVTOCI, fair value changes on the instrument, excluding dividends, are recognized in the OCI. The Company recognizes dividend in statement of profit and loss under the head "other income".
- 6.3 '-' in amounts' columns denote amounts less than Rupees 50,000.

7. Loans (Non-current)

(Rupees in lakhs)

Particulars	As at	
	December 31, 2021	December 31, 2020
<i>Unsecured, considered good, unless otherwise stated</i>		
Security deposits	2,945	2,317
Total	2,945	2,317
Sub-classification of loans:		
Loan receivables considered good- Secured	-	-
Loan receivables considered good- Unsecured	2,945	2,317
Loan receivables which have significant increase in credit risk	-	-
Loan receivables - credit impaired	-	-
Less: Allowance for impairment loss	-	-
Total	2,945	2,317

8. Other financial assets (Non-current)

(Rupees in lakhs)

Particulars	As at	
	December 31, 2021	December 31, 2020
<i>Unsecured, considered good, unless otherwise stated</i>		
Interest accrued on fixed deposits (Refer Note 8.1)	-	4
Other bank balances		
Bank deposits with original maturity for more than 12 months {Deposit includes fixed deposits with banks Rupees 5 lakhs (Previous year: 6 lakhs) marked as lien for guarantees issued by banks on behalf of the Company (Refer Note 36A[1])}	5	57
Total	5	61

8.1 '-' in amounts' columns denote amounts less than Rupees 50,000.

9. Income tax

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Current tax	8,309	5,928
Deferred tax	(814)	(767)
Total income tax expense recognised in current year	7,495	5,161

The tax year for the Company being the year ending March 31, 2022, the tax expense for the year is the aggregate of the provision made for the three month period ended March 31, 2021 and the provision for the nine month period ended December 31, 2021. The tax provision for the nine month period has been arrived at using effective tax rate for the period April 1, 2021 to March 31, 2022.

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Profit before tax	55,197	21,833
Enacted income tax rate in India for fiscal year ended March 31, 2022 and March 31, 2021. (%)	25.17%	25.17%
Computed expected tax expense	13,892	5,495
Effect of:		
Income exempt from tax	(6,490)	(111)
Expenses that are not deductible in determining taxable profit	158	162
Tax expense/(reversal) of prior years	(120)	(368)
Others	54	(17)
Total income tax expense recognised in the statement of profit and loss	7,495	5,161

Deferred tax

The tax effect of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

As at December 31, 2021

(Rupees in lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in retained earnings	Recognised in OCI	Others	Closing balance
Deferred tax liability on :						
Gains from other investments	622	-	-	15	-	637
Gains from mutual funds	63	(12)	-	-	-	51
Gains / losses on forward contracts	159	-	-	162	-	321
Gross deferred tax liability	844	(12)	-	177	-	1,009
Deferred tax asset on :						
Discounting on security deposits	165	(156)	-	-	-	9
Provision for compensated absences	1,246	38	-	-	-	1,284
Provision for bonus and commission	(86)	896	-	-	-	810
Provision for gratuity	479	11	-	(17)	-	473
Provision for doubtful debt	134	(10)	-	-	-	124
40A(ia) of the Income Tax Act, 1961 and other items	46	(45)	-	-	-	1
Property, plant and equipment and intangibles	960	(166)	-	-	-	794
On lease liability and right to use	333	234	-	-	-	567
Gross deferred tax asset	3,277	802	-	(17)	-	4,062
Net deferred tax asset	2,433	814	-	(194)	-	3,053

As at December 31, 2020

(Rupees in lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in retained earnings	Recognised in OCI	Others*	Closing balance
Deferred tax liability on :						
Gains from other investments	642	-	-	(20)	-	622
Gains from mutual funds	91	(28)	-	-	-	63
Gains / losses on forward contracts	13	-	-	146	-	159
Gross deferred tax liability	746	(28)	-	126	-	844
Deferred tax asset on :						
Discounting on security deposits	12	153	-	-	-	165
Provision for compensated absences	1,238	233	-	-	(225)	1,246
Provision for bonus and commission	123	64	-	98	(371)	(86)
Provision for gratuity	535	28	-	-	(84)	479
Provision for doubtful debt	261	55	-	-	(182)	134
Unearned revenue	531	-	-	-	(531)	-
40A(ia) of the Income Tax Act, 1961 and other items	43	3	-	-	-	46
Property, plant and equipment and intangibles	839	102	-	-	19	960
On lease liability and right to use	-	101	232	-	-	333
Gross deferred tax asset	3,582	739	232	98	(1,374)	3,277
Net deferred tax asset	2,836	767	232	(28)	(1,374)	2,433

* represents the amount of deferred tax as on December 31, 2020 pertaining to Rating business which has been transferred to CRISIL Ratings Limited. (Refer Note 48)

10. Tax assets (Non-current)

(Rupees in lakhs)

Particulars	As at	
	December 31, 2021	December 31, 2020
Advance income-tax (net of provision for taxation)	7,164	4,145
{Provision of tax Rupees 128,359 lakhs (Previous year : Rupees 120,050 lakhs)}		
Total	7,164	4,145

11. Other non-current assets

(Rupees in lakhs)

Particulars	As at	
	December 31, 2021	December 31, 2020
Capital advance	-	54
Prepaid expenses	161	318
Total	161	372

12. Trade receivable (Current)

(Rupees in lakhs)

Particulars	As at	
	December 31, 2021	December 31, 2020
Trade receivables considered good- Secured	-	-
Trade receivables considered good- Unsecured (Refer Note 39)	15,969	11,723
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	449	490
Less: Allowance for impairment loss	(449)	(490)
Total	15,969	11,723

The Company uses a provision matrix to determine impairment loss allowance on the portfolio trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At period end, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

Specific allowance for loss is also been provided by the management based on expected recovery on individual customers.

Reconciliation of loss allowance:

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Opening balance	490	1,008
Transferred to CRISIL Ratings Limited	-	(714)
Movement during the year	(41)	196
Closing balance	449	490

13. Cash and cash equivalents (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Balances with banks:		
On current accounts	10,272	9,775
Total	10,272	9,775

14. Other bank balances (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
On unpaid dividend accounts	78	76
"Deposit with original maturity for more than 3 months but less than 12 months {(Deposit includes fixed deposits with banks Rupees 5 lakhs (Previous year Rupees 5 lakhs) marked as lien for guarantees issued by banks on behalf of the Company. (Refer Note 36A[1])}"	144	92
Total	222	168

15. Loans (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
<i>Unsecured, considered good, unless otherwise stated</i>		
Loan to subsidiaries (Refer Notes 39 and 40)	-	5,089
Loans to employees	172	213
Security deposits		
- Considered good	122	1,383
- Considered doubtful	46	43
Less: Allowance for impairment loss	(46)	(43)
Total	294	6,685
Sub-classification of loans:		
Loan receivables considered good- Secured	-	-
Loan receivables considered good- Unsecured	294	6,685
Loan receivables which have significant increase in credit risk	-	-
Loan receivables - credit impaired	46	43
Less: Allowance for impairment loss	(46)	(43)
Total	294	6,685

16. Other financial assets (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Unsecured, considered good, unless otherwise stated		
Amount recoverable (Refer Note 39)	962	909
Receivable from CRISIL Ratings Limited on account of transfer of business against purchase consideration (Refer Note 39)	-	5,170
Unbilled receivables (Refer Note 16.1)	4,556	3,301
Accrued interest on fixed deposit	11	3
Interest accrued on loan to subsidiaries (Refer Note 39)	-	158
Fair value of foreign currency forward contract (Refer Note 35)	1,272	846
Total	6,801	10,387

16.1 The balance lying in unbilled receivables as at December 31, 2020 is fully billed during the current year.

17. Other current assets

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Prepaid expense	1,687	1,104
Balances with government authorities	3,195	863
Advances to suppliers and employees	1,606	787
Total	6,488	2,754

18. Asset held for sale

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2020
Building (Refer Note 18.1)	-	318
Total	-	318

18.1 The Company had classified a building premise as asset held for sale at its carrying value Rupees 318 lakhs as at December 31, 2020. During the current year, the Company has sold the building for Rs 4,900 lakhs which has resulted in profit of Rs 4,582 lakhs, disclosed under exceptional item.

19. Equity share capital

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Authorised capital:		
100,000,000 equity shares of Rupee 1 each (Previous year 100,000,000 equity shares of Rupee 1 each)	1,000	1,000
Issued, subscribed and paid up:		
772,868,446 equity shares of Rupee 1 each fully paid up (Previous year 72,593,290 equity shares of Rupee 1 each)"	729	726
Total	729	726

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

Equity shares

Particulars	As at December 31, 2021	
	Rupees in lakhs	Nos.
At the beginning of the year (face value of Rupee 1 per share)	726	72,593,290
Add : Issued during the year - Under employee stock option scheme (ESOS) (Refer Note 47)	3	275,156
Outstanding at the end of the year	729	72,868,446

Particulars	As at December 31, 2020	
	Rupees in lakhs	Nos.
At the beginning of the year (face value of Rupee 1 per share)	723	72,304,326
Add : Issued during the year - Under employee stock option scheme (ESOS) (Refer Note 47)	3	288,964
Outstanding at the end of the year	726	72,593,290

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rupee 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding/ultimate holding and/ or their subsidiaries

Out of equity shares issued by the Company, shares held by its Holding Company, Ultimate Holding Company and their subsidiaries/ associates are as below:

Particulars	(Rupees in lakhs)	
	As at December 31, 2021	As at December 31, 2020
Group Holding of the S&P Global Inc.		
31,209,480 equity shares of Rupee 1 each fully paid held by S&P India, LLC, fellow subsidiary (Previous year 31,209,480 equity shares of Rupee 1 each)	312	312
11,523,106 equity shares of Rupee 1 each fully paid held by S&P Global Asian Holdings Pte. Limited, fellow subsidiary (Previous year 11,523,106 equity shares of Rupee 1 each)	115	115
6,000,000 equity shares of Rupee 1 are held by Standard & Poor's International LLC, fellow subsidiary (Previous year 6,000,000 equity shares of Rupee 1 each) "	60	60
Total	487	487

(d) The Company has neither issued shares for consideration other than cash or bonus shares nor there has been any buy back of shares during the five years immediately preceding December 31, 2021
(e) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at December 31, 2021	
	% holding in the class	Nos.
Equity shares of Rupee 1 each fully paid		
1. Group Holding of the S&P Global Inc.		
a) S&P India, LLC	42.83%	31,209,480
b) S&P Global Asian Holdings Pte. Limited	15.81%	11,523,106
c) Standard & Poor's International LLC	8.23%	6,000,000
2. Life Insurance Corporation of India	4.62%	3,363,528
3. Jhunjhunwala Rakesh and Rekha	5.49%	40,00,000

Name of the shareholder	As at December 31, 2020	
	% holding in the class	Nos.
Equity shares of Rupee 1 each fully paid		
1. Group Holding of the S&P Global Inc.		
a) S&P India, LLC	42.99%	31,209,480
b) S&P Global Asian Holdings Pte. Limited	15.87%	11,523,106
c) Standard & Poor's International LLC	8.27%	6,000,000
2. Life Insurance Corporation of India	5.95%	4,321,911
3. Jhunjhunwala Rakesh and Rekha	5.48%	3,975,000

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(f) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option scheme (ESOS) of the Company (Refer Note 47).

(g) Capital management

The Company is predominantly equity financed and continues to maintain adequate amount of liquidity to meet strategic and growth objectives. The Company manages its capital to ensure that it will be able to continue as going concerns while maximising the return to its stakeholders. The Company has ensured a balance between earning adequate returns on treasury asset and need to cover financial and business risk. The Company actively monitors its portfolio and has a policy in place for investing surplus funds. Appropriate limits and controls are in place to ensure that investments are made as per policy. The Company has an overdraft and other loan facilities sanctioned from banks to support any temporary funding requirements, as and when required.

20. Explanation of reserves**a) General reserve**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the retained earnings.

b) Securities premium

The amount received in excess of face value of the equity shares is recognised in securities premium.

c) Retained earnings

Retained earnings represent the cumulative profits of the Company and the effects of measurements of defined benefit obligation.

d) Share-based payment reserve

The share-based payment reserve account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees.

e) Other comprehensive income (OCI)

Other comprehensive income includes fair value changes in equity instruments and hedge reserve through OCI.

f) Hedge reserve

Forward contracts are stated at fair value at each reporting date. Changes in the fair value of the forward contracts that are designated and effective as hedges of future cash flows are recognized directly in OCI and accumulated under the hedging cash flow hedge reserve, net of applicable deferred income taxes.

g) Capital redemption reserve

The Company has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings. The amount in capital redemption reserve is equal to nominal amount of the equity shares bought back.

h) Share application money pending allotment

It represent the amount received on the application on which allotment is not yet made (pending allotment).

21. Other financial liabilities (non-current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Employee related payables	953	499
Lease liability (Refer Note 41)	6,225	7,397
Total	7,178	7,896

22. Provisions (Non-current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Gratuity (Refer Note 42)	1,647	1,688
Total	1,647	1,688

23. Other non-current liabilities

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Unearned revenue	41	-
Total	41	-

24. Trade payables (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Total outstanding dues of micro enterprises and small enterprises (as per intimation received from suppliers)	5	9
Total outstanding dues of creditors other than micro enterprises and small enterprises	8,850	5,486
Total	8,855	5,495

24.1 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 is provided as under

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
- Principal amount remaining unpaid, but not due	5	9
- Interest due thereon as at year end	-	-
- Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
- Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
- Interest accrued and remaining unpaid as at year end	-	-
- Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status its suppliers.

25. Other financial liabilities (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Employee related payables	6,923	6,622
Lease liability (Refer Note 41)	4,665	3,668
Payable to CRISIL Ratings Limited on account of transfer of business (Refer Note 39)	-	27,619
Unpaid dividend (Investor education and protection fund will be credited as and when due)	78	76
Sundry deposits	11	48
Total	11,677	38,033

26. Provisions (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Compensated absences (Refer Note 42)	5,101	4,951
Gratuity (Refer Note 42)	621	606
Total	5,722	5,557

27. Other current liabilities

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Statutory liabilities	2,801	2,079
Advance received from customer (Refer Note 27.1)	147	191
Unearned revenue (Refer Note 27.1)	3,647	3,458
Total	6,595	5,728

27.1 The balance lying in 'Unearned revenue' and 'Advance received from customer' as at December 31, 2020 is fully recognised as revenue during the current year.

28. Income from operations

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Ratings services	23,313	21,709
Research services	81,978	67,169
Total	105,291	88,878

28.1 The Company disaggregates revenue from contracts with customers by nature of services which has been described above. Further, disaggregation of revenue by geographical region is as under :

(Rupees in lakhs)

Geographical region	Year ended	Year ended
	December 31, 2021	December 31, 2020
India	20,124	12,905
Europe	24,809	25,893
North America	52,916	41,730
Rest of the world	7,442	8,350
Total	105,291	88,878

28.2 The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has right to consideration that corresponds directly with the value of entity's performance completed to date.

29. Other income

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Interest on :		
- Bank deposits	19	46
- Loan to subsidiaries (Refer Note 39)	82	811
- Financial assets carried at amortized cost	195	249
Grant income (Refer Note 49)	-	2,649
Profit on sale of property, plant and equipment	63	-
Dividend on investments (Refer Note 39)	25,788	441
Foreign exchange gain (net)	639	1,542
Profit on sale of current investments	574	698
Profit on fair valuation of current investments	205	252
Excess provision written back	364	395
Support and management fees	4,641	3,116
Miscellaneous income	658	196
Total	33,228	10,395

30. Employee benefits expenses

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Salaries, wages and bonus	48,346	41,245
Share based payment to employees	82	76
Contribution to provident and other funds	1,435	1,327
Contribution to gratuity fund (Refer Note 42)	684	666
Staff training and welfare expenses (Refer Note 42)	1,105	999
Less: Recoveries from subsidiaries towards overhead allocated	(2,567)	(679)
Total	49,085	43,634

31. Finance cost

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Interest expense on bank overdraft	-	3
Interest on lease liability (Refer Note 41)	726	842
Reimbursement of interest on lease liability recovered from subsidiaries	(159)	(151)
Total	567	694

32. Depreciation and amortisation

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Depreciation and amortisation on tangible, intangible and right of use assets (Refer Notes 3, 4 and 5)	6,209	7,473
Less: Reimbursement of common depreciation recovered from subsidiaries	(920)	(905)
Total	5,289	6,568

33. Other expenses

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Repairs and maintenance - buildings	884	1,482
Repairs and maintenance - others	567	630
Electricity	286	493
Communication expenses	860	906
Insurance	117	119
Rent (Refer Note 41)	576	128
Rates and taxes	176	219
Printing and stationery	65	64
Conveyance and travelling	124	741
Books and periodicals	914	791
Vehicle expenses	2	2
Remuneration to non-whole time directors	195	161
Business promotion and advertisement	18	37
Professional fees (Refer Note 39)	23,762	19,743
Associate service fee	2,583	2,282
Software purchase and maintenance expenses	2,197	1,215
Provision for doubtful deposits	9	28
Provision for doubtful debts / bad debts	228	140
Loss on sale of property, plant and equipment	-	1
Corporate social responsibility (CSR) expenses (Refer Notes 39 and 45)	637	774
Donation (Refer Note 39)	6	84
Auditors' remuneration (Refer Note 37)	69	65
Recruitment expenses	288	197
Miscellaneous expenses	237	352
Less : Recoveries from subsidiaries towards overhead allocated	(1,837)	(4,110)
Total	32,963	26,544

34. Financial risk management

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in Note 35. The main types of risks are market risk (foreign currency exchange rate risk and price risk), business and credit risks and liquidity risk. The Company has in place a robust risk management policy with overall governance and oversight from the Audit Committee and Board of Directors. Risk assessment is conducted periodically and the Company has a mechanism to identify, assess, mitigate and monitor various risks to key business objectives.

The policies for managing specific risk are summarized below:

34.1 Market risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market price. Such changes may result from changes in foreign currency exchange rates, interest rate, price and other market changes. The Company's exposure to market risk is mainly due to foreign exchange rates and price risk.

Foreign currency exchange rate risk

The Company's exposure to market risk includes changes in foreign exchange rates. Most of the Company's transactions are carried out in INR. Exposures to currency exchange rates arise from the Company's overseas operations, which are primarily denominated in US dollars (USD), EURO and Pounds Sterling (GBP). As of December 31, 2021 and December 31, 2020, the Company has entered into foreign exchange forward contracts to hedge the effect of adverse fluctuations in foreign currency exchange rates. The details in respect of the outstanding foreign exchange forward contracts are given. (Refer Note 35.2)

Following is the currency profile of non-derivative financial assets and financial liabilities:

Particulars	As at December 31, 2021			
	(Foreign Currency in '000)		(Rupees in lakhs)	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	26,054	4,636	19,452	3,461
GBP	6,030	68	6,048	68
EURO	1,336	-	1,128	-
Others	269	2,668	33	496

Particulars	As at December 31, 2020			
	(Foreign Currency in '000)		(Rupees in lakhs)	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	27,849	1,682	20,446	1,235
GBP	2,711	-	2,687	-
EURO	1,148	-	1,030	-
Others	362	1,907	142	324

For the year ended December 31, 2021, every 5% increase/decrease of the respective foreign currencies compared to functional currency of the Company would impact operating margins by Rupees 1,132 lakhs (+/-4.07 %). For the year ended December 31, 2020, operating margins would increase/decrease by Rupees 1,137 lakhs (+/-6.08 %). Exposure to foreign currency exchange rate vary during the year depending upon the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Company's exposure to currency risk.

Price risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company has adopted disciplined practices including position sizing, diversification, valuation, loss prevention, due diligence, and exit strategies in order to mitigate losses.

The Company is exposed to price risk arising mainly from investments in mutual funds recognized at FVTPL. The details of such investment are given under Note 6. If the prices had been higher/lower by 5% from the market prices existing as at the reporting date, profit would increase/decrease by Rupees 1,515 lakhs and Rupees 1,465 lakhs for the year ended December 31, 2021 and for the year ended December 31, 2020 respectively.

The Company is also exposed to price risk arising mainly from investments in equity instruments recognized at FVTOCI. The details of such investment are given under Note 6. If the equity prices had been higher/lower by 5% from the market prices existing as at the reporting date, OCI for the year ended December 31, 2021 would increase/decrease by Rupees 812 lakhs and Rupees 690 lakhs for the year ended December 31, 2020.

34.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. For the Company, liquidity risk arises from obligations on account of financial liabilities - trade payables and other financial liabilities.

Liquidity risk management

The Company continues to maintain adequate amount of liquidity/treasury to meet strategic and growth objectives. The Company has ensured a balance between earning adequate returns on liquidity/treasury assets and the need to cover financial and business risks. The Company's treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The treasury position of the Company is given below:

Financial assets maturing within one year:

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Trade receivables	15,969	11,723
Cash and cash equivalents	10,272	9,775
Other bank balances	222	168
Loans	294	6,685
Investments in mutual funds	30,298	29,298
Other financial assets	6,801	10,387
Total	63,856	68,036

Financial liabilities maturing within and after one year:

(Rupees in lakhs)

Particulars	As at December 31, 2021		As at December 31, 2020	
	within one year	after one year	within one year	after one year
Trade payables	8,855	-	5,495	-
Other financial liabilities	11,677	7,178	38,033	7,896
Total	20,532	7,178	43,528	7,896

34.3 Business and credit risks

To mitigate the risk arising from high dependence on any one business for revenues, the Company has adopted a strategy of diversifying in new products/services and into different business segments. To address the risk of dependence on a few large clients and a few sectors in the business segments, the Company has also actively sought to diversify its client base and industry segments.

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to this risk for receivables from customers.

To manage credit risk, the Company periodically assesses the financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company uses a provision margin to compute the expected credit loss allowance for trade receivable. Trade receivables are monitored on periodic basis for any non-recoverability of the dues. Bank balances are held with only high rated banks.

(Rupees in lakhs)

Receivables	As at	As at
	December 31, 2021	December 31, 2020
<= 6 months	15,140	11,653
> 6 months but <= 1 year	995	508
> 1 year	283	52
Provision for doubtful receivables	(449)	(490)

35. Financial Instruments

The carrying value and fair value of financial instruments by categories as at December 31, 2021 are as follows:

(Rupees in lakhs)

Particulars	Amortised cost	Financial assets/liabilities at FVTPL		Financial assets/liabilities at FVTOCI		Derivative instruments in hedging relationship	Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instrument designated upon initial recognition	Mandatory			
Assets								
<u>Investments</u>								
Quoted equity investments	-	-	-	16,239	-	-	16,239	16,239
Unquoted equity investments	-	-	-	3,299	-	-	3,299	3,299
Mutual funds	-	-	30,298	-	-	-	30,298	30,298
Cash and cash equivalents	10,272	-	-	-	-	-	10,272	10,272
Other bank balances	222	-	-	-	-	-	222	222
Trade receivables	15,969	-	-	-	-	-	15,969	15,969
Loans	3,239	-	-	-	-	-	3,239	3,239
Other financial assets	5,534	-	-	-	-	1,272	6,806	6,806
Total	35,236	-	30,298	19,538	-	1,272	86,344	86,344
Liabilities								
Trade payables	8,855	-	-	-	-	-	8,855	8,855
Other financial liabilities	18,855	-	-	-	-	-	18,855	18,855
Total	27,710	-	-	-	-	-	27,710	27,710

The carrying value and fair value of financial instruments by categories as at December 31, 2020 are as follows:

(Rupees in lakhs)

Particulars	Amortised cost	Financial assets/liabilities at FVTPL		Financial assets/liabilities at FVTOCI		Derivative instruments in hedging relationship	Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instrument designated upon initial recognition	Mandatory			
Assets								
<u>Investments</u>								
Quoted equity investments	-	-	-	13,791	-	-	13,791	13,791
Unquoted equity investments	-	-	-	3,237	-	-	3,237	3,237
Mutual funds	-	-	29,298	-	-	-	29,298	29,298
Cash and cash equivalents	9,775	-	-	-	-	-	9,775	9,775
Other bank balances	168	-	-	-	-	-	168	168
Trade receivables	11,723	-	-	-	-	-	11,723	11,723
Loans	9,002	-	-	-	-	-	9,002	9,002
Other financial assets	9,602	-	-	-	-	846	10,448	10,448
Total	40,270	-	29,298	17,028	-	846	87,442	87,442
Liabilities								
Trade payables	5,495	-	-	-	-	-	5,495	5,495
Other financial liabilities	45,929	-	-	-	-	-	45,929	45,929
Total	51,424	-	-	-	-	-	51,424	51,424

35.1 Fair value hierarchy

For financial reporting purpose, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly

(i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value as at December 31, 2021 and December 31, 2020.

Particulars	(Rupees in lakhs)					
	As at December 31, 2021			As at December 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value:						
A Investments at FVTPL						
1. Mutual Funds	30,298	-	-	29,298	-	-
B Investments at FVTOCI						
1. Quoted equity shares	16,239	-	-	13,791	-	-
2. Unquoted equity shares	-	-	3,299	-	-	3,237
C Forward contracts receivable	-	1,272	-	-	846	-

35.2 Derivative financial instruments and hedging activity

The Company's risk management policy is to hedge substantial amount of forecast transactions for each of the major currencies presently US\$, GBP £ and Euro €. The hedge limits are governed by the risk management policy. The Company uses forward foreign exchange contracts to mitigate exchange rate exposure arising from forecast sales in foreign currencies. All forward exchange contracts have been designated as hedging instruments in cash flow hedges in accordance with Ind AS 109. Details of currency hedge and forward contract value are as under :

As at December 31, 2021

Type of Hedge	Currency	Number of contracts	Nominal value (Foreign currency in '000)	Carrying amount of hedging instrument (Rupees in lakhs)	Maturity date	Weighted average strike price/rate	Changes in fair value of hedging instrument (Rupees in lakhs)	Change in the hedging item used as the basis for recognising hedge effectiveness (Rupees in lakhs)
Cash flow hedge								
i) Foreign exchange forward contracts	USD	35	57,320	44,368	Jan - Dec-22	77.40	683	(683)
	GBP	21	7,288	7,699	Jan - Dec-22	105.64	201	(201)
	EUR	12	6,846	6,317	Jan - Dec-22	92.27	388	(388)

As at December 31, 2020

Type of Hedge	Currency	Number of contracts	Nominal value (Foreign currency in '000)	Carrying amount of hedging instrument (Rupees in lakhs)	Maturity date	Weighted average strike price/rate	Changes in fair value of hedging instrument (Rupees in lakhs)	Change in the hedging item used as the basis for recognising hedge effectiveness (Rupees in lakhs)
Cash flow hedge								
i) Foreign exchange forward contracts	USD	20	39,791	30,796	Jan - Dec-21	77.40	974	(974)
	GBP	11	6,080	6,005	Jan - Dec-21	98.76	(219)	219
	EUR	12	4,212	3,763	Jan - Dec-21	89.34	(128)	128
Receivables hedge								
i) Foreign exchange forward contracts	USD	1	6,250	4,896	6-Jul-21	78.34	219	(219)

Movement in cash flow hedging reserve

(Rupees in lakhs)

Particulars	Foreign exchange forward contract
As at January 1, 2020	36
Add: Changes in fair value of effective portion of outstanding forecasted cash flow hedge	161
Less: Amounts reclassified to profit or loss	418
Less: Tax relating to above (net)	(146)
As at January 1, 2021	469
Add: Changes in fair value of effective portion of outstanding forecasted cash flow hedge	2,295
Add: Amounts reclassified to profit or loss	(1,650)
Less: Tax relating to above (net)	(162)
As at December 31, 2021	952

The Company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk. Hedge is broadly classified as revenue hedge and receivable hedge.

Revenue hedge

For forecasted revenue transaction, the Company will adopt cash flow hedge and record mark to market through OCI. Effective hedge is routed through OCI in the balance sheet and the ineffective portion is immediately routed through the statement of profit and loss.

Receivable hedge

The ineffective portion of cash flow hedges are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses).

Details of unhedged foreign exposure

Currency	As at December 31, 2021			
	(Foreign Currency in '000)		(Rupees in lakhs)	
	Assets	Liabilities	Assets	Liabilities
Monetary				
USD	26,054	4,636	19,452	3,461
GBP	6,030	68	6,048	68
EUR	1,336	-	1,128	-
Others	269	2,668	33	496
Investment				
USD	430	-	225	-
GBP	14,240	-	11,390	-
Others	796	-	105	-
Currency	As at December 31, 2020			
	(Foreign Currency in '000)		(Rupees in lakhs)	
	Assets	Liabilities	Assets	Liabilities
Monetary				
USD	27,849	1,682	20,446	1,235
GBP	2,711	-	2,687	-
EUR	1,148	-	1,030	-
Others	362	1,907	142	324
Investment				
USD	430	-	225	-
GBP	14,240	-	11,390	-
Others	796	-	105	-

36. Details of contingent liabilities and capital commitments are as under:

(Rupees in lakhs)

Receivables	As at	As at
	December 31, 2021	December 31, 2020
A. Contingent liabilities		
1. Bank guarantee in the normal course of business	99	75
2. Disputed income tax, sales tax, service tax and GST demand:		
(i) Pending before appellate authorities in respect of which the Company is in appeal	22,851	8,544
(ii) Decided in Company's favour by appellate authorities and department is in further appeal	1,146	1,146
3. Provident fund		
Based on the judgement by the Honorable Supreme Court dated 28 February 2019, past provident fund liability, is not determinable at present, in view of uncertainty on the applicability of the judgement to the Company with respect to timing and the components of its compensation structure. In absence of further clarification, the Company has been legally advised to await further developments in this matter to reasonably assess the implications on its financial statements, if any.		
The Company periodically receives notices and inquiries from income tax authorities related to the Company's operations in the jurisdictions of operations in. The Company has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands by income tax authorities will not succeed on ultimate resolution other than what has been provided or disclosed herein.		
	24,096	9,765
B. Capital commitment		
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for. Management believes that the ultimate outcome of above matters will not have a material adverse impact on its financial position, results of operations and cash flows. In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments pending at various authorities.	708	189
Total	24,804	9,954

37. Auditors' remuneration includes :

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Audit fees (including limited review fees)	58	52
In any other matter:		
Certification work	7	7
Out of pocket expenses	4	6
Total	69	65

38. Segment reporting

In accordance with Paragraph 3 of Indian Accounting Standard (Ind AS) 108 - Operating Segments, segment information has been given in the consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

39. List of related parties

Parties	Relationship
Related parties where control exists	
S&P Global Inc.	Ultimate Holding Company
CRISIL Risk and Infrastructure Solutions Limited (Refer Note 50)	Subsidiary
CRISIL Irevna UK Limited	Subsidiary
CRISIL Irevna US LLC	Subsidiary of CRISIL Irevna UK Limited
CRISIL Irevna Poland Sp.oz.o	Subsidiary of CRISIL Irevna UK Limited
CRISIL Irevna Argentina S.A.	Subsidiary
CRISIL Irevna Information & Technology (Hangzhou) Co. Limited	Subsidiary
Coalition Development Limited	Subsidiary of CRISIL Irevna UK Limited
Coalition Development Singapore Pte Limited	Subsidiary of Coalition Development Limited
Pragmatix Services Private Limited (Refer Note 50)	Subsidiary
CRISIL Ratings Limited (Refer Note 48)	Subsidiary
CRISIL Irevna Australia Pty Ltd	Subsidiary of CRISIL Irevna UK Limited (with effect from August 28, 2020)
Greenwich Associates LLC	Subsidiary of CRISIL Irevna US LLC (with effect from February 26, 2020)
Greenwich Associates International, LLC	Subsidiary of Greenwich Associates LLC (with effect from February 26, 2020 and till December 22, 2020)
Greenwich Associates UK (Holdings) Limited	Subsidiary of Greenwich Associates LLC (with effect from February 26, 2020 and till October 13, 2021)
Greenwich Associates Singapore PTE. LTD.	Subsidiary of Greenwich Associates LLC (with effect from February 26, 2020)
Greenwich Associates Japan K.K.	Subsidiary of Greenwich Associates LLC (with effect from February 26, 2020)
Greenwich Associates Canada ULC	Subsidiary of Greenwich Associates LLC (with effect from February 26, 2020)
Greenwich Associates UK Limited	Subsidiary of Greenwich Associates LLC (with effect from February 26, 2020)
CRISIL Foundation	Controlled Trust
Other related parties (to the extent where transaction have taken place)	
S&P India, LLC	Fellow subsidiary
Standard & Poor's International LLC	Fellow subsidiary
Standard & Poor's South Asia Services Private Limited	Fellow subsidiary
S&P Global Asian Holdings Pte. Limited	Fellow subsidiary
S&P Global Canada Corp.	Fellow subsidiary
S&P Global UK Limited	Fellow subsidiary
S&P Capital IQ (India) Private Limited	Fellow subsidiary
S&P Global Ratings Europe Limited	Fellow subsidiary
S&P Global Ratings UK Limited	Fellow subsidiary
Standard & Poor's Financial Services, LLC	Fellow subsidiary
S&P Global Ratings Singapore Pte Ltd	Fellow subsidiary
S&P Global Ratings Hong Kong Limited	Fellow subsidiary
S&P Global Ratings Australia Pty Ltd	Fellow subsidiary
S&P Global Ratings Japan Inc.	Fellow subsidiary
S&P Global Market Intelligence LLC	Fellow subsidiary
S&P Trucost Limited	Fellow subsidiary
Asia Index Private Limited	Fellow subsidiary
Nreach Online Services Private Limited	Private company in which a Director is interested (with effect from October 1, 2021)
Key Management Personnel	
Girish Paranjpe	Independent Director
Vinita Bali	Independent Director
Amar Raj Bindra	Independent Director (with effect from December 1, 2021)
Shyamala Gopinath	Independent Director (with effect from July 10, 2020)
M. Damodaran	Independent Director (upto October 1, 2021)
Arundhati Bhattacharya	Independent Director (upto April 15, 2020)
Ewout Steenbergen	Director
Elizabeth Mann	Director (with effect from November 29, 2021)
Martin Fraenkel	Director (upto November 29, 2021)
John L Berisford	Chairman
Ashu Suyash *	Managing Director and Chief Executive Officer (upto September 30, 2021)
Amish Mehta *	Managing Director and Chief Executive Officer (with effect from October 1, 2021)
Sanjay Chakravarti *	Chief Financial Officer
Minal Bhosale *	Company Secretary

* Related parties as per Companies Act, 2013

Transactions with related parties

(Rupees in lakhs)

Name of the related party	Nature of transaction / outstanding balances	As at and for the	As at and for the
		year ended December 31, 2021	year ended December 31, 2020
S&P Global UK Limited	Professional services rendered	733	690
	Amount receivable	92	220
S&P Global Canada Corp.	Professional services rendered	195	161
	Reimbursement of expenses received	-	1
	Amount receivable	17	15
S&P Global Ratings Europe Limited	Professional services rendered	2,773	4,516
	Amount receivable	-	830
S&P Global Ratings UK Limited	Professional services rendered	2,054	-
	Amount receivable	2	-
Standard & Poor's Financial Services, LLC	Professional services rendered	13,922	13,354
	Reimbursement of expenses received	-	22
	Amount receivable	17	23
S&P Global Ratings Singapore Pte Ltd	Professional services rendered	522	656
	Amount receivable	50	46
S&P Global Ratings Hong Kong Limited	Professional services rendered	1,616	1,221
	Amount receivable	377	326
S&P Global Ratings Australia Pty Ltd	Professional services rendered	643	608
	Amount receivable	-*	55
S&P Global Ratings Japan Inc.	Professional services rendered	292	289
	Amount receivable	-	25
Standard & Poor's South Asia Services Private Limited	Reimbursement of expenses received	1,169	1,232
	Amount receivable	52	909
S&P Capital IQ (India) Private Limited	Reimbursement of expenses received	-	22
	Amount receivable	-	-*
S&P Global Market Intelligence LLC	Subscription fees paid	103	143
	Professional services rendered	112	2
S&P Trucost Limited	Professional services rendered	174	-
	Amount receivable	23	-
S&P India, LLC	Dividend paid	11,860	9,987
	Share capital outstanding	312	312
Standard & Poor's International LLC	Dividend paid	2,280	1,920
	Share capital outstanding	60	60
	Reimbursement of expenses received	-	-*
	Amount receivable	-*	-*
S&P Global Asian Holdings Pte. Limited	Dividend paid	4,379	3,687
	Share capital outstanding	115	115
S&P Global Inc.	Professional services rendered	2	2
	Reimbursement of expenses received	-*	-
Asia Index Private Limited	Reimbursement of expenses paid	2	4
Nreach Online Services Private Limited	Purchase of material	3	-
CRISIL Risk and Infrastructure Solutions Limited	Professional services rendered	6	-*
	Professional fees paid	13	-
	Expenses recovered	653	400
	Share of overhead expenses received	1,002	1,127
	Reimbursement of expense received (ESOS)	6	13
	Transfer of employee related liabilities	36	11
	Transfer of funds to CRIS	13	-
	Sale of property, plant and equipment	4	-
	Purchase of property, plant and equipment	-	1
	Loan given	450	750
	Loan repaid	950	300
	Loan outstanding	-	500
	Interest on loan received	40	40
	Interest receivable	-	17
Investment outstanding	707	707	

(Rupees in lakhs)

Name of the related party	Nature of transaction / outstanding balances	As at and for the year ended December 31, 2021	As at and for the year ended December 31, 2020
	Amount receivable	301	454
CRISIL Irevna UK Limited	Professional services rendered	17,377	16,357
	Support and management fee	595	398
	Support services for product development	-	203
	Reimbursement of expenses received	-	30
	Reimbursement of expense received (ESOS)	4	11
	Reimbursement of expenses paid	19	-
	Loan given	-	14,991
	Loan repaid	4,589	10,925
	Loan outstanding	-	4,589
	Interest income	41	770
	Interest amount receivable	-	141
	Investment outstanding	11,585	11,585
	Amount receivable	5,144	2,236
CRISIL Irevna Australia Pty Ltd	Professional services paid	817	-
	Amount payable	119	-
CRISIL Irevna US LLC	Professional services rendered	571	1,381
	Billing done on behalf of Company	1,053	6,482
	Professional fees paid	7,182	6,493
	Support and management fee	335	366
	Reimbursement of expenses received	270	88
	Reimbursement of expenses paid	595	-
	Sale of property, plant and equipment	-	2
	Amount received on behalf of the Company	-	2,201
	Reimbursement of expense received (ESOS)	3	(7)
	Amount receivable (net)	-	184
	Amount payable (net)	2,832	-
CRISIL Irevna Argentina, S.A.	Professional fees paid	4,504	5,039
	Investment outstanding	147	147
	Reimbursement of expenses paid	6	-
	Amount payable	795	404
CRISIL Irevna Poland Sp.zo.o	Professional fees paid	2,268	1,424
	Amount payable	183	264
CRISIL Irevna Information & Technology (Hangzhou) Co. Limited	Dividend income	459	-
	Professional fees paid	2,414	1,789
	Investment outstanding	244	244
	Amount payable	241	167
Coalition Development Limited	Professional services rendered	2,828	1,423
	Support and management fee	1,103	1,098
	Reimbursement of expense received (ESOS)	30	5
	Reimbursement of expense received	90	-
	Amount payable	147	191
Coalition Development Singapore Pte Limited	Professional services rendered	3,701	4,151
	Reimbursement of expense received (ESOS)	8	18
	Professional fees paid	366	354
	Amount receivable	1	128
	Amount payable	66	95
CRISIL Foundation	Donation	637	850
	Donation collected from employees and paid to foundation	39	-
	Reimbursement of expenses received	-	14
	Amount receivable	-	4
Pragmatix Services Private Limited	Professional fees paid	129	-
	Expenses recovered	306	97
	Share of overhead expenses received	615	532
	Reimbursement of expense received (ESOS)	31	50
	Transfer of employee related liabilities	33	6
	Purchase of property, plant and equipment	-	-*
	Dividend income	200	-
	Loan given	50	-
	Loan repaid	50	275

(Rupees in lakhs)

Name of the related party	Nature of transaction / outstanding balances	As at and for the year ended	As at and for the year ended
		December 31, 2021	December 31, 2020
	Interest income	-*	1
	Investment outstanding	5,600	5,600
	Amount receivable (net)	453	396
CRISIL Ratings Limited	Investment made during the year	-	2,600
	Investment outstanding	2,610	2,610
	Professional fees rendered	118	-
	Professional fees paid	190	-
	Transfer of funds	9,918	-
	Transfer of employee related liabilities	166	-
	Dividend income	24,700	-
	Sale of property, plant and equipment	5	-
	Purchase of property, plant and equipment	-*	-
	Net assets transferred to CRISIL Ratings Limited	-	5,170
	Reimbursement of expense received	-	30
	Reimbursement of expense received (ESOS)	(8)	83
	Share of overhead expenses received	3,197	3,070
	Expenses recovered	2,435	856
	Amount receivable	131	5,170
	Amount payable (net)	-	27,619
Greenwich Associates LLC	Professional services rendered	575	208
	Professional fees paid	17	63
	Support and management fee	965	-
	Amount receivable	356	65
	Amount payable	-	62
Girish Paranjpe	Sitting fees and commission	52	44
Shyamala Gopinath	Sitting fees and commission	46	19
Arundhati Bhattacharya	Sitting fees and commission	-	11
Vinita Bali	Sitting fees and commission	53	43
M. Damodaran	Sitting fees and commission	39	44
Amar Raj Bindra	Sitting fees and commission	5	-
Ashu Suyash**	Remuneration	1,073	633
	Transfer of assets	43	-
Amish Mehta**	Remuneration	620	399
Sanjay Chakravarti**	Remuneration	257	172
Minal Bhosale**	Remuneration	118	96

-* in amounts column denote amount less than Rupees 50,000

**Note: Employee benefits that requires actuarial valuation or are linked to events or fulfilment of conditions are disclosed in Managerial Remuneration as and when paid.

40. The Company has provided following loans pursuant to Section 186 of the Companies Act, 2013 and disclosure under SEBI (LODR) Regulations, 2016:

(Rupees in lakhs)

Name of the entity	Relationship	Purpose for which the loan to be utilised	Particulars of loans	Amount outstanding as at	Amount outstanding as at	Maximum amount outstanding during the year
				December 31, 2021	December 31, 2020	
CRISIL Risk and Infrastructure Solutions Limited (CRIS)	100% subsidiary	Operational	The loan is repayable on demand. These loans carry interest @ 12.50% per annum.	-	500	725
CRISIL Irevna UK Limited	100% subsidiary	Acquisition	Loan given as an unsecured loan for 10 years carrying an interest @ 6.41% per annum for financing acquisition.	-	4,589	4,589

For details of investments and advances provided to related parties Refer Note 39

41. Leases

The Company had adopted Ind AS 116 effective January 1, 2020, using the modified retrospective method and has applied the standard to its leases with the cumulative impact recognized on the date of initial application i.e. January 1, 2020. The Company has elected not to recognize right-to-use assets and lease liabilities for short term leases (lease term of 12 months or less) and leases of low-value and has recognized the lease payments for such leases as an expense over the lease term.

41.1 The following is the movement in lease liabilities :

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Balance as at January 1, 2021	11,065	-
Additions (transitional impact on adoption of Ind AS 116)	-	15,105
Additions during the year	3,322	1,053
Add: Interest recognised during the year	726	842
Less: Waiver of lease rent	-	(25)
Less: Change in lease term	(120)	(1,231)
Payment made	(4,103)	(4,679)
Balance as at December 31, 2021	10,890	11,065

41.2 The table below provides details regarding the contractual maturities of lease liabilities as at December 31, 2021 on an undiscounted basis:

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
<u>Future minimum lease payments:</u>		
Not later than one year	4,573	4,072
Later than one year and not later than five years	7,030	10,053
Later than five years	128	238
Total	11,731	14,363

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short term leases as per Ind AS 16 was Rupees 576 lakhs (Previous year Rupees 128 lakhs) for the year.

Effective January 1, 2020, the Company has adopted Ind AS 116, Leases and has recognised interest on lease liability of Rupees 726 lakhs (Previous year Rupees 842 lakhs) under finance costs.

The aggregate depreciation on ROU assets has been included under depreciation expense in the Statement of Profit and Loss. (Refer Note 32)

42. Gratuity and other post employment benefits plans

In accordance with the Payment of Gratuity Act, 1972, CRISIL provides for gratuity, a defined benefit retirement plan covering eligible employees (completed continuous services of five years or more) of the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment at fifteen days salary of an amount based on the respective employee's salary and tenure of employment with the Company.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Net employee benefit expense recognised in statement of Profit and Loss and OCI:

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Current service cost	610	565
Interest cost on defined benefit obligation	109	105
Re-measurement - actuarial (gain)/loss (recognized in OCI)	(69)	410
Expected return on plan assets (recognized in OCI)	1	(20)
Adjustment	(35)	(4)
Net gratuity benefit expense	616	1,056

Balance Sheet:

Details of provision for gratuity benefit

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Present value of funded obligations	4,778	4,620
Fair value of plan assets	(2,510)	(2,326)
Net liability	2,268	2,294

Changes in the present value of the defined benefit obligation are as follows:

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Opening defined benefit obligation	4,620	4,445
Current service cost	610	565
Interest cost	262	246
Acquisitions/ transfer (credit)/ cost	(56)	(669)
Actuarial (gain)/loss	(11)	(28)
Actuarial (gain)/loss (financial assumptions)	(58)	438
Benefits paid	(589)	(377)
Closing defined benefit obligation	4,778	4,620

Changes in the fair value of plan assets are as follows:

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Opening fair value of plan assets	2,326	2,320
Acquisition/ transfer adjustment	-	(384)
Interest (income) / expense on plan assets	153	141
Contribution by employer	621	606
Return on plan assets greater / (lesser) than discount rate	(1)	20
Benefits paid	(589)	(377)
Closing fair value of plan assets	2,510	2,326

The defined benefit obligation shall mature after December 31, 2021 as follows:

Particulars	Rupees in lakhs
December 31, 2022	462
December 31, 2023	542
December 31, 2024	568
December 31, 2025	634
December 31, 2026	712
December 31, 2027 to December 31, 2031	4,111

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Investment with insurer	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity for the Company's plans is as below:

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Discount rate	6.20%	5.70%
Rate of return on plan assets	7.00%	7.00%
Expected employee turnover		
Service years	Rates	Rates
Service < 5	20.00%	20.00%
Service => 5	10.00%	10.00%
Increment	"10% for First 4 years starting 2022 and 7% thereafter"	"10% for First 4 years starting 2021 and 7% thereafter"
Expected employer's contribution next year (Rupees in lakhs)	621	606

Broad category of plan assets as per percentage of total plan assets of the gratuity

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Government securities	87%	81%
Fixed deposit, debentures and bonds	9%	13%
Others	4%	6%
Total	100%	100%

The actuarial assumptions for the determination of defined benefit obligations are discount rate and salary escalation rate. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, holding all other assumptions constant.

Discount rate	(Rupees in lakhs)
Effect on DBO due to 0.5% increase in discount rate	(175)
Effect on DBO due to 0.5% decrease in discount rate	187
Salary escalation rate	(Rupees in lakhs)
Effect on DBO due to 0.5% increase in salary escalation rate	151
Effect on DBO due to 0.5% decrease in salary escalation rate	(147)

Other benefits

The Company has recognised the following amounts in the statement of profit and loss: (Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
i. Contribution to provident fund	1,267	1,170
ii. Contribution to other funds	168	157

The expenses for compensated absences have been recognised in the same manner as gratuity and a provision of Rupees 5,101 lakhs has been made as at December 31, 2021 (Rupees 4,951 lakhs as at December 31, 2020).

43. Earning per share

The following reflects the profit and share data used in the basic and diluted Earning Per Share (EPS) computations:

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2021	December 31, 2020
Net profit for calculation of basic/diluted EPS	47,702	16,672

Particulars	Year ended	Year ended
	December 31, 2020 (Nos.)	December 31, 2020 (Nos.)
Weighted average number of equity shares in calculating basic EPS	72,750,531	72,494,072
Effect of dilution:		
Add: weighted average stock options granted under ESOS	77,440	53,214
Weighted average number of equity shares in calculating diluted EPS	72,827,971	72,547,286

Earnings per share : Nominal value of Rupee 1	Year ended December 31, 2021 (Rupees)	Year ended December 31, 2020 (Rupees)
Basic	65.57	23.00
Diluted (On account of ESOS, Refer Note 47)	65.50	22.98

The following potential equity shares are anti-dilutive and therefor excluded from the weighted average number of equity shares for the purpose of diluted EPS

Particulars	Year ended December 31, 2021 (Nos.)	Year ended December 31, 2020 (Nos.)
Options to purchase equity shares had anti-dilutive effect	-	110,150

44. Dividend

(Rupees in lakhs)

Particulars	Year ended December 31, 2021	Year ended December 31, 2020
Final dividend for the year 2020 (Previous year 2019) Rupees 14 per equity share (Previous year Rupees 13 per share) of Rupee 1 each	10,175	9,422
Interim dividend for the year 2021 (Previous year 2020) Rupees 24 per equity share (Previous year Rupees 19 per share) of Rupee 1 each	17,474	13,781
Total	27,649	23,203

Proposed dividend

The Board of Directors at its meeting held on February 15, 2022 have recommended a payment of final dividend of Rupees 22 (including a special dividend of Rupees 7) per equity share of face value of Rupee 1 each for the financial year ended December 31, 2021. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

- 45.** Corporate Social Responsibility (CSR) expenses for the year ended December 31, 2021 includes Rupees 637 lakhs (Previous year Rupees 774 lakhs) includes spend on various CSR schemes as prescribed under Section 135 of the Companies Act, 2013. The CSR amount based on limits prescribed under the Companies Act, 2013 for the year was Rupees 637 lakhs (Previous year Rupees 728 lakhs). Key CSR activities were education and women empowerment – financial capability building and conservation of environment.
- 46.** The Company has considered internal and external information and has performed sensitivity analyses based on current estimates, in assessing the recoverability of receivables, unbilled revenues, goodwill, intangible assets, other financial assets (including cash liquidity), and the profitability of the Company. Whilst the situation continues to be extremely dynamic, at present the Company does not see any material impact on the above. However, the actual impact of the pandemic on the Company's financial performance may differ from what is estimated, and the Company continues to monitor changes to future economic conditions.

47. Employee stock option scheme (ESOS)

The Company has formulated an ESOS based on which employees are granted options to acquire the equity shares of the Company that vests in a graded manner. The options are granted at the closing market price prevailing on the stock exchange, immediately prior to the date of grant. Details of the ESOS granted are as under :

Details	Date of grant	No. of options granted	Exercise price (Rupees)	Graded vesting period :			Weighted average price (Rupees)**
				1st Year	2nd Year	3rd Year	
ESOS 2014 (1)	17-Apr-14 *	2,860,300	1,217.20	953,433	953,433	953,434	469.48
ESOS 2014 (2)	01-Jun-15 *	71,507	2,101.10	23,835	23,835	23,837	708.36
ESOS 2012 (1)	16-Apr-12	903,150	1,060.00	180,630	361,260	361,260	320.59
ESOS 2012 (2)	16-Apr-12	5,125	1,060.00	5,125	-	-	230.97
ESOS 2012 (3)	14-Feb-14	123,000	1,119.85	24,600	49,200	49,200	334.20
ESOS 2011 (1)	14-Feb-11	1,161,000	579.88	232,200	464,400	464,400	185.21
ESOS 2011 (2)	14-Feb-11	23,750	579.88	23,750	-	-	149.41
ESOS 2011 (3)	3-Oct-14	33,000	1,985.95	6,600	13,200	13,200	583.69
ESOS 2011 (4)	25-Feb-15	22,000	2,025.20	4,400	8,800	8,800	515.78
ESOS 2011 (5)	16-Dec-16	194,200	2,180.85	38,840	77,680	77,680	621.74
ESOS 2012 (4)	16-Dec-16	47,800	2,180.85	9,560	19,120	19,120	621.74
ESOS 2014 (3)	16-Dec-16*	82,100	2,180.85	27,093	27,093	27,914	734.46
ESOS 2014 (4)	09-Mar-17*	13,400	1,997.35	4,422	4,422	4,556	680.28
ESOS 2014 (5)	17-Jul-17*	25,000	1,956.55	8,250	8,250	8,500	626.51
ESOS 2014 (6)	08-Jan-18*	8,000	1,919.25	2,666	2,666	2,667	623.48
ESOS 2014 (7)	24-Jan-18*	238,970	1,969.45	79,656	79,656	79,658	651.23
ESOS 2014 (8)	4-Apr-18	164,457	1,841.35	54,818	54,818	54,820	410.12
ESOS 2014 (9)	16-Apr-19	226,155	1,568.85	75,384	75,384	75,387	332.35

* At the end of 3rd, 4th & 5th year in equal tranches

**Weighted average price of options as per Black -Scholes Option Pricing model at the grant date.

The Company had three schemes under which options have been granted in the past. Under ESOS 2011, ESOS 2012, ESOS 2014 (8) and ESOS 2014 (9) option vest over three years at each of the anniversaries. ESOS 2011 and ESOS 2012 are exercisable within three years from the date of vesting and are settled in equity on exercise. ESOS 2014 (8) and ESOS 2014 (9) are exercisable within two years from the date of vesting and are settled in equity on exercise.

Under ESOS 2014 (1-7) options vest over five years starting from third anniversary of the grant. Options are exercisable within two years from the date of vesting and are settled in equity on exercise.

The summary for each scheme as at December 31, 2021

Particulars	ESOS - 2011		ESOS - 2012		ESOS - 2014	
	Number of options	Wtd. avg. exercise price (Rupees)	Number of options	Wtd. avg. exercise price (Rupees)	Number of options	Wtd. avg. exercise price (Rupees)
Outstanding at the beginning of the year	155,360	2,180.85	31,840	2,180.85	641,465	1,678.36
Granted during the year	-	N.A.	-	N.A.	-	N.A.
Forfeited during the year	-	N.A.	21,840	2,180.85	113,044	1,918.31
Exercised during the year	23,285	2,180.85	-	N.A.	251,871	1,444.53
Expired during the year	-	-	5,000	2,180.85	34,061	1,857.97
Outstanding at the end of the year	132,075	2,180.85	5,000	2,180.85	242,489	1,784.14
Exercisable at the end of the year	132,075	2,180.85	5,000	2,180.85	157,646	1,833.47

The summary for each scheme as at December 31, 2020

Particulars	ESOS - 2011		ESOS - 2012		ESOS - 2014	
	Number of options	Wtd. avg. exercise price (Rupees)	Number of options	Wtd. avg. exercise price (Rupees)	Number of options	Wtd. avg. exercise price (Rupees)
Outstanding at the beginning of the year	207,400	2,168.45	74,030	1,804.92	1,112,938	1,563.03
Granted during the year	-	N.A.	-	N.A.	-	N.A.
Forfeited during the year	-	N.A.	15,030	1,684.59	110,596	1,812.45
Exercised during the year	-	N.A.	19,200	1,119.85	269,764	1,226.04
Expired during the year	52,040	2,131.41	7,960	2,180.85	91,113	1,446.12
Outstanding at the end of the year	155,360	2,180.85	31,840	2,180.85	641,465	1,678.36
Exercisable at the end of the year	155,360	2,180.85	31,840	2,180.85	392,868	1,622.82

Particulars	Date	Wtd. avg. exercise price (Rupees)
Weighted average share price at the date of exercise.	February 11, 2021	1,933.26
	April 19, 2021	1,859.52
	July 20, 2021	2,505.49
	September 30, 2021	2,912.00
	November 10, 2021	2,861.92

Particulars	Range of exercise prices Rupees	Wtd. avg. remaining contractual life
Range of exercise prices and weighted average remaining contractual life.	1568.85 to 1,997.35	795 days
	2,101.10 to 2,180.85	411 days

Cash inflow on exercise of options at the weighted average share price at the date of exercise.

Particulars	Year ended December 31, 2021		Year ended December 31, 2020	
	Numbers	Rupees in lakhs	Numbers	Rupees in lakhs
Exercised during the year*	275,156	4,146	288,964	3,522
Total	275,156	4,146	288,964	3,522

The estimates of future cash inflow that may be received upon exercise of options. There are no cash settled plans implemented by the Company and hence there is no further liability booked in the books.

* Excludes share application money pending allotment.

Particulars	Year ended December 31, 2021		Year ended December 31, 2020	
	Numbers	Rupees in lakhs	Numbers	Rupees in lakhs
Not later than two years	379,564	7,316	814,380	14,569
Later than two years & not later than five years	-	-	14,285	280
Total	379,564	7,316	828,665	14,849

48. Securities and Exchange Board of India (SEBI) notifications dated May 30, 2018 and September 19, 2018, under the SEBI (Credit Rating Agencies) Regulations, 1999, have mandated segregation of Ratings and Non-Ratings businesses of Credit Rating Agencies. Pursuant to, and in order to comply with these notifications, CRISIL's Board of Directors approved transfer of the Ratings business to CRISIL Ratings Limited, (incorporated on June 3, 2019), a wholly owned subsidiary of the Company. This transfer has been undertaken through a 'Scheme of arrangement in terms of Section 230 to 232 of the Companies Act, 2013' ('Scheme') which has been approved by Stock Exchanges. The Scheme has been sanctioned by the National Company Law Tribunal (NCLT) with appointed date as January 1, 2020 and the certified copy of the Order dated June 8, 2020 has been received on July 7, 2020 which has been filed with Registrar of Companies on July 20, 2020. Further SEBI and Reserve Bank of India (RBI) has given necessary approval on December 4, 2020 and December 31, 2020, respectively, to CRISIL Ratings Limited to act as a Credit Rating Agency. On receipt of approval, the Scheme became effective on December 31, 2020 with the appointed date of January 1, 2020. The whole of the assets and liabilities of the transferred business became the assets and liabilities of the resulting company and were transferred at their book value as per the Order, as appearing in the books of the Company with effect from the appointed date.

- 49.** During the year, the Company received export benefits amounting to Rupees Nil (Previous year 2,649 lakhs) in the form of duty free saleable scrips under the Service Export Incentive Scheme (SEIS) from the government authorities and the same has been accounted for as Other income in the standalone financial statements.
- 50.** The management of the Company has approved arrangement for amalgamation of two wholly owned subsidiaries (CRISIL Risk and Infrastructure Solutions Limited and Pragmatix Services Private Limited - Transferor Company) with the Company in its meeting held on December 13, 2021. Following the closing of the aforesaid amalgamation, the amalgamated entity will continue its operations under the name of CRISIL Limited. The Company has already filed necessary applications to the National Company Law Tribunal (NCLT) on December 27, 2021 and awaiting for required regulatory approvals.
- 51.** Previous year's figures have been regrouped where necessary to conform to current year classification.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

For Walker Chandiok & Co LLP

Chartered Accountants
Firm Registration No.:001076N/N500013

Khushroo B. Panthaky

Partner
Membership No.: 042423

Place: Mumbai

Date: February 15, 2022

For and on behalf of the Board of Directors of CRISIL Limited

John L Berisford

Chairman
[DIN: 07554902]
Place: Connecticut

Sanjay Chakravarti

Chief Financial Officer
Place: Mumbai

Date: February 15, 2022

Amish Mehta

Managing Director and
Chief Executive Officer
[DIN: 00046254]
Place: Mumbai

Minal Bhosale

Company Secretary
Place: Mumbai

Notice

NOTICE is hereby given that the Thirty-Fifth Annual General Meeting (“AGM”) of the members of CRISIL Limited (the Company) will be held on Friday, April 22, 2022, at 3.30 pm IST through video conferencing (VC) and/or other audio-visual means (OAVM), without in-person presence of shareholders.

In view of the ongoing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”), vide circulars (dated April 8, 2020, May 5, 2020, and December 14, 2021), (hereinafter referred to as Circulars) permitted companies to conduct AGM through VC/OAVM, subject to compliance of various conditions mentioned therein. In keeping with government advisories related to Covid-19 and prevailing circumstances at the time of adopting this Notice, the Board of Directors has approved holding of the 35th AGM through VC and/or OAVM.

Notice is hereby given that the following business will be transacted at the AGM:

ORDINARY BUSINESS:

1. Adoption of Financial Statements

To receive, consider and adopt:

- a. the Audited Financial Statements of the Company for the year ended December 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon; and
- b. the Audited Consolidated Financial Statements of the Company for the year ended December 31, 2021, together with the Report of the Auditors thereon.

2. Declaration of dividend

To declare final dividend on equity shares of Rs. 22 (including a special dividend of Rs. 7), per equity share and to approve and confirm the declaration and payment of three interim dividends aggregating Rs 24 per equity share for the year ended December 31, 2021.

3. Re-appointment of Mr. Ewout Steenbergen

To appoint a Director in place of Mr. Ewout Steenbergen (DIN 07956962), who retires by rotation and, being eligible, seeks re-appointment.

4. Re-appointment of Statutory Auditors

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142, and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, including any modification, variation or re-enactment thereof, M/s. Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), be, and is hereby re-appointed as statutory auditors of the Company for a second term of five consecutive years, to hold office from the conclusion of this Thirty-Fifth Annual General

Meeting until the conclusion of the Fortieth Annual General Meeting of the Company, at such remuneration as may be determined by the Board of Directors of the Company (including its Committee thereof).”

SPECIAL BUSINESS:

5. Appointment of Mr. Amar Raj Bindra as an Independent Director

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Amar Raj Bindra (DIN 09415766), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16 (1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, who is eligible for appointment, and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company with effect from December 1, 2021, up to November 30, 2026.”

6. Appointment of Ms. Elizabeth Mann as a Non-Executive Director, liable to retire by rotation

To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT Ms. Elizabeth Mann (DIN 09407237), who was appointed as an Additional Director of the Company with effect from November 29, 2021, by the Board of Directors of the Company pursuant to Section 161(1) of the Companies Act, 2013, and the Articles of Association of the Company and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

7. Amendment of the Objects Clause of the Memorandum of Association

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013, read with Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), subject to necessary registrations

and approvals required, if any, from the Competent Authority(ies) and subject to such terms, conditions or amendments as may be required or suggested by any such Competent Authority(ies), the approval of the Members be and is hereby accorded for effecting the following modifications in the existing clauses of the Memorandum of Association of the Company:

(i) to replace existing clause III(A)(3) with the following new clause:

(3) To provide counsel, advice, research, analysis, data for businesses or any persons or provide people support for delivering the aforementioned services, including and without prejudice to the generality of the foregoing, on management, technology, production, marketing, finance and act as advisors and consultants whether in India or elsewhere globally, for the government, semi-government bodies, local authorities, multilateral and bilateral agencies, financial institutions, banks, trusts, funds, bodies-corporate, private or public enterprises or any other person or persons, in the areas of risk solutions, risk management, infrastructure development, implementation and solutions, investment, management, finance, technology, administration, commerce, law, economics, labour, human resource development, public relations, statistics, science, computers, accountancy, taxation, fund management, foreign exchange dealings, quality control, processing, strategic planning and valuation, product, sales, costs, pricing, process development, process management, credit risk, monitoring and evaluation, sustainability, climate change, ESG, creation of products, request for proposal (RFP) services, and to assist or support in obtaining counsel or advise in such matters in all areas or sectors.”

(ii) to insert the following clause as clause III(A)(4) after the replaced clause III(A)(3) AND THAT consequent to the aforesaid insertion, the remaining clauses of the Memorandum of Association be re-numbered accordingly:

“(4) To undertake and carry on or provide people support for undertaking and carrying on, whether in India or elsewhere, the business of, in or relating to, and to offer or render consultancy and other services or manufacture, design, develop, program, maintain, service, purchase, assemble, sell, distribute, import, export, outsource and generally deal in multiple domains including but not limited to technology, information security, technology infrastructure services, software and hardware solutions, management consultancy, risk solutions, computer hardware, systems integration, software and solutions, such as but without prejudice to the generality of the foregoing, telecom, datacom, system integration and networking, electronic media, ERP,

e-commerce, electronic communication and trading, internet, intranet, client server technology, and web or internet related techniques, solutions or products, and to distribute and publish electronic information, products and services in all their branches and of any kind, nature and description, and further to establish, run and/or manage, whether in India or abroad, data processing, data mining, data storage, data extraction and transcription centres, provide technology based platforms, products and services across all industries, managed/hosting services across technology infrastructure, outsourcing services for business processing, transaction processing and investment and management related processing and to provide training on all domains across all industries.”

RESOLVED FURTHER THAT the Board of Directors of the Company, (including its Committee thereof), be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with the Ministry of Corporate Affairs or submission of documents with any other authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto.”

By order of the Board

For CRISIL Limited

Minal Bhosale

Company Secretary
ACS 12999

Mumbai, February 15, 2022

NOTES

FOR JOINING THE AGM THROUGH VC/OAVM:

1. The instructions for participating in the AGM through VC/OAVM are as under:
 - i. Members will be provided with a facility to attend the AGM through the National Securities Depository Limited (NSDL) integrated e-voting and AGM attendance system (hereinafter referred to as NSDL e-Voting system).
 - ii. Members have alternative ways to access the NSDL e-Voting system. For the detailed procedure to access the NSDL e-Voting system, see note No. 6, Step 1: Access to NSDL e-Voting system.
 - iii. After successful login, you can see the link of VC/OAVM in the Join General Meeting menu against the Company name. Click on VC/OAVM link placed under Join General Meeting menu.
 - iv. Members who do not have the user ID and password for e-voting through the NSDL e-Voting system, or have forgotten them, may retrieve the same by following the procedure stated in the instructions related to e-voting, mentioned in the Notice.
 - v. Members can participate in the AGM through smartphone/laptop. However, for better experience and smooth participation, members are advised to join through a laptop connected through broadband. Please note that members connecting from mobile devices or tablets or through laptops etc connected via mobile hotspot may experience audio/ video loss due to fluctuation in their network. It is, therefore, recommended to use a stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
 - vi. For the convenience of the members and proper conduct of AGM, members can login and join the AGM 15 minutes before the scheduled time for the AGM. Access will be open throughout the proceedings of the AGM as well.
 - vii. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
 - viii. Members who would like to express their views/ pose questions/register as speaker shareholders at the AGM, may send their questions in advance, at least 48 hours before the start of the AGM, i.e., by 3:30 pm IST Wednesday, April 20, 2022, from their registered email address mentioning their name, demat account number/ folio number and mobile number, to the Company's email address investors@crisil.com. Only those questions/ queries received by the Company until 3:30 pm Wednesday, April 20, 2022, shall be considered and responded to at the AGM. The Company reserves the right to restrict the number of speakers as appropriate for the smooth conduct of the AGM. To give all speakers an opportunity to participate and complete the AGM's proceedings within the specified 2 hours, members are requested to keep their queries brief,

and restrict their speaking time to 3 minutes.

- ix. Members who need assistance before or during the AGM with use of technology, can:
 - Send a request at evoting@nsdl.co.in or use toll free no: 1800-1020-990; or
 - Specifically for assistance with VC/OAVM facility, contact Mr Sanjeev Yadav, Assistant Manager, NSDL, at the designated email ID: evoting@nsdl.co.in or SanjeevY@nsdl.co.in or on telephone number +91- 9324006225; or
 - Specifically for escalation/assistance with e-voting, contact Ms Pallavi Mhatre, Manager, NSDL, at the designated email ID: evoting@nsdl.co.in or pallavid@nsdl.co.in or on telephone number +022 24994545.
2. Corporate members are requested to send a scanned copy of a duly certified copy of the Board Resolution authorising their representative(s) with attested specimen signature of the authorised representative to the Company at investors@crisil.com for participating in the AGM.
3. As physical attendance of the members is dispensed with by law for VC/OAVM facilitated AGMs, the facility of appointment of proxies by members will not be available for the meeting.

INSTRUCTIONS RELATED TO E-VOTING:

4. The Company will be providing e-voting facility to the Members so as to facilitate them to cast their vote on all resolutions set forth in this Notice electronically, through e-voting services provided by NSDL.
5. The remote e-voting period shall commence at 10:00 am IST on Monday, April 18, 2022, and end at 5 pm IST on Thursday, April 21, 2022. The remote e-voting module shall be disabled at 5.00 pm IST on April 21, 2022. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.
6. The procedure and instructions for e-voting are as follows:

Voting electronically on the NSDL e-Voting system involves two steps as follows:

Step 1: Access to NSDL e-Voting system

A. Login method for e-voting and joining virtual meeting for individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020, on the e-voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email addresses in their demat accounts in order to access the e-voting facility.

Login method for individual shareholders holding securities in demat mode is as follows:

Type of shareholders	Login method
Individual shareholders holding securities in demat mode with NSDL.	<p>A. NSDL IDeAS facility:</p> <p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open the web browser by typing the following URL: https://eservices.nsd.com either on a personal computer or a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. Enter your User ID and Password. After successful authentication, you will see e-Voting services displayed on the screen. Click on “Access to e-Voting” under e-Voting services and you will be able to see the e-Voting page. Click on options available against company name or e-Voting service provider, NSDL, and you will be re-directed to the NSDL e-Voting website where you can cast your vote during the remote e-Voting period.</p> <p>If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select the “Register Online for IDeAS” portal or click on: https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>B. E-voting website of NSDL:</p> <p>Visit the e-Voting website of NSDL, open the web browser by typing the following URL: https://www.evoting.nsd.com/, either on a personal computer or on a mobile. Once the home page of the e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. Enter your User ID (i.e. your 16-digit demat account number with NSDL), password/OTP and a verification code as prompted. After successful authentication, you will be redirected to NSDL’s depository site where you can see the e-Voting page. Click on options available against company name or e-Voting service provider, NSDL, and you will be redirected to the e-Voting website of NSDL where you can cast your vote during the remote e-Voting period or joining virtual meeting and e-Voting during the meeting.</p>
Individual shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi/Easiest, can login through their user id and password. Option will be made available to reach the e-Voting page without any further authentication. Users can to login to Easi/ Easiest on https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com. Once, the page opens, click on New System Myeasi. After successful login to Easi/Easiest, the user will be also able to see the e- voting menu. The menu will have links to the website of e-Voting service provider, i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. Alternatively, the user can directly access the e-voting page by providing their demat account number and PAN on the CDSL homepage at www.cdslindia.com. The system will authenticate the user by sending OTP on the registered mobile and email as recorded in the demat account. After successful authentication, the user will be provided links for the respective ESP i.e., NSDL where the e-voting is in progress.
Individual shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. Once logged in, you will see the e-voting option. Once you click on the e-Voting option, you will be redirected to NSDL/ CDSL depository site after successful authentication, wherein you can see the e-Voting feature. Click on options available against company name or e-Voting service provider i.e., NSDL and you will be redirected to the e-Voting website of NSDL where you can cast your vote during the remote e-voting period or join the virtual meeting and e-vote during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forget Password option available at abovementioned website.

Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL:

Login type	Helpdesk details
Individual shareholders holding securities in demat mode with NSDL	Members facing any technical issue with login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual shareholders holding securities in demat mode with CDSL	Members facing any technical issue with login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542/43

B. Login method for e-voting and joining the virtual meeting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode

How to login to NSDL e-voting website?

- Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
- A new screen will open. Enter your User ID, password/OTP and the verification code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e., IDeAS, you can login to <https://eservices.nsdl.com/> with your existing IDeAS login. Once you login to NSDL e-services using log-in credentials, click on e-voting and proceed to step 2 — i.e., casting your vote electronically.

d. Your User ID details are given below:

Manner of holding shares, i.e., demat (NSDL or CDSL) or physical	Your User ID is:
i) For members who hold shares in demat account with NSDL	8-character DP ID followed by 8-digit client ID For example, if your DP ID is IN300*** and Client ID is 12*****, then your User ID is IN300***12*****.
ii) For members who hold shares in demat account with CDSL	16-digit beneficiary ID For example, if your beneficiary ID is 12*****, then your User ID is 12*****.
iii) For members holding shares in physical form.	EVEN number followed by the folio number registered with the Company For example, if the folio number is 001*** and EVEN is 101456, then User ID is 101456001***

- Password details for shareholders other than individual shareholders are given below:
 - If the member is already registered for e-voting, you can use your existing password to log in and cast your vote.
 - If the member is using NSDL e-Voting system for the first time, the member will need to retrieve the ‘initial password’ which was communicated to the member. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will ask the member to change the password.
 - How to retrieve the ‘initial password’?
 - If your email ID is registered with your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL in your mailbox. Open the email and open the PDF attachment. The password to open the file is the eight-digit client ID for NSDL account, last 8 digits of client ID for CDSL account, or folio number for shares held in physical form. The PDF attachment contains your ‘User ID’ and ‘initial password’.
 - If your email ID is not registered, please refer to point No. 26 below.
- If the member is unable to retrieve or have not received the “initial password” or has forgotten the password, follow the steps given below:
 - Click on “Forgot user details/password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com)
 - “Physical user reset password?” (if you are holding shares in physical mode) option available on www.evoting.nsdl.com

- 3) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning the demat account number/ folio number, your PAN, your name and your registered address etc.
 - 4) Members can also use the OTP (One Time Password) based login to cast the votes on the e-Voting system of NSDL.
- g. After entering the password, agree to “Terms and Conditions” by selecting the check box.
 - h. Next, click the Login button.
 - i. After you click on the Login button, the home page of e-Voting will open.

Step 2: Cast your vote electronically and join the general meeting on NSDL's e-Voting system

How to cast your vote electronically and join the general meeting on the NSDL e-Voting system?

- a. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and general meeting are active.
- b. Select “EVEN” of the company for which you wish to cast your vote during the remote e-voting period and to cast your vote during the general meeting. To join the virtual meeting, you need to click VC/OAVM link under the “Join General Meeting” section.
- c. The e-voting page opens.
- d. Cast the vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click the “Submit” button and then the “Confirm” button, when prompted.
- e. Once confirmed, ‘Vote cast successfully’ will be displayed on the screen.
- f. You can also take the printout of votes cast by you by clicking on the print option on the confirmation page.
- g. Once you confirm the vote on the resolution, you will not be allowed to modify the vote.

INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER

7. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this notice are being conducted through e-voting, the said resolutions will not be decided on a show of hands at the AGM.
8. Members who are participating in the AGM through VC/OAVM on April 22, 2022, can cast their vote during the meeting electronically through e-voting services provided by NSDL.
9. The e-voting at the AGM will begin once the Chairman or

Company Secretary announces the commencement of the e-voting during the AGM.

10. The e-voting module shall be disabled by NSDL for voting after the conclusion of the meeting.
11. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
12. The procedure for e-voting at the AGM is the same as mentioned above for remote e-voting, and the same e-voting credentials need to be entered while e-voting at the AGM.
13. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through VC/OAVM but shall not be entitled to cast their vote again.
14. Members can reach out for assistance in this respect to NSDL personnel at phone numbers and email IDs mentioned at 1(ix) above.

INSTRUCTIONS COMMONLY APPLICABLE TO E-VOTING PRIOR TO, OR AT, THE AGM

15. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date (i.e., April 15, 2022) shall only be entitled to attend the AGM through VC/OAVM on April 22, 2022, and avail the aforesaid facility of remote e-voting as well as e-voting at the AGM.
16. Any person who acquires shares of the Company after dispatch of this Notice and holds shares as of the cut-off date (i.e., April 15, 2022) may obtain login ID and password by sending a request to evoting@nsdl.co.in, with a copy to investors@crisil.com, by mentioning her/his folio number or DP ID and client ID. However, if you are already registered with NSDL for e-voting, you can use your existing User ID and password for casting your vote and attending the AGM.
17. In case of joint shareholders, only such joint holder who is higher in the order of names will be entitled to vote.
18. A Member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. Since this AGM is being held through VC / OAVM, as per the framework provided in MCA Circulars, the facility for appointment of proxies by the Members will not be available for this AGM.
19. Corporate / Institutional Members (Corporate/ FIs / FLLs / Trusts / Mutual Funds / Banks, etc) are required to send a scan (PDF format) of the relevant Board resolution to the Scrutiniser through e-mail to scrutinisers@mmjc.in, with a copy to evoting@nsdl.co.in.
20. It is strongly recommended not to share e-voting password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot user details/Password?” or “Physical user reset password?”

- option available on www.evoting.nSDL.com to reset the password.
21. In case of any queries, you may refer to the frequently asked questions (FAQs) and e-voting user manual for shareholders available in the download section of www.evoting.nSDL.com; or contact the NSDL helpdesk by sending a request at evoting@nSDL.co.in or call on toll free number 1800 1020 990 or 1800 22 44 30; or contact the CDSL helpdesk by sending a request at evoting@cdslindia.com or calling on 022-23058738 or 022-23058542/43.
 22. The e-voting credentials sent along with the notice be considered for the purpose of remote e-voting, and attending and e-voting at the AGM.
 23. Mr. Makarand Joshi, Practicing Company Secretary, has been appointed as Scrutiniser for scrutinising the e-voting process in a fair and transparent manner. The Scrutiniser shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutiniser's Report of the votes cast in favour or against, forthwith to the Chairman of the Company.
 24. The results of remote e-voting and e-voting at the AGM on resolutions shall be aggregated and declared on or after the AGM, and the resolutions will be deemed to be passed on the AGM date subject to the receipt of the requisite numbers of votes in favour of the resolutions.
 25. The results declared, along with the Scrutiniser's Report, shall be placed on the Company's website www.crisil.com and on the website of NSDL within 48 hours of the conclusion of the AGM and communicated to the Stock Exchanges where the shares of the Company are listed, viz. BSE Ltd. and National Stock Exchange of India Ltd.

UPDATION OF EMAIL ADDRESS TO RECEIVE E-COPY OF ANNUAL REPORT, AND ATTENDANCE AND E-VOTING CREDENTIALS

26. In accordance with Section 101 of the Companies Act, 2013, read with Rule 18 of the Companies (Management and Administration) Rules, 2014, and the aforesaid Circulars, the Annual Report of the Company for the financial year 2021, including the Notice convening the AGM, is being sent by email to the members whose email addresses are available with the depositories for communication purposes or are obtained directly from the members, as per Section 136 of the Companies Act, 2013, and Rule 11 of the Companies (Accounts) Rules, 2014. The same is also available on the Company's website www.crisil.com, on the website of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited and on NSDL's website at www.evoting.nSDL.com. Members whose email IDs are not registered with the depositories can, in order to procure user ID and password and to register e-mail IDs for e-voting for the resolutions set out in this notice, follow the below-mentioned process:
 - a) In case shares are held in physical mode, please

provide the folio number, name of the shareholder, scanned copy of the share certificate (front and back), PAN (self-scanned copy of PAN card), and Aadhaar (self-attested scanned copy of Aadhaar card) by email to einward.ris@kfintech.com.

- b) In case shares are held in demat mode, please provide the DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), name, client master or copy of the Consolidated Account statement, PAN (self-attested scanned copy of PAN card), and Aadhaar (self-attested scanned copy of Aadhaar card) to evoting@nSDL.co.in. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained in **step 1 (A), i.e., login method for e-voting for individual shareholders holding securities in demat mode**.
- c) Alternatively, shareholders/members may send a request to evoting@nSDL.co.in for procuring user ID and password for e-voting by providing the above mentioned documents.
- d) In terms of SEBI circular dated December 9, 2020, on e-voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

INSTRUCTIONS RELATED TO THE PAYMENT OF FINAL & SPECIAL DIVIDEND FOR THE YEAR ENDING DECEMBER 31, 2021

27. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, April 1, 2022, to Saturday, April 2, 2022 (both days inclusive), for determining the names of members eligible for dividend on equity shares, if declared at the AGM.
28. Dividend as recommended by the Board of Directors, if declared at the AGM, shall be paid on Thursday, April 28, 2022:
 - (i) to those members whose names appear on the Register of Members of the Company after giving effect to all valid transfers in physical form lodged with the Company and its Registrar and Transfer Agents before Thursday, March 31, 2022; and,
 - (ii) in respect of shares held in electronic form, on the basis of beneficial ownership as per the details furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) at the close of business hours on Thursday, March 31, 2022.

Pursuant to SEBI circulars dated November 3, 2021, and December 15, 2021, with regards to common and simplified norms for processing investors' service request by Registrars and norms for furnishing PAN, KYC details and nomination by the holders of physical securities, SEBI has made it mandatory for holders of

physical securities to furnish PAN, KYC and nomination details by March 31, 2023, and link their PAN with Aadhaar by March 31, 2022. Members are requested to submit their PAN, KYC and nomination details to the Company's Registrar through the forms available at <https://www.crisil.com/content/crisil/en/home/investors/shareholder-services.html>

In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, the Company's Registrar are obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. In case the securities continue to remain frozen as on December 31, 2025, such securities shall be referred by the Registrar/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or Prevention of Money Laundering Act, 2002.

29. Members are requested to note that the Company's shares are under compulsory electronic trading for all investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience. Members whose shares are in electronic mode are requested to inform change of address and updates of bank account(s) to their respective Depository Participants. Members holding shares in physical form are requested to advise such changes to the Company's Registrar and Transfer Agent, KFin Technologies Private Limited. Members are encouraged to use the Electronic Clearing Services (ECS) for receiving dividends. Members desirous of availing ECS facility for payment of dividend may download the required ECS mandate form from the website of the Company, www.crisil.com.
30. The Company has transferred the unclaimed or un-encashed dividends for financial years up to 2014 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company transfers the unclaimed or un-encashed dividend to IEPF after the expiry of seven years from the date of transfer to unpaid dividend account.

Members who have a valid claim to any unclaimed dividends which are not yet transferred may claim the same from the Company immediately. The detailed dividend history, due dates for transfer to IEPF, and the details of unclaimed amounts lying with the Company in respect of dividends declared since 2015 are available on the website of the Company, www.crisil.com.

Also, pursuant to Section 124(2) of the Companies Act, 2013, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company in respect of dividends declared in financial year 2021, on the website of the Company, www.crisil.com.

GENERAL INSTRUCTIONS

31. All the documents referred to in the Notice will be available for inspection in electronic mode by the members between 11.00 a.m. and 1.00 p.m. on all working days, except Saturdays, from the date hereof up to the date of the meeting by sending an email to

investors@crisil.com.

32. The certificate from the Secretarial Auditors of the Company certifying that the Company's Employee Stock Option Scheme – 2011, Employee Stock Option Scheme – 2012 and Employee Stock Option Scheme – 2014 are being implemented in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, and in accordance with the resolutions passed by the members of the Company will be available for inspection by the members during the AGM in electronic mode upon login at NSDL e-voting system at www.evoting.nsdl.com. Members can also inspect the same by sending an email to investors@crisil.com up to the date of this AGM (i.e., April 22, 2022).
33. The Annual Report of the Company, along with the Notice of the 35th Annual General Meeting, is also available on the website of the Company, www.crisil.com, and on the websites of BSE Ltd and National Stock Exchange of India Ltd. As per Section 136(1), the copies of the aforesaid documents will also be available for inspection in electronic mode between 11.00 a.m. and 1.00 p.m. on all working days, excluding Saturdays, by sending an email to investors@crisil.com.
34. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members during the AGM in electronic mode upon login to NSDL e-Voting system at www.evoting.nsdl.com. Members can also inspect the same by sending an email to investors@crisil.com up to the date of this AGM (i.e., April 22, 2022).
35. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.
36. Since the AGM will be held through VC/OAVM means, the route map is not annexed in this Notice. The Registered Office of the Company will be deemed to be the venue of the AGM.
37. **Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard-2, the following information is furnished about the Directors proposed to be appointed/re-appointed:**

1. Mr Ewout Steenbergen:

Mr Ewout Steenbergen (age 52 years) was appointed as a Director of the Company w.e.f. October 17, 2017.

Mr Steenbergen is the Executive Vice President and Chief Financial Officer (CFO) of S&P Global. As CFO, Mr Steenbergen is responsible for all aspects of the finance department, focused on growth and sustainable shareholder value. Moreover, he is responsible for strategy and corporate development and Kensho.

Before being appointed as the CFO of S&P Global in 2016, he was the Executive Vice President and CFO of Voya Financial Inc. Under Mr Steenbergen's leadership, Voya successfully strengthened its balance sheet, de-risked its investment portfolio and executed a robust initial public offering in 2013.

Prior to his role as Voya's CFO, Mr Steenbergen was CFO and Chief Risk Officer for ING Asia-Pacific and held a number of management roles for ING Group, including serving as regional general manager in Hong Kong and as Chief Executive Officer of RVS, an ING Group company based in the Netherlands.

He has also held other international roles such as CEO of ING's retail business in the Czech and Slovak Republics and CEO of ING Nationale-Nederlanden Slovak Republic.

Mr Steenbergen holds a Master's degree in Actuarial Science from the University of Amsterdam and a Master's degree in Business Administration from the University of Rochester and Nyenrode University. He also serves on the Board of Directors of UNICEF USA as Co-Chair.

Mr Steenbergen is a member of the Stakeholders' Relationship Committee of the Board of Directors of CRISIL Limited.

Mr Steenbergen will not be paid any remuneration other than sitting fee for attending meetings of the Board and Committees thereof, of which he is a member/ Chairperson or commission, which may be approved by the Board of Directors and/or the Nomination and Remuneration Committee of the Board. Till date, Mr Steenbergen has waived all sitting fees and commission. He does not hold any share in the Company either in his own name or beneficially, and is not related to any Director or Key Managerial Personnel of the Company in any way. The details of Mr Steenbergen's attendance of the Board and the Committee meetings have been given elsewhere in the Annual Report.

2. Mr Amar Raj Bindra

Mr Amar Raj Bindra (age 66 years) was appointed on the Board of CRISIL Limited as Additional Director, in the capacity of Independent, Non-Executive Director of the Company with effect from December 1, 2021.

Mr Bindra is a career banker and has 42 years of rich experience in the banking industry across OECD and Emerging markets. He is a credit risk subject expert in the banking industry, with deep knowledge of the Asia region, having managed client and credit risk strategies over 5 global crises. Mr Bindra retired from ANZ Banking Group International as Head of Credit & Capital Management – International, after managing a portfolio spanning 18 markets, including ESG initiatives for banking energy transition/sustainability linked loans and bonds and risk management digitalisation. Prior to this, Mr Bindra was Group Head of Institutional Credit – Asia at Citi Group, where he was responsible for a multi-billion USD portfolio in Asia, Japan and Australia covering multi geographies, products and industries. He joined the Citigroup in 1979 and held several positions at its various divisions over the years.

Mr Bindra has completed an Advanced Management Program from University of Pennsylvania and holds a Master's degree in Management Studies from Jamnalal Bajaj Institute of Management Studies, Mumbai, and a Bachelor of Commerce degree from Sydenham College, Mumbai.

Mr Bindra is a member of the Audit Committee and Risk Management Committee of the Board of Directors of CRISIL Limited.

Mr Bindra will not be paid any remuneration other than sitting fee for attending meetings of the Board and Committees thereof, of which he is a member/ Chairperson or commission, which may be approved by the Board of Directors and/or the Nomination and Remuneration Committee of the Board. He does not hold any share in the Company, either in his own name or beneficially and is not related to any Director or Key Managerial Personnel of the Company in any way. The details of Mr Bindra's attendance of the Board and the Committee meetings have been given elsewhere in the Annual Report.

3. Ms Elizabeth Mann

Ms Elizabeth Mann (age 46 years) was appointed on the Board of CRISIL Limited as Additional Director with effect from November 29, 2021.

Ms Mann is the Chief Financial Officer for S&P Global Ratings. In that capacity, she leads the finance and strategy organisation for Ratings and is responsible for financial and strategic planning, financial reporting, resource allocation and business development.

Before joining the S&P Ratings business, Ms Mann was Senior Vice President of Capital Management at S&P Global, which included tax, treasury, capital allocation and risk management.

Prior to joining S&P Global, Ms. Elizabeth Mann was Managing Director at Goldman Sachs, where she spent 12 years primarily in Investment Banking, covering M&A for technology and media companies. She advised on a number of sector-defining M&As and financing transactions and covered the information services sector, including S&P Global and its peers. She spent a year in Goldman's Firmwide Strategy group, helping develop the strategic direction in the first year of an incoming CEO.

Before joining Goldman Sachs, Ms Mann was a Moore Instructor in Mathematics at MIT, involved in academic research and teaching at the undergraduate and graduate levels. She has a PhD from the University of Oxford and a BA from Harvard University magna cum laude, both in Mathematics.

Ms Mann is a member of the Audit Committee of the Board of Directors of CRISIL Limited.

Ms Mann will not be paid any remuneration other than sitting fee for attending meetings of the Board and Committees thereof of which she is a member/ Chairperson or commission which may be approved by the Board of Directors and/or the Nomination and Remuneration Committee of the Board. She does not hold any share in the Company, either in her own name or beneficially and is not related to any Director or Key

Managerial Personnel of the Company in any way. The details of Ms Mann's attendance of the Board and the Committee meetings have been given elsewhere in the Annual Report.

By order of the Board

For CRISIL Limited

Minal Bhosale

Company Secretary

ACS 12999

Mumbai, February 15, 2022

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 4:

M/s. Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), was appointed as Statutory Auditors of the Company at the 30th AGM held on April 20, 2017, for a term of five years till the conclusion of the 35th AGM of the Company. In terms of the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint or re-appoint an audit firm as Statutory Auditors for not more than two (2) terms of five (5) consecutive years. M/s. Walker Chandiook & Co LLP is eligible for re-appointment for a further period of five years. Based on the recommendations of the Audit Committee, the Board of Directors at its meeting held on February 15, 2022, approved the re-appointment of M/s. Walker Chandiook & Co LLP, Chartered Accountants as the Statutory Auditors of the Company to hold office for the second term of five consecutive years from conclusion of this AGM until conclusion of the 40th AGM of the Company. The re-appointment is subject to approval of the shareholders of the Company.

M/s. Walker Chandiook & Co LLP having presence in 13 cities in India with 53 partners and 1,543 + partners and staff, it is ranked fourth in India based on number of companies audited according to the survey of Prime Database released in January 2022. The firm has audit experience across the banking and financial services sector as well as other corporates.

The audit team deployed a strong team of senior audit professionals for CRISIL audits over the last audit term and supported well during CRISIL's significant change management processes. Overall, the current statutory auditors have good global presence, relevant experience with listed entities of similar scale, single global audit approach, and sector specialist experience.

M/s. Walker Chandiook & Co LLP has provided confirmation that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the 'Peer Review Board of ICAI'. M/s. Walker Chandiook & Co LLP has given

its consent for re-appointment as Statutory Auditors and confirmed that its re-appointment, if made, will be within the limits prescribed under the provisions of Section 141 of the Companies Act, 2013 ('the Act') and the rules made thereunder. M/s. Walker Chandiook & Co LLP has also furnished a declaration confirming its independence in terms of Section 141 and declared that it has not taken up any prohibited non-audit assignments for the Company.

The proposed remuneration to be paid to M/s. Walker Chandiook & Co LLP, Chartered Accountants for the financial year ending December 31, 2022, is Rs. 60,10,000/- (Rupees Sixty Lakhs Ten Thousand only) plus applicable taxes and out-of-pocket expenses. Besides the audit services, the Company would also obtain certifications which are to be mandatorily received from the statutory auditors under various statutory regulations and certifications required by clients, banks, statutory authorities and other requirements as required from time to time, for which the auditors will be remunerated separately on mutually agreed terms. The Board of Directors and the Audit Committee shall approve revisions to the remuneration of the statutory auditors, for the balance part of the tenure based on performance review and any additional efforts on account of changes in regulations, restructuring or other considerations.

The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

Considering the past performance, experience and expertise of M/s. Walker Chandiook & Co LLP and based on the recommendation of the Audit Committee, it is proposed to appoint M/s. Walker Chandiook & Co LLP as Statutory Auditors of the Company for a second term of five consecutive years till the conclusion of the 40th AGM of the Company in terms of the aforesaid provisions.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in passing of the proposed Resolution.

The Board of Directors recommends the resolution at Item No. 4 as an Ordinary Resolution for the approval by the Members.

Item No. 5:

The Board of Directors of the Company, pursuant to the recommendations of the Nomination and Remuneration Committee, has appointed Mr Amar Raj Bindra (DIN: 09415766) as an Additional Director (Independent and Non-Executive) on the Board of Directors of the Company, on December 1, 2021, in terms of Section 161 of the Companies Act, 2013.

At the time of appointment, the Nomination and Remuneration Committee evaluated the balance of skills, knowledge and experience on the Board, and on the basis of such evaluation, prepared a description of the role and capabilities required of the Independent Director. The following skills and capabilities were considered relevant for the selection of the new Independent Director:

- Role defining: Professional with banking or regulatory experience; or having worked with the government
- Skills: Global business experience/knowledge of financial markets/knowledge of risks; or regulatory experience/ strategic orientation
- Other: Commercial orientation/ customer orientation

Mr Bindra is a career banker and has 42 years of rich experience in the banking industry across OECD and Emerging markets. He is a credit risk subject expert in the banking industry, with deep knowledge of the Asia region. Mr Bindra's banking experience, knowledge of risk and credit, experience in international markets, commercial orientation and ESG-linked lending expertise fulfilled the requirements of the identified role. Considering his expertise, experience and insights in sectors relevant to CRISIL, time commitment, and overall credentials, Mr Bindra was found suitable for the Independent Director position on the CRISIL Board. The Board of Directors considers it in the interest of the Company to appoint Mr Bindra as an Independent Director and recommends the appointment for a term from December 1, 2021 to November 30, 2026.

A brief profile of Mr Bindra and other details, as required to be given pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been given elsewhere in this Notice.

The Company has received a declaration from Mr Bindra stating that he meets with the criteria of independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Mr Bindra will not be paid any remuneration other than sitting fee for attending meetings of the Board and Committees thereof of which he is a member/Chairperson or commission which may be approved by the Board of Directors and/or the Nomination and Remuneration Committee of the Board. Mr Bindra is not a Director of any other public limited company in India. He is a member of the Audit Committee and Risk Management Committee of the Board of Directors of CRISIL Limited. He does not hold any shares in the Company, either in his own name or on a beneficial basis, and is not related to any Director or Key Managerial Personnel of the Company in any way.

Mr Bindra holds office up to the date of this Annual General Meeting pursuant to his appointment by the Board in terms of Section 161 of the Companies Act, 2013. The Company has received notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of Director of the Company. In the opinion of the Board, Mr Bindra fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company. He is not debarred from holding the office of Director by virtue of any SEBI order, and he is independent of the management.

A copy of the draft letter of appointment of Mr Bindra is available for inspection in electronic mode during the AGM of the Company upon login at NSDL e-Voting system at <https://www.evoting.nsdl.com>.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr Bindra or his relatives,

to the extent of their shareholding, if any in the Company, are in any way interested or concerned in this resolution.

The Board recommends the resolution set out at Item No. 5 of the Notice for approval by the members by way of a Special Resolution.

Item No. 6:

Ms Elizabeth Mann, who has been appointed as Additional Director of the Company under Section 161(1) of the Companies Act, 2013, effective November 29, 2021, holds office up to the date of this AGM, and is eligible for appointment as Director as provided under Article 129 of the Articles of Association of the Company.

The Company has received notice under Section 160 of the Companies Act, 2013, from a member signifying his intention to propose the candidature of Ms Mann for the office of Director. A brief resume of Ms Mann and other details, as required to be given pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been given elsewhere in this Notice.

Ms Mann is not a Director of any other public limited company in India. She is a member of the Audit Committee of the Board of Directors of CRISIL Limited. She does not hold any share in the Company, either in her own name or beneficially and is not related to any Director or Key Managerial Personnel of the Company in any way.

The Board of Directors considers it in the interest of the Company to appoint Ms Mann as a Director. None of the Directors and Key Managerial Personnel of the Company or their relatives, except Ms Elizabeth Mann or her relatives, to the extent of their shareholding, if any, are in any way interested or concerned in this resolution.

The Board recommends the resolution set out at Item No. 6 of the Notice for approval by the members.

Item No. 7:

In order to rationalise the Company's entity structure, to bring in operational synergies and benefits, and to achieve administrative efficiencies, the Board of Directors at its meeting held on December 13, 2021, approved a scheme for amalgamation of its wholly owned subsidiaries, CRISIL Risk and Infrastructure Solutions Limited and Pragmatix Services India Private Limited (hereinafter referred to as "merging subsidiaries") with the Company.

CRISIL Risk and Infrastructure Solutions Limited currently provides services relating to infrastructure advisory and development solutions supporting risk management processes for clients whereas, Pragmatix Services India Private Limited was acquired in November 2018 to complement the CRISIL Risk Solutions business.

Consequent to approval by the Board of Directors, the Scheme of Amalgamation has been submitted to the National Company Law Tribunal, Mumbai Bench (NCLT) for approval under Sections 230-232 of the Companies Act, 2013, and would be effective upon receipt of approvals from NCLT.

In view of the above and for the purpose of continuity of the business activities/operations of the merging subsidiaries, after the amalgamation, it is required to amend the object clause of the Memorandum of Association of the Company to comprehensively incorporate and clarify coverage of the business activities of the merging subsidiaries by CRISIL. It is proposed to amend clause III(A) of the Memorandum of Association of the Company as specifically mentioned in the Special Resolution above.

The draft copy of the Memorandum of Association of the Company is available for inspection in electronic mode by the members between 11.00 a.m. and 1.00 p.m. on all working days, except Saturdays, from the date hereof up to the date of the meeting by sending an email to investors@crisil.com. The amendment to the Memorandum of Association of the Company shall be effective upon the registration of the resolution with the Registrar of Companies. The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except to the extent of their shareholding, if any, are in any way interested or concerned in this resolution.

The Board recommends the resolution set out at Item No. 7 of the Notice for approval by the members by way of a Special Resolution.

By order of the Board

For CRISIL Limited

Minal Bhosale

Company Secretary
ACS 12999

Mumbai, February 15, 2022

CRISIL Limited

CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400 076

Corporate Identification Number (CIN) : L67120MH1987PLC042363

Tel.: 022-33423000 Fax: 022-33423001

Website : www.crisil.com ; e-mail: investors@crisil.com

Form No. MGT-11*

[Pursuant to Section 105(6) of the Companies Act, 2013, and Rule 19(3) of the
Companies (Management and Administration) Rules, 2014]

Form of Proxy

Name of Member(s) :
Registered address :
Email ID :
Folio No. / DP ID - Client ID :

I / We, being the Member(s) holding shares of CRISIL Limited, hereby appoint:

1. Name :
Address :
Email ID :
Signature : or failing him/her
2. Name :
Address :
Email ID :
Signature :, or failing him/her
3. Name :
Address :
Email ID :
Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the THIRTY FIFTH ANNUAL GENERAL MEETING of the Company to be held on Friday, April 22, 2022 at 3.30 p.m. through VC/OAVM and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. Adoption of Financial Statements
2. Declaration of Dividend
3. Re-appointment of Mr. Ewout Steenbergen
4. Re-appointment of Statutory Auditors

Special Business:

5. Appointment of Mr. Amar Raj Bindra as an Independent Director
6. Appointment of Ms. Elizabeth Mann as a Non- Executive Director, liable to retire by rotation
7. Amendment of the Objects Clause of the Memorandum of Association

Signed this day of 2022

Signature of Shareholder :

Signature of Proxy holder(s) :

Affix
Re. 1
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. The proxy holder may vote through e-poll made available at the venue of the meeting either for or against each resolution, in case the member has not voted through the remote e-voting facility.

*Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to send proxy forms to the Members. However, Members are requested to note that since the AGM is being held through VC /OAVM, as per the framework provided in MCA Circulars (details of which are provided in the Notice of AGM), the requirement regarding appointment of proxies by the Members will not be available for this AGM.

Office Locations

Registered Office:

CRISIL House, Central Avenue,
Hiranandani Business Park,
Powai, Mumbai- 400 076,
Maharashtra, INDIA

Argentina

CRISIL Irevna Argentina S.A.
Avenida del Libertador General San
Martin 174,
1st, 5th & 10th floor. Vicente López,
Buenos Aires, Argentina

Australia

CRISIL Irevna Australia Pty Ltd,
Ground Floor, 123 Walker Street
North Sydney NSW 2060

China

CRISIL Irevna Information Technology
(Hangzhou) Co. Ltd.
Hangzhou
1603 & 1606, Hengxin Mansion, #588,
JiangNan Road, Binjiang
Hangzhou 310052

India

Ahmedabad

D - 709/710, The First,
Near Keshavbaug,
Off. 132" Ring Road, Vastrapur,
Ahmedabad - 380 015

Bengaluru

W - 101, 1st floor, Sunrise Chambers,
22, Ulsoor Road,
Bengaluru - 560042

Chennai

9th Floor, A Wing
Prestige Polygon IT park
Anna Salai, Teynampet
Chennai - 600 018

Gurugram

Plot No. 46, Sector 44,
Opp PF Office,
Gurugram-122003

Hyderabad

Uma Chambers,
3rd Floor,
Plot No. 9&10,
Nagarjuna Hills,
Near Punjagutta Cross Road,
Hyderabad - 500 082

12th Floor,
Western Aqua Building,
Hitech City,
Kondapur,
Hyderabad,
Telangana-500081

Kolkata

BioWonder, Unit No 1002, 10th Floor,
789,
Anandpur Main Road, EM Bypass,
West Bengal, Kolkata- 700107

Pune

1187/17, Ghole Road,
Shivaji Nagar,
Pune - 411 005

IT - 3, 1st Floor , Qubix Business Park
Private Limited,
Neopro SEZ, Plot No 2, Blue Ridge
Township,
Rajiv Gandhi Infotech Park, Phase 1,
Hinjewadi, Pune- 411057

Japan

Greenwich Associates,
Partir Akasaka,
Room 414, Minato-Ku,
Tokyo, Japan

Poland

CRISIL Irevna Poland Sp. Z.oo.
Renaissance Business Centre,
Św. Mikołaja 7, 50-125,
SWroctaw, 6th floor

Singapore

Greenwich Associates Singapore Pte.
Ltd.

The Great Room, 1 George Street,
#10-01 Singapore 049 145

Coalition Development Singapore Pte.
Ltd.

80 Robinson Road, #15-02,
Singapore 068898

Switzerland

CRISIL Irevna UK Ltd.
Zweigniederlassung Schweiz
Mühlebachstrasse 32

United Kingdom

London

Coalition Development Limited.
8th Floor& 12th Floor,
20 Canada Square,
London E145LH UK

Greenwich Associates Uk Ltd.
1st Floor, 90 Basinghall Street,
London EC2

CRISIL IREVNA UK Limited
1 Giltspur Street,
London EC1A 9DD

United States of America

New York

CRISIL Irevna US LLC
39th Floor, 55 Water Street,
New York NY 10041

Stamford

Greenwich Associates LLC,
Six High Ridge Park,
Stamford CT 06905

United Arab Emirates

Dubai
Pragmatix Services Pvt Ltd.
Office No.201,
Office court Building,
Unit No. RP004, PO Box No. 121 086

CRISIL respects your privacy. We may use your contact informations such as your name, address and email id to fulfill your request and service your account and to provide you with additional information from CRISIL. For further information on CRISIL's privacy policy please visit www.crisil.com. The Annual Report contains forward looking statements based on our current expectations, assumptions, estimates and projections regarding the Company's businesses. These forward-looking information and statements can generally be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use terminology such as "targets", "believes", "expects", "aims", "assumes", "intends", "plans", "seeks", "will", "may", "anticipates", "would", "could", "continues", "estimate", "milestone" or other words of similar meaning and similar expressions or the negatives thereof. By their nature, forward-looking information and statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to differ materially from those expressed or implied by the forward-looking statements. Given the aforementioned uncertainties, prospective or present shareholders / investors and users of this Report are cautioned not to place undue reliance on any of these forward-looking statements. The Company does not undertake to update the forward-looking statements in the future, unless legally required.

CRISIL

An **S&P Global** Company

CRISIL Limited, CRISIL House, Central Avenue, Hiranandani Business Park, Powai,
Mumbai - 400076. India. Phone: +91 22 3342 3000 | www.crisil.com | www.spglobal.com