



ICRA

ICRA Limited

October 24, 2019

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

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

Dear Sir/Madam,

Sub.:- Press release on the unaudited 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 unaudited financial results (standalone & consolidated) of ICRA Limited ("**the Company**") for the second quarter and half year ended September 30, 2019.

Kindly take the above on record.

Regards,

Sincerely,

(S. Shakeb Rahman)
Company Secretary & Compliance Officer

Encl.: As Above

PRESS RELEASE
October 24, 2019

ICRA Limited

Board approves unaudited financial results

The Board of Directors of the Company, at its meeting held on October 24, 2019, approved the unaudited financial results of the Company (standalone and consolidated) for the second quarter and half year ended September 30, 2019.

Standalone Financial Results

Revenue from operations for the quarter ended September 30, 2019 was Rs 50.9 crore, as against Rs 56.5 crore (y-o-y), showing a de-growth of 9.8% over the corresponding quarter of the previous year. The de-growth in operating revenue mainly reflects the subdued demand for funding from the industrial sector and the continued risk aversion to fund NBFCs/HFCs. However, revenue from structured finance ratings has shown a good traction as the NBFCs/HFCs opted for securitisation/direct assignment of their loan pools as they continued to face lower investor appetite for on balance-sheet funding. The other income in the quarter dipped by 32.5% from the year-ago quarter, mainly due to dividend received from one of the subsidiaries during the corresponding quarter of the previous year, however, no such dividend was received during the current quarter.

In addition, the current quarter reflects the impact of higher legal and professional charges and provisions for bad debts, due to which the PBT was at Rs 18.3 crore, compared to Rs. 36.7 crore, lower by 50.3%. The PAT was at Rs. 13.1 crore, compared to Rs 28.4 crore during the corresponding quarter of the previous year, lower by 53.9%.

For the half year ended on September 30, 2019, ICRA's standalone revenue from operation was Rs 102.3 crore, compared to Rs 113.0 crore, lower by 9.5%. The PBT and PAT were at Rs 41.6 crore and Rs 28.0 crore, respectively, as compared to Rs 68.2 crore and Rs 51.1 crore, respectively. The PBT was lower by 39% and the PAT was lower by 45.3%, as compared to the corresponding period of the previous year.

Consolidated Financial Results

For the quarter ended September 30, 2019, the consolidated operating revenue was Rs 77.6 crore, against Rs 81.1 crore in the corresponding quarter of the previous financial year. The consolidated revenue for the quarter ended September 30, 2019 de-grew by 4.2% (Y-o-Y), primarily on account of rating services offset by growth in outsourcing and information services business, which recorded a growth of 13% on a standalone basis (excluding export incentive) against the corresponding quarter, driven by growth in the domestic and global businesses, including marginal benefit of the rupee depreciation. The revenue from consulting business was up by 1.4%, as the inflow of mandate was better against the corresponding quarter.

The PBT for the quarter was lower by 27.8% at Rs 27.2 crore, against Rs 37.7 crore in the corresponding quarter and the PAT was lower by 28% at Rs 19.3 crore, against Rs. 26.8 crore in the corresponding quarter.

For the half year ended on September 30, 2019, ICRA's consolidated revenue from operation was Rs 154.7 crore, compared to Rs 159.7 crore, lower by 3.2%. The other income was higher by 7.3%, over the corresponding period of the previous year. The PBT and PAT were at Rs 58.7 crore and Rs 39.9 crore, respectively, as compared to Rs 74.8 crore and Rs 52.8 crore, respectively. The PBT was lower by 21.6% and the PAT was lower by 24.6%, as compared to the corresponding period of the previous year.

Merger of Wholly-owned Subsidiaries

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 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 merger will be effective from the date on which the NCLT's order will be filed with the Registrar of Companies. However, the Company has given the accounting effect of the Scheme in quarterly financial results, as it is reasonably certain that post receipt of the certified copy of the order, the same will be filed with ROC.

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:

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Group Chief Financial Officer
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