



ICRA

ICRA Limited

July 28, 2021

BSE Limited

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

National Stock Exchange of India Limited

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

Dear Sir/Madam,

Sub: - Outcome of the Board Meeting dated July 28, 2021; commenced at 7:18 pm and concluded at 9:21 pm

Pursuant to Regulations 30, 33 and any other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), please find enclosed the unaudited Financial Results (Standalone & Consolidated) of ICRA Limited (the “**Company**”) for the first quarter ended June 30, 2021, reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on July 28, 2021.

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

Kindly take the above on record.

Regards,

Sincerely,

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

Encl.: As above

Building No. 8, 2nd Floor, Tower A
DLF Cyber City, Phase II
Gurugram – 122002, Haryana
Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001.

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RATING

RESEARCH

INFORMATION

B S R & Co. LLP

Chartered Accountants

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

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

To
Board of Directors of ICRA Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of ICRA Limited ("the Company") for the quarter ended 30 June 2021 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2021 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

SADASHIV SHANKAR SHETTY
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Date: 2021.07.28 19:44:43 +05'30'

Sadashiv Shetty
Partner
Membership No.: 048648
UDIN: 21048648AAAABU8468

Place : Mumbai
Date : 28 July 2021

Registered Office:



STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021					
(Rupees in lakh, except share data, per share data and where otherwise stated)					
S. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
		30/06/2021	31/03/2021	30/06/2020	31/03/2021
		Unaudited	Audited (Refer Note 6)	Unaudited	Audited
	Income				
I	Revenue from operations	4,606.34	4,846.41	4,249.79	18,126.72
II	Other income	2,152.27	796.13	960.71	3,632.27
III	Total income (I+II)	6,758.61	5,642.54	5,210.50	21,758.99
	Expenses				
IV	Employee benefit expenses	2,904.76	2,647.33	2,684.38	11,003.93
V	Finance costs	39.56	42.11	43.57	173.06
VI	Depreciation and amortisation expense	117.05	136.47	120.00	524.55
VII	Other expenses	619.16	611.38	998.11	2,891.16
VIII	Total expenses (IV to VII)	3,680.53	3,437.29	3,846.06	14,592.70
IX	Profit before tax (III-VIII)	3,078.08	2,205.25	1,364.44	7,166.29
	Tax expense:				
	Current tax	509.37	541.22	333.99	1,790.41
	Deferred tax	(32.01)	38.58	32.18	81.34
X	Total tax expense	477.36	579.80	366.17	1,871.75
XI	Profit after tax (IX-X)	2,600.72	1,625.45	998.27	5,294.54
	Other comprehensive income				
A	(i) Items that will not be reclassified to profit or (loss)	43.82	10.17	57.59	34.02
	(ii) Income tax relating to items that will not be reclassified to profit or (loss)	(11.03)	(2.56)	(14.49)	(8.56)
B	(i) Items that will be reclassified to profit or (loss)	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or (loss)	-	-	-	-
XII	Other comprehensive income, net of income tax (A+B)	32.79	7.61	43.10	25.46
XIII	Total comprehensive income for the period (XI+XII)	2,633.51	1,633.06	1,041.37	5,320.00
XIV	Paid up equity share capital (Face value : Rs. 10 per share)	965.12	965.12	965.12	965.12
XV	Other equity				60,492.89
XVI	Earnings per equity share (Rs.) (Face value of Rs. 10 per share):				
	Basic	27.04	16.90	10.38	55.04
	Diluted	27.04	16.90	10.38	55.04

See accompanying notes to the standalone unaudited financial results

Notes:

- The Company's business activity falls within a single reportable business segment viz. "Rating, research and other services". The operating segment has been defined based on regular review by the Company's Chief Operating Decision Maker to assess the performance of the Company and to make decision about allocation of resources.
- The Board of Directors, at its meeting held on May 6, 2021 has recommended a dividend of Rs. 27 per equity share for the financial year ended March 31, 2021. The proposal is subject to the approval of members at the forthcoming Annual General Meeting.
- Other income for the quarter ended 30 June 2021 includes recognition of dividend from ICRA Analytics Limited, a wholly-owned subsidiary of the Company.
- During the quarter ended June 30, 2021, the Company was dealing with following matters which arose in previous periods:
 - The Securities and Exchange Board of India (SEBI) enhanced the penalty amount from Rs. 25 lakhs to Rs. 1 crore in respect of an adjudication proceeding initiated by it in relation to the credit ratings assigned to one of the Company's customer and the customer's subsidiaries. The Company deposited the enhanced penalty amount under protest and filed an appeal with the Securities Appellate Tribunal contesting the said order. The said appeal is under review. On this matter, the Company also co-operated with other government agencies in relation to queries received from them.
 - The Board of Directors ("Board") had previously appointed external experts to examine and report on anonymous representations making certain allegations against two former officials which were forwarded to the Company by SEBI ("Representations"). The key findings arising from the said examination along with the remedial measures were submitted to SEBI in July 2020. The Company has implemented the remedial measures, including termination of services of aforesaid officials. Basis the foregoing and the legal counsel opinion obtained, the Company does not foresee any significant adverse implications on the Company.
- The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these standalone financial results including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these standalone financial results, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's standalone financial results may differ from that estimated as at the date of approval of these standalone financial results and the Company will continue to closely monitor any material changes to future economic conditions.
- The figures for the preceding quarter ended March 31, 2021, as reported in these financial results, are the balancing figures between audited figures in respect of the full financial year ended March 31, 2021 and the published year to date figures upto the end of third quarter of the relevant financial year. Also the figures upto the end of the third quarter of the preceding financial year were only reviewed and not subjected to an audit.
- The above Statement of standalone unaudited financial results are reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on July 28, 2021. The Statutory Auditors of the Company have carried out limited review of the standalone financial results for the quarter ended June 30, 2021. The review report of the Statutory Auditor is being filed with the BSE and National Stock Exchange. For more details on standalone financial results, visit Investors relations section of our website at www.icra.in and financial results under Corporates section of www.bseindia.com and www.nseindia.com.

By Order of the Board of Directors

Digitally signed by SIVARAMAN
NARAYANASWAMI
Date: 2021.07.28 19:36:05 +05'30'

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

Place: Mumbai
Dated: July 28, 2021

B S R & Co. LLP

Chartered Accountants

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

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

To

Board of Directors of ICRA Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of ICRA Limited (“the Parent or the Company”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”) for the quarter ended 30 June 2021 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

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

Parent:

ICRA Limited

Subsidiaries:

- (a) ICRA Analytics Limited (*formerly known as ICRA Online Limited*)
- (b) Pragati Development Consulting Services Limited
- (c) ICRA Nepal Limited
- (d) ICRA Lanka Limited
- (e) PT ICRA Indonesia
- (f) ICRA Employees Welfare Trust

5. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2021 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

B S R & Co. LLP

6. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. The Statement includes the interim financial information/results of 4 subsidiaries which have not been reviewed, whose interim financial information/results reflect total revenue (before consolidation adjustments) of Rs. 196.47 lakhs, total net profit after tax (before consolidation adjustments) of Rs. 82.73 lakhs and total comprehensive income (before consolidation adjustments) of Rs. 84.70 lakhs for the quarter ended 30 June 2021, as considered in the Statement. According to the information and explanations given to us by the management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

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

SADASHIV Digitally signed by
SHANKAR SHANKAR SHETTY
SHETTY Date: 2021.07.28
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Sadashiv Shetty
Partner
Membership No.: 048648
UDIN: 21048648AAAABV5520

Place : Mumbai
Date : 28 July 2021



STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021					
(Rupees in lakh, except share data, per share data and where otherwise stated)					
S. No	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
		30/06/2021	31/03/2021	30/06/2020	31/03/2021
		Unaudited	Audited (Refer Note No 6)	Unaudited	Audited
	Income				
I	Revenue from operations	7,986.58	8,209.46	6,961.89	30,106.08
II	Other income	1,063.83	975.44	1,117.87	4,284.66
III	Total income (I+II)	9,052.41	9,184.90	8,079.76	34,390.74
	Expenses				
IV	Employee benefit expenses	4,508.08	4,268.59	4,130.58	17,169.90
V	Finance costs	40.45	51.72	52.05	205.72
VI	Depreciation, amortisation and impairment expense	177.09	256.93	228.00	991.86
VII	Other expenses	1,012.52	1,355.94	1,339.77	4,822.75
VIII	Total expenses (IV to VII)	5,738.14	6,133.18	5,750.40	23,190.23
IX	Profit before tax (III-VIII)	3,314.27	3,051.72	2,329.36	11,200.51
	Tax expense:				
	Current tax	909.32	886.26	599.80	2,870.55
	Deferred tax	(28.80)	(85.22)	24.67	61.62
X	Total tax expense	880.52	801.04	624.47	2,932.17
XI	Profit after tax (IX-X)	2,433.75	2,250.68	1,704.89	8,268.34
	Other comprehensive income				
A	(i) Items that will not be reclassified to profit or (loss)	(23.39)	23.13	41.75	15.52
	(ii) Income tax relating to items that will not be reclassified to profit or (loss)	5.89	(5.71)	(10.50)	(3.79)
B	(i) Items that will be reclassified to profit or (loss)	1.97	(8.72)	1.57	(10.01)
	(ii) Income tax relating to items that will be reclassified to profit or (loss)	-	-	-	-
XII	Other comprehensive income, net of income tax (A+B)	(15.53)	8.70	32.82	1.72
XIII	Total comprehensive income for the period (XI+XII)	2,418.22	2,259.38	1,737.71	8,270.06
XIV	Net Profit attributable to:				
	(a) Owners of the company	2,395.36	2,220.47	1,681.53	8,166.03
	(b) Non-controlling interest	38.39	30.21	23.36	102.31
XV	Other comprehensive income attributable to:				
	(a) Owners of the company	(15.53)	8.70	32.82	1.72
	(b) Non-controlling interest	-	-	-	-
XVI	Total comprehensive income attributable to:				
	(a) Owners of the company	2,379.83	2,229.17	1,714.35	8,167.75
	(b) Non-controlling interest	38.39	30.21	23.36	102.31
XVII	Paid up equity share capital (Face value : Rs. 10 per share)	965.12	965.12	965.12	965.12
XVIII	Other equity				74,807.59
XIX	Earnings per equity share (Rs.) (Face value of Rs. 10 per share):				
	Basic	24.90	23.08	17.48	84.89
	Diluted	24.90	23.08	17.48	84.89

See accompanying notes to the consolidated unaudited financial results

Note:

I Segment wise revenue, results and capital employed:

Sr. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
		30/06/2021	31/03/2021	30/06/2020	31/03/2021
		Unaudited	Audited (Refer Note No 6)	Unaudited	Audited
(i)	Segment revenue:				
	(a) Rating, research and other services	4,802.81	5,026.92	4,381.16	18,775.47
	(b) Consulting services	351.47	548.98	409.48	1,854.78
	(c) Outsourced and information services	2,847.57	2,672.07	2,208.45	9,608.11
	Total segment revenue	8,001.85	8,247.97	6,999.09	30,238.36
	Less: Inter-segment revenue	(15.27)	(38.51)	(37.20)	(132.28)
	Total revenue	7,986.58	8,209.46	6,961.89	30,106.08
(ii)	Segment results:				
	(Profit before tax and other income from each segment)				
	(a) Rating, research and other services	1,044.53	1,511.78	474.82	3,890.19
	(b) Consulting services	(68.82)	(69.95)	(70.85)	(176.51)
	(c) Outsourced and information services	1,313.45	661.95	844.62	3,376.16
	Total segment results	2,289.16	2,112.80	1,248.59	7,089.84
	Less: Finance costs	(40.45)	(51.72)	(52.05)	(205.72)
	Add: Unallocable income net of unallocable expenses	1,065.36	990.64	1,132.82	4,316.39
	Profit before tax	3,314.27	3,051.72	2,329.36	11,200.51
(iii)	Segment assets:				
	(a) Rating, research and other services	8,342.80	5,465.97	9,484.16	5,465.97
	(b) Consulting services	1,488.68	1,311.63	2,156.99	1,311.63
	(c) Outsourced and information services	4,457.06	5,337.56	6,830.33	5,337.56
	(d) Unallocable	79,464.31	77,486.15	70,237.66	77,486.15
	Total segment assets	93,752.85	89,601.31	88,709.14	89,601.31
(iv)	Segment liabilities:				
	(a) Rating, research and other services	13,067.69	11,434.15	13,367.47	11,434.15
	(b) Consulting services	717.83	664.87	855.49	664.87
	(c) Outsourced and information services	1,088.98	1,335.36	2,144.51	1,335.36
	(d) Unallocable	358.00	64.86	178.41	64.86
	Total segment liabilities	15,232.50	13,499.24	16,543.88	13,499.24



ICRA Limited

Corporate Identity Number (CIN): L74999DL1991PLC042749
Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Telephone No.:+91-11-23357940-45
Website: www.icra.in, Email ID: investors@icraindia.com

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

- 2 The Board of Directors, at its meeting held on May 6, 2021 has recommended a dividend of Rs. 27 per equity share for the financial year ended March 31, 2021. The proposal is subject to the approval of members at the forthcoming Annual General Meeting.
- 3 During the quarter ended March 31, 2021, ICRA Analytics Limited (100% subsidiary of the Company) has recorded a provision of Rs. 512.12 lakh, on prudent basis, against incentive receivable as the Government has not issued any procedural notification till date for the acceptance of application to claim such incentive. This has resulted in uncertainty around recoverability of this balance, which was recognised as incentive income during the year ended March 31, 2020 under the Services Exports from India Scheme (SEIS).
- 4 During the quarter ended June 30, 2021, the Company was dealing with following matters which arose in previous periods:
 - (a) The Securities and Exchange Board of India (SEBI) enhanced the penalty amount from Rs. 25 lakhs to Rs. 1 crore in respect of an adjudication proceeding initiated by it in relation to the credit ratings assigned to one of the Company's customer and the customer's subsidiaries. The Company deposited the enhanced penalty amount under protest and filed an appeal with the Securities Appellate Tribunal contesting the said order. The said appeal is under review. On this matter, the Company also co-operated with other government agencies in relation to queries received from them.
 - (b) The Board of Directors ("Board") had previously appointed external experts to examine and report on anonymous representations making certain allegations against two former officials which were forwarded to the Company by SEBI ("Representations"). The key findings arising from the said examination along with the remedial measures were submitted to SEBI in July 2020. The Company has implemented the remedial measures, including termination of services of aforesaid officials.Basis the foregoing and the legal counsel opinion obtained, the Company does not foresee any significant adverse implications on the Company.
- 5 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these consolidated financial results including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these consolidated financial results, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's consolidated financial results may differ from that estimated as at the date of approval of these consolidated financial results and the Company will continue to closely monitor any material changes to future economic conditions.
- 6 The figures for the preceding quarter ended March 31, 2021, as reported in these consolidated financial results, are the balancing figures between audited figures in respect of the full consolidated financial year ended March 31, 2021 and the published year to date figures upto the end of third quarter of the relevant financial year. Also the figures upto the end of the third quarter of the preceding financial year were only reviewed and not subjected to an audit.
- 7 The above Statement of consolidated unaudited financial results are reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on July 28, 2021. The Statutory Auditors of the Company have carried out limited review of the consolidated financial results for the quarter ended June 30, 2021. The review report of the Statutory Auditor is being filed with the BSE and National Stock Exchange. For more details on consolidated financial results, visit Investors relations section of our website at www.icra.in and financial results under Corporates section of www.bseindia.com and www.nseindia.com.

By Order of the Board of Directors

Digitally signed by SIVARAMAN
NARAYANASWAMI
Date: 2021.07.28 19:37:08 +05'30'
N. Sivaraman

Managing Director & Group CEO

(DIN: 00001747)

Place: Mumbai

Dated: July 28, 2021