



ICRA

ICRA Limited

July 14, 2020

BSE Limited

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

National Stock Exchange of India Limited

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

Dear Sir/Madam,

Sub.:- Press release on the audited financial results

Pursuant to the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), please find enclosed press release on the audited financial results (standalone & consolidated) of ICRA Limited ("**the Company**") for the quarter and year ended March 31, 2020.

Kindly take the above on record.

Regards,

Sincerely,

(S. Shakeb Rahman)

Company Secretary & Compliance Officer

Encl.: As Above

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PRESS RELEASE

July 14, 2020

ICRA Limited
Board approves audited financial results, recommends dividend

The Board of Directors of the company, at its meeting held on July 14, 2020, approved the audited financial results of the company (standalone and consolidated) for the fourth quarter and the year ended March 31, 2020.

Standalone Financial Results

For the quarter ended March 31, 2020, the company's operating income was Rs 52.76 crore, against Rs 57.92 crore in the corresponding quarter of the previous year, a decline of 8.9%. Both bank loan and debt market segments remained adversely impacted during the quarter. The other income in the quarter declined marginally on y-o-y basis.

The employees benefit expenses declined in the quarter on y-o-y basis by 24.1% mainly due to true up of variable pay provision for the full year, on account of lower profitability. Other expenses were higher by 5.1% on y-o-y basis, mainly on account of legal & professional charges and additional audit fees incurred due to ongoing regulatory matters and higher CSR spent. Overall expenses have contracted by 11.7% as compared to the corresponding quarter of the previous year.

The PBT for the quarter was at Rs. 28.60 crore, lower by 2.4% as against Rs. 29.32 crore y-o-y basis and PAT was at Rs. 21.08 crore, higher by 3.9%, due to lower tax rate applicable in the current financial year.

For the financial year ended March 31, 2020, the company's operating income was Rs 207.78 crore, lower by 9.7% as against previous financial year. The company reported a PBT of Rs 92.05 crore (29.8% y-o-y decline) and a PAT of Rs 64.98 crore (32.3% y-o-y decline). The profitability during the year impacted due to degrowth in revenue and higher expenses on account of legal & professional, additional audit fees and higher CSR spent.

Consolidated Financial Results

For the quarter ended March 31, 2020, the consolidated operating income (including export incentive) was Rs 87.07 crore, against Rs 83.65 crore on y-o-y basis, reflecting a growth of 4.1%. The PBT for the quarter was at Rs. 41.90 crore, higher by 12.3%, and PAT was at Rs. 34.86 crore, higher by 32% on y-o-y basis, due to lower tax rate and deferred tax adjustment after abolishment of dividend distribution tax.

The growth in consolidated revenue for the quarter ended March 31, 2020 was supported by consulting business and the outsourcing & information services business, driven by growth in the domestic and global businesses.

For the financial year ended March 31, 2020, the consolidated operating income was Rs 321.09 crore against Rs 328.06 crore, reflecting a degrowth of 2.1%, on y-o-y basis. The company's consolidated PBT was lower by 13.5% and the PAT was lower by 8.2% on y-o-y basis.

The Board had approved the merger of two of its wholly-owned subsidiaries - ICRA Management Consulting Services Limited ("Transferor Company"), involved in consulting services, with ICRA Analytics Limited (erstwhile known as ICRA Online Limited) ("Transferee Company"), involved in outsourcing and information services, subject to requisite approvals. The National Company Law Tribunal ("NCLT"), New Delhi and Kolkata have sanctioned the scheme of amalgamation filed by the Transferor Company and Transferee Company, respectively. The NCLT, Kolkata order was filed with the Registrar of Companies ("RoC") on 15th November 2019 and merger became effective from the said date.

Recommendation of Dividend

The Board of Directors of the company has recommended a dividend of Rs 27 per equity share for the financial year ended March 31, 2020. The payment is subject to approval by the members at the forthcoming Annual General Meeting.

About ICRA Limited

ICRA Limited is one of the leading credit rating agencies in India, which offers, through its subsidiaries, rating services in Nepal and Sri Lanka. It also offers outsourcing, information and consulting services through its subsidiaries. ICRA's equity shares are listed on the BSE and the NSE. The Moody's Group holds 51.87% in ICRA.

Vipul Agarwal
Interim Chief Operating Officer &
Group Chief Financial Officer

For further information, please contact:

Interim Chief Operating Officer &
Group Chief Financial Officer
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