

B S R & Co. LLP

Chartered Accountants

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Independent Auditor's Report

To the Board of Directors of ICRA Limited

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of ICRA Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the year ended 31 March 2023, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate audited financial statements of the subsidiary, the aforesaid consolidated annual financial results:

a. include the annual financial results of the following entities:

Parent :

ICRA Limited

Subsidiaries:

ICRA Analytics Limited

Pragati Development Consulting Services Limited

ICRA Nepal Limited

ICRA Lanka Limited

PT ICRA Indonesia

ICRA Employees Welfare Trust

b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive loss and other financial information of the Group for the year ended 31 March 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the

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Independent Auditor's Report (Continued)

ICRA Limited

financial statements under the 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 obtained by us, along with the consideration of report of the other auditor referred to in sub paragraph no. (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Management's and Board of Directors'/Those Charged With Governance (TCWG) Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies/Trustees of the Entity included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company/entity 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Management and the Board of Directors of the companies/Trustees of the Entity included in the Group are responsible for assessing the ability of each company/entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/Trustees either intends to liquidate the company/entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies/Trustees of the Entity included in the Group is responsible for overseeing the financial reporting process of each company/entity.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results 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 SAs 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 annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, 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 through a separate report on the complete set of financial statements on

Independent Auditor's Report (Continued)

ICRA Limited

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 in the consolidated annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' 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 appropriateness of this assumption. 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 consolidated annual financial results 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 consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/ financial statements of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial results/ financial statements of such entities included in the consolidated annual financial results of which we are the independent auditor. For the other entity included in the consolidated annual financial results, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in sub paragraph no. (a) of the "Other Matters" paragraph in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors 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.

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.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matters

- a. The consolidated annual financial results include the audited financial results of one subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 76.30 lakhs as at 31 March 2023, total revenue (before consolidation adjustments) of Rs. 59.09 lakhs and total net loss after tax (before consolidation adjustments) of Rs. 21.10 lakhs and net cash inflows (before consolidation adjustments) of Rs. 5.02 lakhs for the year ended on that date, as considered in the consolidated annual financial results, which has been audited by its independent auditor. The independent auditor's report on financial statements of this entity has been furnished to us by the management.

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

This subsidiary is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by other

Independent Auditor's Report (Continued)

ICRA Limited

auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

- b. The consolidated annual financial results include the unaudited financial results of three subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 4,774.58 lakhs as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 686.06 lakhs, total net profit after tax (before consolidation adjustments) of Rs. 386.69 lakhs and net cash inflows (before consolidation adjustments) of Rs. 113.56 lakhs for the year ended on that date, as considered in the consolidated annual financial results. These unaudited financial statements have been furnished to us by the Board of Directors.

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to the financial statements certified by the Board of Directors.

- c. The consolidated annual financial results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Manish Kapoor

Partner

Gurugram

24 May 2023

Membership No.: 510688

UDIN:23510688BGZGTC3976



ICRA Limited
 Corporate Identity Number (CIN): L74999DL1991PLC042749
 Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
 Telephone No.:+91-11-23357940
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STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023						
(Rupees in lakhs, except share data, per share data and where otherwise stated)						
S. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
		31/03/2023	31/12/2022	31/03/2022	31/03/2023	31/03/2022
		Audited (Refer note 6 below)	Unaudited	Audited (Refer note 6 below)	Audited	Audited
I	Revenue from operations	10,908.06	10,303.53	9,370.93	40,323.08	34,280.52
II	Other income	1,590.79	1,472.76	1,059.62	4,955.19	4,087.55
III	Total income (I+II)	12,498.85	11,776.29	10,430.55	45,278.27	38,368.07
	Expenses					
IV	Employee benefit expenses	5,495.78	5,339.96	4,146.20	20,756.16	17,924.81
V	Finance costs	33.11	39.21	38.42	141.25	156.14
VI	Depreciation, amortisation and impairment expense	272.54	269.47	230.72	982.91	781.21
VII	Other expenses	1,609.73	1,338.76	1,360.86	5,276.21	4,297.28
VIII	Total expenses (IV to VII)	7,411.16	6,987.40	5,776.20	27,156.53	23,159.44
IX	Profit before tax (III-VIII)	5,087.69	4,788.89	4,654.35	18,121.74	15,208.63
	Tax expense:					
	Current tax	974.96	863.38	1,232.86	4,164.51	3,738.45
	Deferred tax	249.88	1.62	48.14	284.70	116.94
X	Total tax expense	1,224.84	865.00	1,281.00	4,449.21	3,855.39
XI	Profit after tax (IX-X)	3,862.85	3,923.89	3,373.35	13,672.53	11,353.24
	Other comprehensive income/ (loss)					
A	(i) Items that will not be reclassified to profit or loss	(18.34)	(33.14)	41.46	(198.98)	(10.61)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	4.61	8.35	(10.25)	50.08	2.86
B	(i) Items that will be reclassified to profit or loss	(12.16)	(0.72)	(29.57)	(13.92)	(29.95)
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
XII	Total Other comprehensive income/ (loss), net of income tax (A+B)	(25.89)	(25.51)	1.64	(162.82)	(37.70)
XIII	Total comprehensive income for the period (XI+XII)	3,836.96	3,898.38	3,374.99	13,509.71	11,315.54
XIV	Profit attributable to:					
	(a) Owners of the company	3,837.16	3,888.36	3,340.52	13,523.59	11,229.07
	(b) Non-controlling interests	25.69	35.53	32.83	148.94	124.17
		3,862.85	3,923.89	3,373.35	13,672.53	11,353.24
XV	Other comprehensive income attributable to:					
	(a) Owners of the company	(26.58)	(25.19)	(4.19)	(163.09)	(43.53)
	(b) Non-controlling interests	0.69	(0.32)	5.83	0.27	5.83
		(25.89)	(25.51)	1.64	(162.82)	(37.70)
XVI	Total comprehensive income attributable to:					
	(a) Owners of the company	3,810.58	3,863.17	3,336.33	13,360.50	11,185.54
	(b) Non-controlling interests	26.38	35.21	38.66	149.21	130.00
		3,836.96	3,898.38	3,374.99	13,509.71	11,315.54
XVII	Paid up equity share capital (Face value : Rs. 10 per share)	965.12	965.12	965.12	965.12	965.12
XVIII	Other equity	-	-	-	94,062.99	83,395.91
XIX	Earnings per equity share (Rs.) (Face value of Rs. 10 per share):					
	Basic	39.89	40.42	34.73	140.59	116.74
	Diluted	39.89	40.42	34.73	140.59	116.74


See accompanying notes to the consolidated audited financial results.



Notes:

1 Consolidated Statement of Assets and Liabilities as at March 31, 2023 is given below:

S. No.	Particulars	(Rupees in lakhs)	
		As at	As at
		31/03/2023	31/03/2022
		Audited	Audited
A. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment		2,752.08	2,538.20
(b) Right-of-use assets		1,239.41	1,396.94
(c) Goodwill		122.53	122.53
(d) Other intangible assets		596.20	502.25
(e) Intangible assets under development		134.10	155.20
(f) Financial assets			
(i) Investments		42,515.06	39,165.67
(ii) Loans		3.25	5.73
(iii) Other financial assets		3,730.54	8,251.10
(g) Deferred tax assets (net)		228.11	462.72
(h) Non-current tax assets (net)		2,072.74	1,536.31
(i) Other non-current assets		143.08	116.27
Total non-current assets		53,537.10	54,252.92
2 Current assets			
(a) Financial assets			
(i) Investments		26,335.75	6,215.00
(ii) Trade receivables		3,804.81	2,649.59
(iii) Cash and cash equivalents		1,215.80	2,192.03
(iv) Bank balances other than (iii) above		22,934.08	28,821.44
(v) Loans		2.48	2.39
(vi) Other financial assets		334.13	1,987.59
(b) Other current assets		1,917.53	1,726.49
Total current assets		56,544.58	43,594.53
Total assets		110,081.68	97,847.45
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital		965.12	965.12
(b) Other equity		94,062.99	83,395.91
Equity attributable to equity shareholders of the Company		95,028.11	84,361.03
Non-controlling interests		464.71	411.42
Total equity		95,492.82	84,772.45
Liabilities			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities		995.82	1,122.79
(ii) Other financial liabilities		145.37	92.11
(b) Provisions		273.18	311.00
Total non-current liabilities		1,414.37	1,525.90
3 Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities		307.03	279.81
(ii) Trade payables			
(A) Total outstanding dues of micro and small enterprises		16.83	52.37
(B) Total outstanding dues of creditors other than micro and small enterprises		821.55	871.58
(iii) Other financial liabilities		577.60	530.76
(b) Other current liabilities		7,206.20	6,088.92
(c) Provisions		4,229.25	3,650.91
(d) Current tax liabilities (net)		16.03	74.75
Total current liabilities		13,174.49	11,549.10
Total liabilities		14,588.86	13,075.00
Total equity and liabilities		110,081.68	97,847.45






2 Consolidated Statement of Cash Flows for the year ended March 31, 2023:

Particulars	(Rupees in lakhs)	
	Year ended	Year ended
	31/03/2023	31/03/2022
	Audited	Audited
A. Cash flow from operating activities		
Profit before tax	18,121.74	15,208.63
Adjustments for:		
Depreciation and amortisation expense	982.91	781.21
Loss allowance (including bad debts/ advances written off)	595.98	171.42
Provision for onerous contracts	-	78.97
Interest on lease liabilities	135.91	156.14
Unrealised foreign exchange loss/ (gain) (net)	2.39	7.41
Interest income on fixed deposits	(1,819.59)	(2,428.19)
Interest income on investments carried at amortised cost	(596.45)	(481.24)
Interest income on security deposit carried at amortised cost	(47.03)	(45.58)
Gain on financial assets carried at fair value through profit and loss ('FVTPL') (net)	(2,158.18)	(570.60)
Gain on sale of financial assets carried at FVTPL (net)	(41.55)	(465.94)
Advances received from customers written back	(212.58)	(274.87)
Reversal of loss allowance	-	(1.70)
Reversal of foreseeable loss on onerous contracts	(28.11)	-
(Profit)/ loss on sale of property, plant and equipment (net)	(7.74)	10.40
Bad debts recovered	(33.88)	(8.63)
Operating cash flow before changes in operating assets and liabilities	14,893.82	12,137.43
Adjustments for changes in operating assets and liabilities		
(Increase)/ decrease in trade receivables	(1,647.31)	1,626.66
(Increase)/ decrease in loans	2.39	13.23
(Increase)/ decrease in other financial assets	(39.14)	486.68
(Increase)/ decrease in other assets	(191.59)	(416.74)
Increase/ (decrease) in trade payables	(85.58)	143.70
Increase/ (decrease) in other financial liabilities	79.90	(346.50)
Increase/ (decrease) in other liabilities	1,329.86	(252.19)
Increase/ (decrease) in provisions	343.12	419.13
Cash generated from operations before tax	14,685.47	13,811.40
Taxes paid, net of refund	(4,759.66)	(4,145.23)
Net cash generated from operating activities (A)	9,925.81	9,666.17
B. Cash flow from investing activities		
Acquisition of property, plant and equipment and intangible assets	(908.84)	(522.18)
Proceeds from sale of property, plant and equipment and intangible assets	23.83	5.26
Proceeds from redemption/ disposal of mutual funds	1,800.00	21,696.42
Investment in mutual funds	(28,702.39)	(34,050.00)
Investments (made in)/ redemption in corporate deposits (net)	6,215.00	(14,315.00)
Interest received on investments	353.31	143.97
(Increase)/ decrease in fixed deposits (having maturity of more than three months), net	11,309.36	17,709.60
Interest received on fixed deposits	2,225.86	2,145.75
Net cash used in investing activities (B)	(7,683.87)	(7,186.18)
C. Cash flow from financing activities		
Payment of lease liabilities	(286.98)	(330.23)
Interest paid on lease liabilities	(135.91)	(156.14)
Dividend paid	(2,789.34)	(2,645.18)
(Decrease)/ increase in unclaimed dividend	(0.35)	(0.02)
Net cash used in financing activities (C)	(3,212.58)	(3,131.57)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(970.64)	(651.58)
Add: Exchange difference on translation of foreign currency	(5.59)	(1.12)
Add: Cash and cash equivalents at the beginning of year	2,192.03	2,844.73
Cash and cash equivalents at the end of the year	1,215.80	2,192.03

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3 Segment information						
S. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
		31/03/2023	31/12/2022	31/03/2022	31/03/2023	31/03/2022
		Audited (Refer note 6 below)	Unaudited	Audited (Refer note 6 below)	Audited	Audited
(Rupees in lakhs)						
(i)	Segment revenue:					
	(a) Rating, research and other services	6,336.01	5,958.63	5,434.70	22,999.83	20,252.03
	(b) Consulting services	213.42	111.70	289.36	574.18	622.28
	(c) Knowledge Services	3,929.69	3,830.93	3,229.69	15,011.55	11,774.29
	(d) Market services	458.47	428.74	437.53	1,826.36	1,710.62
	Total segment revenue	10,937.59	10,330.00	9,391.28	40,411.92	34,359.22
	Less: Inter-segment revenue	(29.53)	(26.47)	(20.35)	(88.84)	(78.70)
	Total revenue	10,908.06	10,303.53	9,370.93	40,323.08	34,280.52
(ii)	Segment results:					
	(Profit before tax and other income from each segment)					
	(a) Rating, research and other services	1,839.32	1,540.21	1,943.57	5,860.61	5,206.46
	(b) Consulting services	8.16	(105.91)	(42.69)	(231.59)	(312.43)
	(c) Knowledge Services	1,656.59	1,926.04	1,636.71	7,479.43	6,027.01
	(d) Market services	25.93	(4.90)	83.07	200.14	354.73
	Total segment results	3,530.00	3,355.44	3,620.66	13,308.59	11,275.77
	Less: Finance costs	(33.11)	(39.21)	(38.42)	(141.25)	(156.14)
	Add: Unallocable income net of unallocable expenses	1,590.80	1,472.66	1,072.11	4,954.40	4,089.00
	Profit before tax	5,087.69	4,788.89	4,654.35	18,121.74	15,208.63
(iii)	Segment assets:					
	(a) Rating, research and other services	5,777.20	5,894.49	5,254.39	5,777.20	5,254.39
	(b) Consulting services	490.28	406.03	619.17	490.28	619.17
	(c) Knowledge Services	4,525.94	2,603.64	3,605.92	4,525.94	3,605.92
	(d) Market Services	787.37	839.89	623.54	787.37	623.54
	(e) Unallocable	98,500.89	97,699.72	87,744.43	98,500.89	87,744.43
	Total segment assets	110,081.68	107,443.77	97,847.45	110,081.68	97,847.45
(iv)	Segment liabilities:					
	(a) Rating, research and other services	12,338.54	13,465.67	11,136.22	12,338.54	11,136.22
	(b) Consulting services	296.49	334.46	302.02	296.49	302.02
	(c) Knowledge Services	1,487.73	1,321.44	1,151.04	1,487.73	1,151.04
	(d) Market Services	438.18	453.42	416.41	438.18	416.41
	(e) Unallocable	27.92	116.95	69.31	27.92	69.31
	Total segment liabilities	14,588.86	15,691.94	13,075.00	14,588.86	13,075.00
4	The above Statement of consolidated audited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 24, 2023.					
5	The financial results have been prepared in accordance with the applicable accounting standards, as notified under the Companies (Indian Accounting Standards) Rules, 2015 and as specified in Section 133 of the Companies Act, 2013.					
6	The figures for the quarter ended March, as reported in these consolidated financial results, are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. The figures upto the end of third quarter had only been reviewed and not subject to audit.					
7	The Statutory Auditors of the Company have carried out audit of the consolidated financial results for the quarter and year ended March 31, 2023. The audit 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.					
8	The Board of Directors, at its meeting held on May 24, 2023, has recommended a dividend of Rs. 40 per equity share of the face value of Rs. 10 each. In addition, the Board has recommended a special dividend of Rs. 90 per equity share. The total dividend recommended for the year is Rs. 130 per equity share for the financial year ended March 31, 2023, compared with Rs. 28 per equity share for the previous year. The overall dividend pay-out for the year, including the special dividend, is Rs. 125.47 crore, compared to Rs. 27.02 crore in the previous year. The proposal is subject to the approval of members at the forthcoming Annual General Meeting.					
9	During the year ended March 31, 2023, ICRA Lanka Limited (ICRA Lanka), a credit rating subsidiary of the Company, had applied to the Securities and Exchange Commission, Sri Lanka ("SEC") for surrendering its credit rating license. The said application has been approved by the SEC on February 28, 2023. The management believes that the cost of investment made in ICRA Lanka is not recoverable and hence, has recorded provision for impairment loss of Rs. 256.58 lakhs towards the cost of investment in its standalone financial results. ICRA Lanka's contribution to Group ICRA's revenue and profit after tax was less than 0.5% as per the audited statement of profit and loss for the previous year ended March 31, 2022.					
				By Order of the Board of Directors  Ramnath Krishnan Managing Director & Group C.E.O. (DIN: 09371341)		
	Place: Mumbai Dated: May 24, 2023					

B S R & Co. LLP

Chartered Accountants

Building No. 10, 12th Floor, Tower-C,
DLF Cyber City, Phase - II,
Gurugram - 122 002, India
Tel: +91 124 719 1000
Fax: +91 124 235 8613

Independent Auditor's Report

To the Board of Directors of ICRA Limited

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of ICRA Limited (hereinafter referred to as the "Company") for the year ended 31 March 2023, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information for the year ended 31 March 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the 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 obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61 223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB - 8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Page 1 of 3

MK

Independent Auditor's Report (Continued)

ICRA Limited

in accordance with the provisions of the Act 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results 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 SAs 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 standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, 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 through a separate report on the complete set of financial statements 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 in the standalone annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' 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 appropriateness of this assumption. 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 standalone annual financial results 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.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Independent Auditor's Report (Continued)

ICRA Limited

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.

Other Matter

- a. The standalone annual financial results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248WW-100022



Manish Kapoor

Partner

Gurugram

24 May 2023

Membership No.: 510688

UDIN:23510688BGZGTB1340



STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023						
(Rupees in lakhs, except share data, per share data and where otherwise stated)						
S. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
		31/03/2023	31/12/2022	31/03/2022	31/03/2023	31/03/2022
		Audited (Refer note 5 below)	Unaudited	Audited (Refer note 5 below)	Audited	Audited
I	Revenue from operations	6,187.80	5,802.47	5,235.65	22,253.79	19,473.14
II	Other income	1,391.29	1,168.51	799.37	6,556.89	4,542.19
III	Total income (I+II)	7,579.09	6,970.98	6,035.02	28,810.68	24,015.33
	Expenses					
IV	Employee benefit expenses	3,164.24	3,205.45	2,329.82	12,343.33	11,144.96
V	Finance costs	32.83	33.49	35.48	134.22	150.76
VI	Depreciation and amortisation expense	190.95	193.03	163.48	703.30	534.35
VII	Other expenses (refer note 9)	1,086.28	919.13	862.26	3,916.60	2,850.39
VIII	Total expenses (IV to VII)	4,474.30	4,351.10	3,391.04	17,097.45	14,680.46
IX	Profit before tax (III-VIII)	3,104.79	2,619.88	2,643.98	11,713.23	9,334.87
	Tax expense:					
	Current tax	448.74	320.25	765.10	1,904.95	1,993.24
	Deferred tax	241.31	(20.48)	2.25	215.38	10.70
X	Total tax expense	690.05	299.77	767.35	2,120.33	2,003.94
XI	Profit after tax (IX-X)	2,414.74	2,320.11	1,876.63	9,592.90	7,330.93
	Other comprehensive income/ (loss)					
A	(i) Items that will not be reclassified to profit or loss	(3.25)	(21.63)	32.79	(55.52)	63.07
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.81	5.45	(8.25)	13.97	(15.87)
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/ (loss), net of income tax (A+B)	(2.44)	(16.18)	24.54	(41.55)	47.20
XIII	Total comprehensive income for the period (XI+XII)	2,412.30	2,303.93	1,901.17	9,551.35	7,378.13
XIV	Paid up equity share capital (Face value : Rs. 10 per share)	965.12	965.12	965.12	965.12	965.12
XV	Other equity	-	-	-	72,693.48	65,513.30
XVI	Earnings per equity share (Rs.) (Face value of Rs. 10 per share):					
	Basic	25.11	24.12	19.51	99.73	76.21
	Diluted	25.11	24.12	19.51	99.73	76.21

See accompanying notes to the standalone audited financial results.



Notes:

1 Standalone Statement of Assets and Liabilities as at March 31, 2023 is given below:

S. No.	Particulars	(Rupees in lakhs)	
		As at	As at
		31/03/2023	31/03/2022
		Audited	Audited
A. ASSETS			
1 Non-current assets			
(a)	Property, plant and equipment	1,062.11	815.40
(b)	Right-of-use assets	1,228.00	1,374.24
(c)	Intangible assets	393.13	363.80
(d)	Intangible assets under development	122.96	54.59
(e) Financial assets			
(i)	Investments	44,450.57	41,857.76
(ii)	Loans	3.25	5.73
(iii)	Other financial assets	524.66	568.26
(f)	Deferred tax assets (net)	99.32	300.73
(g)	Non-current tax assets (net)	1,629.96	1,163.30
(h)	Other non-current assets	46.04	41.27
	Total non-current assets	49,560.00	46,545.08
2 Current assets			
(a) Financial assets			
(i)	Investments	21,328.16	6,215.00
(ii)	Trade receivables	1,277.47	1,020.56
(iii)	Cash and cash equivalents	484.40	691.08
(iv)	Bank balances other than (iii) above	11,367.93	20,031.16
(v)	Loans	2.48	2.39
(vi)	Other financial assets	37.10	1,215.56
(b) Other current assets			
		1,033.74	974.54
	Total current assets	35,531.28	30,150.29
	Total assets	85,091.28	76,695.37
B EQUITY AND LIABILITIES			
1 Equity			
(a)	Equity share capital	965.12	965.12
(b)	Other equity	72,693.48	65,513.30
	Total equity	73,658.60	66,478.42
Liabilities			
2 Non-current liabilities			
(a) Financial liabilities			
(i)	Lease liabilities	995.82	1,115.15
(b) Provisions			
		90.97	122.18
	Total non-current liabilities	1,086.79	1,237.33
3 Current liabilities			
(a) Financial liabilities			
(i)	Lease liabilities	299.38	266.02
(ii)	Trade payables		
	(A) Total outstanding dues of micro and small enterprises	11.49	51.07
	(B) Total outstanding dues of creditors other than micro and small enterprises	545.99	585.43
(iii)	Other financial liabilities	294.98	268.82
(b) Other current liabilities			
		6,298.21	5,129.23
(c) Provisions			
		2,895.51	2,614.58
(d) Current tax liabilities (net)			
		0.33	64.47
	Total current liabilities	10,345.89	8,979.62
	Total liabilities	11,432.68	10,216.95
	Total equity and liabilities	85,091.28	76,695.37



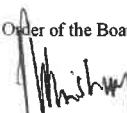
2 Standalone Statement of Cash Flows for the year ended March 31, 2023:

Particulars	(Rupees in lakhs)	
	Year ended 31/03/2023 Audited	Year ended 31/03/2022 Audited
A. Cash flow from operating activities		
Profit before tax	11,713.23	9,334.87
Adjustments for:		
Depreciation and amortisation expense	703.30	534.35
Loss allowance (including bad debts/ advances written off)	470.82	171.42
Interest on lease liabilities	134.22	150.76
Long term individual payout funded through Trust	331.17	248.11
Interest income on fixed deposits	(772.77)	(1,613.60)
Interest income on investments carried at amortised cost	(596.45)	(481.24)
Interest income on security deposits carried at amortised cost	(47.03)	(43.17)
Gain on financial assets carried at fair value through profit and loss ('FVTPL') (net)	(2,150.59)	(570.60)
Gain on sale of financial assets carried at FVTPL (net)	(41.55)	(465.94)
Advances received from customers written back	(212.58)	(274.87)
Dividend from subsidiary company	(2,786.70)	(1,343.56)
(Profit) / loss on sale of property, plant and equipment (net)	(8.40)	0.42
Provision for impairment loss on investment in subsidiary company	256.58	-
Bad debts recovered	(32.99)	(8.63)
Operating cash flow before changes in operating assets and liabilities	6,960.26	5,638.32
Adjustments for changes in operating assets and liabilities		
(Increase)/ decrease in trade receivables	(694.74)	415.06
(Increase)/ decrease in loans	2.39	6.70
(Increase)/ decrease in other financial assets	(14.73)	105.77
(Increase)/ decrease in other assets	(45.72)	(414.28)
Increase/ (decrease) in trade payables	(79.02)	302.98
Increase/ (decrease) in other financial liabilities	3.94	(139.04)
Increase/ (decrease) in other liabilities	1,381.56	(161.89)
Increase/ (decrease) in provisions	175.95	409.11
Cash generated from operations before tax	7,689.89	6,162.73
Taxes paid, net of refund	(2,435.75)	(2,298.56)
Net cash generated from operating activities (A)	5,254.14	3,864.17
B. Cash flow from investing activities		
Acquisition of property, plant and equipment and intangible assets	(690.02)	(353.29)
Proceeds from sale of property, plant and equipment and intangible assets	18.31	3.61
Investment in mutual funds	(23,200.00)	(34,050.00)
Proceeds from redemption / disposal of mutual funds	1,800.00	21,696.42
Investment (made in) / redemption of corporate deposits (net)	6,215.00	(14,315.00)
Interest received on investments	353.31	143.97
(Increase)/ decrease in fixed deposits (having maturity of more than three months) (net)	9,088.29	22,513.32
Interest received on fixed deposits	1,231.91	1,625.21
Dividend received from subsidiary company	2,832.49	1,324.15
Net cash used in investing activities (B)	(2,350.71)	(1,411.61)
C. Cash flow from financing activities		
Payment of lease liabilities	(273.20)	(256.74)
Interest paid on lease liabilities	(134.22)	(150.76)
Dividend paid	(2,702.34)	(2,605.83)
(Decrease)/ increase in unclaimed dividend	(0.35)	(0.02)
Net cash used in financing activities (C)	(3,110.11)	(3,013.35)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(206.68)	(560.79)
Add: Cash and cash equivalents at the beginning of year	691.08	1,251.87
Cash and cash equivalents at the end of the year	484.40	691.08



- 3 The above Statement of standalone audited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 24, 2023.
- 4 The financial results have been prepared in accordance with the applicable accounting standards, as notified under the Companies (Indian Accounting Standards) Rules, 2015 and as specified in Section 133 of the Companies Act, 2013.
- 5 The figures for the quarter ended March, as reported in these standalone financial results, are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. The figures upto the end of third quarter had only been reviewed and not subject to audit.
- 6 The Statutory Auditors of the Company have carried out audit of the standalone financial results for the quarter and year ended March 31, 2023. The audit 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.
- 7 The Board of Directors, at its meeting held on May 24, 2023, has recommended a dividend of Rs. 40 per equity share of the face value of Rs. 10 each. In addition, the Board has recommended a special dividend of Rs. 90 per equity share. The total dividend recommended for the year is Rs. 130 per equity share for the financial year ended March 31, 2023, compared with Rs. 28 per equity share for the previous year. The overall dividend pay-out for the year, including the special dividend, is Rs. 125.47 crore, compared to Rs. 27.02 crore in the previous year. The proposal is subject to the approval of members at the forthcoming Annual General Meeting.
- 8 Other income for the year ended March 31, 2023 includes dividend income of Rs. 2,686.89 lakhs (year ended March 31, 2022: Rs. 1,293.69 lakhs) from ICRA Analytics Limited, a wholly-owned subsidiary of the Company.
- 9 During the current year, ICRA Lanka Limited ('ICRA Lanka') had applied to the Securities and Exchange Commission, Sri Lanka ("SEC") for surrendering its credit rating license. The said application has been approved by the SEC on February 28, 2023. The management believes that the cost of investment made in ICRA Lanka is not recoverable and hence, has recorded provision for impairment loss of Rs. 256.58 lakhs. ICRA Lanka's contribution to Group ICRA's revenue and profit after tax was less than 0.5% as per the audited statement of profit and loss for the previous year ended March 31, 2022.
- 10 The Company's business activity falls within a single primary operating 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 decisions about allocation of resources. The Company renders its services to customers located in India and does not have any operations in economic environment with different risks and returns. Hence, it is considered as operating in a single geographical segment.

By Order of the Board of Directors


Ramnath Krishnan
Managing Director & Group C.E.O.
(DIN: 09371341)

Place: Mumbai
Dated: May 24, 2023



ICRA

ICRA Limited

May 24, 2023

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001, India
Scrp 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.: - Declaration pursuant to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) read with SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, I, hereby declare that the Statutory Auditors of ICRA Limited (the “**Company**”), B S R & Co. LLP, Chartered Accountants, (FRN:101248W/W-100022) (“**Statutory Auditors**”), have issued Audit Reports with unmodified opinion on the Audited Financial Results of the Company (Standalone & Consolidated) for the quarter and year ended March 31, 2023.

Sincerely,

For ICRA Limited

(Venkatesh Viswanathan)
Group Chief Financial Officer

Building No. 8, 2nd Floor, Tower A
DLF Cyber City, Phase II
Gurugram - 122002, Haryana

Tel. : +91.124.4545300
CIN : L74999DL1991PLC042749

Website : www.icra.in
Email : info@icraindia.com
Helpdesk : +91.9354738909

Registered Office : B - 710, Statesman House, 148, Barakhamba Road, New Delhi - 110001. Tel. : +91.11.23357940-41

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