



ICRA

ICRA Limited

May 23, 2024

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 a press release on the audited financial results (standalone and consolidated) of ICRA Limited for the fourth quarter and year ended March 31, 2024.

Kindly take the above on record.

Regards,

Sincerely,

(S. Shakeb Rahman)
Company Secretary & Compliance Officer

Encl.: As Above

Q4 FY2024 RESULTS PRESS RELEASE

May 23, 2024

Revenue from operations Q4 FY2024 up by 13.7%; FY2024 up by 10.6%
Profit before tax (PBT) Q4 FY2024 up by 22.0%; FY2024 up by 10.3%.
Final dividend recommended Rs. 100 per share

Mumbai: ICRA Limited announced its results for the fourth quarter and year ended March 31, 2024, on May 23rd, 2024.

Consolidated revenue from operations increased by 13.7% to Rs. 124.0 crore for the fourth quarter ended March 31, 2024, compared to Rs. 109.1 crore in the corresponding quarter of the previous year. The Profit before tax (PBT) for the quarter increased by 22.0% to Rs. 62.1 crore compared to Rs. 50.9 crore in the corresponding quarter of the previous year.

Consolidated revenue from operations increased by 10.6% to Rs. 446.1 crore for the year ended March 31, 2024, compared to Rs. 403.2 crore in the previous year. The PBT for the year ended March 31, 2024, increased by 10.3% to Rs. 199.9 crore compared to Rs. 181.2 crore in the previous year. Current year financials include impact of amount provided towards arbitral award and transaction costs related to acquisition of D2K Technologies India Private Limited (D2K).

The Board of Directors recommended a final dividend of Rs. 40 per equity share of the face value of Rs. 10 each. In addition, the Board recommended a special dividend of Rs. 60 per equity share. The total dividend recommended for financial year ended March 31, 2024 is Rs. 100 per equity share compared with Rs. 130 per equity share (including special dividend of Rs. 90 per equity share) for the previous year. The overall dividend pay-out for the year, including the special dividend, is Rs. 96.5 crore, compared to Rs. 125.5 crore in the previous year.

Commenting on the results, **Mr Ramnath Krishnan, MD, and Group CEO, ICRA Limited**, said: "ICRA's ratings delivered a strong revenue growth as bond issuances, bank credit and securitisation continued their healthy growth trajectory. ICRA analytics growth was driven by our focus on growing our core banking and risk business through innovative solutions and the recent acquisition of D2K.

We are excited to announce that Pragati Development Consulting Services Limited (PDCSL), a wholly owned subsidiary of ICRA, has received the SEBI's approval for registration as a Category-I ESG Rating Provider (ERP). We recognise environmental, social, and governance (ESG) as a core growth area and are committed to integrating ESG principles into our operations and services." **Mr Krishnan** added.

ICRA continued its thought leader position while delivering its timely views and opinions on topical themes and regulatory developments. ICRA published 622 research reports covering 65 sectors during the year.

ICRA, along with its subsidiary and partner NGOs participated in a range of CSR activities creating meaningful impact across various marginalised communities in the society. ICRA CSR initiatives have impacted 3,844 children and 500 women during the year.

GDP growth outcomes remained healthy in FY2024, benefitting from robust Government capital spending, buoyant, albeit uneven urban demand and services exports. At the same time, an unfavourable monsoon in 2023 dampened the output of most major crops and infused caution into rural demand. Notwithstanding healthy capacity utilisation, private investment remained moderate compared to the exuberance seen in the earlier cycles. Based on these factors, GDP growth is estimated at 7.8% in FY2024.

ICRA is watchful about the momentum of economic activity in H1 FY2025, stemming from potential slowdown in Government capex during the General Elections and the monsoon period, weakness in merchandise export growth, and dissipation of the benefit of deflation in global commodity prices. We expect GDP growth to print below 6.5% in the first half of this fiscal, before improving to 7.1-7.2% in H2 FY2025, aided by back-ended Government capex, a likely pick-up in private capex, improved rural demand if the monsoon turns out to be favourable, and some pickup in export growth. Overall, ICRA expects the GDP growth at 6.5% for FY2025.

Ratings revenue growth for the quarter up by 13.6%; FY2024 up by 12.0%

In Q4 FY2024, bond issuances grew 15.6% as yields moderated during the quarter compared with the volatility seen in the preceding two quarters. Issuances grew across all segments as they benefitted from lower yields with the year-on-year bonds growth at 17.2% for FY2024. Bank credit continued its growth trajectory in Q4 FY2024 as the outstanding grew by 16.3% year-on-year in FY 2024. Both bond issuances and bank credit recorded a strong growth for the second successive year as the domestic credit market continued to benefit from the lower

prevailing rates compared with the global scenario. The securitisation volumes saw strong growth in FY2024 driven by a steady demand for credit from the NBFCs and the HFCs. The increase in volumes was supported by both existing large originators, who securitised higher volumes during the year, and new originators. ICRA's Ratings' revenue benefitted from the growth in both the bank loan as well as bond segments and its strong presence in the securitisation segment. ICRA was involved in several novel ratings such as the first in-city warehouse to be rated in the country, first InvIT in the education infrastructure space to be rated in the country, first rating assignment by a Credit Rating Agency for a leveraged Alternate Investment Fund, securitisation transaction of a NBFC, where the pool receivables were offered as security for an overseas bond transaction.

Analytics revenue growth for the quarter up by 13.6%; FY2024 up by 8.6%

ICRA Analytics revenue growth in Q4 FY2024 was driven by banking and risk business, coupled with the impact of consolidation of D2K from Q3 FY2024. In the Market Data vertical, the journey of tying up key partnership arrangements with leading global data service providers for valuation services continued to gain traction. D2K acquisition which was completed in Q3 FY2024 is expected to bring in synergies and drive growth in the banking and risk business.

In the current year, ICRA Limited and ICRA Analytics Limited entered into an agreement for share of common expenses. Consequently, ICRA Ratings yearly segmental margins include 1.9% positive impact of such recharge, whereas ICRA Analytics segmental margins had an adverse impact of 2.6%.

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks, and financial services companies as an independent and professional investment Information and Credit Rating Agency. Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The International Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.



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