



ICRA

ICRA Limited

August 3, 2017

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: - Annual Report for the year 2016-17

Pursuant to the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report for the year 2016-17 of ICRA Limited.

This is for your kind information and record.

Regards,

Sincerely,

(S. Shakeb Rahman)
Company Secretary & Compliance Officer

Encl.: As Above



ICRA

A MOODY'S INVESTORS
SERVICE COMPANY

ANNUAL REPORT
2016-2017

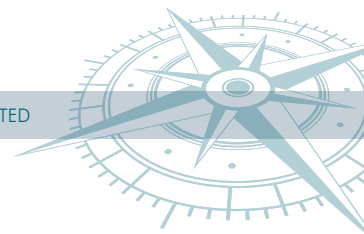


ENHANCING
**BUSINESS
VALUE**

THROUGH INTELLECTUAL LEADERSHIP

CONTENTS

ICRA at a Glance	2
Board of Directors	7
Senior Management	9
Key trends	10
Financial highlights	11
Directors' Report	13
Corporate Governance Report	36
Auditors' Report on Corporate Governance	65
Management Discussion and Analysis Report	67
Secretarial Audit Report	78
Dividend Distribution Policy	81
Report on Corporate Social Responsibility Activities	83
Business Responsibility Report	85
 Financial Statement	
Standalone	
Independent Auditors' Report	95
Balance Sheet	100
Statement of Profit and Loss	101
Cash Flow Statement	102
Notes to the Financial Statements	104
Consolidated	
Independent Auditors' Report	128
Balance Sheet	132
Statement of Profit and Loss	133
Cash Flow Statement	134
Notes to the Financial Statements	136
Statement containing Brief Financial Details of Subsidiary Companies	164
Shareholders Frequently Asked Questions	166
 Notice of the Twenty-Sixth Annual General Meeting	169



IN MEMORIAM



Mr. Pranab Kumar Choudhury (January 22, 1947 – November 22, 2016), former Chairman & Group CEO of ICRA Limited. He joined ICRA in 1991 as its first CEO and retired in January 2015



Mr. Amal Ganguli (October 17, 1939 – May 8, 2017), former Chairman and Senior Partner of PricewaterhouseCoopers. He was a member of the Board of Directors of ICRA Limited between March 2006 and July 2014



Mr. Saumitra Chaudhuri (January 11, 1954 - December 18, 2016), former member of the erstwhile Planning Commission and the Economic Advisory Council to the Prime Minister. He worked as Economic Advisor & Research Co-ordinator with ICRA Limited between April 1993 and June 2009

ICRA at a Glance

ICRA Limited (formerly Investment Information and Credit Rating Agency of India 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, a full-service Credit Rating Agency with its shares listed on the BSE and the National Stock Exchange, has five subsidiaries: **ICRA Management Consulting Services Limited (IMaCS)**; **ICRA Online Limited (ICRON)**; **PT ICRA Indonesia (ICRA Indo)**; **ICRA Lanka Limited (ICRA Lanka)**, and **ICRA Nepal Limited (ICRA Nepal)**. Together, **ICRA and its subsidiaries, along with their subsidiaries, form the ICRA Group of Companies, that is, ICRA Group**. ICRA is majority-held by Moody's Group, which has 50.55% equity ownership stake in the Company.



Alliance with Moody's Investors Service

The international Credit Rating Agency Moody's Investors Service¹ is ICRA's largest shareholder. ICRA and Moody's Investors Services have entered into a Technical Services Agreement, which is aimed at benefiting ICRA's capabilities, through access to Moody's global research base and training tools. The agreement also envisages collaborative initiatives including joint outreach activities to address issues relating to the development of capital markets in India.

The ICRA Factor

Facilitating efficiency in business...

ICRA information products, Ratings, and solutions reflect independent, professional and impartial opinions, which assist businesses enhance the quality of their decisions and help issuers access a broader investor base and even lesser known companies approach the money and capital markets.

The research factor...

We strongly believe that quality and authenticity of information are derivatives of an organisation's research base. Working in collaboration, our teams for Monetary, Fiscal, Industry and Sector research generate comprehensive analysis and maintain the highest standards of quality and credibility.

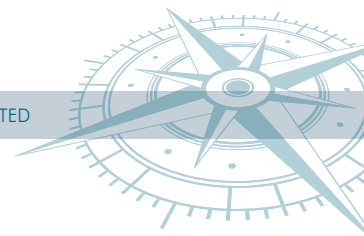
Committed to the development of the financial market...

The focus of ICRA in the coming years will continue to be on developing innovative concepts and products in a dynamic market environment, generating and promoting wider investor awareness and interest, enhancing efficiency and transparency in the financial market, and providing a healthier environment for market participants and regulators.

Our products and services are designed to:

- Provide information and guidance to institutional and individual investors/creditors.
- Enhance the ability of borrowers/issuers to access the money market and the capital market for tapping a larger volume of resources from a wider range of the investing public.
- Assist the regulators in promoting transparency in the financial markets.
- Provide intermediaries with a tool to improve efficiency in the funds raising process.

¹ through its group companies, Moody's Investment Company India Private Limited and Moody's Singapore Pte Ltd.



ICRA at a Glance

Group ICRA The Services Spectrum*

ICRA	ICRA Lanka**	ICRA Nepal***
RATING SERVICES <ul style="list-style-type: none"> • Credit Rating • Bank Loan Rating • Structured Finance Rating • Issuer Rating • Rating of SSIs/SMEs • Corporate Governance Rating • Project Finance Rating • Mutual Fund Rating • Rating of Claims Paying Ability of Insurance Companies GRADING SERVICES Microfinance Institutions, Construction Entities, Real Estate Developers and Projects, Education Institutes	RATING SERVICES <ul style="list-style-type: none"> • Credit Rating • Bank Loan Rating • Structured Finance Rating • Issuer Rating • Project Finance Rating • Mutual Fund Rating • Claims Paying Ability of Insurance Companies <p>**The operations of ICRA Lanka Limited (ICRA Lanka) are limited to the Sri Lankan market</p>	RATING SERVICES <ul style="list-style-type: none"> • Credit Rating • Bank Loan Rating • Issuer Rating • Project Finance Rating • Fund Management Quality Rating • Equity Grading • Claims Paying Ability of Insurance Companies <p>***The operations of ICRA Nepal Limited (ICRA Nepal) are limited to the Nepalese market</p>
INDUSTRY RESEARCH		
www.icra.in	www.icralanka.com	www.icranepal.com

IMaCS	ICRON
RISK MANAGEMENT <ul style="list-style-type: none"> • Risk Analytics • Risk Advisory • Tools, models, Calculators • Software Solutions Financial Advisory <ul style="list-style-type: none"> • Financial Viability • Structuring Solutions • Enabling Transactions Outsourcing <ul style="list-style-type: none"> • Data Analytics • Programme management • Training • Information Products Policy Advisory <ul style="list-style-type: none"> • Financial Market micro structure • Improving access to finance • Improving Competitiveness 	FINANCIAL INFORMATION PRODUCT AND SERVICES <ul style="list-style-type: none"> • Mutual Fund and ULIP Data and Content Provider • Investment Research and Analytics • Investor education content • Wealth and Transaction Management Software Products • IT Tools for Financial Planning and Analytics KPO SERVICES (BACK-END ANALYTICAL SERVICES SUPPORT) <ul style="list-style-type: none"> • Data Services • Research • Analytics
www.imacs.in	www.icraonline.com

*The list of services is indicative and not exhaustive

ICRA at a Glance

Range of Services

Rating Services

As an early entrant in the Credit Rating business, **ICRA Limited (ICRA)** is one of the most experienced Credit Rating Agencies in the country today. ICRA rates rupee-denominated debt instruments issued by manufacturing companies, commercial banks, non-banking finance companies, financial institutions, public sector undertakings and municipalities, among others. ICRA also rates structured obligations and sector-specific debt obligations such as instruments issued by Power, Telecom and Infrastructure companies. The other services offered include Corporate Governance Rating, Stakeholder Value and Governance Rating, Credit Risk Rating of Debt Mutual Funds, Rating of Claims Paying Ability of Insurance Companies, Project Finance Rating, Line of Credit Rating and Valuation of Principal Protected-Market Linked Debentures (PP-MLD). ICRA, along with National Small Industries Corporation Limited (NSIC), has launched a Performance and Credit Rating Scheme for Small-Scale Enterprises in India. The service is aimed at enabling Small and Medium Enterprises (SMEs) improve their access to institutional credit, increase their competitiveness, and raise their market standing.

ICRA Lanka Limited (ICRA Lanka), a wholly-owned subsidiary of ICRA, offers a wide range of Rating services in the Sri Lankan market, putting into use parent ICRA's accumulated experience in the areas of Credit Rating, Grading, and Investment Information. It's Rating focuses on entities in the financial and corporate sectors, besides long-, medium-, and short-term debt instruments issued by borrowers from various sectors of the economy.

ICRA Lanka also rates rupee-denominated debt instruments issued by commercial banks, non-banking finance companies, financial institutions, manufacturing, construction and service companies, among others. It also rates structured obligations and sector-specific debt obligations. The other services offered include Corporate Governance Rating, Stakeholder Value and Governance Rating, Credit Risk Rating of Debt Mutual Funds, Rating of Claims Paying Ability of Insurance Companies, Project Finance Rating, and Line of Credit Rating.

ICRA Nepal Limited (ICRA Nepal), a subsidiary of ICRA, offers a wide range of Rating services in the Nepalese market. Using the accumulated experience and technical support from the holding company, it has developed capability to execute the diversified product. ICRA Nepal rates rupee-denominated long-term, medium-term and short-term debt instruments. Its services also include Issuer Rating, Fund Management Quality Rating and Grading of Equity Offers. The Rating/ Grading service with current focus in the banking and finance, insurance and hydro-electricity sector is also being offered to manufacturing companies, infrastructure sector companies, service companies, small and medium sector entities etc. Further, ICRA Nepal also offers products including Bank Loan/Line of Credit Rating and will roll out the Rating of Claims Paying Ability of insurance companies in the near future.

Grading Services

The Grading Services offered by ICRA employ pioneering concepts and methodologies, and include Grading of: Microfinance Institution (MFIs); Construction Entities; Real Estate Developers and Projects; and Maritime Training Institutes. These apart, ICRA has been offering services of Grading of the Renewable Energy Service Companies (RESCOs) and the System Integrators (SI); Grading of Management Education Institutes; Grading of Engineering Colleges/Universities; Grading of Fundamental Strength and Recovery Prospects; Assessment of the fundamental and financial strength of Real Estate Entities (REEs) & Real Estate Projects (REPs); and ICRA Corporate Responsibility and Sustainable-Business Grading.

Industry Research

Complementing the credit rating services, ICRA provides research services across the economy, industry and companies. The reports are tailored to meet the requirements of banks, mutual funds, insurance companies, PEs or venture funds and corporates.

ICRA Research covers 60 plus industries with the reports providing in-depth analyses across the following areas: Business and profitability outlook, industry analysis, competitive landscape, impact of regulatory environment, benchmarking of companies, industry credit profile, company profile on listed players, etc.



ICRA at a Glance

ICRA's 'Credit Perspectives' provide detailed analysis on ratings assigned. These reports broadly cover the following areas: Key rating considerations, Rating sensitivity factors, Rating rationale, Company profile, Business update, Business outlook, Financial update, Financial outlook, etc.

Consulting Services

ICRA Management Consulting Services Limited (IMaCS), a wholly-owned subsidiary of ICRA Limited, is an Advisory and Analytics firm with a global operating footprint in 45 countries across South Asia, South East Asia, West Asia, Africa, Europe, and North America. IMaCS focuses on providing advisory and analytics services that enable financial flows and transactions by way of various avenues including equity investments, debt financing, grant funding, spending under corporate social responsibility, development financing, and trade finance. IMaCS offers its services under four heads namely, (1) Risk Analytics (2) Financial Advisory (3) Outsourcing, and (4) Policy Advisory. IMaCS' clientele includes Banks and Financial Service Companies, Financial Investors, Corporates, Governments, Regulators, Multilateral/Bilateral Development Agencies, and Not-for-profit Organisations.

IMaCS offers its Outsourcing & Programme Management services through its wholly-owned subsidiary, Pragati Development Consulting Services Limited.

Knowledge Process Outsourcing and Online Software

Incorporated in 1999, ICRA Online Limited (ICRON) is a wholly-owned subsidiary of ICRA Limited with delivery centres in Kolkata and Mumbai. ICRON has three lines of business (LoBs) that offers outsourcing solutions in Data Services, Research, and Analytics to domestic and global clients. Timely, accurate, and affordable services help the company's clients achieve their business goals.

The Data Services segment offers basic and value-added services in areas of data extraction, aggregation, populating chart of accounts, validation, ratio analysis, accounting adjustments, data interpretation, etc. ICRON also provides operation support in areas such as data management and reconciliation and quality assurance.

The Research segment engages in mutual funds and other asset-class research, preparation of customized newsletters for domestic and global capital markets, news and event tracking, creation of innovative investor education content, preparation of company profiles, profiling of mutual fund schemes, etc.

Analytics is an emerging arena for ICRON. The segment offers services in the areas of predictive and marketing analytics.

ICRON is an ISO 9001:2008 and 27001: 2013 certified organisation.

Chairman Emeritus

Mr. D.N. Ghosh

Board of Directors

Mr. Arun Duggal
Chairman, Independent Director

Ms. Ranjana Agarwal
Independent Director

Ms. Radhika Vijay Haribhakti
Independent Director

Dr. Min Ye
Non Executive and Non Independent Director

Mr. Simon Richard Hastilow
Non Executive and Non Independent Director

Mr. Thomas John Keller Jr.
Non Executive and Non Independent Director

Ms. Farisa Zarin
Non Executive and Non Independent Director

Mr. Naresh Takkar
Managing Director & Group CEO

Board Committees**Audit Committee**

Ms. Ranjana Agarwal, Chairperson
Ms. Radhika Vijay Haribhakti
Mr. Arun Duggal
Dr. Min Ye

Nomination and Remuneration Committee

Ms. Radhika Vijay Haribhakti, Chairperson
Ms. Ranjana Agarwal
Mr. Simon Richard Hastilow

Stakeholders Relationship Committee

Mr. Simon Richard Hastilow, Chairman
Ms. Ranjana Agarwal
Mr. Naresh Takkar

Corporate Social Responsibility Committee

Ms. Ranjana Agarwal, Chairperson
Dr. Min Ye
Ms. Farisa Zarin
Mr. Naresh Takkar

ESOS Compensation Committee

Ms. Radhika Haribhakti, Chairperson
Ms. Ranjana Agarwal
Mr. Simon Richard Hastilow

Strategy Committee

Mr. Thomas John Keller Jr., Chairman
Dr. Min Ye
Mr. Simon Richard Hastilow
Mr. Naresh Takkar

Investment and Real Estate Committee

Ms. Ranjana Agarwal, Chairperson
Mr. Thomas John Keller Jr.
Mr. Naresh Takkar

Statutory Auditors

B S R & Co. LLP
Chartered Accountants

Solicitors

AZB & Partners
J. Sagar Associates
Luthra & Luthra Law Offices

Group Chief Financial Officer

Mr. Vipul Agarwal

General Counsel

Mr. Amit Gupta

Company Secretary & Compliance Officer

Mr. S. Shakeb Rahman

Bankers

HDFC Bank Limited
Kotak Mahindra Bank Limited

Registrar and Share Transfer Agent

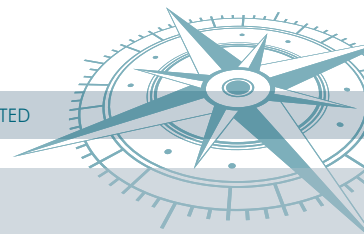
Link Intime India Private Limited

Registered Office

1105, Kailash Building
11th Floor, 26,
Kasturba Gandhi Marg
New Delhi – 110 001

Corporate Office

Building No. 8, 2nd Floor,
Tower A, DLF Cyber City,
Phase II, Gurgaon – 122 002,
Haryana



ICRA Board of Directors



Mr. Arun Duggal is the Non-Executive Chairman and an Independent Director of ICRA Limited. He is also a Visiting Professor at the Indian Institute of Management, Ahmedabad where he teaches a course on Venture Capital, Private Equity and Business Ethics. He is an experienced international Banker and has advised companies and financial institutions on Financial Strategy, M&A and Capital Raising.

Mr. Duggal is also Chairman of Board of Directors of International Asset Reconstruction Company Private Limited and Mangalore Chemicals & Fertilizers Limited. He is on the Boards of ITC Limited, Info Edge, Dish TV India Limited, Dr. Lal PathLabs Limited and Inversion Management Services Private Limited.

Mr. Duggal had a 26 years career with Bank of America, mostly in the U.S., Hong Kong and Japan. His last assignment was as Chief Executive of Bank of America in India from 1998 to 2001. He is an expert in international finance and from 1981-1990 he was head of Bank of America's (oil & gas) practice handling relationships with companies like Exxon, Mobil, etc. From 1991-94 as Chief Executive of BA Asia Limited, Hong Kong he looked after Investment Banking activities for the Bank in Asia. In 1995, he moved to Tokyo as the Regional Executive, managing Bank of America's business in Japan, Australia and Korea.

Mr. Duggal is involved in several initiatives in social and education sectors. He is Senior Advisor, Asia Pacific for Transparency International, Berlin devoted to create change towards a World free of Corruption. He was erstwhile Chairman of the American Chamber of Commerce, India.

A Mechanical Engineer from the prestigious Indian Institute of Technology, Delhi, Mr. Duggal holds an MBA from the Indian Institute of Management, Ahmedabad (recipient of Distinguished Alumnus Award).



Ms. Ranjana Agarwal is an Independent Director on the board of ICRA Limited and chairs the Audit and CSR committees. She is also on the board of four other listed companies.

Ms. Agarwal is the founder and managing partner of Vaish & Associates, Chartered Accountants and has over 30 years of experience in audit, tax and related services including succession planning and business valuations.

She was also a partner in CC Chokshi & Co. and Deloitte Haskins & Sells until 2000. Ms. Agarwal was the national president of the women wing of FICCI and currently chairs their 'FLO women directors' programme.

Ms. Agarwal has been part of the governing body of Vaish Associates Pulic Welfare Trust, Hardayal Viklang Kendra and Mobile Creches all NGOs working in the field of education, health and family welfare.

Ms. Ranjana Agarwal is a graduate in Economics from Lady Shri Ram College, Delhi University and has done her CA training from Price Waterhouse Coopers. She is the recipient of the Indira Gandhi Priyadarshini award for professional excellence.



Ms. Radhika Haribhakti (59 years) has over 30 years of experience in Commercial and Investment Banking with Bank of America, JM Morgan Stanley and DSP Merrill Lynch. She has advised several large corporates and led their Equity and Debt offerings in domestic as well as international capital markets. She now heads RH Financial, a boutique Advisory Firm focused on M&A and Private Equity.

She serves as an Independent Director on the Boards of Adani Ports & Special Economic Zone, EIH Associated Hotels Ltd, ICRA Ltd, Mahanagar Gas Ltd, Navin Fluorine International Ltd and Vistaar Financial Services Pvt Ltd.

She is a member of Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee of Adani Ports and Special Economic Zone Limited, member of Audit Committee of EIH Associated Hotels Ltd, member of Audit Committee and Chairperson of Nomination & Remuneration Committee and Employee Stock Option Scheme Compensation Committee of ICRA Limited, Chairperson of CSR Committee of Mahanagar Gas Ltd, member of Stakeholders' Relationship Committee of Navin Fluorine International Limited.

Ms. Haribhakti has also been closely involved with issues of women empowerment, financial inclusion and CSR and has served on Boards of non-profits for over 18 years, including 12 years as Chairperson. She is the former Chair of Friends of Women's World Banking (FWWB) and Swadhaar Finaccess, both non-profits engaged in providing financial solutions to women in economically disadvantaged communities. She has also served on the Governing Council of Citigroup Micro Enterprise Award and CII's National Committee on Women Empowerment.

Ms. Haribhakti is a Graduate in Commerce from Gujarat University and Post Graduate in Management from the Indian Institute of Management (IIM), Ahmedabad.

ICRA Board of Directors



Dr. Min Ye is a Non-Independent Director of ICRA Limited. He is the Managing Director and the Regional Head of Moody's Asia Pacific. He is responsible for formulating business growth initiatives, budgeting and planning, managing Moody's offices and affiliate relations, and monitoring the regulatory environment in the region.

Previously, he was the Managing Director and the Country Manager for Moody's China, as well as the Chief Executive Officer of China Chengxin International Credit Rating Co Ltd, Moody's affiliate in China.

Dr. Min, who joined Moody's as a Senior Analyst and Vice President in 1994, has also worked as the Managing Director of the Structured Finance Group for Asia Pacific (ex-Japan) in Hong Kong.

He has a BE and an ME in electrical engineering from Tsinghua University in Beijing. Michael also has a PhD in electrical and computer engineering from Carnegie Mellon University in the US.



Mr. Simon Richard Hastilow is a Non-Independent and Non-Executive Director of ICRA Limited. Mr. Hastilow is a Managing Director and Global Head of Relationship Management for MIS based in London. He is responsible for leading the global team that grows MIS's coverage share and revenue by developing relationships with new issuers in existing markets, penetrating new markets, and strengthening and expanding relationships with existing issuers and intermediaries.

Prior to joining Moody's Mr. Hastilow spent 11 years at Thomson Reuters where he led marketing and sales teams in the Corporate and Wealth Management sectors.

He was educated at university in London with a BA (Hons) in Business Studies, holds the Diploma of the Chartered Institute of Marketing and is an alumni of the 2007 AMP programme at INSEAD.



Mr. Thomas John Keller Jr. is a Non-Independent and Non-Executive Director of ICRA Limited. Mr. Keller is Managing Director and Head of both the MIS Commercial Group and Regional Management. As Head of the Commercial Group, Mr. Keller, drives MIS's sales and marketing efforts, product development and strategic initiatives. He manages all MIS commercial relationships with issuers seeking rating services, dedicated to aligning the services that Moody's delivers to the needs of the market, while providing effective and efficient customer service.

As Head of the Regional Management organization, he provides global leadership to advance, execute and communicate strategies across regions in which MIS operates. In this capacity, working closely with regional and country managers to enhance coordination and transparency, Mr. Keller leads business growth initiatives; planning, budgeting and regulatory monitoring outside the U.S.; and the management of Moody's global assets (people, products, offices, capabilities). In addition, he oversees the relationships with MIS non-Moody's-branded affiliates to manage risk exposure and enhance cooperation. He is also the executive sponsor of Moody's LGBTA Employee Resource Group and a board member of the Hetrick-Martin Institute.

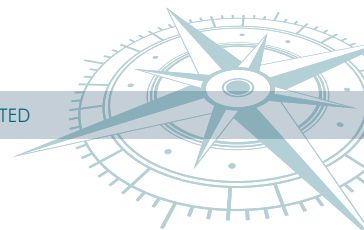
Prior to this current role, and in addition to managing the Regional Management organization, Mr. Keller was responsible for all activities related to Moody's sovereign ratings that included ensuring the quality of those ratings and providing the analytical leadership to serve investors and issuers through its research. Before that, beginning in 2007, Mr. Keller was the Managing Director for the Global Public, Project and Infrastructure Finance Group, responsible for MIS's globally consistent methodology in assessing credit risk for all levels of financing across the group's widening portfolio. Mr. Keller has also served as the Head of MIS Asia Pacific, broadly responsible for Moody's offices and ratings in the region, first as Managing Director of the Ratings Group and then as Representative Director of Moody's Japan.

Mr. Keller joined the company in 1992 as a Senior Analyst covering a broad range of sectors, including high-grade corporates, high-yield industrials and financial services. Prior to Moody's, he worked at Chemical Bank and Manufacturers Hanover Trust Company. He earned a B.B.A. from the University of Rhode Island and an M.B.A. from Iona College.



Ms. Farisa Zarin is a Non-Independent and Non-Executive Director of ICRA Limited. Ms. Zarin is the Managing Director MCO Global Head, Government and Public Affairs. Her responsibilities include global interaction with policy makers, and securities, bank and insurance regulators. During her tenure at Moody's, Ms. Zarin has held senior positions in the Credit Policy group and the Global Compliance group. She has also worked in the Moody's Sovereign Risk Unit on an adjunct basis, focusing mainly on the legal ramifications of sovereign defaults. Prior to joining Moody's, Ms. Zarin worked as an attorney at the following organizations: the United Nations Office of the Prosecutor, International War Crimes Courts; the United States Senate Judiciary Committee; and the American Bar Association's Central and Eastern European Law Initiative.

Ms. Zarin attended Oberlin College where she earned a B.A. in Economics and Psychology; University of Wisconsin where she earned a J.D. and was placed on the Dean's List; and the Instituto Universitario Europeo where she earned an LL.M. in comparative law. She is a recipient of a MacArthur Foundation Scholarship, was the 1997 Fulbright Committee's nominee for the OSCE Fellowship, and the United States candidate for the NATO Fellowship.



ICRA Board of Directors



Mr. Naresh Takkar is the Managing Director & Group CEO of ICRA. Prior to holding this position he was Joint Managing Director & Chief Rating Officer of ICRA. He is also a Non Executive Chairman of ICRA Online Limited and ICRA Nepal Limited and a Director on the Boards of ICRA Management Consulting Services Limited and ICRA Lanka Limited. He joined ICRA as an analyst in 1991. Before joining ICRA, he was with Tata Consultancy Services for three years in the System Consulting Division. Mr. Takkar is a Chartered Accountant from The Institute of Chartered Accountants of India and holds a Bachelor's Degree in Commerce from the University of Delhi.

Senior Management



Mr. Vivek Mathur
Executive Vice-President & Head
Rating Operations



Mr. L. Shivakumar
Executive Vice-President & Head
Institutional Corporate Group



Mr. Jayanta Chatterjee
Executive Vice-President &
Head Strategic and Emerging
Corporate Group



Mr. Vipul Agarwal
Group Chief Financial Officer



Mr. Anjan Deb Ghosh
Executive Vice-President & Chief
Rating Officer



Mr. Subrata Ray
Senior Group Vice-President



Mr. Amit Gupta
General Counsel



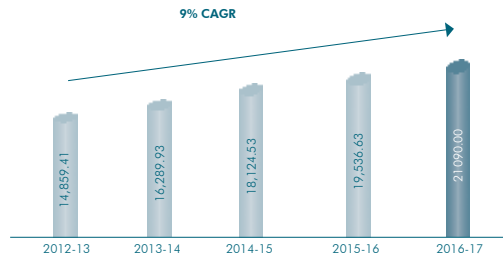
Ms. Preemita Singh
Group Human Resources Head



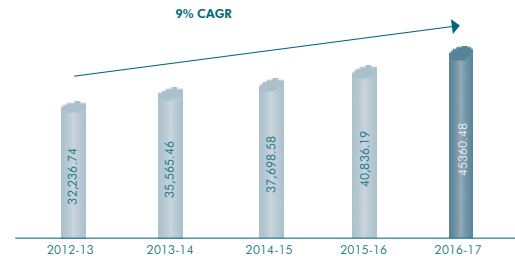
Mr. S. Shakeb Rahman
Company Secretary &
Compliance Officer

ICRA: Key trends

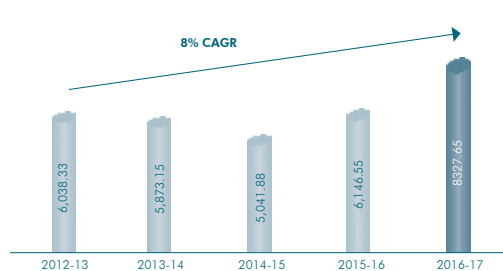
Trend in Operating Income (in Rs. lakh)



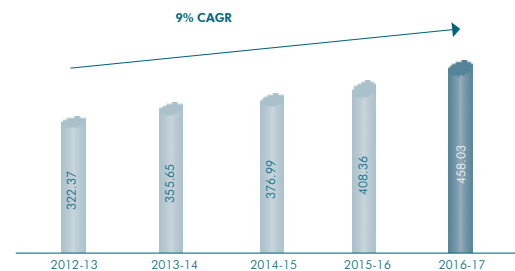
Trend in Net worth (in Rs. lakh)



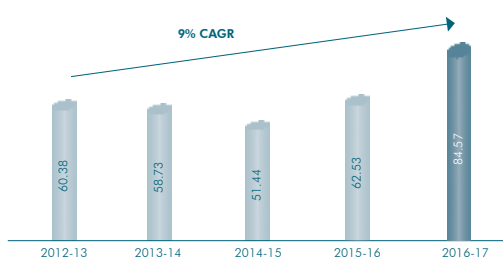
Trend in Profit after Tax (in Rs. lakh)



Trend in Book Value per Share (in Rs.)

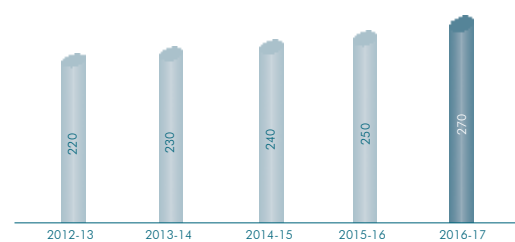


Trend in EPS (in Rs.)



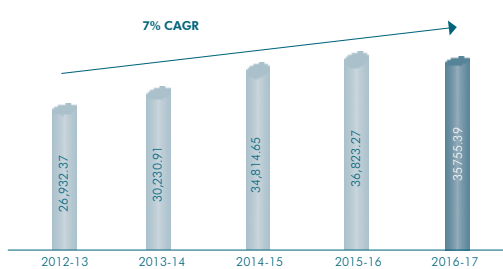
Trend in Dividend (%)

(Dividend for the year 2016-17 is subject to approval of Shareholders)

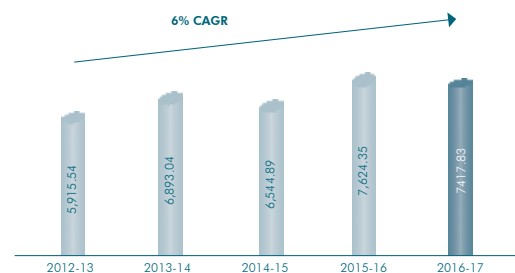


Group ICRA: Key trends

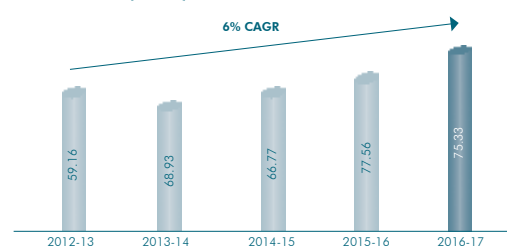
Trend in Total Income (in Rs. lakh)



Trend in Profit after Tax (after Minority Interest) (in Rs. lakh)



Trend in EPS (in Rs.)



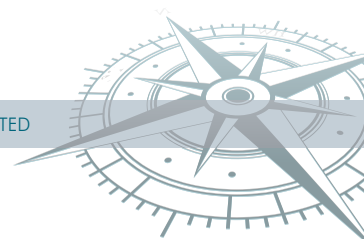
Financial Highlights of ICRA Limited

	Particulars	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Operating Income	6,069.53	8,872.80	10,616.39	12,930.51	13,936.08	14,859.41	16,289.93	18,124.53	19,536.63	21,090.00
2	Non-Operating Income	793.73	1,270.78	2,177.99	1,254.26	1,973.77	1,624.12	1,728.71	2,492.54	2,369.31	3,403.28
3	Total Income	6,863.26	10,143.58	12,794.38	14,184.77	15,909.85	16,483.53	18,018.64	20,617.07	21,905.94	24,493.28
4	PBDIT	3,967.27	5,443.74	7,606.80	7,083.74	7,762.39	7,498.60	8,437.01	9,898.97	10,109.57	11,565.23
5	Depreciation	(181.40)	(177.55)	(195.56)	(203.23)	(189.64)	(210.74)	(245.20)	(369.08)	(355.60)	(320.27)
6	Interest	-	-	-	-	-	-	-	-	-	-
7	Prior Period Adjustments	(0.50)	(0.24)	-	-	-	-	-	(764.82)	-	-
8	Exceptional Items	-	-	-	-	-	-	-	(1,151.95)	(345.52)	681.29
9	Profit Before Tax	3,785.37	5,265.95	7,411.24	6,880.51	7,572.75	7,287.86	8,191.81	7,613.12	9,408.45	11,926.25
10	Tax Provision	(1,119.51)	(1,650.85)	(2,410.87)	(2,389.15)	(2,482.77)	(1,249.53)	(2,318.66)	(2,571.24)	(3,261.90)	(3,598.60)
11	Profit After Tax	2,665.86	3,615.10	5,000.37	4,491.36	5,089.98	6,038.33	5,873.15	5,041.88	6,146.55	8,327.65
12	Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-
13	Equity Share Capital	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	990.33
14	Securities Premium	6,511.23	6,511.23	6,511.23	6,511.23	6,939.37	7,680.85	8,459.63	8,608.94	8,703.56	4,966.98
15	Net Worth	15,730.09	17,941.25	20,959.74	24,234.13	28,291.65	32,236.74	35,565.46	37,698.58	40,836.19	45,360.48
16	Dividend (%)	100%	120%	170%	170%	200%	220%	230%	240%	250%	270%
17	Basic Earnings Per Share (Rs.)	26.66	36.15	50.00	44.91	50.90	60.38	58.73	51.44	62.53	84.57
18	Book Value Per Share (Rs.)	157.30	179.41	209.60	242.34	282.92	322.37	355.65	376.99	408.36	458.03



Financial Highlights of Group ICRA

	Particulars	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Operating Income	9,945.17	13,581.95	16,232.08	19,302.91	20,746.17	25,141.06	28,296.22	32,191.42	34,115.48	33,303.44
2	Non-Operating Income	787.85	1,401.71	2,267.02	1,284.06	2,128.68	1,791.31	1,934.69	2,623.23	2,707.79	2,451.95
3	Total Income	10,733.02	14,983.66	18,499.10	20,586.97	22,874.85	26,932.37	30,230.91	34,814.65	36,823.27	35,755.39
4	PBDIT	4,422.02	6,057.36	8,340.64	7,850.35	8,382.95	7,687.48	10,473.51	12,516.88	12,812.66	12,538.67
5	Depreciation	(380.44)	(364.80)	(414.43)	(452.63)	(465.30)	(483.19)	(601.02)	(965.36)	(957.69)	(853.82)
6	Interest	(0.09)	(1.70)	(0.48)	(0.07)	(0.47)	-	(81.78)	(198.30)	(55.15)	-
7	Prior Period Adjustments (See Note)	(1.44)	(9.67)	0.29	-	-	-	-	(896.63)	-	-
8	Exceptional Items	-	-	-	-	-	-	-	(413.15)	-	-
9	Profit Before Tax	4,040.05	5,681.19	7,926.02	7,397.65	7,917.18	7,204.29	9,790.71	10,043.44	11,799.82	11,684.85
10	Tax Provision	(1,192.38)	(1,792.03)	(2,578.39)	(2,589.45)	(2,531.12)	(1,323.48)	(2,898.37)	(3,485.10)	(4,156.90)	(4,246.12)
11	Profit After Tax(after minority interest)	2,847.67	3,889.16	5,347.81	4,811.03	5,400.89	5,915.54	6,893.04	6,544.89	7,624.35	7,417.83
12	Prior Period Adjustments (See Note)	-	-	-	-	-	-	-	-	-	-
13	Equity Share Capital	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	990.33
14	Securities Premium	6,511.23	6,511.23	6,511.23	6,511.23	6,939.37	7,680.85	8,459.63	8,608.94	8,703.56	4,966.98
15	Net Worth	16,385.51	18,871.36	22,172.39	25,704.81	30,161.33	33,923.75	38,793.86	42,877.56	47,623.77	49,903.31
16	Basic Earnings Per Share (Rs.)	28.48	38.89	53.48	48.11	54.01	59.16	68.93	66.77	77.56	75.33
17	Book Value Per Share (Rs.)	163.86	188.71	221.72	257.05	301.61	339.24	387.94	428.78	476.24	503.91



Directors' Report

To The Members, ICRA Limited

Your Directors have the pleasure in presenting the 26th Annual Report of your Company along with the Audited Financial Statements for the year ended March 31, 2017.

Financial Performance

During its 26th year of operations, your Company has earned a Net Profit of Rs. 83.28 crore as against Rs. 61.46 crore during the previous year. Your Company's basic earning per share for the year ended March 31, 2017 was Rs. 84.57, as against Rs. 62.53 in the previous year. The financial results of your Company (standalone and consolidated) for the year ended March 31, 2017 are presented in the following tables.

Particulars	Standalone	
	2015-16 (Rs. crore)	2016-17 (Rs. crore)
Revenue from operations	193.89	209.22
Other operating income	1.47	1.68
Other income	23.69	34.03
Total revenue	219.05	244.93
Total expenditure	(121.52)	(132.48)
Profit before exceptional items and tax	97.53	112.45
Exceptional items	(3.45)	6.81
Profit before tax	94.08	119.26
Tax expense	(32.62)	(35.98)
Profit for the year	61.46	83.28

1 crore = 10 million

Particulars	Consolidated	
	2015-16 (Rs. crore)	2016-17 (Rs. crore)
Revenue from operations	339.76	331.33
Other operating income	1.39	1.70
Other income	27.08	24.52
Total revenue	368.23	357.55
Total expenditure	(250.24)	(240.70)
Profit before tax and minority interest	117.99	116.85
Profit from continuing operations before tax and minority interest	111.10	114.08
Tax expenses	(37.69)	(40.70)
Profit from continuing operations after tax and minority interest	73.41	73.38
Profit from discontinuing operations before tax	6.89	2.77
Tax expenses	(3.88)	(1.76)
Profit from discontinuing operations after tax	3.01	1.01
Profit after tax and before minority interest	76.42	74.39
Minority interest	0.18	0.21
Profit for the year	76.24	74.18

1 crore = 10 million

Directors' Report

Review of Operations

Rating Services

Market Overview

Growth in the economy in FY2017 continued to remain moderate as the recovery remained limited to sectors such as roads, metro rail and urban infrastructure, partly benefiting from higher capital spending by the Government of India (GoI). Moderate capacity utilisation, high leverage levels of some large corporate groups and weak asset quality of the banking system continued to delay a broad-based recovery in investment activity. The consumption boost that was expected in H2 FY2017 on account of the near-normal monsoon and the implementation of the Seventh Central Pay Commission's (SCPC's) recommendations, was temporarily affected by the note ban. The withdrawal of the legal tender status for the existing currency notes in the denominations of Rs. 500 and Rs. 1,000 from November 9, 2016, temporarily affected economic activity in some sectors.

The moderation in retail inflation, led the Reserve Bank of India (RBI) to reduce the benchmark repo rate by 50 basis points during FY2017. With faster transmission of monetary easing to the debt market, the trend of disintermediation continued, with a number of corporates accessing the domestic bond and commercial paper (CP) market.

Going ahead, the economic activity in FY2018 is expected to be favourably influenced by enhanced Government spending on rural infrastructure, affordable housing and transport, as well as tax concessions to support the MSME sector and the income tax payers in the lowest bracket. The expectation of a normal monsoon, moderate hikes in minimum support prices for various crops, and automatic stabilisers such as the rural employment guarantee scheme, would support rural consumption demand. Urban consumption would benefit from pay revision for state government employees and pensioners. A rise in capacity utilization to healthier levels would set the stage for a revival of private sector investments. While the transition to the Goods and Services Tax (GST) may lead to momentary disruption, the positive impact of this reform is likely to manifest by the end of the year.

While bank credit growth may revive modestly from the lows seen in FY2017, particularly for working capital financing, finer pricing may result in continued high growth of bond issuances. This, along with the implementation of various regulatory steps such as guidelines encouraging large borrowers to access a certain portion of their financing needs through the market mechanism, augur well for the domestic corporate bond market. The bank loan rating segment is expected to benefit, to some extent, from the higher risk weights for larger unrated bank exposures.

Corporate Sector

As in the previous years, the market for bank loan ratings remained sluggish in FY2017 too, with corporate credit growth continuing to be muted. With capacity utilisation levels in several industries remaining low and little pick up in investment demand, private capital expenditure did not show any meaningful recovery. The "twin balance sheet problem" also continued to weigh on the economy in general and credit growth in particular.

While the bond markets have been showing consistent growth over the last few years, a majority of the fund-raising has been carried out by financial sector entities. However, bond and CP issuances by corporate sector entities also witnessed robust growth. Additionally, the trend of SPVs in the infrastructure sector accessing the bond market to refinance bank loans continued during the year, albeit at a modest pace, by primarily road and power sector entities. Additionally, your Company was also involved in the issuer rating of two Infrastructure Investment Trusts (InvITs), formed under the Securities and Exchange Board of India (Sebi) InvIT Regulations 2014. InvIT is a mechanism that enables developers of infrastructure assets to monetise their assets by pooling multiple assets under a single entity (trust structure). Given the huge capital requirement by infrastructure players, this could be an attractive option for infrastructure developers to raise funds once the various market participants are comfortable with the new product.

With the availability of finer rates to raise funds, the commercial paper (CP) market continued to be active with better rated entities using the CP route to meet their funding requirements.

Financial Sector

Total domestic bond issuance by financial sector entities increased well in 2016-17, driven by higher volumes by banks as well as non-bank finance companies. With weak profitability and low valuation curbing their ability to raise sizeable equity, banks used the bond route instead to shore up their capital adequacy. Investor appetite for such bonds was supported by the higher spread over banks' deposits and other debt instruments. The issuance volumes were also partly aided by the relaxation provided by the regulator on servicing of these instruments. Given the sizeable capital requirements for banks as they fully adopt the Basel III regulations, your Company expects the issuance volumes to remain elevated over the medium term. The year also saw the commencement of operations of specialised banks, particularly, the small finance banks. Your Company has a strong presence in this segment.



Directors' Report

The non-banking finance companies (NBFCs) borrowed significantly from the debt market, which offered finer rates, amidst steady inflows into the mutual funds and insurance sectors during 2016-17, even as the alternative funding sources, like bank borrowings, continued to remain costlier. The challenges with the banking sector helped the NBFCs expand their activity while maintaining adequate profitability and asset quality metrics. Though the demonetisation of specified currency notes did have an adverse impact on the collection efficiencies, barring a few segments, most segments have shown adequate resilience. Your Company continued to expand its presence in this space by adding new clients and also rating the incremental debt requirements of existing clients.

The year under review also witnessed insurance companies issuing Tier II bonds to strengthen their regulatory solvency profile. Your Company has a major share of this segment.

Your Company also continued to expand its presence in the mutual funds space during the year under review by adding more clients to its portfolio of rated mutual fund houses and schemes.

Your Company continued to build on the social performance assessment (SPA) service, which seeks to measure the social performance of a microfinance institution (MFI) - analysing the manner in which the MFI oversees, manages and monitors its performance to achieve its social mission.

Structured Finance

During FY2017, the securitisation market continued the positive momentum witnessed in FY2016 with the issuance volume rising significantly over the previous fiscal year.

The predominant motive for banks—primarily domestic private sector banks and foreign banks—to invest in securitisation transactions and to acquire loan pools through bilateral assignment - continued to be the need to meet shortfalls in priority sector lending (PSL) targets. In FY2017, with more clarity and transparency on legacy tax issues and removal of the distribution tax on securitisation trusts, the investor base for securitisation transactions expanded further with mutual funds entering the market as investors.

Quarterly assessment of PSL targets for banks resulted in issuance volumes being spread throughout the year in FY2017. Prior to that, there was a rush for PSL assets in the second half of the fiscal year to meet the annual PSL targets. Return of mutual funds as an investor segment also resulted in some pickup in non-PSL securitisation volumes. However, the share of non-PSL transactions in the overall market continued to remain low. In FY2017, your Company rated the first securitisation transaction backed by trade receivables – a landmark transaction as it marked the return of banks as originators in securitisation transactions. Your Company continued to maintain its position as a thought leader and dominant Credit Rating Agency (CRA) in the structured finance segment.

Going forward, the extent of shortfall in PSL targets in the banking system and the availability of eligible assets with sellers are expected to be the key factors influencing securitisation issuance/assignment volumes. Opening up of the securitisation market for foreign portfolio investors also bodes well for the development of the securitisation market.

However, the emergence of priority sector lending certificates (PSLCs) as an alternate mode for banks to meet PSL targets, and any adverse impact of adoption of Indian Accounting Standards on the originators, could also hamper issuance volumes going forward.

Industry Research

Your Company has continued to strengthen its research offerings, covering a large number of sub-segments within the corporate sector and multiple sub-segments under the financial services and structured finance sectors. The research reports are well-appreciated for their in-depth analyses of industry-specific issues such as trends in demand-supply, the competitive landscape and credit trends, apart from their projection of the medium-to-long-term outlook. Being focussed and thematic, these reports have been well appreciated particularly by the senior management.

Besides the periodic off-the-shelf research publications, your Company's customised research offerings to meet the specific requirements of various clients have also been well appreciated. Your Company expects to be able to enhance the offerings under this service, leveraging its extensive knowledge base and research capabilities.

Franchise Development

Your Company continues to make significant efforts to enhance its visibility and reinforce its brand strength through seminars, conferences and media activities aimed at promoting market awareness, bridging the information gap, and recognising excellence.

During the year, in addition to several joint seminars with Moody's Investors Service (Moody's) to disseminate its views on developments in the domestic and global credit markets, your Company organised a bond market conference,

Directors' Report

involving panelists representing regulators, issuers and investors, which was very well received by the participants.

Further, your Company's periodic teleconferences, increasing use of research and sectoral reports, were all well appreciated. Apart from these, your Company has been able to attain a substantial share of voice in the media through regular releases voicing our opinion on contemporary issues.

On recognising excellence, your Company continues to power the *Financial Advisor Awards* along with CNBC-TV18, and the *India Pride Awards*, an initiative to recognise the superior performing public sector entities, with the Dainik Bhaskar Group. These awards are a subject of considerable pride for the winners.

Change in nature of business

During 2016-17, there was no change in the nature of business of your Company. However, your Company has sold its Kolkata-based wholly-owned subsidiary, which is engaged in information technology and business analytics services, to a global client base.

Subsidiary Companies (including step down subsidiaries)

At the beginning of the year 2016-17, your Company had 11 subsidiaries including five step-down subsidiaries.

During 2016-17, members of your Company had approved the sale of its entire shareholding in ICRA Techno Analytics Limited (now known as Nihilent Analytics Limited), then a wholly-owned subsidiary of the Company, inclusive of its four direct and indirect subsidiaries, to Nihilent Technologies Limited, which sale was consummated on October 7, 2016.

Additionally, in 2016-17, PT. ICRA Indonesia surrendered its rating licence and your Company initiated its liquidation proceedings.

There has been no material change in the nature of the business of the subsidiaries.

As of March 31, 2017, your Company had namely the following subsidiaries, including the step-down subsidiary:

Sl. No	Name of Subsidiary Companies	Category	Country of Incorporation
1.	ICRA Management Consulting Services Limited	Subsidiary	India
2.	Pragati Development Consulting Services Limited	Step-down subsidiary	India
3.	ICRA Online Limited	Subsidiary	India
4.	PT. ICRA Indonesia*	Subsidiary	Indonesia
5.	ICRA Lanka Limited	Subsidiary	Sri Lanka
6.	ICRA Nepal Limited	Subsidiary	Nepal

*liquidation initiated by the Company

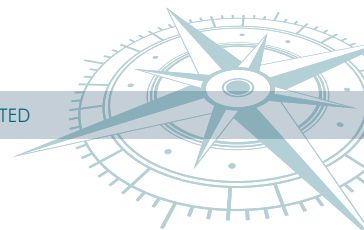
Highlights of performance of subsidiary companies and their contribution to the overall performance of the Company during the year 2016-17 are provided in the Management Discussion and Analysis Report.

The consolidated financial statements of Group ICRA, consisting of ICRA Limited, its subsidiaries, and step-down subsidiary, for the year 2016-17, which form a part of the Annual Report, are attached. The Auditors' Report on the consolidated financial statements is also attached. In compliance with the relevant provisions of the Companies Act, 2013, a statement containing the brief financial details in Form AOC-1 as per Rule 5 of the Companies (Accounts) Rules, 2014, of the said subsidiaries is annexed to the consolidated financial statements, prepared in accordance with the prescribed Accounting Standards.

As required under the provisions of Section 136 (1) of the Companies Act, 2013, the financial statements, including consolidated financial statements and other documents required to be attached thereto, have been uploaded on the Company's website, www.icra.in. Further, your Company has also uploaded on its website the audited financial statements of each subsidiary company.

Branches of the Company

Your Company operates its business from its offices in Delhi, Gurgaon, Mumbai, Kolkata, Chennai, Ahmedabad, Bengaluru, Hyderabad, and Pune.



Directors' Report

Board meetings held during the year

During the year, six meetings of the Board of Directors were held. The details of the meetings are furnished in the Corporate Governance Report attached as Annexure-III to this Report.

Human Resource Development & Training

Human resource development continued to be accorded high priority during the year under review, with emphasis being placed on improving skill, competence and knowledge through regular training and in-house/external professional development programmes. Learning opportunities are extended to employees across levels which also results in the overall improved performance of the Company. New joiners go through a systematic On-boarding program to equip them adequately with information and skills required to be purposeful at work.

ICRA believes in empowering and nurturing talent. Deserving employees, those who demonstrate high performance and potential are awarded challenging assignments and higher responsibilities. They are provided adequate training and coaching to prepare them towards the same.

The Company inspires its employees to be focused and result oriented. As part of the overall Talent strategy, company reviews succession plan towards critical positions, annually.

There is a harmonious relationship between the employees and the management of your Company. The consultative and participative management style of your Company has facilitated the achievement of its corporate goals. The employee morale has been high, resulting in a positive contribution to your Company's progress.

Employees Stock Option Scheme (ESOS)

Your Company has implemented the Employee Stock Option Scheme 2006 ("the Scheme") in accordance with the erstwhile Guidelines i.e. Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, and in conformity with the resolutions passed by the Members at the Annual General Meetings of the Company held on June 12, 2006, July 29, 2008, and August 12, 2011. Pursuant to the resolution passed by the Members at the Annual General Meeting held on June 12, 2006 for the grant of options, 9,06,000 equity shares amounting to 9.06% of the equity share capital of your Company have been issued to the ICRA Employees Welfare Trust ("Trust") for grant of options to the eligible option grantees. Upon completion of ten years, the Scheme has expired during 2016-17, but the expiry is unlikely to affect the granted options and the eligible employees will have the right to exercise till the expiry date of such options, with the expiry date of the last instalment of granted options being November 8, 2018. The options equivalent to 1,20,250 equity shares of your Company, remained unexercised in terms of the Scheme and are not subject to any grant or vesting to employees. These equity shares of the Company will continue to be held by the Trust and will be dealt with in accordance with the Scheme and the Securities and Exchange Board of India (Share-Based Employee Benefits) Regulations, 2014.

The disclosures in terms of Regulation 14 of the Securities and Exchange Board of India (Share-Based Employee Benefits) Regulations, 2014 read with Circular No CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India are available on the Company's website and the web-link for the same is [https://www.icra.in/InvestorRelation/ShowCorpGovernanceReport/?Id=27&Title=Corporate%20Governance&Report=Disclosures%20on%20ESOPs%20\(1\).pdf](https://www.icra.in/InvestorRelation/ShowCorpGovernanceReport/?Id=27&Title=Corporate%20Governance&Report=Disclosures%20on%20ESOPs%20(1).pdf). There were no material changes in the Scheme and the Scheme are in compliance with the Securities and Exchange Board of India (Share-Based Employee Benefits) Regulations, 2014. The Scheme is administered by the ESOS Compensation Committee of the Board of your Company and the ICRA Employees Welfare Trust.

Particulars of Employees

The disclosure under the provisions of Section 197(12) of the Companies Act, 2013, regarding the ratio of the remuneration of each Director to the median employee's remuneration and such other details as specified in Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Directors' Report (Annexure I). A statement showing the names of the top ten employees in terms of remuneration drawn and other particulars of the employees drawing remuneration in excess of limits set out in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as well as the names and other particulars of every employee covered under the rule are available at the registered office of the Company, and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee.

Having regard to the provisions of Section 136(1) of the Companies Act, 2013, the Directors' Report excluding the information provided in compliance with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is being sent to the members of the Company.

Directors' Report

Extract of the Annual Return

An extract of the Annual Return in Form No.MGT 9 as per Section 92(3) and Rule 12 of the Companies (Management and Administration) Rules, 2014, is annexed with this report (*Annexure II*).

Corporate Governance

The report of the Board of Directors of your Company on Corporate Governance is presented as a separate section (*Annexure III*) titled "Corporate Governance Report," which forms a part of the Annual Report. The composition of the Board, the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee, the Corporate Social Responsibility Committee and other Committees of the Board, the number of meetings of the Board and Committees of the Board, and other matters are presented in the Corporate Governance Report.

The certificate of the Statutory Auditors of your Company regarding compliance with the Corporate Governance requirements as stipulated in the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is annexed to the Directors' Report.

Management Discussion & Analysis

The Management Discussion and Analysis is annexed to the Annual Report (*Annexure IV*).

Insider Trading Regulations

Based on the requirements under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Code of Conduct for prevention of insider trading is in force in your Company. The Board of Directors of the Company has adopted the Code of Practises and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in compliance with Chapter IV of the said Regulations and the same has been uploaded on the Company website.

Material Changes and Commitments

No material changes and commitments that would affect the financial position of the Company have occurred between the end of the financial year to which the attached financial statements relate and the date of this report. Further, as per the disclosure required under Section 134 of the Companies Act, 2013 read with Rule 8(5) of Companies (Accounts) Rules, 2014, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

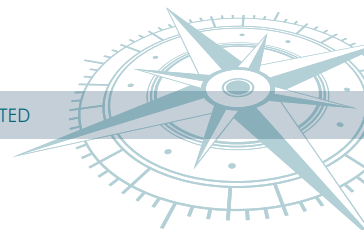
Buyback of Shares

During the year 2016-17, the Board of Directors of your Company at their meeting held on February 9, 2017, had approved the buyback of the Company's fully paid-up equity shares of the face value of Rs.10 each from its members/beneficial owners, other than those who are promoters or the persons in control of the Company and the promoter group, from the open market through stock exchange mechanism i.e. using the electronic trading facilities of the BSE Limited and the National Stock Exchange of India Limited, where the equity shares are listed in accordance and consonance with the provisions contained in the Companies Act, 2013 ("Act") and the provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 ("Buyback Regulations").

As prescribed under the Buyback Regulations and the Act, the buyback of your Company was for a total amount not exceeding Rs. 40.00 crores (Rupees Forty Crores Only) (the "Maximum Buy back Size"), and at a price not exceeding Rs. 4,500 (Rupees Four Thousand Five Hundred Only) per equity share (the "Maximum Buyback Price"), payable in cash.

The maximum buyback size represented 9.91% of the aggregate of the Company's paid-up equity share capital and free reserves based on the standalone audited financial statements of the Company as at March 31, 2016 (being the latest available audited financial statements of the Company). Further, since the maximum buyback size was less than 10% of the total paid-up equity share capital and free reserves of the Company, in accordance with the proviso to the Section 68(2)(b) of the Act, approval from the members of the Company was not necessary to be taken.

The buyback commenced from March 2, 2017 and closed on April 3, 2017. Till the date of closure of the buyback, the Company bought back 96,720 equity shares at an average price of Rs. 4,135.54 per equity share for a total consideration of Rs. 39,99,89,225/- (Rupees Thirty Nine Crore Ninety Nine Lakh Eighty Nine Thousand and Two Hundred Twenty Five Only) (excluding transaction costs), representing 99.997% of the total approved amount of Rs. 40.00 crores (Rupees Forty Crores Only) towards the buyback.



Directors' Report

The equity share capital of the Company before the buyback was 1,00,00,000 equity shares of Rs. 10 each and after extinguishment of 80,677 equity shares; the equity share capital of the Company was 99,19,323 equity shares of Rs. 10 each as on March 31, 2017.

Share Capital

As on March 31, 2017, in accordance with the buyback of equity shares, the Company's issued, subscribed and paid-up equity share capital, stood at Rs. 9,91,93,230 (Nine Crore Ninety One Lakh Ninety Three Thousand Two Hundred and Thirty Only) divided into 99,19,323 equity shares of Rs. 10/- each. Till the year ended March 31, 2017, the Company had extinguished 80,677 equity shares. Equity shares amounting to 16,043 were extinguished on April 5, 2017. Post extinguishment of all the equity shares bought back under the buyback, the issued, subscribed and paid-up equity share capital, stood at Rs. 9,90,32,800 (Nine Crore Ninety Lakh Thirty Two Thousand Eight Hundred Only) divided into 99,03,280 equity shares of Rs. 10/- each.

Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings and Expenditure

As your Company is not engaged in any manufacturing activity, the particulars relating to conservation of energy and technology absorption, as mentioned in the Companies (Accounts) Rules, 2014, are not applicable to it. However, emphasis is placed on employing techniques that result in the conservation of energy. Details on the foreign exchange earnings and expenditure of your Company appear in the notes to the financial statements.

Directors and Key Managerial Personnel

During 2016-17, Mr. Robert Scott Fauber, Non-Executive, Non-Independent Director of your Company resigned from the Board of your Company. The resignation of Mr. Fauber was effective from June 14, 2016. The Board placed on record its deep appreciation of the valuable advice and guidance provided by Mr. Fauber throughout his tenure with your Company.

During the year under review, the Board of your Company appointed Ms. Farisa Zarin as Additional Director with effect from June 15, 2016 under the category of Non-Executive, Non-Independent Director. Further, the members of your Company at the Annual General Meeting held on August 11, 2016 approved the appointment of Ms. Zarin as Non-Executive, Non-Independent Director of your Company.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, and the Articles of Association of your Company, Mr. Simon Richard Hastilow is due to retire by rotation, and being eligible, has offered himself for reappointment.

Proposals for the above appointment forms a part of the Agenda for the forthcoming Annual General Meeting and the resolution is recommended for your approval. The profile of Mr. Simon Richard Hastilow is presented in the Notice of the 26th Annual General Meeting, as required under the Companies Act, 2013, and the Listing Regulations.

Independent Directors' Declaration

As required under Section 149(7) of the Companies Act, 2013 read with Schedule IV of Companies Act 2013, the Company has received a confirmation/declaration from each of the Independent Directors stating that they meet the criteria of independence. The following Non-Executive Directors of the Company are independent in terms of Section 149(6) of the Companies Act, 2013, and the Listing Regulations:

1. Mr. Arun Duggal
2. Ms. Ranjana Agarwal
3. Ms. Radhika Vijay Haribhakti

Directors' Responsibility Statement

As required under the provisions contained in Section 134 of the Companies Act, 2013, your Directors hereby confirm that:

- (i) in the preparation of the Annual Accounts for the year ended March 31, 2017, the applicable accounting standards have been followed and there are no material departures from the same;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that year;

Directors' Report

- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (iv) the Directors had prepared the Annual Accounts on a going concern basis;
- (v) the Directors had laid down the internal financial controls followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Policy on Directors' Appointment

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skill and experience that are required of the members of the Board. The members of the Board should possess the expertise, skills and experience needed to manage and guide the Company in the right direction and to create value for all stakeholders. The members of the Board will need to consist of eminent persons of proven competency and integrity with an established track record. Besides having financial literacy, experience, leadership qualities and the ability to think strategically, the members of the Board of Directors are required to have a significant degree of commitment to the Company and should devote adequate time in preparing for the Board meeting and attending the same. Members of the Board of Directors are required to possess the education, expertise, skills and experience in various sectors and industries needed to manage and guide the Company. The members of the Board are required to look at strategic planning and policy formulations.

The members of the Board should not be related to any executive or independent director of the Company or any of its subsidiaries. They are not expected to hold any executive or independent positions in any entity that is in direct competition with the Company. Board members are expected to attend and participate in the meetings of the Board and its Committees, as relevant. They are also expected to ensure that their other commitments do not interfere with the responsibilities they have by virtue of being a member of the Board of the Company. While reappointing Directors on the Board and Committees of the Board, the contribution and attendance record of the Director concerned shall be considered in respect of such reappointment. The Independent Directors shall hold office as a member of the Board for a maximum term as per the provisions of the Companies Act, 2013, and the Listing Regulations. The appointment of Directors shall be formalised through a letter of appointment.

The Executive Directors with the prior approval of the Board may serve on the Board of any other entity if there is no conflict of interest with the business of the Company.

Board and Directors Performance Evaluation

The Board of Directors of the Company, based on the recommendations of the Nomination and Remuneration Committee, has formulated a Board and Director Performance Evaluation Policy, thereby setting out the performance evaluation criteria for the Board and its Committees and each Directors' performance, including the Chairman of the Company.

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has carried out an internal evaluation of its own performance, its committees, independent directors, individual directors, including the Chairman. The exercise of performance evaluation was led by the Chairman of the Company along with the chairperson of the Nomination and Remuneration Committee of the Board.

During 2016-17, the Board devised a process to get anonymous feedback on the functioning and performance of the Board as a whole, the chairperson of the Board, the individual directors, and every committee of the Board.

The results of the feedback were discussed with the Board and its respective committees. Individual feedback was shared by the Chairman with each Board member separately.

The Board of Directors of the Company believes that the effectiveness of its governance framework can continue to be improved through periodic evaluation of the functioning of the Board as a whole, its committees and individual directors' performance evaluation.

Auditors

M/s. B S R & Co. LLP, Chartered Accountants, were appointed as Statutory Auditors of your Company, at the 24th Annual General Meeting to hold office until the conclusion of the 28th Annual General Meeting, subject to ratification in each Annual General Meeting. The Company has received their written consent and a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013, and that the appointment, if ratified, shall



Directors' Report

be in accordance with the applicable provisions of the Companies Act, 2013, and the Rules framed thereunder. The Board of Directors, in terms of Section 139 of the Companies Act, 2013, on the recommendation of the Audit Committee, has recommended ratification of appointment of M/s B S R & Co. LLP, Chartered Accountants as the Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of 27th Annual General Meeting of the Company.

Comments on Auditors' Report

The notes to the financial statements referred to in the Auditors' Report are self explanatory and do not call for any further comments.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

Secretarial Audit

The Board of Directors of the Company has appointed M/s. Y.J. Basrar & Co., Company Secretaries (Membership No. FCS 2754), as the Secretarial Auditor of the Company for the financial year 2016-17 in terms of Section 204 of the Companies Act, 2013. The Secretarial Audit Report for financial year 2016-17 has been annexed to this Report (Annexure V). The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

Transfer to Reserves

Your Company proposes not to transfer amount to the General Reserve.

Dividend

The Board of Directors recommends for approval of the Members at the forthcoming Annual General Meeting, payment of dividend of Rs. 27 per Equity Share for the financial year ended March 31, 2017. If the members approve the dividend at the forthcoming Annual General Meeting, the dividend shall be paid to: (i) all those members whose names appear in the Register of Members as on July 31, 2017; and (ii) all those members whose names appear on that date as beneficial owners as furnished by National Securities Depository Limited and Central Depository Services (India) Limited.

Dividend Distribution Policy

Your Company has formulated a Dividend Distribution Policy ('the Policy') pursuant to Regulation 43A of the Listing Regulations. The objective of the Policy is to maintain stability in the dividend payout of the Company, subject to the applicable laws and to ensure a regular dividend income for the members and long term capital appreciation for all stakeholders of the Company.

Your Company would ensure to strike the right balance between the quantum of dividend paid and the amount of profits retained in the business for various purposes. The Board of Directors refers to this Policy while declaring/recommending dividends on behalf of the Company. Through this Policy, the Company would try to maintain a consistent approach to dividend pay-out plans, subject to the applicable laws. The Policy has been annexed to this report (Annexure VI) and also uploaded on the website of the Company, www.icra.in.

Transfer to Investor Education and Protection Fund

The Company sends reminder letters to all members whose dividends are unclaimed so as to ensure that they receive their rightful dues. Your Company has also uploaded on its website, www.icra.in, information regarding unpaid/unclaimed dividend amounts lying with your Company.

During 2016-17, the unclaimed dividend amount of Rs. 85,812 towards the unpaid dividend account of the Company for the financial year 2008-09 was transferred to Investor Education and Protection Fund. The said amounts had remained unclaimed for seven years, despite reminder letters having been sent to each of the members concerned.

Pursuant to Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and its amendment Rules, 2017 all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the demat account of Investor Education and Protection Fund ("IEPF") Authority (the "Authority") within a period of thirty days of such shares becoming due to be transferred to the IEPF as per the procedure mentioned in the said Rules. The Company shall transfer/credit such shares to the demat account of the Authority and in terms of the said Rules all benefits accruing on such shares viz. bonus shares, split, consolidation, fraction shares etc. except the right issue shall also be credited to such demat account.

Directors' Report

The list containing the names of members and their folio no. or DP ID and Client ID whose shares are due to transfer to the demat account of the authority has been uploaded on the Company's website viz. www.icra.in.

Pursuant to the said Rules, advertisements have been published in newspapers and individual notices were sent to the members whose equity shares are liable to be transferred to the IEPF Suspense Account. The Company had requested them to encash their unclaimed dividends since financial year 2008-09 as the same remained unclaimed for seven consecutive years.

Members may note that unclaimed dividend and shares transferred to IEPF Suspense Account can be claimed back by them from IEPF Authority by following the procedure mentioned in the said Rules.

Risk Management Policy

Your Company has formulated a risk management policy to ensure that every effort is made to manage risk appropriately so as to maximise potential opportunities and minimize the adverse effects of risk. The Board and the Audit Committee monitor and review the risk management plan.

Internal Control System and their Adequacy

Your Company has an internal control system, commensurate with its size, nature of its business and complexities of its operations. The Board of Directors of your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of your Company's business. The Board of Directors of your Company has laid down Internal Financial Controls to provide reasonable assurance with regard to recording and providing reliable financial and operational information, adherence to the Company's policies, safeguarding of assets and prevention and detection of frauds and errors, the accuracy and completeness of accounting records and timely preparation of reliable information. The Board and the Audit Committee regularly evaluate internal financial controls.

Corporate Social Responsibility

Your Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The CSR policy has been devised on the basis of the recommendations made by the CSR Committee. The composition of the CSR Committee, the CSR policy of the Company, details about the development and implementation of the CSR policy and initiatives taken by the Company during the year as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, have been annexed to this report (*Annexure VII*).

Business Responsibility Report

Your Company, in accordance with the provisions of Regulation 34(2)(f) of the Listing Regulations has prepared a Business Responsibility Report for the year 2016-17. The Business Responsibility Report describes the initiatives taken by the Company from environmental, social and governance perspective. The Business Responsibility Report has been annexed to this report (*Annexure VIII*) and forms a part of the Directors' Report.

Particulars of Contracts or Arrangements with Related Parties

Your Company has entered into contracts or arrangements with its related parties. The related-party transactions are disclosed in the financial statements for the year ended March 31, 2017. There have been no material-related party transactions as per Section 188(1) of the Companies Act, 2013 and as per Regulation 23 of the Listing Regulations, and the required disclosures of information in Form AOC-2 in terms of Section 188 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, are annexed to this report (*Annexure IX*).

Policy on Prohibition, Prevention and Redressal of Sexual Harassment

Your Company has formulated a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013. The Company has constituted separately for all the branches "Internal Committee" for prevention and redressal of sexual harassment at workplace. The Company has not received any complaint.

Deposits

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

Particulars of Loans, Guarantees and Investments

The particulars of loans, guarantees and investments are disclosed in the financial statements for the year ended March 31, 2017.



Directors' Report

Vigil Mechanism/Whistle-Blower Policy

Your Company has established a vigil mechanism in compliance with the provisions of Section 177 (9) of the Companies Act, 2013, and Regulation of the Listing Regulations. Your Company has adopted a Whistle Blower Policy for reporting of unethical/illegal/improper behaviour. The said whistle-blower policy also provides for adequate safeguards against victimisation of persons who use such vigil mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. Further, no stakeholders have denied access to the Audit Committee.

Composition of the Audit of Committee

Your Company has constituted an Audit Committee, the composition of which has been provided in the Corporate Governance Report. During the financial year 2016-17, the Board accepted all the recommendations of the Audit Committee.

Litigations

During the year 2016-17 there were no litigations against the Company.

Acknowledgements

Your Directors acknowledge the cooperation and assistance received from various institutions, Government agencies, members and professionals from different disciplines.

Your Directors also wish to place on record their appreciation of the contribution made by the members of staff of your Company.

For and on behalf of the Board of Directors

Place: Gurgaon
Date: May 11, 2017

(Arun Duggal)
Chairman
DIN: 00024262

Annexure I

Information as per Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) **Ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial year 2016-17 and the percentage increase in remuneration of each Director, and Key Managerial Personnel during the financial year 2016-17:**

Name of the Director/Key Managerial Personnel	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in remuneration
Mr. Arun Duggal	Independent Director	1.66:1	No increase
Ms. Ranjana Agarwal	Independent Director	1.25:1	No increase
Ms. Radhika Vijay Haribhakti	Independent Director	1.25:1	No increase
Dr. Min Ye	Non- Executive and Non-Independent Director	Not Applicable ¹	Not Applicable ¹
Mr. Simon Richard Hastilow	Non- Executive and Non-Independent Director	Not Applicable ¹	Not Applicable ¹
Mr. Robert Scott Fauber*	Non- Executive and Non-Independent Director	Not Applicable ¹	Not Applicable ¹
Mr. Thomas John Keller Jr.	Non- Executive and Non-Independent Director	Not Applicable ¹	Not Applicable ¹
Ms. Farisa Zarin ⁵	Non- Executive and Non-Independent Director	Not Applicable ¹	Not Applicable ¹
Mr. Naresh Takkar	Managing Director & Group CEO	31.22:1	8.11%
Mr. Vipul Agarwal	Group Chief Financial Officer	–	Not Applicable ²
Mr. Amit Gupta	General Counsel	–	Not Applicable ³
Mr. S. Shakeb Rahman	Company Secretary	–	68.4%

* Ceased to be a Director with from June 14, 2016.

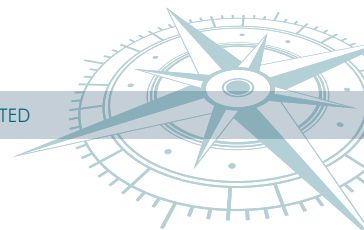
⁵ Appointed as a Director with effect from June 15, 2016.

¹ Non-Executive Non Independent Directors have waived sitting fees and also waived commission payable to them for the financial year 2016-17.

² Appointed Key Managerial Personnel with effect from May 22, 2015, the remuneration for 2015-16 and 2016-17 are not comparable.

³ Appointed Key Managerial Personnel with effect from August 14, 2015, the remuneration for 2015-16 and 2016-17 are not comparable.

- (ii) The percentage increase in the median remuneration of employees for the financial year 2016-17 was 12.3%.
- (iii) The number of permanent employees on the rolls of the Company as of March 31, 2017 was 407.
- (iv) Average percentage increase made in the salaries of employees other than the managerial personnel (including KMP) in the financial year was 9.8% whereas the increase in the managerial remuneration was 8.11%. The average increases every year is an outcome of Company's market competitiveness as against its peer group companies.
- (v) The remuneration paid during the financial year 2016-17 is as per the Remuneration Policy of the Company.



Annexure II

Form No. MGT-9

Extract of Annual Return as on the financial year ended on March 31, 2017 [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L74999DL1991PLC042749
2.	Registration Date	16/01/1991
3.	Name of the Company	ICRA Limited
4.	Category/Sub-Category	Public Company
5.	Address of the Registered office and contact details	1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi – 110001 Tel.: +91.11.23357940-45 Fax: +91.11.23357945 Fax: +91.11.23357945 Email Id: investors@icraindia.com
6.	Whether listed company	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any:	M/s. Link Intime India Private Limited, 44 Community Centre, 2nd Floor, Naraina Industrial Area, Phase I, Near PVR, Naraina, New Delhi—110028, Tel: +91.11.4141 0592 Fax: +91.11.4141 0591 Email Id: delhi@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The business activities contributing 10% or more of the total turnover of the company are:-

Sl. No.	Name and Description of main products/ services	NIC Code of the product/service	% of total turnover of the company
1.	Rating/Grading Services	66190	99.20

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	ICRA Management Consulting Services Limited 1105, 11th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi 100 001, India	U74140DL2004PLC131454	Subsidiary	100	2(87)
2.	ICRA Online Limited Infinity Benchmark, 17th Floor, Plot -G1, Block-GP, Sector-V, Salt Lake Kolkata, West Bengal-700091 India	U72900WB1999PLC109180	Subsidiary	100	2(87)

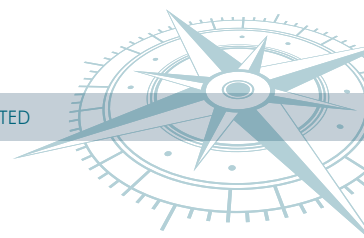
3.	PT ICRA Indonesia Menara Rajawali 6th Floor Podium, Jl DR ide Anak Agung Gde Agung Lot #51.1 Jakarta Selatan 12950 Indonesia	NA	Subsidiary	99	2(87)
4.	ICRA Lanka Limited 10-02, East Tower, World Trade Center, Colombo 1, Sri Lanka	NA	Subsidiary	100	2(87)
5.	ICRA Nepal Limited Sunrise Bizz Park, 6th Floor, Dillibazar, Kathmandu-33, Nepal	NA	Subsidiary	51	2(87)
6.	Pragati Development Consulting Services Limited 1105, 11th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi 100 001, India	U74140DL2011PLC213174	Subsidiary	100	2(87)

Notes:

The entire shareholding in ICRA Techno Analytics Limited (now known as Nihilent Analytics Limited), then wholly owned subsidiary of your Company, was sold to Nihilent Technologies Limited with effect from October 7, 2016.

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

Sl. No.	Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	0	0	0	0	0	0	0	0	0
(b)	Central Government / State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)									
	Bodies Corporate	2850900	0	2850900	28.509	2850900	0	2850900	28.7409	0.2319
	Sub Total (A)(1)	2850900	0	2850900	28.509	2850900	0	2850900	28.7409	0.2319
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b)	Government	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	Bodies Corporate	2154722	0	2154722	21.5472	2154722	0	2154722	21.7225	0.1753
	Sub Total (A)(2)	2154722	0	2154722	21.5472	2154722	0	2154722	21.7225	0.1753
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	5005622	0	5005622	50.0562	5005622	0	5005622	50.4633	0.4071
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	1000713	0	1000713	10.0071	999329	0	999329	10.0746	0.0675
(b)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(c)	Alternate Investment Funds	0	0	0	0	0	0	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(e)	Foreign Portfolio Investor	873745	0	873745	8.7375	867596	0	867596	8.7465	0.009
(f)	Financial Institutions / Banks	524543	0	524543	5.2454	570646	0	570646	5.7529	0.5075



Sl. No.	Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(g)	Insurance Companies	1191740	0	1191740	11.9174	1191740	0	1191740	12.0143	0.0969
(h)	Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0.0000	0
(i)	Any Other (Specify)									
	Sub Total (B)(1)	3590741	0	3590741	35.9074	3629311	0	3629311	36.5883	0.6809
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0	0	0	0	0	0
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	583958	1521	585479	5.8548	546661	1563	548224	5.5268	-0.328
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	157111	0	157111	1.5711	131822	0	131822	1.3289	-0.2422
(b)	NBFCs registered with RBI	0	0	0	0	0	0	0	0	0
(c)	Employee Trusts	0	0	0	0	0	0	0	0	0
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	Trusts	3023	0	3023	0.0302	3023	0	3023	0.0305	0.0003
	Hindu Undivided Family	31761	0	31761	0.3176	22359	0	22359	0.2254	-0.0922
	Non Resident Indians (Non Repat)	21173	0	21173	0.2117	51655	0	51655	0.5208	0.3091
	Non Resident Indians (Repat)	27300	0	27300	0.273	24738	0	24738	0.2494	-0.0236
	Clearing Member	6162	0	6162	0.0616	14465	0	14465	0.1458	0.0842
	Bodies Corporate	407961	0	407961	4.0796	348509	0	348509	3.5134	-0.5662
	Sub Total (B)(3)	1238449	1521	1239970	12.3997	1143232	1563	1144795	11.5411	-0.8586
	Total Public	4829190	1521	4830711	48.3071	4772543	1563	4774106	48.1294	-0.1777
	Shareholding(B)=(B)(1)+(B)(2)+(B)(3)									
	Total (A) + (B)	9834812	1521	9836333	98.3633	9778165	1563	9779728	98.5927	0.2294
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0	0	0	0	0	0
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	163667	0	163667	1.6367	139595	0	139595	1.4073	-0.2294
	Total (A) + (B) + (C)	9998479	1521	10000000	100	9917760	1563	9919323	100	

Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1.	Moody's Investment Company India Private Limited	28,50,900	28.51	Nil	28,50,900	28.7409	Nil	0.2309
2.	Moody's Singapore Pte Ltd	21,54,722	21.55	Nil	21,54,722	21.7225	Nil	0.1725
	Total	50,05,622	50.06	Nil	50,05,622	50.4634	Nil	0.4033

Change in Promoters' Shareholding:

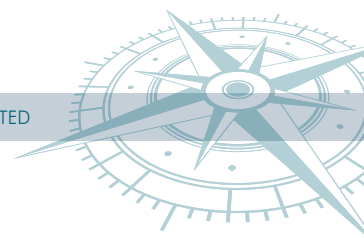
Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company*
1.	Moody's Investment Company India Private Limited				
	At the beginning of the year	28,50,900	28.51	28,50,900	28.7409
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	Nil	NA	Nil	NA
	At the end of the year	28,50,900	28.7409	28,50,900	28.7409
2.	Moody's Singapore Pte Ltd				
	At the beginning of the year	21,54,722	21.55	21,54,722	21.7225

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company*
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	Nil	NA	Nil	NA
	At the end of the year	21,54,722	21.7225	21,54,722	21.7225

*As on March 31, 2016 the Company had a paid up share capital of 1,00,00,000 equity shares of Rs. 10 each. Till March 31, 2017, the Company has bought back 96,720 equity shares out of which 80,677 equity shares have been extinguished, the Company has extinguished the balance of 16,043 equity shares after March 31, 2017. The total share capital of the Company was 99,19,323 equity shares of Rs. 10 each. Change in shareholding percentage was due to change in total number of shares of the Company

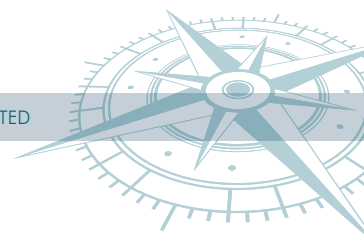
Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of Shares held	% of total shares of the company	Date of transaction	No. of Shares	No. of Shares held	% of total shares of the company
1	BIRLA SUN LIFE TRUSTEE COMPANY PRIVATE LIMITED A/C BIRLA SUN LIFE MNC FUND	848164	8.5506			848164	8.5506
	Transfer			08 Apr 2016	1656	849820	8.5673
	Transfer			15 Apr 2016	1017	850837	8.5776
	Transfer			22 Apr 2016	630	851467	8.5839
	Transfer			29 Apr 2016	2675	854142	8.6109
	Transfer			06 May 2016	324	854466	8.6142
	Transfer			13 May 2016	654	855120	8.6207
	Transfer			20 May 2016	601	855721	8.6268
	Transfer			27 May 2016	927	856648	8.6362
	Transfer			03 Jun 2016	1120	857768	8.6474
	Transfer			10 Jun 2016	1368	859136	8.6612
	Transfer			17 Jun 2016	1503	860639	8.6764
	Transfer			24 Jun 2016	1755	862394	8.6941
	Transfer			30 Jun 2016	1827	864221	8.7125
	Transfer			01 Jul 2016	405	864626	8.7166
	Transfer			08 Jul 2016	981	865607	8.7265
	Transfer			15 Jul 2016	1846	867453	8.7451
	Transfer			22 Jul 2016	1431	868884	8.7595
	Transfer			29 Jul 2016	1215	870099	8.7718
	Transfer			05 Aug 2016	1188	871287	8.7837
	Transfer			12 Aug 2016	945	872232	8.7933
	Transfer			19 Aug 2016	1053	873285	8.8039
	Transfer			26 Aug 2016	540	873825	8.8093
	Transfer			02 Sep 2016	486	874311	8.8142
	Transfer			09 Sep 2016	306	874617	8.8173
	Transfer			16 Sep 2016	306	874923	8.8204
	Transfer			23 Sep 2016	522	875445	8.8257
	Transfer			30 Sep 2016	756	876201	8.8333
	Transfer			07 Oct 2016	2088	878289	8.8543



Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of Shares held	% of total shares of the company	Date of transaction	No. of Shares	No. of Shares held	% of total shares of the company
	Transfer			14 Oct 2016	720	879009	8.8616
	Transfer			21 Oct 2016	979	879988	8.8715
	Transfer			28 Oct 2016	891	880879	8.8804
	Transfer			04 Nov 2016	567	881446	8.8862
	Transfer			11 Nov 2016	2007	883453	8.9064
	Transfer			18 Nov 2016	1584	885037	8.9224
	Transfer			25 Nov 2016	3079	888116	8.9534
	Transfer			02 Dec 2016	1584	889700	8.9694
	Transfer			09 Dec 2016	1422	891122	8.9837
	Transfer			16 Dec 2016	2070	893192	9.0046
	Transfer			23 Dec 2016	1620	894812	9.0209
	Transfer			30 Dec 2016	1962	896774	9.0407
	Transfer			06 Jan 2017	3681	900455	9.0778
	Transfer			13 Jan 2017	1494	901949	9.0928
	Transfer			20 Jan 2017	1222	903171	9.1052
	Transfer			27 Jan 2017	720	903891	9.1124
	Transfer			03 Feb 2017	999	904890	9.1225
	Transfer			10 Feb 2017	900	905790	9.1316
	Transfer			17 Feb 2017	675	906465	9.1384
	Transfer			24 Feb 2017	819	907284	9.1466
	Transfer			03 Mar 2017	657	907941	9.1533
	Transfer			10 Mar 2017	486	908427	9.1582
	Transfer			17 Mar 2017	630	909057	9.1645
	Transfer			24 Mar 2017	675	909732	9.1713
	Transfer			31 Mar 2017	(2340)	907392	9.1477
	AT THE END OF THE YEAR					907392	9.1477
2	LIFE INSURANCE CORPORATION OF INDIA	668741	6.7418			668741	6.7418
	AT THE END OF THE YEAR					668741	6.7418
3	GENERAL INSURANCE CORPORATION OF INDIA	522999	5.2725			522999	5.2725
	AT THE END OF THE YEAR					522999	5.2725
4	PUNJAB NATIONAL BANK	425268	4.2873			425268	4.2873
	AT THE END OF THE YEAR					425268	4.2873
5	FRANKLIN TEMPLETON INVESTMENT FUNDS	0	0.0000			0	0.0000
	Transfer			30 Sep 2016	21800	21800	0.2198
	Transfer			21 Oct 2016	104729	126529	1.2756
	Transfer			02 Dec 2016	8100	134629	1.3572
	Transfer			30 Dec 2016	157700	292329	2.9471
	Transfer			06 Jan 2017	8600	300929	3.0338
	AT THE END OF THE YEAR					300929	3.0338
6	SMALLCAP WORLD FUND, INC	295325	2.9773			295325	2.9773
	Transfer			20 May 2016	(3884)	291441	2.9381
	Transfer			27 May 2016	(177)	291264	2.9363
	AT THE END OF THE YEAR					291264	2.9363

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of Shares held	% of total shares of the company	Date of transaction	No. of Shares	No. of Shares held	% of total shares of the company
7	ICRA EMPLOYEES WELFARE TRUST	163667	1.6500			163667	1.6500
	Transfer			10 Jun 2016	(90)	163577	1.6491
	Transfer			08 Jul 2016	(100)	163477	1.6481
	Transfer			15 Jul 2016	(300)	163177	1.6450
	Transfer			12 Aug 2016	(150)	163027	1.6435
	Transfer			26 Aug 2016	(8750)	154277	1.5553
	Transfer			02 Sep 2016	(1906)	152371	1.5361
	Transfer			23 Sep 2016	(400)	151971	1.5321
	Transfer			07 Oct 2016	(2000)	149971	1.5119
	Transfer			14 Oct 2016	(120)	149851	1.5107
	Transfer			04 Nov 2016	(1240)	148611	1.4982
	Transfer			11 Nov 2016	(1388)	147223	1.4842
	Transfer			18 Nov 2016	(3135)	144088	1.4526
	Transfer			25 Nov 2016	(948)	143140	1.4430
	Transfer			16 Dec 2016	(605)	142535	1.4369
	Transfer			30 Dec 2016	(70)	142465	1.4362
	Transfer			10 Feb 2017	(440)	142025	1.4318
	Transfer			03 Mar 2017	(430)	141595	1.4275
	Transfer			24 Mar 2017	(2000)	139595	1.4073
	AT THE END OF THE YEAR					139595	1.4073
8	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	159866	1.6117			159866	1.6117
	Transfer			08 Apr 2016	798	160664	1.6197
	Transfer			13 May 2016	106	160770	1.6208
	Transfer			20 May 2016	328	161098	1.6241
	Transfer			27 May 2016	(568)	160530	1.6184
	Transfer			17 Jun 2016	93	160623	1.6193
	Transfer			24 Jun 2016	429	161052	1.6236
	Transfer			30 Jun 2016	(10007)	151045	1.5227
	Transfer			01 Jul 2016	130	151175	1.5240
	Transfer			08 Jul 2016	169	151344	1.5257
	Transfer			22 Jul 2016	317	151661	1.5289
	Transfer			05 Aug 2016	7566	159227	1.6052
	Transfer			12 Aug 2016	7435	166662	1.6802
	Transfer			19 Aug 2016	1020	167682	1.6905
	Transfer			26 Aug 2016	980	168662	1.7003
	Transfer			02 Sep 2016	(8526)	160136	1.6144
	Transfer			09 Sep 2016	(53779)	106357	1.0722
	Transfer			23 Sep 2016	(131)	106226	1.0709
	Transfer			02 Dec 2016	382	106608	1.0748
	Transfer			09 Dec 2016	150	106758	1.0763
	Transfer			16 Dec 2016	50	106808	1.0768
	Transfer			30 Dec 2016	14	106822	1.0769
	Transfer			06 Jan 2017	1457	108279	1.0916
	Transfer			13 Jan 2017	389	108668	1.0955



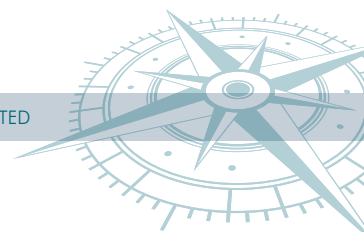
Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of Shares held	% of total shares of the company	Date of transaction	No. of Shares	No. of Shares held	% of total shares of the company
	Transfer			20 Jan 2017	1486	110154	1.1105
	Transfer			27 Jan 2017	859	111013	1.1192
	Transfer			03 Feb 2017	328	111341	1.1225
	Transfer			24 Feb 2017	1376	112717	1.1363
	Transfer			24 Mar 2017	150	112867	1.1378
	Transfer			31 Mar 2017	541	113408	1.1433
	AT THE END OF THE YEAR					113408	1.1433
9	M3 INVESTMENT PRIVATE LIMITED	94660	0.9543			94660	0.9543
	AT THE END OF THE YEAR					94660	0.9543
10	MONDRIAN EMERGING MARKETS SMALL CAP EQUITY FUND,L.P.	121643	1.2263			121643	1.2263
	Transfer			08 Apr 2016	622	122265	1.2326
	Transfer			15 Apr 2016	11039	133304	1.3439
	Transfer			22 Apr 2016	2411	135715	1.3682
	Transfer			29 Apr 2016	3000	138715	1.3984
	Transfer			24 Jun 2016	(174)	138541	1.3967
	Transfer			30 Jun 2016	(2350)	136191	1.3730
	Transfer			01 Jul 2016	(800)	135391	1.3649
	Transfer			08 Jul 2016	(6756)	128635	1.2968
	Transfer			15 Jul 2016	(8753)	119882	1.2086
	Transfer			29 Jul 2016	(1400)	118482	1.1945
	Transfer			05 Aug 2016	(1864)	116618	1.1757
	Transfer			02 Dec 2016	(1460)	115158	1.1609
	Transfer			09 Dec 2016	(1898)	113260	1.1418
	Transfer			16 Dec 2016	(1110)	112150	1.1306
	Transfer			23 Dec 2016	(311)	111839	1.1275
	Transfer			30 Dec 2016	(858)	110981	1.1188
	Transfer			06 Jan 2017	(2222)	108759	1.0964
	Transfer			13 Jan 2017	(200)	108559	1.0944
	Transfer			20 Jan 2017	(3909)	104650	1.0550
	Transfer			03 Feb 2017	(350)	104300	1.0515
	Transfer			10 Feb 2017	(745)	103555	1.0440
	Transfer			17 Feb 2017	(5300)	98255	0.9905
	Transfer			24 Feb 2017	(2105)	96150	0.9693
	Transfer			03 Mar 2017	(242)	95908	0.9669
	Transfer			10 Mar 2017	(7758)	88150	0.8887
	Transfer			17 Mar 2017	(885)	87265	0.8797
	Transfer			24 Mar 2017	(4115)	83150	0.8383
	AT THE END OF THE YEAR					83150	0.8383
11	ASHOKA PTE LTD	295952	2.9836			295952	2.9836
	Transfer			21 Oct 2016	(118705)	177247	1.7869
	Transfer			30 Dec 2016	(177247)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

Note: 1. The details of holding has been clubbed based on PAN.

2. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

Shareholding of Directors and Key Managerial Personnel

Name of the Director(s)		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company*
Mr. Arun Duggal	At the beginning of the year	Nil	NA	Nil	NA
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	Nil	NA	Nil	NA
	At the end of the year (or on the date of separation, if separated during the year)	Nil	NA	Nil	NA
Ms. Ranjana Agarwal	At the beginning of the year	Nil	NA	Nil	NA
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	Nil	NA	Nil	NA
	At the end of the year (or on the date of separation, if separated during the year)	Nil	NA	Nil	NA
Ms. Radhika Vijay Haribhakti	At the beginning of the year	Nil	NA	Nil	NA
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	Nil	NA	Nil	NA
	At the end of the year (or on the date of separation, if separated during the year)	Nil	NA	Nil	NA
Dr. Min Ye	At the beginning of the year	Nil	NA	Nil	NA
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	Nil	NA	Nil	NA
	At the end of the year (or on the date of separation, if separated during the year)	Nil	NA	Nil	NA
Mr. Simon Richard Hastilow	At the beginning of the year	Nil	NA	Nil	NA
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	Nil	NA	Nil	NA
	At the end of the year (or on the date of separation, if separated during the year)	Nil	NA	Nil	NA
Ms. Farisa Zarin	At the beginning of the year	Nil	NA	Nil	NA
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	Nil	NA	Nil	NA
	At the end of the year (or on the date of separation, if separated during the year)	Nil	NA	Nil	NA
Mr. Thomas John Keller Jr.	At the beginning of the year	Nil	NA	Nil	NA
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	Nil	NA	Nil	NA
	At the end of the year (or on the date of separation, if separated during the year)	Nil	NA	Nil	NA



Name of the Director(s)		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company*
Mr. Naresh Takkar	At the beginning of the year	38250	0.383	38250	0.383
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	2750 (ESOPs)	0.028	2750 (ESOPs)	0.028
	At the end of the year (or on the date of separation, if separated during the year)	41,000	0.413	41,000	0.413
Mr. Vipul Agarwal	At the beginning of the year	Nil	NA	Nil	NA
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	Nil	NA	Nil	NA
	At the end of the year (or on the date of separation, if separated during the year)	Nil	NA	Nil	NA
Mr. Amit Kumar Gupta	At the beginning of the year	Nil	NA	Nil	NA
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	Nil	NA	Nil	NA
	At the end of the year (or on the date of separation, if separated during the year)	Nil	NA	Nil	NA
Mr. S. Shakeb Rahman	At the beginning of the year	Nil	NA	Nil	NA
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	120 (ESOPs)	0.001	120 (ESOPs)	0.001
	At the end of the year (or on the date of separation, if separated during the year)	120	0.001	120	0.001

*As on March 31, 2016 the Company had a paid up share capital of 1,00,00,000 equity shares of Rs. 10 each. Till March 31, 2017, the Company has bought back 96,720 equity shares out of which 80,677 equity shares have been extinguished, the Company has extinguished the balance of 16,043 equity shares after March 31, 2017. The total share capital of the Company was 99,19,323 equity shares of Rs. 10 each. Change in shareholding percentage was due to change in total number of shares of the Company.

INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payments

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	Not Applicable			
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Addition	Not Applicable			
Reduction				
Net Change				
Indebtedness at the end of the financial year				
(iv) Principal Amount	Not Applicable			
(v) Interest due but not paid				
(vi) Interest accrued but not due				
Total (i+ii+iii)				

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Remuneration of Managing Director (MD), Whole-Time Directors (WTD) and/or manager:

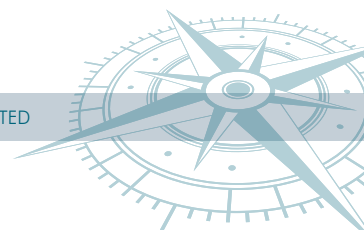
(in Rs. lakh)

Sl. No.	Particulars of Remuneration	Mr. Naresh Takkar
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	249.93
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.90
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	—
2.	Stock Option	—
3.	Sweat Equity	—
4.	Commission	
	As 1% of net profit	125.25
	Others	—
5.	Others	—
	Total (A)	376.08
	Ceiling as per the Act	627.29

Remuneration to other Directors:

(in Rs. lakh)

Particulars of Remuneration	Mr. Arun Duggal	Ms. Ranjana Agarwal	Ms. Radhika Vijay Haribhakti	Dr. Min Ye	Mr. Robert Scott Fauber [#]	Mr. Simon Richard Hastilow	Mr. Thomas John Keller Jr.	Ms. Farisa Zarin [§]	Total Amount
Independent Directors:									
Fees for attending Board/ Committee meetings (sitting fee)	5.10	9.90	7.50	-	-	-	-	-	22.50
Commission	20.00	15.00	15.00	-	-	-	-	-	50.00
Others	-	-	-	-	-	-	-	-	-
Total (1)	25.10	24.90	22.50	-	-	-	-	-	72.50
Other Non Executive Directors:									
Fees for attending Board/ Committee meetings (sitting fee)	-	-	-	Nil *	Nil*	Nil*	Nil*	Nil*	Nil*
Commission	-	-	-	Nil*	Nil*	Nil*	Nil*	Nil*	Nil*



Particulars of Remuneration	Mr. Arun Duggal	Ms. Ranjana Agarwal	Ms. Radhika Vijay Haribhakti	Dr. Min Ye	Mr. Robert Scott Fauber [#]	Mr. Simon Richard Hastilow	Mr. Thomas John Keller Jr.	Ms. Farisa Zarin [§]	Total Amount
Others	-	-	-	-	-	-	-	-	-
Total (2)	-	-	-	Nil	Nil	Nil	Nil	Nil	-
Total (B)=(1+2)	25.10	24.90	22.50	Nil*	Nil*	Nil	Nil *	Nil*	72.50
Total Managerial Remuneration ^{&}	20.00	15.00	15.00	-	-	-	-	-	50.00
Overall Ceiling as per the Act	-								125.46

[#]Ceased to be a Director with effect from June 14, 2016.

[&]Excluding Sitting Fee.

^{*}Non-Executive Non Independent Directors have waived sitting fees and commission payable to them for the financial year 2016-17.

[§]Appointed as a Director with effect from June 15, 2016.

Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

(in Rs. lakh)

Sl. No.	Particulars of Remuneration	Mr. Vipul Agarwal (Group Chief Financial Officer)	Mr. Amit Kumar Gupta (General Counsel)	Mr. S. Shakeb Rahman (Company Secretary & Compliance Officer)	Total Amount
1.	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	131.02	55.62	16.39	203.03
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	As 1% of net profit	-	-	-	-
	Others	-	-	-	-
5.	Others	-	-	-	-
	Total (A)	131.02	55.62	16.39	203.03
	Ceiling as per the Act				

PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made, if any (give details)
A. COMPANY					
Penalty			Nil		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			Nil		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			Nil		
Punishment					
Compounding					

Annexure III

Corporate Governance Report

A. Company's Philosophy on Corporate Governance

Good governance encompasses conduct of the Company's business in an ethical, transparent, fair and equitable manner with due regard to the interests of the various stakeholders, and exercise of proper control over the Company's assets and transactions.

B. Board of Directors

(i) Board Membership Criteria

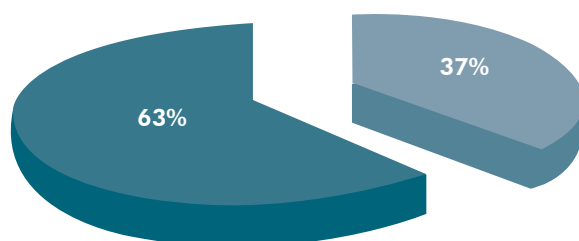
The members of the Board of Directors of your Company are expected to possess the required expertise, skill, and experience to effectively manage and direct your Company so that it can attain its organisational goals. They are expected to be persons with vision, leadership qualities, a strategic bent of mind, proven competence and integrity.

Each member of the Board of Directors of your Company is expected to ensure that his/her personal interest does not run in conflict with your Company's interests. Moreover, each member is expected to use his/her professional judgment to maintain both the substance and appearance of independence and objectivity.

(ii) Composition of the Board

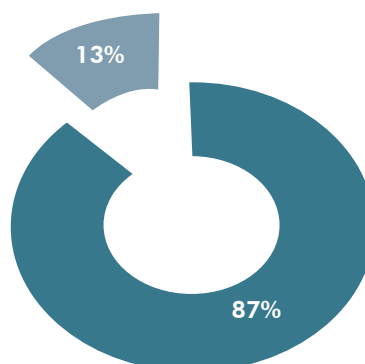
The Board of Directors of your Company has an optimum combination of Executive and Non-Executive Directors so as to have a balanced structure. As of March 31, 2017, the Board has eight members, one of whom is an Executive Director. Of the seven Non-Executive Directors, including three women Directors, three are Independent Directors and four are Non-Executive Non-Independent Directors. The Chairman of the Board is a Non-Executive and Independent Director. The number of Non-Executive Directors is more than 50% of the total number of Directors.

Board's Gender Diversity



■ Male
■ Female

Board's Composition



■ Non-Executive Director (Independent and Non Independent)
■ Executive Director



Corporate Governance Report

In compliance with Regulation 25(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") none of the Independent Directors of your Company serves as an Independent Director in more than seven listed entities and where any Independent Director is a whole-time director in any listed entity, such a director is not an Independent Director in more than three listed entities.

None of the Directors on the Board of your Company is a member of more than 10 committees or chairperson of more than five committees, considering all the companies in which they are directors, in compliance with Regulation 26(1) of the Listing Regulations.

The composition of the Board as on March 31, 2017 and the other directorships (inclusive of Board committee assignments with respect to the Company and other companies) held as on the date of this report by each of the Directors are set out in the following table:

Name of Director ¹	Category of Director	Relationship with Other Directors inter se	Directorship in Other Companies ²	No. of Board Committee(s) of which he/she is a Member ³	No. of Board Committee(s) of which he/she is Chairman ³
Mr. Arun Duggal DIN: 00024262	Chairman Non-Executive Independent Director	None	7	5	1
Mr. Naresh Takkar DIN: 00253288	Executive Director	None	4	2	None
Ms. Ranjana Agarwal DIN: 03340032	Non-Executive Independent Director	None	5	4	3
Ms. Radhika Vijay Haribhakti DIN: 02409519	Non-Executive Independent Director	None	6	6	None
Dr. Min Ye DIN: 06552282	Non-Executive Non-Independent Director	None	17	1	None
Mr. Simon Richard Hastilow DIN: 06573596	Non-Executive Non-Independent Director	None	None	None	1
Mr. Thomas John Keller Jr. DIN: 00194502	Non-Executive Non-Independent Director	None	2	None	None
Ms. Fariza Zarin DIN:07532172	Non-Executive Non-Independent Director	None	None	None	None

Notes:

¹. Except Mr. Naresh Takkar, none of the Directors of your Company was holding any shares of your Company as on March 31, 2017.

². Including private companies and foreign companies.

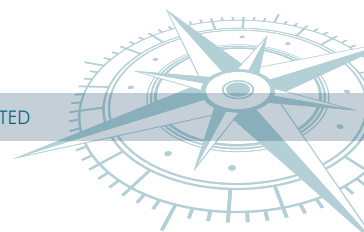
³. Includes membership/chairmanship only of the Audit Committee(s) and Stakeholders Relationship Committee(s).

Corporate Governance Report

Name of Director	Directorship in Other Companies
Mr. Arun Duggal	<ul style="list-style-type: none"> Dish TV India Limited Dr Lal Pathlabs Limited Info Edge (India) Limited International Asset Reconstruction Co. Private Limited ITC Limited Mangalore Chemicals & Fertilizers Limited
Mr. Naresh Takkar	<ul style="list-style-type: none"> ICRA Lanka Limited ICRA Nepal Limited ICRA Online Limited ICRA Management Consulting Services Limited
Ms. Ranjana Agarwal	<ul style="list-style-type: none"> Indo Rama Synthetics (India) Limited ICRA Management Consulting Services Limited Joyville Shapoorji Housing Private Limited KDDL Limited Shubham Housing Development Finance Company Limited
Ms. Radhika Vijay Haribhakti	<ul style="list-style-type: none"> Adani Ports and Special Economic Zone Limited Mahanagar Gas Limited Elh Associated Hotels Limited Navin Fluorine International Limited Rain Industries Limited Vistaar Financial Services Private Limited
Dr. Min Ye	<ul style="list-style-type: none"> China Cheng Xin International Credit Rating Co., Limited Korea Investors Service, Inc. Moody's (Japan) K.K. Moody's Asia Pacific Limited Moody's China (B.V.I.) Limited Moody's Company Hong Kong Limited Moody's Group Australia Pty Limited Moody's Investment Company India Private Limited Moody's Investors Service (Beijing), Limited Moody's Investors Service (Korea) Inc. Moody's Investors Service Hong Kong Limited Moody's Investors Service Pty Limited Moody's Investors Service India Private Limited Moody's Investors Service Singapore Pte. Limited Moody's SF Japan K.K. Moody's Shared Services India Private Limited Moody's Singapore Pte Limited
Mr. Simon Richard Hastilow	<ul style="list-style-type: none"> None
Mr. Thomas John Keller Jr.	<ul style="list-style-type: none"> Moody's KIS Equilibrium Clasificadora de Riesgo S.A.
Ms. Fariza Zarin	<ul style="list-style-type: none"> None

(iii) Board Meetings/Annual General Meeting

During the year 2016-17, the Board of Directors of your Company met six times on May 19, 2016, July 5, 2016, August 5, 2016, August 11, 2016, November 3, 2016 and February 9, 2017. The Agenda papers along with the explanatory notes for Board Meetings were sent in advance to the Directors. In some instances, documents were tabled at the meeting and presentations were also made by the respective executives on matters related to them at the meeting.



Corporate Governance Report

The previous Annual General Meeting was held on August 11, 2016. Details regarding the attendance of Directors at the Board Meetings and the Annual General Meeting held during the year 2016-17 are presented in the following table.

Name of the Director	Attended the last AGM held on August 11, 2016	Board Meetings				
		No. of meetings entitled to attend	No. of meetings attended (including video conferencing)	No. of meetings attended through audio conferencing*	% of attendance	% of attendance including audio conferencing
Mr. Arun Duggal	Yes	6	5	1	83.33%	100%
Ms. Ranjana Agarwal	Yes	6	6	0	100%	100%
Ms. Radhika V. Haribhakti	Yes	6	6	0	100%	100%
Dr. Min Ye	No	6	5	1	83.33%	100%
Mr. Simon Richard Hastilow	Yes	6	5	0	83.33%	83.33%
Mr. Robert Scott Fauber ¹	NA	1	0	0	0	0
Mr. Thomas John Keller Jr.	Yes	6	4	1	66.66%	80%
Ms. Farisa Zarin ²	Yes	5	4	1	80%	100%
Mr. Naresh Takkar	Yes	6	6	0	100%	100%

*meeting attended through audio conferencing not considered for quorum and attendance.

¹ Mr. Robert Scott Fauber ceased to be a Director with effect from June 14, 2016.

² Ms. Farisa Zarin was appointed as a Director with effect from June 15, 2016.

The necessary quorum was present for all the meetings.

(iv) Membership Term and Retirement Policy

According to the Articles of Association of your Company, at every Annual General Meeting, one-third of such number of the Directors for the time being as are liable to retire by rotation, or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office.

The Directors to retire by rotation at every Annual General Meeting shall be those who have been the longest in office since their last appointment, but as between persons who became Director on the same day, those who are to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

(v) Code of Conduct

The Board of Directors has prescribed a Code of Conduct for all members of the Board and the Senior Management of your Company. The Code of Conduct is available on your Company's website www.icra.in.

All the members of the Board and the Senior Management personnel of your Company have affirmed their compliance with the Code of Conduct for the year ended March 31, 2017.

(vi) Familiarisation Programme for Independent Directors

In compliance with the Listing Regulations, your Company conducts a familiarisation programme for Independent Directors in which the Managing Director & Group CEO and the CEOs of Group ICRA entities apprise the Independent Directors of each company's business model, the nature of the industry in which they operate, and their business environment, performance trends, operating/competitive issues and plans. The Company nominates Independent Directors for relevant external training programmes. At various Board meetings, presentations are made to the Board on Indian economy, risk management, company policies, changes in the regulatory environment applicable to the Company and to the industry in which it operates. The details of the familiarisation programme have been disclosed on the website of the Company at <https://www.icra.in/InvestorRelation/ShowCorpGovernanceReport/?Id=17&Title=Corporate%20Governance>.

Corporate Governance Report

C. Board Committees

In compliance with requirements under the Companies Act, 2013, the Listing Regulations, and other applicable laws, the Board has constituted the following committees of the Board. The following table presents the composition of the various committees as on March 31, 2017.

Committees	Composition	Chairperson's classification	% of Independent members
Audit Committee	<ul style="list-style-type: none"> Ms. Ranjana Agarwal, Chairperson Mr. Arun Duggal Ms. Radhika Vijay Haribhakti Dr. Min Ye 	ID	75%
Buyback Committee	<ul style="list-style-type: none"> Mr. Arun Duggal Ms. Ranjana Agarwal Mr. Naresh Takkar 	NA	66.67%
Corporate Social Responsibility Committee	<ul style="list-style-type: none"> Ms. Ranjana Agarwal, Chairperson Dr. Min Ye Ms. Farisa Zarin Mr. Naresh Takkar 	ID	25%
ESOS Compensation Committee	<ul style="list-style-type: none"> Ms. Radhika Vijay Haribhakti, Chairperson Ms. Ranjana Agarwal Mr. Simon Richard Hastilow 	ID	66.67%
Investment & Real Estate Committee	<ul style="list-style-type: none"> Ms. Ranjana Agarwal, Chairperson Mr. Thomas John Keller Jr. Mr. Naresh Takkar 	ID	33.33%
Nomination & Remuneration Committee	<ul style="list-style-type: none"> Ms. Radhika Vijay Haribhakti, Chairperson Ms. Ranjana Agarwal Mr. Simon Richard Hastilow 	ID	66.67%
Stakeholders' Relationship Committee	<ul style="list-style-type: none"> Mr. Simon Richard Hastilow, Chairman Ms. Ranjana Agarwal Mr. Naresh Takkar 	NED	33.33%
Strategy Committee	<ul style="list-style-type: none"> Mr. Thomas John Keller Jr., Chairman Dr. Min Ye Mr. Simon Richard Hastilow Mr. Naresh Takkar 	NED	0%

ID-Independent Director

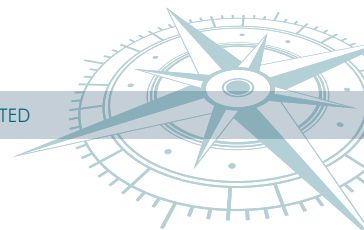
NED-Non Executive Director

NA-Not Applicable

The committees meet as often as necessary, subject to the minimum number and frequency stipulated by the Board of Directors or as prescribed under the Companies Act, 2013, and the Listing Regulations. The number of meetings held by each committee during the financial year 2016-17 is given below:

Number of meetings held during FY 2016-17





Corporate Governance Report

(i) Audit Committee

The terms of reference of the Audit Committee include:

A. Powers of Audit Committee

1. To investigate any activity within its terms of reference
2. To seek information from any employee
3. To obtain outside legal or other professional advice
4. To secure attendance of outsiders with relevant expertise, if it considers that necessary

B. Role of Audit Committee

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement, which in turn is to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practises and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process
8. Approval or any subsequent modification of transactions of the Company with related parties
9. Scrutiny of inter-corporate loans and investments
10. Valuation of undertakings or assets of the Company, wherever it is necessary
11. Evaluation of internal financial controls and risk management systems
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
14. Discussion with internal auditors of any significant findings and follow up thereon
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
17. Looking into the reasons for substantial defaults, if any, in payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
18. Reviewing the functioning of the whistle-blower mechanism
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

Corporate Governance Report

C. Review of Information by Audit Committee

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management
3. Management letters/letters of internal control weaknesses issued by the statutory auditors
4. Internal audit reports relating to internal control weaknesses
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee and
6. Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of the Listing Regulations

The Audit Committee consists of four Non-Executive Directors, three of whom are Independent Directors. The Chairperson of the committee, Ms. Ranjana Agarwal, is an Independent Director.

The Audit Committee met four times during the year 2016-17: on May 19, 2016, August 11, 2016, November 3, 2016 and February 9, 2017. The following table presents, besides the composition of the Audit Committee as on March 31, 2017, the details of attendance at the meetings held during the financial year 2016-17.

Composition of Audit Committee			Audit Committee meetings		
Name of the Director	Category	Position	No. of meetings entitled to attend	No. of meetings attended	% of attendance
Ms. Ranjana Agarwal	Non-Executive Independent Director	Chairperson	4	4	100%
Mr. Arun Duggal	Chairman, Non-Executive Independent Director	Member	4	4	100%
Ms. Radhika Vijay Haribhakti	Non-Executive Independent Director	Member	4	4	100%
Dr. Min Ye	Non-Executive Non-Independent Director	Member	4	3*	100%
Mr. Thomas John Keller Jr. ¹	Non-Executive Non-Independent Director	Member	2	2	100%

*One meeting attended through video conferencing without recording which was not considered for quorum and attendance.

¹Mr. Thomas John Keller Jr. ceased to be a member of the Committee with effect from November 3, 2016.

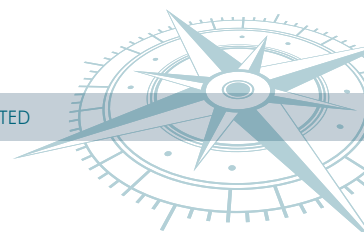
The necessary quorum was present for all the meetings.

The Company Secretary of your Company is the Secretary to the Audit Committee.

The Statutory and Internal Auditors of the Company are invitees to the Audit Committee meetings.

(ii) Buyback Committee

Your Company had constituted a Buyback Committee and authorised it to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper, in relation to the Buyback. The Buyback Committee met on February 17, 2017 to approve, *inter alia*, the public announcement for the purpose of Buyback of shares by the Company.



Corporate Governance Report

The following table presents the composition of the Buyback Committee as on March 31, 2017 and the details of attendance at the Committee meeting held during the year 2016-17.

Composition of Buyback Committee			Buyback Committee Meeting		
Name of the Director	Category	Position	No. of meetings entitled to attend	No. of meetings attended	% of attendance
Mr. Arun Duggal	Non-Executive Independent Director	Member	1	1	100%
Ms. Ranjana Agarwal	Non-Executive Independent Director	Member	1	1	100%
Mr. Naresh Takkar	Executive Director	Member	1	1	100%

(iii) Corporate Social Responsibility Committee

Your Company has constituted the Corporate Social Responsibility Committee ("CSR Committee") in order to comply with the requirements under Section 135 (1) of the Companies Act, 2013. The CSR Committee is headed by an Independent Director.

The terms of reference of the CSR Committee include:

- Formulation and recommendation to the Board of a Corporate Social Responsibility Policy in accordance with the provisions of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- Recommendation of the amount of expenditure to be incurred on the activities referred to in clause (a); and
- Monitoring of the Corporate Social Responsibility Policy of the Company and performance of various CSR projects, programmes or activities undertaken by the Company from time to time.

During the year 2016-17, three meetings of the CSR Committee were held, on June 27, 2016, August 10, 2016 and February 9, 2017.

The following table presents the composition of the CSR Committee as on March 31, 2017 and the details of attendance at the CSR Committee meeting held during the year 2016-17.

Composition of Corporate Social Responsibility Committee			Corporate Social Responsibility Committee Meeting		
Name of the Director	Category	Position	No. of meetings entitled to attend	No. of meetings attended	% of attendance
Ms. Ranjana Agarwal	Non-Executive Independent Director	Chairperson	3	3	100%
Dr. Min Ye	Non-Executive Non-Independent Director	Member	3	2*	66.66%
Ms. Farisa Zarin ¹	Non-Executive Non-Independent Director	Member	2	2	100%
Mr. Naresh Takkar	Executive Director	Member	3	3	100%

*One meeting attended through video conferencing.

¹Ms. Farisa Zarin was appointed as the member of the Corporate Social Responsibility Committee with effect from July 5, 2016.

The necessary quorum was present for all the meetings.

The Company Secretary of your Company is the Secretary to the CSR Committee.

Corporate Governance Report

(iv) ESOS Compensation Committee

The Board of Directors of your Company has formed the ESOS Compensation Committee. The ESOS Compensation Committee consists of three Non-Executive Directors, two of whom are Independent Directors. The Chairperson of the Committee, Ms. Radhika Vijay Haribhakti, is an Independent Director.

The ESOS Compensation Committee met thrice during the year 2016-17: on June 27, 2016, August 10, 2016 and February 9, 2017.

The following table presents the composition of the ESOS Compensation Committee as on March 31, 2017 and the details of attendance at the Committee meeting held during the year 2016-17.

Composition of ESOS Compensation Committee			ESOS Compensation Committee Meeting		
Name of the Director	Category	Position	No. of meetings entitled to attend	No. of meetings attended	% of attendance
Ms. Radhika Vijay Haribhakti	Non-Executive Independent Director	Chairperson	3	3*	100%
Ms. Ranjana Agarwal	Non-Executive Independent Director	Member	3	3	100%
Mr. Simon Richard Hastilow	Non-Executive Non-Independent Director	Member	3	3*	100%

**One meeting attended through video conferencing.

The necessary quorum was present for the meeting.

The Company Secretary of your Company is the Secretary to the ESOS Compensation Committee.

(v) Investment & Real Estate Committee

The Board of Directors of your Company has formed the Investment & Real Estate Committee. The Investment & Real Estate Committee is headed by Ms. Ranjana Agarwal, Independent Director.

The Investment & Real Estate Committee met twice during the year 2016-17: on August 5, 2016 and February 9, 2017.

The following table presents the composition of the Investment & Real Estate Committee as on March 31, 2017 and the details of attendance at the Committee meeting held during the year 2016-17.

Composition of Investment & Real Estate Committee			Investment & Real Estate Committee Meeting		
Name of the Director	Category	Position	No. of meetings entitled to attend	No. of meetings attended	% of attendance
Ms. Ranjana Agarwal	Non-Executive Independent Director	Chairperson	2	2	100%
Mr. Thomas John Keller Jr. ¹	Non-Executive Non-Independent Director	Member	2	1*	50%
Mr. Robert Scott Fauber ²	Non-Executive Non-Independent Director	Member	Nil	Nil	Nil
Mr. Naresh Takkar	Executive Director	Member	2	2	100%

*One meeting attended through audio conferencing not considered for quorum and attendance.

¹ Mr. Thomas John Keller Jr. appointed as member of the Investment and Real Estate Committee with effect from July 5, 2016

² Mr. Robert Scott Fauber ceased to be the member of the Investment and Real Estate Committee with effect from June 14, 2016.



Corporate Governance Report

The necessary quorum was present for the meeting.

The Company Secretary of your Company is the Secretary to the Investment & Real Estate Committee.

(vi) Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee include:

- (i) Identify persons who are qualified to become Directors and who can be appointed in the senior management and recommend to the Board their appointment and removal.
- (ii) Recommend to the Board the policy relating to remuneration for the Directors, Key Managerial Personnel and other employees ensuring that:
 - (a) the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - (b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
- (iii) Formulate criteria for evaluation of Independent Directors and the Board.
- (iv) Evaluate performance of every Director on the Board.
- (v) Devise a policy on Board diversity.
- (vi) Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- (vii) Attend, through the Chairman, the Annual General Meeting of the Company to answer shareholders' queries.

The Nomination and Remuneration Committee consists of three Non-Executive Directors, two of whom are Independent Directors. The Chairperson of the Committee, Ms. Radhika Vijay Haribhakti, is an Independent Director.

The Nomination and Remuneration Committee met four times during the year 2016-17: on May 19, 2016, August 10, 2016, November 3, 2016 and February 9, 2017.

The following table presents the composition of the Nomination and Remuneration Committee as on March 31, 2017 and the details of attendance at the meetings held during the financial year 2016-17.

Composition of Nomination and Remuneration Committee			Nomination and Remuneration Committee Meetings		
Name of the Director	Category	Position	No. of meetings entitled to attend	No. of meetings attended	% of attendance
Ms. Radhika Vijay Haribhakti	Non-Executive Independent Director	Chairperson	4	4	100%
Ms. Ranjana Agarwal	Non-Executive Independent Director	Member	4	4	100%
Mr. Simon Richard Hastilow	Non-Executive Non-Independent Director	Member	4	4	100%

The necessary quorum was present for all the meetings.

The Company Secretary of your Company is the Secretary to the Nomination and Remuneration Committee.

Performance Evaluation Criteria for Independent Directors

The Board of Directors of your Company, based on the recommendations of the Nomination and Remuneration Committee of your Company, has laid down the criteria for performance evaluation of Independent Directors. The criteria for performance evaluation covers the areas relevant to their functioning as Independent Directors of the Company.

Corporate Governance Report

Remuneration Policy

The Board of Directors of your Company, based on the recommendation of the Nomination and Remuneration Committee, has devised a Remuneration Policy designed to attract, motivate, improve productivity and retain valuable talent, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement. The policy also offers appropriate remuneration packages and superannuation benefits. This policy shall act as a guideline for determining, inter alia, the qualifications, positive attributes and independence of a Director, and matters relating to the remuneration, appointment, removal and evaluation of performance of Directors, key managerial personnel, senior management and other employees.

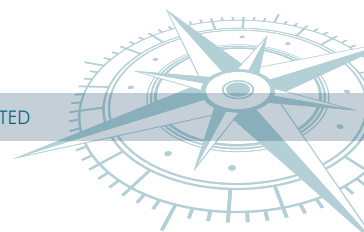
Executive Directors

During the year 2016-17, your Company paid remuneration to its Executive Director within the limits envisaged under the applicable provisions of the Companies Act, 2013. The remuneration paid to the Executive Director was approved by the Board and the Nomination and Remuneration Committee within the limits approved by the Members. The Nomination and Remuneration Committee determines your Company's policy on specific remuneration packages for Executive Director.

The remuneration structure for the Executive Director of the Company may contain one or more of the following components having regard to the guiding principles provided in the Remuneration Policy of the Company, excerpts of which are as under:

The guiding principle is that the remuneration and other terms of employment shall be competitive in order to ensure that the Company can attract, motivate and retain valuable talent. Accordingly, while determining the remuneration policy and arrangements for Executive Directors, key managerial personnel and other employees, the Company shall:

- benchmark the compensation package it offers to employees against those that the industry and competition offer;
 - ensure that the compensation package is so structured as to be stable while also providing incentives for continuous improvement in performance; and
 - ensure that the compensation package achieves a balance between fixed and variable pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals
- (a) **Fixed Pay:** This will consist of Basic Salary, and, if appropriate, other components such as, House Rent Allowance and Conveyance Allowance, and other perquisites;
 - (b) **Deferred Pay:** This will consist of payments payable on a future date, subject to the achievement of certain objectives and such other terms as the Committee may determine appropriate. Deferred pay is intended to incentivise longer term and sustainable improvements in Company performance;
 - (c) **Share of Profit:** The Executive Director may also be paid remuneration by way of certain share of net profits; and
 - (d) **Any other form of monetary or non-monetary remuneration,** as may be recommended by the Committee from time to time.



Corporate Governance Report

Remuneration Paid/Payable to Executive Director for the year ended March 31, 2017

(Amounts in Rupees)

Name	Mr. Naresh Takkar
Designation	Managing Director & Group CEO
Salary	85,80,000
Allowances	1,30,76,684*
Perquisites	3,96,500
Commission	1,25,25,000
Special Bonus*	20,00,000
Provident Fund Contribution	10,29,600
Gratuity	@
Compensated absences	@
Total Remuneration	3,76,07,784
Appointment Valid Till	July 1, 2020
Notice Period	Three months
No. of Stock Options Granted During the Year	Nil

@As the liabilities for gratuity and compensated absences are provided on an actuarial basis for the Company as a whole, the amounts pertaining to that is not included above.

*Employees Stock Options expense in Statement of Profit & Loss is Rs. Nil.

*Subject to approval of the members of the company.

Non-Executive Directors

Remuneration for Independent Directors

The remuneration payable to Independent Directors on the Board are as follows:

- Board Sitting Fees: Rs. 60,000 per meeting
- Committee Sitting Fees: Rs. 30,000 per meeting of a Board Committee of which s/he is a member

Independent Directors are also paid remuneration by way of Commission on net profits of the Company.

The above payments are in accordance with the approval accorded by the Members at their meetings held on July 29, 2008, on August 3, 2012 and on August 11, 2016, of an aggregate amount not exceeding 1% of the net profits of the Company, for each financial year or part thereof computed in the manner specified under Section 198 (1) of the Companies Act, 2013. This approval was initially granted by the members for a period of five financial years with effect from 2007-08 and subsequently reaffirmed for another five financial years with effect from 2012-13 by the members at their meeting held on August 3, 2012; and for a further period of 5 years commencing from April 1, 2017.

Save as set out above, Independent Directors shall not be entitled to any other form of remuneration from the Company.

Remuneration for Non-Executive, Non-Independent Directors (Including Nominee Directors)

The Non-Executive, Non-Independent Directors may be paid remuneration by way of sitting fee of Rs. 20,000 for each meeting attended of the Board or of a Board committee. Subject to the approval of the Board of Directors, the Non-Executive, Non Independent Directors may also be paid remuneration by way of certain percentage of net profits, as recommended by the Nomination and Remuneration Committee and as approved by the Board of Directors within the limit specified by the members and computed in accordance with the applicable provisions of the Companies Act, 2013, and the Rules made thereunder.

Corporate Governance Report

Sitting fees paid and commission payable to Non-Executive Directors including Independent and Non-Independent Directors during the year 2016-17

(Amounts in Rupees)

Name of Director	Sitting Fee paid	Commission payable
Mr. Arun Duggal	5,10,000	20,00,000
Ms. Ranjana Agarwal	9,90,000	15,00,000
Ms. Radhika Vijay Haribhakti	7,50,000	15,00,000
Dr. Min Ye	N.A.*	Nil*
Mr. Simon Richard Hastilow	N.A.*	Nil *
Mr. Farisa Zarin	N.A.*	Nil*
Mr. Thomas John Keller Jr.	N.A.*	Nil*

*Non Executive Non Independent Directors have waived sitting fee and commission payable to them for the financial year 2016-17.

Except for your Company's Executive Directors, who are entitled to statutory benefits upon cessation of their employment with your Company, no other Director is entitled to any benefit upon cessation of his/her association with your Company.

(vii) Stakeholders Relationship Committee

The Stakeholders Relationship Committee shall consider and resolve the grievances of the shareholders/investors of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

The Stakeholders Relationship Committee consists of three Directors. The Chairman of the Committee, Mr. Simon Richard Hastilow, is a Non Executive, Non-Independent Director.

The Stakeholders Relationship Committee met twice during the year 2016-17: on November 3, 2016 and February 9, 2017.

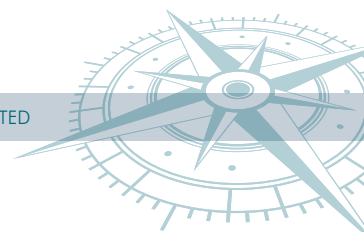
The following table presents the composition of the Stakeholders Relationship Committee as on March 31, 2017 and the details of attendance at the Committee meeting held during the year 2016-17.

Composition of Stakeholders Relationship Committee			Stakeholders Relationship Committee Meetings		
Name of the Director	Category	Position	No. of meetings entitled to attend	No. of meetings attended	% of attendance
Mr. Simon Richard Hastilow	Non-Executive Non-Independent Director	Chairman	2	2	100%
Ms. Ranjana Agarwal	Non-Executive Independent Director	Member	2	2	100%
Mr. Naresh Takkar	Executive Director	Member	2	2	100%

The necessary quorum was present for the meeting.

The Company Secretary of your Company is the Compliance Officer.

Your Company received 25 complaints from Shareholders/Investors during the financial year 2016-17. All 25 complaints were redressed to the satisfaction of the Shareholders/Investors and no complaint is pending as on March 31, 2017.



Corporate Governance Report

The details of the complaints received and resolved during the financial year 2016-17 are as follows:

S. No.	Complaint relating to/received from	Pending as on April 1, 2016	Received during the year	Resolved during the year	Pending as on March 31, 2017
1.	Transfer/Transmission/Split/Duplicate Share Certificates	Nil	Nil	Nil	Nil
2.	Non-receipt of Dividend	Nil	17	17	Nil
3.	Dematerialisation/Rematerialisation of Shares	Nil	Nil	Nil	Nil
4.	Complaint received from:	Nil	Nil	Nil	Nil
	(a) Securities and Exchange Board of India/SCORES				
	(b) Stock Exchanges:	Nil	Nil	Nil	Nil
	(i) BSE Limited (BSE)				
	(ii) National Stock Exchange of India Limited (NSE)				
	(c) Registrar of Companies (ROC)	Nil	Nil	Nil	Nil
5.	Legal	Nil	Nil	Nil	Nil
6.	Non-receipt of Refund Order	Nil	Nil	Nil	Nil
7.	Non-receipt of Electronic Credits	Nil	Nil	Nil	Nil
8.	Non-receipt of Annual Report	Nil	8	8	Nil
	Total	Nil	25	25	Nil

Your Company has registered itself on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit since the receipt of the complaint. During the year 2016-17, the Company received 0 complaints through SCORES.

(viii) Strategy Committee

The Board of Directors of your Company has formed Strategy Committee. The Strategy Committee is headed by Mr. Thomas John Keller Jr., Non-Executive, Non-Independent Director.

The Strategy Committee met twice during the year 2016-17: on August 10, 2016 and February 9, 2017.

The following table presents the composition of the Strategy Committee as on March 31, 2017 and the details of attendance at the Committee meeting held during the year 2016-17.

Composition of Strategy Committee			Strategy Committee Meeting		
Name of the Director	Category	Position	No. of meetings entitled to attend	No. of meetings attended	% of attendance
Mr. Thomas John Keller Jr. ¹	Non-Executive Non-Independent Director	Chairman	2	2	100%
Dr. Min Ye	Non-Executive Non-Independent Director	Member	2	1*	100%
Mr. Robert Scott Fauber ²	Non-Executive Non-Independent Director	Member	Nil	Nil	Nil
Mr. Simon Richard Hastilow	Non-Executive Non-Independent Director	Member	2	2	100%
Mr. Naresh Takkar	Executive Director	Member	2	2	100%

*One meeting attended through audio visual means not considered for quorum and attendance.

¹ Mr. Thomas John Keller Jr. was appointed as member of the Strategy Committee with effect from July 5, 2016.

² Mr. Robert Scott Fauber ceased to be the member of the Strategy Committee with effect from June 14, 2016.

Corporate Governance Report

The necessary quorum was present for the meetings.

The Company Secretary of your Company is the Secretary to the Strategy Committee.

D. Subsidiary Companies Monitoring Framework

All subsidiary companies of your Company are Board-managed, with their respective Boards of Directors having the rights and obligations to manage the companies concerned in the best interest of their stakeholders. The Company monitors the performance of its subsidiary companies using, inter alia, the following means:

- (a) Financial Statements, in particular the investments made by the unlisted subsidiary companies, are reviewed quarterly by the Audit Committee of the Company.
- (b) Minutes of all the Board meetings of the unlisted subsidiary companies are placed regularly before the Board of Directors at the Board Meetings of the Company.
- (c) A statement containing all the significant transactions and arrangements entered into by the unlisted subsidiary companies is placed regularly before the Board of Directors at the Board Meetings of the Company.

During the year 2016-17 your Company approved the sale of the entire shareholding in ICRA Techno Analytics Limited (now known as Nihilent Analytics Limited), then wholly-owned subsidiary of the Company, to Nihilent Technologies Limited, which sale was consummated on October 7, 2016.

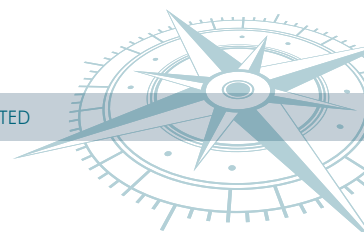
E. General Body Meeting

Select details of the last three **Annual General Meetings** of your Company are presented in the following table.

Nature of Meeting	Date and Time	Venue	Special Resolution Passed by Members during the Annual General Meetings
Twenty-Third Annual General Meeting	August 13, 2014 at 15:00 hours	Air Force Auditorium, Subroto Park; New Delhi 110 010	No Special Resolution was proposed and passed
Twenty-Fourth Annual General Meeting	August 13, 2015 at 11:00 hours		No Special Resolution was proposed and passed
Twenty-Fifth Annual General Meeting	August 11, 2016 at 15:30 hours		No Special Resolution was proposed and passed

Postal Ballot

During 2016-17, a special resolution was passed by means of postal ballot and electronic voting regarding the sale of the entire shareholding held by your Company in ICRA Techno Analytics Limited (now known as Nihilent Analytics Limited), then a wholly-owned subsidiary of the Company. Details of voting pattern/results are provided in the following table.



Corporate Governance Report

Resolution Required: (Ordinary/Special)					Special			
Whether promoter/promoter group are interested in the agenda/ resolution?					No			
Category	Mode of voting	No. of shares held(1)	No. of votes polled (2)	% of votes polled on outstanding shares (3)=[(2)/(1)]*100	No of votes in favour (4)	No. of votes against (5)	% of votes in favour on votes polled (6)=[(4)/(2)]*100	% of votes against on votes polled (7)=[(5)/(2)]*100
Promoter and promoter group	E-Voting	5,005,622	5,005,622	100%	5,005,622	Nil	100%	Nil
	Poll		NA	NA	NA	NA	NA	NA
	Postal ballot		Nil	Nil	Nil	Nil	Nil	Nil
	Total	5,005,622	5,005,622	100%	5,005,622	Nil	100%	Nil
Public Institutions	E-Voting	3,594,213	2,279,539	63.42%	2,279,539	Nil	100%	Nil
	Poll		NA	NA	NA	Nil	NA	NA
	Postal ballot	3,594,213	Nil	Nil	Nil	Nil	Nil	Nil
	Total		2,279,539	63.42%	2,279,539	Nil	100%	Nil
Public Non Institutions*	E-Voting	1,400,165	217,146	15.51%	216818	328	99.85%	0.15%
	Poll		NA	NA	NA	NA	NA	NA
	Postal ballot	1,400,165	209	0.01%	207	2	99.04%	0.96%
	Total		217,355	15.52%	217,025	330	99.85%	0.015%
Total		10,000,000	7,502,516	75.02%	7,502,186	330	99.996%	0.004%

*includes Non Promoter and Non-Public Institutions

The Company had appointed Mr. Sachin Agarwal, as a Scrutiniser for conducting the Postal Ballot process.

None of the businesses proposed to be transacted at the ensuing Annual General Meeting requires passing a special resolution through Postal Ballot.

F. Disclosures

(i) Related-Party Transactions

There have been no materially significant related-party transactions, pecuniary transactions or relationships between your Company and the Directors, the Management, subsidiary companies or related parties that may have a potential conflict with the interest of the Company. Other related-party transactions are disclosed in the financial statements for the year ended March 31, 2017. As required under Schedule V of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions, which has been uploaded on the website of the Company at <https://www.icra.in/RegulatoryDisclosure/ShowCodePolicyReport/4>.

(ii) Details of Non-Compliance

There has been no instance of non-compliance of any legal requirements. Further, no strictures have been imposed on the Company by any Stock Exchange or SEBI or any statutory authority on any matter related to the capital markets during the last three years.

(iii) Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 read with Schedule V of the Listing Regulations, your Company has adopted a Whistle Blower Policy and has established a mechanism for reporting of unethical/illegal/improper activities in good faith via a hotline which is available to all stakeholders. All unethical malpractices reported via the hotline or otherwise are thoroughly investigated, to the extent possible. The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. Further, no

Corporate Governance Report

stakeholders have been denied access to the Audit Committee. The said Whistle Blower Policy has been uploaded on the website of the Company at <https://www.icra.in/RegulatoryDisclosure/ShowCodePolicyReport/3>.

(iv) Policy for determining “material” subsidiaries

As required under Regulation 16 (1) (c) and 46 (2) (h) of the Listing Regulations, the Company has formulated a Policy for determining “material” subsidiaries, which has been uploaded on the Company’s website at <https://www.icra.in/RegulatoryDisclosure/ShowCodePolicyReport/5>.

(v) Materiality Policy

As required under Regulation 30(4)(ii) of the Listing Regulations, the Company has formulated a policy for determination of materiality of an event or information for the purpose of making disclosures to the stock exchanges. Further, according to this Policy, any transaction, event or information relating to the Company and/or its subsidiaries that might fall within the Section-Scope is to be reported immediately by the employees of the Company and/or its subsidiaries to either the Group CFO or the General Counsel of the Company. The Group CFO and the General Counsel together will determine the materiality of the event/information in consultation with the Managing Director & Group CEO. The Group CFO and the General Counsel will ensure that adequate disclosures with respect to such material events/information are made to the stock exchanges within the timeline prescribed under the Listing Regulations. This Policy has been uploaded on the website of the Company at <https://www.icra.in/RegulatoryDisclosure/ShowCodePolicyReport/8>.

(vi) Record Retention Policy

As required under Regulation 9 of the Listing Regulations, the Company has formulated a Policy on preservation of documents, which has been uploaded on the website of the Company at <https://www.icra.in/RegulatoryDisclosure/ShowCodePolicyReport/9>.

(vii) Adoption of Mandatory and Discretionary Requirements

The Listing Regulations prescribed various corporate governance recommendations in line with the corporate governance committee, constituted by SEBI. Listing Regulations have incorporated these recommendations.

During the year 2016-17, your Company complied with all the mandatory requirements of the Listing Regulations. The Company has also complied with the following discretionary requirements under Regulation 27(1) of the Listing Regulations:

- (i) Audit qualifications: Your Company’s financial statements are unqualified.
- (ii) Separate posts of Chairman and CEO: The Company has appointed separate persons to the posts of Chairman and Managing Director/CEO.
- (iii) Reporting of Internal Auditor: The Internal Auditors of the Company directly report to the Audit Committee.

(viii) Management Discussion and Analysis Report

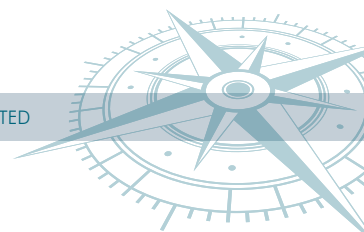
The Management Discussion and Analysis Report is annexed and forms a part of the Annual Report.

(ix) Separate meeting of Independent Directors

In compliance with Regulation 25(3) of the Listing Regulations, two separate meetings of the Independent Directors of the Company were held on November 3, 2016 and February 9, 2017, without the attendance of the Executive Director, Non-Independent Directors and members of management. All the Independent Directors attended the said meeting.

(x) Policy on Board Diversity

The Board of Directors of your Company, based on the recommendations of the Nomination and Remuneration Committee of your Company, has devised a policy on Board Diversity to ensure broad experience and diversity on the Board.



Corporate Governance Report

(xi) Performance Evaluation

The Board of Directors of your Company, based on the recommendations of the Nomination and Remuneration Committee of your Company, has laid down the criteria for performance evaluation of Independent Directors and other directors, the Committees of the Board and the Board of Directors as a whole. The criteria for performance evaluation cover the areas relevant to the functioning of individual directors as independent directors or other directors, as members of Board and as members of the Committees of the Board.

Means of Communication

1. Your Company's corporate website www.icra.in has an "Investors Relations" section, which provides comprehensive information to members. The quarterly and annual financial results are available there.
2. The quarterly and annual financial results of the Company are published in English and Hindi daily newspapers, viz. *The Financial Express* and *Jansatta*, in addition to some other newspapers. The results are also available on your Company's website (www.icra.in) and on the websites of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com).
3. The official news releases issued by the Company, including presentations made to institutional investors and to analysts, are also displayed on the Company's website www.icra.in. As required under Regulation 46 of the Listing Regulations, your Company maintains a functional website www.icra.in, which, *inter alia*, presents the following information in compliance with the said Regulation:
 - (a) Details of business
 - (b) Terms and conditions of appointment of independent directors
 - (c) Composition of various committees of board of directors
 - (d) Code of conduct of board of directors and senior management personnel
 - (e) Details of establishment of vigil mechanism/whistle blower policy
 - (f) Criteria of making payments to non-executive directors
 - (g) Policy on dealing with related party transactions
 - (h) Policy for determining 'material' subsidiaries
 - (i) Details of familiarisation programmes imparted to independent directors
 - (j) Contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances
 - (k) Email address for grievance redressal and other relevant details
 - (l) Financial results
 - (m) Shareholding pattern
 - (n) Details of agreements, if any, entered into with the media companies and/or their associates
 - (o) New name and the old name of the Company

G. Disclosure of Compliance with Corporate Governance

Particulars	Regulation	Compliance status (Yes/No/NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of board of directors	17(2)	Yes
Review of compliance reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum information	17(7)	Yes
Compliance certificate	17(8)	Yes
Risk assessment & management	17(9)	Yes

Corporate Governance Report

Particulars	Regulation	Compliance status (Yes/No/NA)
Performance evaluation of independent directors	17(10)	Yes
Composition of audit committee	18(1)	Yes
Meeting of audit committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Composition of stakeholder relationship committee	20(1) & (2)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	N.A.
Vigil mechanism	22	Yes
Policy for related party transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or omnibus approval of audit committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	N.A.
Composition of board of directors of unlisted material subsidiary	24(1)	Yes
Other corporate governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Maximum directorship & tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of board of directors and senior management personnel	26(3)	Yes
Disclosure of shareholding by non-executive directors	26(4)	Yes
Obligations of directors and senior management	26(2) & 26(5)	Yes

H. Auditors' Certificate on Corporate Governance

The Auditors' Certificate with respect to compliance with Schedule V (E) of the Listing Regulations, relating to Compliance Certificate on Corporate Governance, has been annexed to the Directors' Report and will be sent to the Stock Exchanges at the time of filing of the Annual Report.

I. CEO and CFO Certification

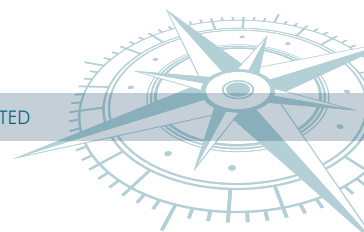
As required under Regulation 17(8) of the Listing Regulations, the CEO and CFO certificate has been annexed to the Directors' Report.

J. Reconciliation of Share Capital Audit

As stipulated by the Securities and Exchange Board of India (Depositories and Participants) Regulations 1996, a Reconciliation of Share Capital Audit is carried out by an independent practising Company Secretary on a quarterly basis to confirm reconciliation of the issued and listed capital, shares held in dematerialised and physical mode, and the status of the Register of Members.

K. General Members' Information

1. Annual General Meeting	
Date	August 3, 2017
Time	3:00 p.m.
Venue	Air Force Auditorium, Subroto Park; New Delhi 110 010



Corporate Governance Report

2. Financial Year	Financial Year is April 1, 2016 to March 31, 2017
Quarterly results will be declared as per the following tentative schedule:	
<ul style="list-style-type: none"> Financial reporting for the quarter ending June 30, 2017 Financial reporting for the half year ending September 30, 2017 Financial reporting for the quarter ending December 31, 2017 Financial reporting for the year ending March 31, 2018 	<p>First fortnight of August 2017</p> <p>First fortnight of November 2017</p> <p>First fortnight of February 2018</p> <p>Second fortnight of May 2018</p>
3. Dates of Book Closure	August 1, 2017 to August 2, 2017 (both days inclusive)
4. Proposed Dividend	The Board of Directors has recommended a dividend of Rs. 27 per equity share of the face value of Rs. 10 each for the financial year ended March 31, 2017
5. Dividend Payment Date	August 11, 2017
6. Listing on Stock Exchanges	<p>The shares of your Company are listed on:</p> <ul style="list-style-type: none"> BSE Limited P.J. Towers, Dalal Street, Mumbai 400 001 National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400 051 <p>Your Company has paid the annual listing fee for the financial year 2017-18 to both the Exchanges.</p>
7. Stock Code	<p>BSE Limited: 532835</p> <p>National Stock Exchange of India Limited: ICRA</p> <p>ISIN: INE725G01011</p> <p>CIN: L74999DL1991PLC042749</p>
8. Registrar and Share Transfer Agent	<p>M/s. Link Intime India Private Limited</p> <p>44 Community Centre, 2nd Floor,</p> <p>Naraina Industrial Area, Phase I,</p> <p>Near PVR, Naraina,</p> <p>New Delhi—110028</p> <p>Tel: +91 11 4141 0592</p> <p>Fax: +91 11 4141 0591</p> <p>Email Id: delhi@linkintime.co.in</p>
9. Share Transfer System	The Board of Directors has delegated the power of share transfer to the Registrar and Share Transfer Agent, Link Intime India Private Limited (address mentioned above). A summary report on the transfer/transmission of shares of the Company is placed at every meeting of the Board of Directors. Every half year, the Company obtains from a practising Company Secretary a certificate of compliance with the share transfer formalities as required under Regulation 7(3) of the Listing Regulations, and files a copy of the certificate with the Stock Exchanges.
10. Compliance Officer	<p>Mr. S. Shakeb Rahman</p> <p>Company Secretary & Compliance Officer</p> <p>ICRA Limited</p> <p>Building No. 8, 2nd Floor, Tower A</p> <p>DLF Cyber City, Phase-II</p> <p>Gurgaon—122002, Haryana</p> <p>Tel: +91 124 4545300</p> <p>Fax: +91 124 4050424</p> <p>Email: investors@icraindia.com</p>
11. Dematerialisation of Shares and Liquidity	99.984% shares of your Company are held in the electronic mode.

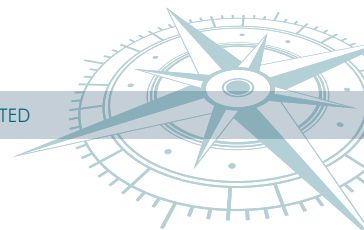
Corporate Governance Report

12. Payment of Dividend	Your Company provides Direct Credit (DC), Real Time Gross Settlement (RTGS), National Electronic Clearing Service (NECS) for payment of Dividend. Through DC/RTGS/NECS, Members can receive their Dividend electronically by way of direct credit to their bank accounts. This obviates problems like loss/fraudulent interception of Dividend warrants during postal transit while also expediting payment. It is strongly recommended that Members opt for DC/RTGS/NECS, if not done already. Members may kindly note that DC/RTGS/NECS details are accessed from the Depositories (for shares held in the electronic form) and from the Company's Registrar and Share Transfer Agent (for shares held in the physical form) and used for payment of Dividend.
13. Green Initiative	Electronic copies of Annual Report, Notice of AGM, and other documents for the financial year ended March 31, 2017 are sent to such members whose email-ids are registered with the Company. For members whose email IDs the Company does not have and for members who request delivery of the said documents in the physical form, your Company will continue to send the said documents in the physical form to such Members
14. Investor Complaints to be addressed to	Registrar and Share Transfer Agent, or to Mr. S. Shakeb Rahman, Compliance Officer, at the relevant address, as mentioned earlier.
15. Address for correspondence	Registrar and Share Transfer Agent, or to Mr. S. Shakeb Rahman, Compliance Officer, at the relevant address, as mentioned earlier.

16. Market Price Data for the year 2016-17

High, Low (based on daily closing prices) and numbers of equity shares traded during each month in the year 2016-17 on are presented in the following table.

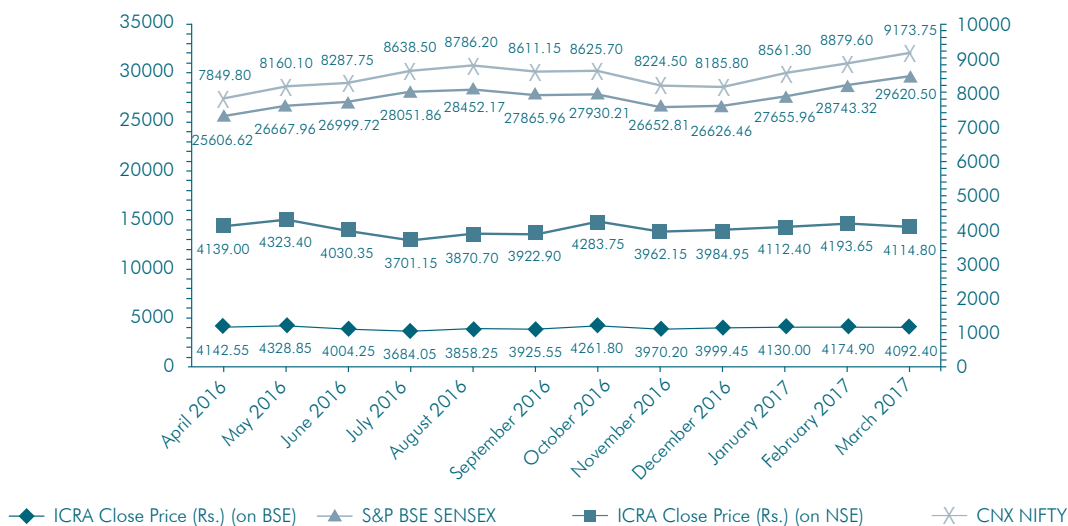
Month	BSE			NSE			Total Volume on BSE and NSE
	Share Price (Rs.)		Volume	Share Price (Rs.)		Volume	
	High	Low		High	Low		
April 2016	4,303.05	3,635.00	3,582	4,196.85	3,790.75	55,083	58,665
May 2016	4,518.00	4,030.00	2,187	4,417.15	4,125.50	32,495	34,682
June 2016	4,389.00	3,980.00	1262	4,341.65	3,996.65	33,374	34,636
July 2016	4,034.95	3,682.00	1,153	4,009.80	3,701.15	53,454	54,607
August 2016	4,144.00	3,520.05	20,050	3,966.45	3,585.95	167,509	187,559
September 2016	4,006.30	3,702.95	2,766	3,934.95	3,784.30	107,511	110,277
October 2016	4,350.00	3,915.05	3,103	4,296.55	4,078.55	156,078	159,181
November 2016	4,393.25	3,798.60	4,124	4,308.05	3,903.70	36,225	40,349
December 2016	4,021.00	3,850.00	708	3,989.40	3,894.70	194,957	195,665
January 2017	4,190.00	3,855.65	1,124	4,123.10	3,941.40	32,668	33,792
February 2017	4,448.00	4,013.35	15,537	4,342.50	4,036.90	61,371	76,908
March 2017	4,262.20	3,930.00	11,686	4,199.15	4,053.80	170,058	181,744



Corporate Governance Report

17. Performance in Comparison with Broad-based Indices

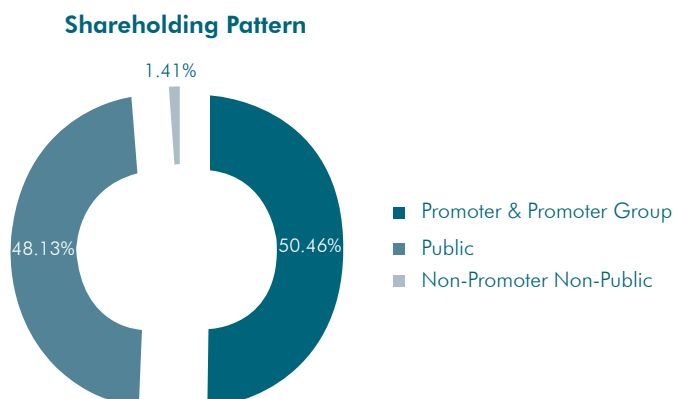
ICRA's closing share price movement on BSE and NSE vis a vis respective indices



18. Distribution of Shareholding as on March 31, 2017

No. of Equity Shares	No. of Members	% of Total Number of Members	No. of Shares				% of Total Number of Shares
			Physical	National Securities Depository Limited	Central Depository Services (India) Limited	Total	
Up to 500	14,488	98.50%	563	283,880	82,487	366,930	3.70%
501 - 1000	78	0.53%	1,000	49,063	9,007	59,070	0.60%
1001 - 2000	47	0.32%	0	64,400	5,887	70,287	0.71%
2001 - 3000	18	0.12%	0	42,407	4,599	47,006	0.47%
3001 - 4000	14	0.10%	0	41,683	7,037	48,720	0.49%
4001 - 5000	6	0.04%	0	28,054	0	28,054	0.28%
5001 - 10000	22	0.15%	0	142,672	19,489	162,161	1.63%
10001 & Above	36	0.24%	0	8,267,251	869,844	9,137,095	92.11%
Total	14,709	100%	1,563	8,919,410	998,350	9,919,323	100%

19. Shareholding Pattern as on March 31, 2017



Corporate Governance Report

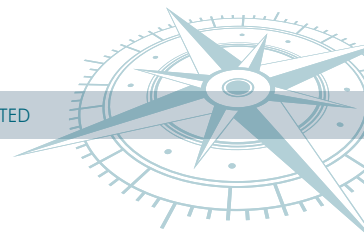
Statement of Shareholding Pattern as on March 31, 2017
Table I - Summary Statement holding of specified securities

Category	Category of shareholder	Nos. of shareholders	No. of share-paid up equity shares held	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
									No of Voting Rights Class eg: X	Class eg: Y	Total	Total as a % of (A+B+C)		No. (a)	As a % of total Shares held(b)		
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)	(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)	(XIII)	(XIV)				
(A)	Promoter & Promoter Group	2	5005622	0	0	5005622	50.4633	5005622	0	50.4633	0	0.0000	0	0.0000	0	5005622	
(B)	Public	14706	4774106	0	0	4774106	48.1294	4774106	0	48.1294	0	0.0000	NA	NA	0	4772543	
(C)	Non Promoter - Non Public																
(C1)	Shares Underlying DRs	0	0	0	0	0	0.0000	0	0	0.0000	0	0.0000	NA	NA	0	0	
(C2)	Shares Held By Employee Trust	1	139595	0	0	139595	1.4100	0	0	0.0000	0	0.0000	NA	NA	0	139595	
	Total	14709	9919323	0	0	9919323	100.0000	9779728	0	100.0000	0	0.0000	0	0.0000	0	9917760	

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category & Name of the shareholders	Nos. of share-holders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Share-holding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
							No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)		
							Class eg: X	Class eg: Y	Total						No. (a)	As a % of total Shares held(b)
(i)	(iii)	(iv)	(v)	(vi)	(vii) = (iv)+(v)+(vi)	(viii) As a % of (A+B+C2)	(ix)			(x)	(xi) = (viii)+(x) As a % of (A+B+C2)	(xii)	(xiii)	(xiv)		
1	Indian															
(a)	Individuals / Hindu Undivided Family	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0
(b)	Central Government / State Government(s)	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0
(c)	Financial Institutions / Banks	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0
(d)	Any Other (Specify)	1	2850900	0	2850900	28.7409	2850900	0	2850900	28.7409	0	28.7409	0	0.0000	0	2850900
	Bodies Corporate	1	2850900	0	2850900	28.7409	2850900	0	2850900	28.7409	0	28.7409	0	0.0000	0	2850900
	Moody's Investment Company India Private Limited	1	2850900	0	2850900	28.7409	2850900	0	2850900	28.7409	0	28.7409	0	0.0000	0	2850900
	Sub Total (A)(1)	1	2850900	0	2850900	28.7409	2850900	0	2850900	28.7409	0	28.7409	0	0.0000	0	2850900

Corporate Governance Report



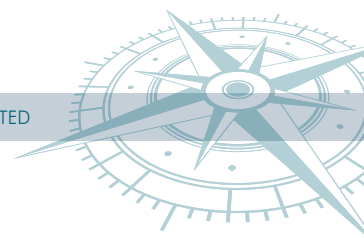
Category & Name of the shareholders	Nos. of share-holders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Outstanding convertible securities (including Warrants)	Share-holding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
							No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
							Class eg: X	Class eg: Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)			(X)	(XI) = (VII) + (X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
2	Foreign																
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0
(b)	Government	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0
(c)	Institutions	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0
(e)	Any Other (Specify)	1	2154722	0	2154722	21.7225	21.7225	2154722	0	2154722	21.7225	0	21.7225	0	0.0000	0	2154722
	Bodies Corporate	1	2154722	0	2154722	21.7225	21.7225	2154722	0	2154722	21.7225	0	21.7225	0	0.0000	0	2154722
	Moody's Singapore Pte Ltd	1	2154722	0	2154722	21.7225	21.7225	2154722	0	2154722	21.7225	0	21.7225	0	0.0000	0	2154722
	Sub Total (A)(2)	1	2154722	0	2154722	21.7225	21.7225	2154722	0	2154722	21.7225	0	21.7225	0	0.0000	0	2154722
	Total Shareholding Of Promoter And Promoter Group (A) = (A)(1) + (A)(2)	2	5005622	0	5005622	50.4633	50.4633	5005622	0	5005622	50.4633	0	50.4633	0	0.0000	0	5005622

Table III - Statement showing shareholding pattern of the Public shareholder

Category & Name of the shareholders	Nos. of share-holders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Share-holding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
							No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)		
							Class eg: X	Class eg: Y	Total							
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)			(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)	(XIII)	(XIV)	
1 Institutions																
(a)	Mutual Fund	14	999329	0	999329	10.0746	999329	0	999329	10.0746	0	10.0746	0	0.0000	NA	999329
	Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life Mnc Fund		508848	0	508848	5.1299	508848	0	508848	5.1299	0	5.1299	0	0.0000	NA	508848
	Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life Tax Relief 96		289551	0	289551	2.9191	289551	0	289551	2.9191	0	2.9191	0	0.0000	NA	289551

Corporate Governance Report

	Category & Name of the shareholders	Nos. of share-holders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Share-holding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
								No of Voting Rights Class eg: X	Class eg: Y	Total			Total as a % of (A+B+C)	No. (a)	As a % of total Shares held(b)	No. (a)		As a % of total Shares held(b)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)			(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	
(b)	Venture Capital Funds	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0	0	
(c)	Alternate Investment Funds	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0	0	
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0	0	
(e)	Foreign Portfolio Investor	19	867596	0	0	867596	8.7465	867596	0	867596	8.7465	0	8.7465	0	0.0000	NA	NA	867596
(f)	Franklin Templeton Investment Funds		300929	0	0	300929	3.0338	300929	0	300929	3.0338	0	3.0338	0	0.0000	NA	NA	300929
	Smallcap World Fund, Inc		291264	0	0	291264	2.9363	291264	0	291264	2.9363	0	2.9363	0	0.0000	NA	NA	291264
	Financial Institutions / Banks	8	570646	0	0	570646	5.7529	570646	0	570646	5.7529	0	5.7529	0	0.0000	NA	NA	570646
(g)	Punjab National Bank		425268	0	0	425268	4.2873	425268	0	425268	4.2873	0	4.2873	0	0.0000	NA	NA	425268
	Insurance Companies	3	1191740	0	0	1191740	12.0143	1191740	0	1191740	12.0143	0	12.0143	0	0.0000	NA	NA	1191740
	Life Insurance Corporation Of India		668086	0	0	668086	6.7352	668086	0	668086	6.7352	0	6.7352	0	0.0000	NA	NA	668086
(h)	General Insurance Corporation Of India		522999	0	0	522999	5.2725	522999	0	522999	5.2725	0	5.2725	0	0.0000	NA	NA	522999
	Provident Funds/ Pension Funds	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0	0	
	Any Other (Specify)	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0	0	
	Sub Total (B)(1)	44	3629311	0	0	3629311	36.5883	3629311	0	3629311	36.5883	0	36.5883	0	0.0000	NA	NA	3629311
2	Central Government/ State Government(s)/ President of India																	
	Sub Total (B)(2)	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0	0	
3	Non-Institutions																	
(a)	Individuals	0	0	0	0	0												
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	13590	571242	0	0	571242	5.7589	571242	0	571242	5.7589	0	5.7589	0	0.0000	NA	NA	569679
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	4	108804	0	0	108804	1.0969	108804	0	108804	1.0969	0	1.0969	0	0.0000	NA	NA	108804



Corporate Governance Report

Category & Name of the shareholders	Nos. of share-holders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held (IV)+(V)+ (VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Outstanding convertible securities (including Warrants)	Share-holding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
							No of Voting Rights Class		Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)		
							eg: X	eg: Y									
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)			(X)	(XI) = (VII) + (X) As a % of (A+B+C2)	(XII)		(XIII)	(XIV)	
(b) NBFCs registered with RBI	0	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0	
(c) Employee Trusts	0	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0	
(d) Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0	
(e) Any Other (Specify)	1068	464749	0	0	464749	0	4.6853	464749	0	464749	4.6853	0	4.6853	0	0.0000	NA	464749
Trusts	4	3023	0	0	3023	0	0.0305	3023	0	3023	0.0305	0	0.0305	0	0.0000	NA	3023
Hindu Undivided Family	532	22359	0	0	22359	0	0.2254	22359	0	22359	0.2254	0	0.2254	0	0.0000	NA	22359
Non Resident Indians (Non Repat)	95	51655	0	0	51655	0	0.5208	51655	0	51655	0.5208	0	0.5208	0	0.0000	NA	51655
Non Resident Indians (Repatriating Member)	143	24738	0	0	24738	0	0.2494	24738	0	24738	0.2494	0	0.2494	0	0.0000	NA	24738
Bodies Corporate	66	14465	0	0	14465	0	0.1458	14465	0	14465	0.1458	0	0.1458	0	0.0000	NA	14465
Hdfc Standard Life Insurance Company Limited	228	348509	0	0	348509	0	3.5134	348509	0	348509	3.5134	0	3.5134	0	0.0000	NA	348509
Sub Total (B)(3)	14662	1144795	0	0	1144795	0	11.5411	1144795	0	1144795	11.5411	0	11.5411	0	0.0000	NA	1143232
Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)	14706	4774106	0	0	4774106	0	48.1294	4774106	0	4774106	48.1294	0	48.1294	0	0.0000	NA	4772543

Corporate Governance Report

Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

Category & Name of the shareholders	Nos. of share-holders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Share-holding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
							No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
							Class eg: X	Class eg: Y	Total								
(I)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)			(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	
1 Custodian/DR Holder	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
2 Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	1	139595	0	0	139595	1.4073	139595	0	139595	1.4073	0	1.4073	0	0.0000	NA	NA	139595
ICRA Employees Welfare Trust		139595	0	0	139595	1.4073	139595	0	139595	1.4073	0	1.4073	0	0.0000	NA	NA	139595
Total Non-Promoter- Non Public Shareholding (C) = (C)(1) + (C)(2)	1	139595	0	0	139595	1.4073	139595	0	139595	1.4073	0	1.4073	0	0.0000	NA	NA	139595

On behalf of the Board of Directors

(Arun Duggal)
Chairman
DIN: 00024262

Place : Gurgaon
Date : May 11, 2017



Corporate Governance Report

Certificate by Chief Executive Officer and Chief Financial Officer

**(Pursuant to Regulation 17(8) of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations 2015)**

We, Naresh Takkar, Managing Director & Group CEO, and Vipul Agrawal, Group Chief Financial Officer, of ICRA Limited, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2017 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There were, to the best of our knowledge and belief, no transactions entered into by the Company during the year which were fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we were aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee that:
 - (i) there were no significant changes in internal control over financial reporting during the year;
 - (ii) there were no changes in the accounting policies during the year; and
 - (iii) there were no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Gurgaon
Date : May 11, 2017

(Naresh Takkar)
Managing Director & Group CEO
DIN: 00253288

(Vipul Agrawal)
Group Chief Financial Officer

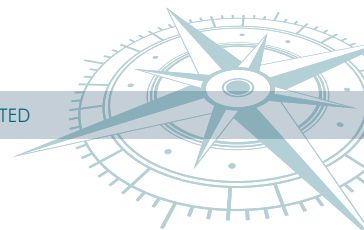
Declaration Regarding Compliance by Board Members and Senior Management Personnel with Company's Code of Conduct (Pursuant to Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015)

The Board of Directors of ICRA Limited adopted the Code of Conduct to be followed by all Members of the Board and Senior Management Personnel of the Company in compliance with Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations").

As provided under Regulation 26(3) of the Listing Regulations, all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the year 2016-17.

Place : Gurgaon
Date : May 11, 2017

(Naresh Takkar)
Managing Director & Group CEO
DIN: 00253288



Independent Auditors' Report on Compliance with the Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of ICRA Limited

1. This report is issued in accordance with the terms of our agreement dated 16 January 2017.
2. The accompanying Corporate Governance Report prepared by ICRA Limited ("the Company"), contains details of compliance of conditions of corporate governance by the Company for the year ended 31 March, 2017 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.

Managements' Responsibility

3. The preparation of the Corporate Governance Report is the responsibility of the Management including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
4. The Management along with the Board of Directors is also responsible for ensuring that the Company complies with the conditions of the Corporate Governance and provides all relevant information to Securities and Exchange Board of India. The management shall comply with the corporate governance provisions which shall be implemented in a manner so as to achieve the objectives of the principles.

Auditor's Responsibility

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31 March 2017.
6. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the subject matter stated in above paragraph. The procedures selected, including procedures for assessment of the risks associated with the subject matter, depend on the auditor's judgment.
7. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
8. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, ("the Guidance Note"), issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

10. In our opinion, and to the best of our information and according to explanations and representations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable as at March 31, 2017, referred to in paragraph 1 above.
11. We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restrictions on Use

12. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

Chartered Accountants

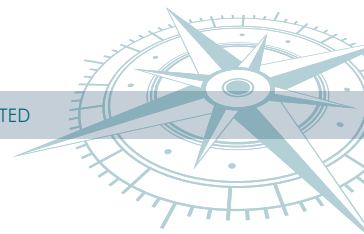
ICAI Firm Registration No.:101248W/ W-100022

Shashank Agarwal

Partner

Membership No.: 095109

Place: Gurgaon
Date: May 11, 2017



Annexure IV

Management Discussion and Analysis Report

(Annexure to the Directors' Report)

A. Industry Structure and Developments

Despite several policy measures taken by the Government, investment activity did not show broad-based revival, particularly given moderate capacity utilisation. Moreover, demand for bank credit declined after the note ban, even as appetite for lending was low, given asset quality concerns, resulting in a modest 5.8% growth of non food bank credit in FY2017.

In contrast to the sluggish growth in the bank loan ratings business, bond issuances recorded a healthy expansion during the year under review. The pickup is attributable to factors like faster transmission and finer pricing. Additionally, corporate continued to access short-term financing through the commercial paper (CP) route, with the CP outstanding increasing significantly in FY2017 over the previous fiscal. Financial sector – banks as well as non banking finance companies (NBFCs) - saw a significant rise in issuances. Banks' capital requirement coupled with NBFCs preference for debt market for its finer rates would continue to support issuances. Your Company continues to have a strong market position in the structured finance segment. Demand for credit enhanced structured products in infrastructure segment and securitization – for PSL and non-PSL purposes is expected to continue.

GDP growth is expected to rise to 7.2% in FY2018 from 7.1% (estimated) last year. Moreover, growth of gross value added (GVA) at basic prices is likely to improve to 7.0% in FY2018 from 6.7% in FY2017. This, combined with the trend of increasing disintermediation being seen in high issuances of debt capital market instruments such as Bonds and CPs, is likely to have a positive impact on the ratings business. Growth in Bank loan ratings segment is also expected to show some improvement with expected moderate pick up bank credit growth and the higher risk weights to the unrated large exposures .

(An overview of the market for rating services, including discussions on the various segments that comprise this market, is presented in the section titled "Review of Operations" in the Directors' Report.)

B. Opportunities and Threats

Opportunities

Opportunities in the ratings business are a function of the interplay of several factors and developments, some of which arise from the initiatives taken by a rating agency and its strengths, while the others emanate from the environment that it operates in. Some of the environmental, or external, factors that ICRA sees as offering opportunities for growth of its business are a gradual pickup in the economy following increased governmental spending in certain infrastructure sectors (which should increase overall resource mobilisation); moderate expansion of bank credit subject to Banks' own capital constraints; and continued implementation of Basel III norms. The private investment cycle is also expected to pick up gradually, the pace depending inter alia on the revival in the global as well as the domestic economy. Regulatory support in terms of higher provisioning and capital requirements for banks with large exposures, tighter single party and group exposure norms and rating requirement for Infrastructure Investment Trusts (InvITs) and Real Estate Investment Trusts (REITs) are factors likely to deepen the domestic debt market.

ICRA is well placed to exploit the opportunities arising from each of the factors stated, given its competitive strengths and strategic initiatives. We believe that our competitive strengths primarily include the rich database and research support that our products and services draw upon; our proven ability to make product and service innovations; the demonstrated track record of our ratings; our experienced and strong management team and pool of high-quality employee talent; and our close association with the Moody's Group, besides our technical services agreement with Moody's Investors Service.

Threats

The threats confronting our business have their foundation in such risks and concerns as are discussed in Section E of this report.

Management Discussion and Analysis Report

(Annexure to the Directors' Report)

C. Segment-wise or Product-wise Performance

Details on the performance of the Company's operating activities are presented in the section titled "Review of Operations" in the Directors' Report. Highlights of performance of subsidiaries and their contribution to the overall performance of the Company during 2016-17 are provided below.

I. ICRA Management Consulting Services Limited

ICRA Management Consulting Services Limited ("IMaCS"), a wholly-owned subsidiary of the Company, is an Advisory and Analytics firm with a global operating footprint in 45 countries. IMaCS focuses on providing advisory and analytics services that enable financial flows and transactions by way of various avenues including equity investments, debt financing, grant funding, spending under corporate social responsibility, development financing, and trade finance. IMaCS offers its services under four heads namely, (1) Risk Analytics (2) Financial Advisory (3) Outsourcing, and (4) Policy Advisory. IMaCS' clientele includes Banks and Financial Service Companies, Financial Investors, Corporates, Governments, Regulators, Multilateral/Bilateral Development Agencies, and Not-for-profit Organisations.

During the year under review, IMaCS recorded total revenue of Rs. 31.90 crore (previous year Rs. 30.26) reflecting a growth of 5.1%, despite of various challenges.

IMaCS offers its outsourcing & Programme Management services through its wholly-owned subsidiary, Pragati Development Consulting Services Limited.

II. ICRA Online Limited

ICRA Online Limited ("ICRON") is a wholly owned subsidiary of the Company. ICRON has three line of business that offers outsourcing solutions in Data Services, Research & Content and Analytics to domestic and global clients. During the year under review, ICRON registered a 16% growth in operating revenue, driven primarily by business growth in the segment of Outsourced Services. Apart from growth in business from principal client, the company witnessed addition of new projects by other clients in Data Services. ICRON was able to acquire new clients and cross-sales business in Research & Content in the domestic market by improving product portfolio and intensifying marketing efforts. ICRON continued to consistently meet the stringent delivery timelines and quality imperatives of Service Level Agreements for all projects. During the year, ICRON successfully continued with its effort towards pursuing higher-value opportunities in the domestic market in the area of analytics and executed pilot projects with select clients in BFSI vertical.

During the year under review, ICRON recorded total revenue of Rs. 49.71 crore (previous year Rs. 42.88 crore). The Board of Directors of ICRON has recommended a dividend of Rs. 6/- per equity share for the financial year ended March 31, 2017 aggregating to Rs. 5.37 crore (previous year Nil).

III. ICRA Lanka Limited

ICRA Lanka Limited ("ICRA Lanka") a wholly owned subsidiary company of the Company, offers a wide range of rating services in the Sri Lanka market. During the year under review, ICRA Lanka was able to record a 31.5% growth in its operating revenue, driven primarily by business growth in the Issuers rating segment and Surveillance. ICRA Lanka was able to acquire new clients in entity rating segment. However, the issue rating revenue was relatively low compared to the previous year as the overall market did not perform as expected.

During the year under review, ICRA Lanka recorded total revenue of Rs. 1.27 crore (previous year Rs. 0.99 crore).

IV. ICRA Nepal Limited

ICRA Nepal Limited ("ICRA Nepal") a subsidiary of the Company, offers a wide range of rating services in the Nepalese market.

During the year under review, ICRA Nepal registered a 31% growth in revenue from operation, driven primarily by business growth in the segment of equity related instrument. Although, debt market slowed down during review period after announcement of increase in paid-up capital of the bank and financial institutions, mainly some high value further public offerings supported growth. Implementation of already announced Borrower Rating Policy by the Central Bank, remains critical for ICRA Nepal's rating business to grow.



Management Discussion and Analysis Report

(Annexure to the Directors' Report)

During the year under review, ICRA Nepal recorded total revenue of Rs. 1.58 crore (previous year Rs. 1.20 crore). ICRA Nepal has declared a dividend and the amount towards dividend payable to the Company is Rs. 6.70 lakhs (previous year Nil).

(A brief financial details in Form AOC-1 as per Rule 5 of the Companies (Accounts) Rules, 2014, of the above mentioned subsidiary companies is annexed to the consolidated financial statements)

D. Outlook

The long-term outlook for the ratings business remains positive, given the large funding requirements and the gradual uptick in bond issuances both by highly rated corporates as well as financial sector entities. With the banking system facing challenges on the capital adequacy front, they would also need to raise more bonds subject to investor appetite. Need to diversify funding sources, as required by the recent regulatory steps, is expected to increase the demand for bonds. Your Company continues to take initiatives to retain its strong market position and is confident of meeting the challenges posed inevitably by changing business requirements.

E. Risks and Concerns

Your Company is engaged primarily in the business of providing rating and grading services, any economic slowdown in India may impact the volume of bank credit or debt securities issued in the domestic capital markets, and hence, have an adverse impact on your company's business and revenues.

Your Company's services are dependent on the condition of the financial markets in India. Any increase in interest rates and credit spreads, foreign exchange fluctuations, defaults by significant issuers/borrowers, and other market and economic factors, both domestic and global, may negatively impact the issuance of credit-sensitive products and other financial services. A sustained period of volatility or weakness or downturn in the financial markets domestically or internationally could have a materially adverse effect on our business and financial results.

Specifically, the bank loan rating business would get impacted if there is a credit slowdown or change in rating related regulation resulting in transition to internal rating models for providing capital. The domestic debt capital market, on the other hand, is skewed towards higher-category credit-ratings. This may continue to constrain the volume of issuance in the Indian debt market despite the regulatory allowance of partially credit enhanced bonds. Currently, accessing overseas debt markets by certain Indian borrowers/issuers is regulated, and any change in the prevailing regulatory regime liberalising access to overseas markets for the raising of debt funds may adversely impact issuance of debt instruments in the domestic market.

Further, our market share or profitability may be affected by competition, which remains intense. In the event that our competitors come up with newer products and services, better anticipate customer requirements using more sophisticated technology, and offer innovative solutions to our clients or offer more competitive prices, our market share may be impacted, which may adversely affect our results of operations and financial condition.

Additionally, our business is largely dependent on the recognition of our brand and our reputation. In this regard, prominent investment-grade defaults, multi notch downgrades or failure to appropriately assess the creditworthiness of instruments rated by us could negatively affect our reputation and, hence, our positioning as a quality credit rating agency. This, in turn, may adversely affect our business, operations, and financial condition.

Risk mitigation

- To mitigate business risks arising from changes in economic and market conditions and in regulations that influence the volume of debt issuance, the Company constantly monitors developments on these fronts and adjusts its business strategies accordingly.
- The Company evaluates itself periodically against its peers to mitigate competition-related risks. To prevent brand dilution, the Company remains focused on maintaining the robustness of its ratings and gradings while at the same time promoting brand ICRA through seminars, and conferences, apart from the publication of research reports.
- The Company keeps a close watch on key regulatory developments in order to anticipate changes and their potential impact on its business.
- The Company, both unilaterally and through its participation in industry forums, responds to consultation papers and discussions initiated by the regulators, government and other policymakers on any key regulatory changes that have an impact on its business.

Management Discussion and Analysis Report

(Annexure to the Directors' Report)

(1) Liquidity Risk/Financial Risk

The extent of liquidity/financial risk is influenced by various factors such as maturity of liabilities and degree of reliance on secured sources of funding.

Risk mitigation

- The Company has remained debt-free ever since it was incorporated, and has always sought to finance all its expansion and diversification plans with internal accruals.
- A sound liquidity position makes it possible for the Company to discharge all its payables within the stipulated time.

(2) Investment Risk

The Company has made, and may continue making, investments in bonds, debentures, mutual funds, and other marketable securities, the returns on which would be impacted by changes in interest rates and volatility in the financial markets. Besides, the Company has made investments in subsidiaries, the return from which depend on their individual performance.

Risk mitigation

- The Company has set up an investment committee, which periodically reviews the performance of its investment portfolio.
- The Company makes provision for diminution in the carrying value of investments if the diminution in the fair market value of any long-term investment is considered permanent, and regularly evaluates changes in the financial markets.

(3) Legal and Statutory Risk

The Company complies with all the applicable laws, rules and regulations, and makes business decisions on the basis of comprehensive advice provided both by its own officials and by acknowledged external specialists. Legal risks arise because of changes in corporate laws, SEBI credit rating regulations, accounting standards, tax laws, and/or any other applicable rules and regulations as may be amended from time to time.

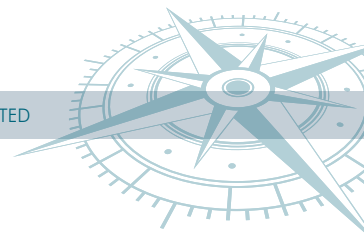
Risk mitigation

- The Company has put in place a comprehensive compliance framework to manage compliance-related issues. Compliance Officers track regulatory and statutory requirements and notify changes to stakeholders periodically. Detailed checklists are available with the compliance officers to ensure compliance with the legal requirements applicable.
- Compliance Officers of the Company endeavour to keep themselves abreast of all amendments in the various laws applicable.
- The Company also makes provisions in the balance sheet when required and regularly evaluates the adequacy of such provisions for legal risks relating to past events.
- The Board of Directors is informed periodically about compliance with the various laws and rules in force.
- Regulatory and statutory audits are conducted to ensure compliance with the relevant provisions of the applicable laws and regulations.
- The Company obtains legal advisory services and seeks legal advice wherever necessary to avoid any non-compliance with the applicable laws, rules and regulations.

(4) Operational Risk/Technology Related Risk

The Company has to rely on clients/third parties for the adequacy and accuracy of information (relating to such clients), which may not always be independently verifiable. While we do have a systematic feedback method using which we gather this information, even so, we have to depend largely on clients and third party sources to obtain information relating to them. We may also rely on representations as to the accuracy and adequacy of the information obtained. Inadequacy or inaccuracy of information may expose us to the risk of assigning an inappropriate rating or grading. This may in turn affect our business, reputation and operations.

The Company's ability to conduct business may be adversely impacted by a disruption in the infrastructure that



Management Discussion and Analysis Report

(Annexure to the Directors' Report)

supports its businesses. This may include a disruption involving physical or technological infrastructure whether due to human error, hardware failure, natural disasters, power loss, telecommunication failures, break-ins, sabotage, intentional acts of vandalism, acts of terrorism, political unrest, war or otherwise.

With the complexity of our business increasing, sound information system controls are needed, and we have established these in our organisation. The risks involved here are of systems failures, loss of confidential data, and other internal organisational risks.

Risk mitigation

- To mitigate such risks and thereby the losses arising from business disruptions because of electrical or telecommunications failure or natural disasters, the Company has established appropriate backup facilities.
- The security policies and effective functioning of all major systems are monitored regularly by the Systems Analyst, in coordination with the information technology coordination team.

(5) Policy Risk

Material changes in the regulations that govern us or our businesses could affect the results of our operations. Most of the revenues of the Company come from rating services, which are influenced by regulatory requirements. In the event that there are changes in the regulatory requirements of compulsory rating for certain instruments or for certain investors to invest in rated instruments, or there are such changes in regulations that negatively impact the level of issuance of debt instruments in the domestic market, there may be a decrease in the demand for rating. This in turn may affect our business, revenues and financial condition.

(6) Political Risk

Political instability could adversely affect general economic conditions in India, which in turn could impact our financial results and prospects, as could adverse changes in specific laws and policies pertaining to banking and finance companies, foreign investment and other matters affecting investment in securities. Additionally, any adverse change in the economic liberalisation policies—a major factor encouraging private participation in infrastructure—could have a significant impact on infrastructure development, business and economic conditions in India, and this in turn may affect our financial results and prospects.

(7) Attrition Risk

Our performance and success depend largely on our ability to nurture and retain the continued service of our management team and skilled personnel. We also face a continuing challenge to recruit and retain a sufficient number of suitably skilled persons, particularly as we continue to grow. There is significant competition for management and other skilled persons in the financial services industry. Further, our competitors and other financial services entities may offer better compensation and incentives. If we are unable to attract talented persons, experience high attrition or are unable to motivate our existing employees, our business and operations may be affected.

Risk mitigation

- We are committed to providing the best possible work environment and facilities to employees at all levels. The company believes in growing leadership and promoting talent internally. Deserving employees, those who demonstrate high performance and potential are awarded challenging assignments and higher responsibilities. To attract, motivate and retain our valuable talent we reward employees based on performance and merit. Deserving employees are eligible to participate in the Long term/ deferred incentive plan focused on retaining critical talent in the Company. We continually benchmark the compensation package we offer against those that the industry and competition offer. Our compensation package is so structured as to be stable while also providing incentives for continuous improvement in performance. Additionally, your company provides learning opportunities to its employees across levels. It invests in their training and development which also results in the overall improved performance of the Company. The Company focuses on identifying future leaders and developing them to address succession planning for critical positions.

Management Discussion and Analysis Report

(Annexure to the Directors' Report)

F. Internal Control Systems and their Adequacy

The Management is responsible for establishing and maintaining controls and procedures for the Company following review by the Audit Committee and the Board of Directors. Accordingly, the Management has designed such controls and procedures, or caused such controls and procedures to be designed under its supervision, as to ensure that material information relating to the Company, including its subsidiaries, is made known to the Management by others within those entities; and designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under its supervision, as to provide reasonable assurance regarding the reliability of the financial statements. The financial statements of the Company are prepared and presented under the historical cost convention on a going concern basis on an accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013, and accounting principles generally accepted in India. Further, the financial statements comply with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable.

(An overview of Internal Control Systems and their adequacy, is presented in the section titled "Internal Control System and their adequacy" in the Directors' Report.)

G. Discussion on Financial Performance with respect to Operational Performance

The key features of the Company's financial performance for the year ended March 31, 2017 are presented in the accompanying financial statements, which have been prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 (the "Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014, the other relevant provisions of the Act (including provisions of Companies Act, 1956 which continue to remain in force, to the extent applicable), pronouncements of the Institute of Chartered Accountants of India, guidelines issued by the Securities and Exchange Board of India ("SEBI"), to the extent applicable. ICRA's Management accepts responsibility for the integrity and objectivity of these financial statements.

The financial information discussed in this section is derived from the Company's audited financial statements.

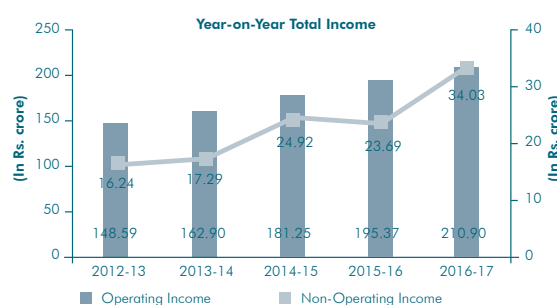
I. Results of operation

The financial performance of the Company is summarised as under:

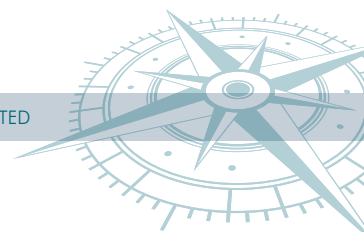
(a) Incomes

(in Rs. crore)

Particulars	2015-16	2016-17	Growth (%)
Revenue from operations	193.89	209.22	8%
Other operating income	1.47	1.68	14%
Total operating income	195.36	210.90	8%
Other income	23.69	34.03	44%
Total Income	219.05	244.93	12%



In terms of business segments, the growth in operating revenue during 2016-17 was mainly due to growth in the debt market related ratings. Subdued bank credit growth and your Company's strategic decision to remain selective in the low-ticket segment moderated the revenue growth. Bank loan ratings accounted for 35% of the overall rating revenues for 2016-17. Other than rating of debt issuances and bank loans of existing issuers, the Company was able to add new issuers and borrowers to its list of rating clients during the year under review.



Management Discussion and Analysis Report

(Annexure to the Directors' Report)

Other operating revenue

Other operating revenue consists mainly of advance fee outstanding for more than three years written back, besides bad debts recovered and royalty income from subsidiary company.

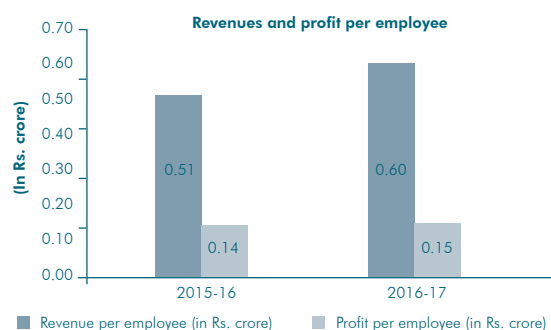
Non-operating income

Non-operating income primarily consists of dividend received from subsidiary company, interest received on fixed deposits with banks, gain on sale or redemption of investments and rental income. During the financial year 2016-17, the Company's non-operating income was increased by 44% over the previous fiscal, mainly due to dividend received from subsidiary company and interest income on debentures.

(b) Expenses

(in Rs. crore)

Particulars	2015-16	2016-17	Growth (%)
Employee benefits expenses	83.32	91.45	10%
Depreciation and amortization	3.56	3.20	-10%
Other expenses	34.64	37.83	9%
Total expenses	121.52	132.48	9%



Employee benefits expenses increased 10% to Rs. 91.45 crore in 2016-17 from Rs. 83.32 crore in 2015-16. The increase in employee benefits expenses was mainly due increase in salaries, bonus and change in compensated absences policy. There was no change in the Employee benefit expenses as a percentage of total operating revenue during the period under review as compared with previous fiscal year.

Your Company's revenues and profit after tax per employee increased during 2016-17 as compared to 2015-16.

Depreciation and amortisation expenses decreased 10% during 2016-17 over the previous fiscal year.

Other expenses increased 9% during 2016-17 over the previous fiscal. Increase in other expenses is mainly because of increase in legal and professional charges. Further, the Company for the financial year 2016-17 spent Rs. 1.54 crore towards Corporate Social Responsibility (CSR) as prescribed under Section 135 of the Companies Act, 2013, as compared to Rs 1.30 crore spent during 2015-16 on the CSR. There was no change in other expenses as a percentage of total revenue during the period under review as compared with previous fiscal year.

Total expenses increased 9% to Rs. 132.48 crore in 2016-17 from Rs. 121.52 crore in 2015-16.

Management Discussion and Analysis Report

(Annexure to the Directors' Report)

II. Financial Position

(a) Share capital

Your Company has only one class of equity shares having a par value of Rs. 10 each. The capital structure of the Company is as follows:

(in Rs. crore)

Particulars	As on March 31, 2016	As on March 31, 2017
Authorized: 1,50,00,000 Equity Shares of Rs. 10 each	15.00	15.00
Issued, subscribed and fully paid up: 99,19,323 Equity Shares of Rs. 10 each (previous year 1,00,00,000 Equity Shares of Rs. 10 each)	10.00	9.92
Par value of shares bought back pending for extinguishment	-	(0.02)
	10.00	9.90

During 2016-17 the Company had bought back 96,720 equity shares out of which 80,677 equity shares were extinguished till the end of the financial year 2016-17 and the remaining 16,043 equity shares were extinguished in the month of April 2017. Post extinguishment of all the equity shares bought back under buyback, the issued, subscribed and paid-up capital stood at Rs. 9.90 crore divided into 99,03,280 equity shares of Rs. 10 each.

(b) Reserves and surplus

Reserves and surplus of the Company stood at Rs. 443.70 crore as on March 31, 2017 as against Rs. 398.36 crore as on March 31, 2016. In accordance with the requirement of the Companies Act, 2013, an amount of Rs. 39.90 crore has been utilised from the securities premium account for the buyback. Further, the Company has created capital redemption reserve of Rs. 0.10 crore (par value of shares bought back) from the securities premium account.

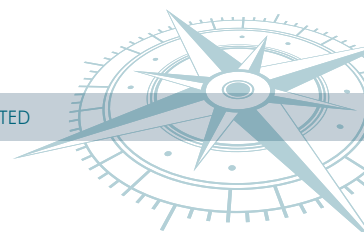
(c) Fixed assets

The fixed assets of the Company were as under:

(in Rs. crore)

Particulars	As on March 31, 2016	As on March 31, 2017	Growth (%)
Tangible assets	37.40	35.04	-6%
Intangible assets	2.31	1.95	-16%
Gross value	39.71	36.99	-7%
Less: Accumulated depreciation	(24.22)	(24.00)	-1%
Net carrying value	15.49	12.99	-16%
Accumulated depreciation as % of gross value	60%	64%	7%

During 2016-17, the Company purchased assets for Rs. 1.58 crore and disposed of various assets amounting to Rs. 4.30 crore.



Management Discussion and Analysis Report

(Annexure to the Directors' Report)

(d) Non-current and current investments

(in Rs. crore)

Particulars	As on March 31, 2016	% of Total	As on March 31, 2017	% of Total	Growth (%)
Non-Current Investments:					
(A) Investments in Equity Instruments					
In Equity Shares of Subsidiaries and Others	102.06	38%	41.90	14%	-59%
Less: Diminution due to change in carrying value of investments	14.97	6%	14.97	5%	0%
Sub Total (A)	87.09	32%	26.93	9%	-69%
(B) Investments in Mutual Funds					
In Fixed Maturity Plans	57.94	21%	26.49	10%	-54%
In Other Plans	109.00	40%	78.00	27%	-28%
Sub Total (B)	166.94	61%	104.49	36%	-37%
(C) Total Non-Current Investments (A+B)	254.03	94%	131.42	45%	-48%
Current Investments:					
(D) Investments in Debentures	0.00	0%	36.75	13%	
(E) Investment in Corporate Deposits	0.00	0%	49.85	17%	
(F) Investments in Mutual Funds					
In Fixed Maturity Plans	17.00	6%	40.44	14%	138%
In Other Plans	0.00	0%	31.00	11%	
Sub Total (F)	17.00	6%	71.44	25%	320%
(G) Total Current Investments (D+E+F)	17.00	6%	158.04	55%	829%
Total Investments (C+G)	271.03	100%	289.46	100%	7%

The Company deploys its internal accruals and surplus funds primarily in mutual funds, fixed deposits and corporate deposits as per its investment policy approved by the Board of Directors.

The decline in the investment in equity shares during 2016-17 was on account of the sale of entire shareholding held by the Company in ICRA Techno Analytics Limited ("ICTEAS") (now known as "Nihilent Analytics Limited"), then wholly owned subsidiary of the Company to Nihilent Technologies Limited, for a consideration of Rs. 68.75 Crore, comprising (i) payment of cash consideration of Rs. 32 Crore; and (ii) unsecured, unrated, 10% interest bearing and unlisted non-convertible debentures, issued for the balance amount, to be redeemed after one year and fifteen days from the date of allotment i.e. October 7, 2016. The transaction got consummated on October 7, 2016, and as a result, ICTEAS along with its subsidiaries ceased to be subsidiary of the Company.

The increase in total investment was mainly due to deployment of internal accruals and consideration received on sale of subsidiary.

Investment Profile

(e) Current and non-current assets, loans and advances

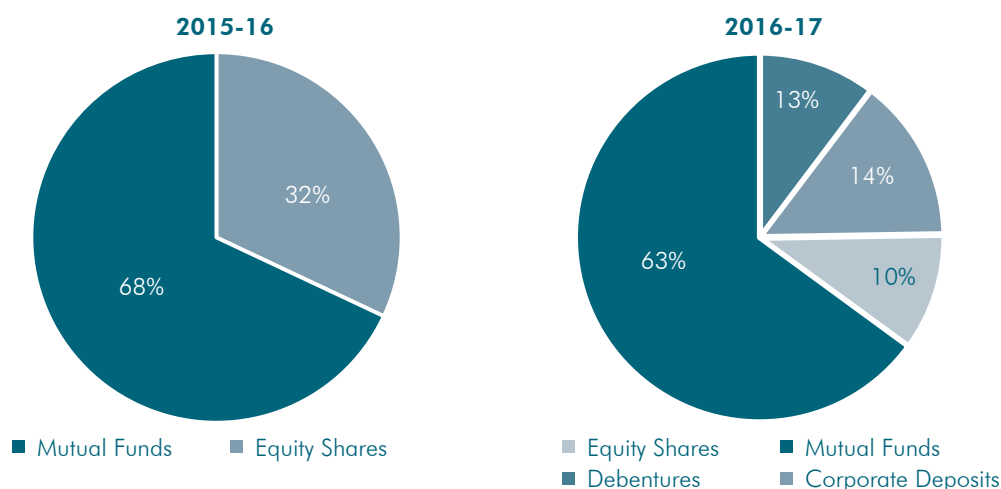
(in Rs. crore)

Particulars	As on March 31, 2016	As on March 31, 2017	Growth (%)
(a) Trade receivables			
Total receivables	19.82	24.13	22%
Provision for doubtful trade receivables	(3.33)	(5.57)	67%
Net trade receivables	16.49	18.56	13%
Trade receivables as % of operating income	8%	9%	
(b) Cash and bank balances	181.09	183.13	1%
(c) Other non-current assets	16.74	9.90	-41%
(d) Other current assets	7.41	10.43	41%
(e) Long-term loans and advances	17.17	15.17	-12%
(f) Total short-term loans and advances	4.08	5.29	30%
Provision for doubtful short-term loans and advances	(0.09)	(0.08)	-11%
Net short-term loans and advances	3.99	5.21	31%
Total current and non-current assets, loans advances	242.89	242.40	0%

Net trade receivables were Rs. 18.56 crore as on March 31, 2017 as against Rs. 16.49 crore as on March 31, 2016. The increase in trade receivables was mainly due to lower and slower recovery of debtors as compared to previous year. Trade Receivables as a percentage of Operating Income increased from 8% during 2015-16 to 9% during 2016-17.

Management Discussion and Analysis Report

(Annexure to the Directors' Report)



Cash and bank balances (including other non-current assets) as on March 31, 2017 was Rs. 193.03 crore as against 197.83 crore. The cash and bank balances consists of Rs. 191.10 crore in bank deposits, Rs. 0.78 crore in current accounts, Rs. 1 crore in escrow account created for Buyback of equity shares, Rs. 0.07 crore as earmarked balance with bank (unpaid dividend), and Rs. 0.08 crore as cash on hand. The bank deposits have decline mainly due to deployment of funds in corporate deposits, investment in debentures and the funds utilised for Buyback of the equity shares of the Company.

Long-term loans and advances declined 12% at the end of fiscal year 2016-17 primarily because of repayment of loans by employees and movement of security deposits from non-current to current.

Net short-term loans and advances increased 31% at the end of fiscal 2016-17 over the previous fiscal primarily because of movement of security deposits from non-current to current.

(f) Non-current and current liabilities

(in Rs. crore)			
Particulars	As on March 31, 2016	As on March 31, 2017	Growth (%)
(a) Other long-term liabilities	1.05	0.82	-22%
(b) Long-term provisions	7.26	1.03	-86%
(c) Trade payables	3.46	5.35	55%
(d) Other current liabilities	63.57	64.80	2%
(e) Short-term provisions	49.88	21.99	-56%
Total non-current and current liabilities	125.22	93.99	-25%

Other long-term liabilities declined 22% due to adjustments of rent equalisation.

Long-term provisions reduced by 86% due to funding of gratuity in approved gratuity trust.

Trade payables were higher as on March 31, 2017 as compared to previous year due to provision of expenses relating to sale of subsidiary.

Other current liabilities mainly consisted of unearned revenue and advances received from customers.

Short term provisions declined, as the provisions for dividend and dividend distribution tax are not required to be created as per the AS 4 (revised) as against the provision amounting to Rs. 30.09 crore created for dividend and dividend distribution tax in the previous year.

Total non-current and current liabilities decreased 25% as on March 31, 2017 as compared to previous year primarily on account of non-provisions of dividend and dividend distribution tax as on March 31, 2017 as per AS4(Revised).



Management Discussion and Analysis Report

(Annexure to the Directors' Report)

H. Material Developments in Human Resources/Industrial Relations, including Number of People Employed

The Company, with total employee strength of 407 as of year-end 2016-17, continues to accord high priority to human resource development, with emphasis being placed on improving skill, competence and knowledge through regular training and in-house/external professional development programmes. Besides, the Company has a consultative and participative management style, and is committed to providing the best possible work environment and facilities to employees at all levels. As a result, the relation between the employees and the Management of your Company has remained harmonious till date. Besides, performance incentives and deferred incentives are provided to eligible employees of the Company so as to encourage and reward superior performance. Further, the Company continually benchmarks the compensation package it offers to employees against those that the industry and competition offer. The compensation package is so structured as to be stable while also providing incentives for continuous improvement in performance.

On behalf of the Board of Directors

(Arun Duggal)
Chairman

DIN: 00024262

Place: Gurgaon
Date: May 11, 2017

Forward-Looking Statements May Prove Inaccurate

This Annual Report contains certain forward-looking statements that may be identified by words, phrases, or expressions including, but not limited to, "expected", "will", "would", "continue", "intend to", "in future", or their variations. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Factors that might cause such differences include, but are not limited to, those discussed under "Risks and Concerns", which is a part of the "Management Discussion and Analysis Report". Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect Management's analysis only as of the date hereof. The Company assumes no obligation to publicly update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

Annexure V

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

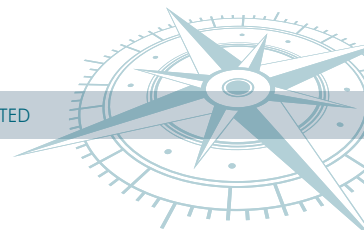
ICRA Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ICRA Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the Audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:-

- i) The Companies Act, 2013 and the Rules made thereunder ;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and external Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - c) The SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit period);
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit period)
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit period); and
 - i) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998.



We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There has been no change in the composition of the Board of Directors during the period under review except that Mr. Robert Scott Fauber, Non Executive, Non Independent Director, resigned from the Board of the Company, effective from June 14, 2016 and Ms. Farisa Zarin (DIN: 07532172), who was appointed as an Additional Director with effect from June 15, 2016 was regularized as Non-Executive, Non-Independent Director of the Company in the Annual General Meeting held on August 11, 2016, liable to retire by rotation which were carried out in compliance with the provisions of the Act.

Adequate notice has been given to all Directors of the scheduled Board Meetings. Agenda and detailed notes on Agenda were sent at least seven days in advance. A system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for a meaningful participation at the meeting.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, Rules, regulations and guidelines.

We further report that during the period under review:

1. There has been sale of the entire shareholding held by the Company in ICRA Techno Analytics Limited ("ICTEAS"), wholly owned subsidiary of Company, engaged in the business of software development, its implementation and post implementation support services in the areas of business intelligence, business analytics, enterprise, web content management including enterprise resource planning implementation, which has been by the Members of the Company approved through Postal Ballot including electronic voting conducted by the Company, the result of which was declared on September 19, 2016.
2. In pursuant to the provisions of article 88 of the articles of association of the Company and in accordance with the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended and applicable rules thereunder, and the provisions of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 as amended, the Company has bought back 96,720 (Ninety Six Thousand Seven Hundred and Twenty) equity shares. The buyback commenced on March 2, 2017 and closed on April 3, 2017. The Company has extinguished entire 96,720 equity shares bought back.

For Y. J. Basrar & Associates
Company Secretaries

Y. J. Basrar
Proprietor
FCS No. 2754
C.P. No. 3528

Date: May 11, 2017
Place: New Delhi

Annexure 'A'

To

The Members

ICRA Limited

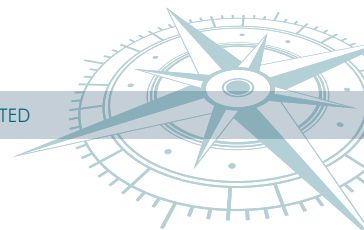
Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Y. J. Basrar & Associates
Company Secretaries

Y. J. Basrar
Proprietor
FCS No. 2754
C.P. No. 3528

Date: May 11, 2017
Place: New Delhi



Annexure VI

Dividend Distribution Policy

Objective Of The Policy

The objective of the Dividend Distribution Policy (**'the Policy'**) of ICRA Limited (**'the Company'**) is to maintain stability in the dividend payout of the Company, subject to the applicable laws and to ensure a regular dividend income for the members and long term capital appreciation for all stakeholders of the Company.

The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. The Board of Directors will refer to this Policy while declaring/recommending dividends on behalf of the Company. Through this Policy, the Company would endeavor to maintain a consistent approach to dividend pay-out plans, subject to the applicable laws.

BACKGROUND

The Securities and Exchange Board of India (**"SEBI"**) amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**) by inserting a new Regulation 43A, effective from July 8, 2016. Regulation 43A requires that the top five hundred listed entities based on market capitalization (calculated as on March 31 every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their website. Considering the requirements of the aforesaid Regulation of the Listing Regulations, the Company has modified this Policy to align with the requirements specified under Regulation 43A of the Listing Regulations for distribution of dividend.

CIRCUMSTANCES UNDER WHICH THE MEMBERS MAY OR MAY NOT EXPECT DIVIDEND

The Members of the Company may or may not expect Dividend depending upon circumstances, including but not limited to the following circumstances:

1. Loss incurred or inadequacy of profits;
2. Utilisation of reserves and surplus for buyback of securities of the Company;
3. Acquisitions and/or any other potential strategic actions;
4. Investment in business;
5. Any other circumstance(s), which Board may consider not to recommend dividend.

PARAMETERS FOR DECLARATION OF DIVIDEND

I. Financial parameters and Internal factors for determining dividend

In determining the Company's dividend payout, the Board of Directors considers financial parameters and internal factors, including:

1. Stability of earnings;
2. Liquidity of funds;
3. Needs for additional capital;
4. Past dividend trends;
5. Dividend type and its time of payment;
6. Acquisitions and/or any other potential strategic actions;
7. Expansion of business made by the Company.

II. External factors for determining dividend

In determining the Company's dividend payout, the Board of Directors considers external factors, including:

1. Prevailing legal requirements, tax rules, Government policies, statutory conditions or restrictions as may be provided under applicable laws.;
2. State of the economy of the country;
3. Favourable state of the capital markets;

POLICY ON UTILIZATION OF RETAINED EARNINGS

The Company believes in continuing a reasonable balance between cash retention and distribution of dividend to its members. The Company believes in the requirement of cash retention for expansion and diversification of the Company including acquisitions to be made by it, and also as a means to meet contingency. The Company shall declare dividends for a financial year out of the profits of the Company for that year or out of the profits of the Company for any previous financial year or years after providing for depreciation in accordance with applicable laws. The Company has a practice of paying dividend on a yearly basis and has been consistently declaring and paying dividend.

The Company reserves the right to declare interim dividend during any financial year out of the surplus in the profit and loss account and out of the profits of the financial year in which such interim dividend is sought to be declared.

PARAMETERS ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

At present, the Company has one class of equity shares having a par value of Rs. 10 each. Each member is eligible for one vote per share held. As and when the Company issues any other kind of shares, the Board of Directors may suitably amend this Policy.

PROCEDURE FOR DECLARATION OF DIVIDEND

- (a) Give prior intimation to the stock exchanges about the Board Meeting at which proposal for declaration/recommendation of dividend or the passing over of dividend is due to be considered at least 2 working days in advance.
- (b) Recommend or declare all dividend at least five days before the commencement of the closure of its transfer books or the record date fixed for the purpose.
- (c) Immediately, on the date of the meeting of its Board of Directors, intimate to the Exchange within 30 minutes of the closure of the Board Meetings by Letter/fax, all dividends recommended or declared or the decision to pass any dividend as well as amounts appropriated from reserves, capital profits, accumulated profits of past years or other special source to provide wholly or partly for the dividend.
- (d) Declare or disclose dividend on a per share basis.

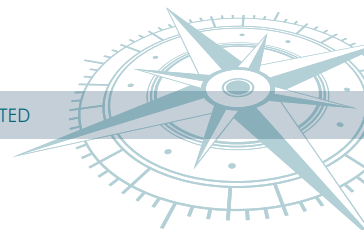
The dividends are recommended by the Board of Directors of the Company and voted upon thereafter at a general meeting of members of the Company.

AMENDMENTS/MODIFICATIONS

In case of any subsequent changes in the provisions of the Companies Act 2013 or the Listing Regulations or Income Tax Act, 1961 or any other regulations which makes any of the provisions of this Policy inconsistent with the Act or the Regulations, then the provisions of the Act or the Regulations would prevail over this Policy and the relevant provisions contained in this Policy would be modified accordingly in due course to make it consistent with applicable laws.

If Company proposes to declare dividend on the basis of any parameters in addition to clauses (a) to (e) of Regulation 43A of the Listing Regulations or proposes to change parameters specified in this Policy, it shall disclose such changes along with the rationale for the same in its annual report and on its website.

The Board of Directors of the Company may, subject to applicable laws, amend, suspend or rescind this Policy at any time. Any difficulties or ambiguities in this Policy will be resolved by the Board of Directors in line with the broad intent of this Policy.



Annexure VII

Annual Report on Corporate Social Responsibility Activities

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

I. ICRA's Corporate Social Responsibility

We at ICRA strive hard to create a positive and far reaching impact on the society and hence our endeavour is to implement "Corporate Social Responsibility" with its true spirit following the guidelines set forth in the Schedule VII of the Companies Act, 2013.

The vision of this initiative is to transform the lives of people through education, skill development and mental health initiatives. We have been working on several initiatives across the country. ICRA's CSR policy acts as a guiding principle for executing these programmes. Under this policy, the CSR Committee prepares a plan of action during the first quarter of every financial year. It has detailed information on the purpose/ programmes/ projects to be supported. On the recommendation of the CSR Committee, projects are sought for approval from the Board of Directors, post which approval it is put to execution.

For any programme which has multiple stakeholders and is widely spread across geographies, it is imperative to have a robust governance mechanism. To ensure this we follow a rigorous process of periodic reviews supported by qualitative and quantitative metrics. We also ensure that we embed learnings from our past experiences and also make good use of the already established industry best practices. Innovation is fostered at all levels to ensure that the impact indicators constantly improve.

We are in the process of implementing several outreach programmes in collaboration with our partners. The focus areas so far for us have been youth empowerment and increasing their employability as we believe in promoting inclusive education for children and strive hard to nurture ecosystems that enable "Learning for All". With this motto, we run formal and informal education projects for children that facilitate their holistic development.

It is a matter of grave concern that in our country mental health is not one of the most discussed problems and hence largely ignored. We feel the problem needs to be addressed more earnestly. This inspired us to do something for the livelihoods of such children and hence we have recently kicked off a livelihood project for children suffering from autism.

As a responsible citizen, we have also pledged our support to the other key activities managed by the Government of India. To fulfill this, we have contributed a part of our annual CSR budget to the Prime Minister's National Relief fund.

While we work with several external agencies by virtue of our various outreach programmes, we firmly believe that more work needs to be done. Hence we run several volunteering initiatives within our organization. It is a great platform for ICRA employees to engage in the social outreach initiatives and community programmes and it also strengthens our ongoing projects wherever necessary. The objective is to sensitise every employee about the challenges that our society faces today. We strive hard to ensure that every employee should contribute towards the society in some way enabling them to work towards a larger agenda of "Citizen Social Responsibility." Going forward as well, we will always strive to serve society to the best of our capacity.

The CSR policy has been uploaded on the website of the company at <http://www.icra.in/Files/Content/ICRACSRPolicy.pdf>.

II. Composition of the CSR Committee

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the allied rules, the Company has duly constituted the CSR Committee, comprising of the following members:

1. Ms. Ranjana Agarwal, Chairperson
2. Dr. Min Ye, Member
3. Ms. Farisa Zarin, Member
4. Mr. Naresh Takkar, Member

III. Average net profit of the Company for last three financial years (2013-14; 2014-15; 2015-16): Rs. 7699.33 lakhs.

IV. Prescribed CSR expenditure (two per cent of the amount as in item 3 above): Rs. 153.99 lakhs.

V. Details of CSR spent during this financial year:

- (a) Total amount to be spent for the financial year: Rs. 153.99 lakhs
- (b) Amount unspent, if any: NIL

(c) Manner in which the amount spent during the financial year is detailed below:

1. S. No.	2. CSR Project or Activity identified	3. Sector in which the Project is covered	4. Projects or programmes (1) Local Area or other (2) Specify the state or district where projects or programmes were undertaken	5. Amount outlay (Budget) projects or programmes wise (Rs.)	6. Amount spent on the projects or programmes		7. Cumulative expenditure up to the reporting period	8. Amount spent : Directly or Through Implementing Agency
					Direct expenditure on programmes or projects (Rs.)	Overhead (Rs.)		
1.	Residential learning camp	CI (ii) Promoting education	Rajasthan: District Udaipur – Kaya village, block Girwa.	2,886,000	2,886,000	–	2,886,000	Implementing agency- Seva Mandir
2.	Market Aligned Skill Training (MAST)	CI (ii) employment enhancing vocational skills especially children, women, elderly	West Bengal: District- South 24 Pragnas- Diamond Harbour; District- North 24 Pragnas- Habra; District- Nadia	1,335,849	1,335,849	–	1,335,849	Implementing agency – Anudip Foundation for Social Welfare
3.	i) Sponsorship towards education of underprivileged children ii) Computer education	CI (ii) Promoting education, including special education and the differently abled	New Delhi; Karkardooma	3,027,670	3,027,670	–	3,027,670	Implementing agency- Amar Jyoti Charitable Trust
4.	Sponsorship towards education of underprivileged children	CI (ii) Promoting education	Haryana: District- Gurgaon	1,445,169	1,445,169	–	1,445,169	Implementing agency- Vidya Integrated Development for Youths and Adults (VIDYA)
5.	Make My Mark	CI (ii) Promoting special education and employment enhancing vocational skills	Bangalore: Doddugubbi	368,500	368,500	–	368,500	Implementing agency- Biswa Gauri Charitable Trust
6.	PMNRF	CI (viii) contribution to PMNRF	–	6,335,487	–	–	6,335,487	N.A

VI. In case the Company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:

N.A

VII. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

For ICRA Limited

(Naresh Takkar)
Managing Director & Group CEO

Place: Gurgaon
Date: May 11, 2017

For CSR Committee of ICRA Limited

(Ranjana Agarwal)
Chairperson of the CSR Committee



Annexure VIII

Business Responsibility Report 2016-17

Section A: General Information about the company

1. Corporate Identity Number (CIN) of the company : L74999DL1991PLC042749
2. Name of the company : ICRA Limited
3. Registered address : 1105 Kailash Building, 11th Floor 26,
Kasturba Gandhi Marg, New Delhi-110001
4. Website : www.icra.in
5. E-mail id : investors@icraindia.com
6. Financial Year reported : 2016-17
7. Sector(s) that the company is engaged in
(industrial activity code-wise) : Credit Rating, Code-66190
8. List three key products/services that the company manufactures/provides (as balance sheet)
Rating, research and other services
9. Total number of locations where business activity is undertaken by the company
National locations: ICRA Limited ("the Company") conducts its operation through 9 locations
International locations: Sri Lanka and Nepal
10. Markets served by the company-Local/State/National/International
ICRA serves the Indian markets, along with the international customers through its subsidiary companies.

Section B: Financial Details of the company

1. Paid up Capital (INR) : 990.33 lakhs
2. Total Turnover (INR) : 21,090.00 lakhs
3. Total profit after taxes (INR) : 8,327.65 lakhs
4. Total Spending on Corporate Social Responsibility
(CSR) as percentage of profit after tax (%) : 153.99 lakhs
5. List of activities in which expenditure in 4 above has been incurred:-
Please refer Principle 8

Section C: Other Details

1. Does the Company have any Subsidiary Company/Companies?
Yes
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(ies).
Yes, subsidiary companies are guided by the parent company and undertake initiatives as per statutory requirement.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, more than 60%]
No

Section D: BR Information

1. Details of the Director/Director responsible for BR

- a) Details of the Director/Director responsible for implementation of the BR policy/policies
 - DIN Number: 00253288
 - Name: Mr. Naresh Takkar
 - Designation: Managing Director & Group CEO

b) Details of the BR head

S.No	Particulars	Details
1.	DIN Number (if applicable)	00253288
2.	Name	Mr. Naresh Takkar
3.	Designation	Managing Director & Group CEO
4.	Telephone number	0124-4545300
5.	E-mail id	ceo@icraindia.com

2. Principle-wise (as per NVGs)BR policy/policies (Reply in Y/N) (please refer Annexure 1 to know about the Principles)

S.No	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/ international standards?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ Board of Directors?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board of Directors/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be reviewed online?	http://www.icra.in/Content.aspx?cid=64USE3QWQ2FQUJ9VQWQ9IYFFDTQJ547J3PVRWQGF57EUC5FAA								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	No								

2a. If answers to S.no.1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S.No	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	The company has not understood the Principles	N.A								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

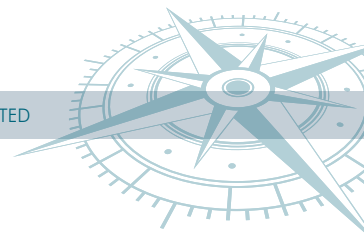
3. Governance related BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

Annually

- Does the company publish a BR or a Sustainability Report? What is the hyperlink for reviewing this report? How frequently it is published?

Yes, BR Report is published annually. The BR Report of the Company for the financial year 2016-17 is uploaded on Company's website, www.icra.in, hyperlink is as under: <https://www.icra.in/Home/ShowCSRSustainability/?Id=2&Title=Annual%20Report%20on%20Business%20Responsibility&Report=To%20be%20uploaded.pdf>



Section E: Principle-wise performance

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/ Joint Ventures/Suppliers/Contractors/NGO/Others?

ICRA requires its employees and directors to conduct themselves according to the highest standards of integrity and ethics in all of their business activities. We firmly believe that ethical conduct is good business practice because it is essential for maintaining trusting relationships with our customers. Our business conduct is also regulated by many laws relating to fraud, deceptive acts, bribery and corruption, consumer protection, competition, unfair trade practices, and property, including intellectual property such as patents, trademarks and copyrights. With this conviction, the Company has a Code of Business Conduct which is adopted by all its subsidiaries as well. The Code details ICRA and its subsidiaries commitment regarding maintaining a high standard of integrity, and considers ethics and values as an integral part of the way the business is conducted. The Company has zero tolerance for bribery and corruption therefore it has adopted Anti Bribery & Anti Corruption Policy ("ABAC Policy") which is also applicable to its subsidiaries. The ABAC Policy set forth an obligation that every employee needs to abide with and encourages employee to take necessary steps to report of any act of suspicion to the compliance department.

To enhance the market understanding and confidence, ICRA has also adopted Code of Professional Conduct that articulates the standard of maintaining high quality and integrity in rating process, managing conflict of interest, responsibilities to the investing public and issuers, governance, risk management and training. Moreover, ICRA Code of Conduct for the members of the Board of Directors and Senior Management enshrine the scope and extent of their duties. Regular trainings and communications are planned to create awareness and educate employees about their responsibilities under the applicable codes. Additionally, there are separate guidelines for dealing with conflict of Interest for investment/trading in securities, any contravention of these guidelines is subjected to disciplinary action and appropriate reporting.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

ICRA's Code of Business Conduct emphasizes on transparency in communication. ICRA has established a mechanism for reporting of unethical/ illegal / improper activities in good faith via a hotline, this hotline is available to all stakeholders. Alternatively, all the unethical malpractices are reported or otherwise thoroughly investigated. Whistle Blower policy details the requirements for resolving grievance, complaints or any other issues at work place. In this financial year, 29 stakeholder complaints were received and 97% of complaints have been resolved to their satisfaction.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

ICRA carried out Solar Power rating for solar firms under the aegis of the Ministry of New and Renewable Energy (or MNRE). The entities rated include system integrators (SI) as well as renewable energy service companies (RESCO) for both solar photovoltaic and solar thermal applications. The Government of India has set a target of 100GW by 2022 significant portion of which has to be achieved from Grid Interactive Solar Rooftop PV plants players. To achieve the desired objective, it is crucial to identify and promote those firms which have the capacity and capability to undertake these projects. By rating solar companies, the Company provides reliable third party opinion which can be used by users & investors while making decisions, thereby promoting renewable and sustainable sources of energy.

We are also carrying out ESCO grading for companies, which are engaged in a performance based contract with a client to implement measures which reduce energy consumption, under the aegis of the Bureau of Energy Efficiency (BEE). The ESCOs carry out energy audits and implement energy efficiency practices in serviced organization. Energy efficiency is recognized as one of the most cost-effective solution to meet the growth in energy demand. Since there are savings in energy consumption, which otherwise would have been generated from fossil fuel-based generation, energy efficiency also plays a vital role in promoting sustainability and also mitigating climate change. This apart, energy efficiency paves the way for current economic development without compromising on future resource availability. By carrying out ESCO grading, the Company provides reliable third party opinion which can be used by users and investors while making decisions, thereby promoting energy efficiency.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):
 - i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?
 - ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

N.A
 3. Does the company have procedures in place for sustainable sourcing (including transportation)?
 - i. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

ICRA, being a credit rating, is relatively less resource intensive in terms of material sourcing. Our major requirements are office or IT related material.
 4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

To make the procurement of goods and services in a prudent manner, ICRA has adopted procurement policy that ensures high value procurement. While evaluating vendors, the Company encourages in providing opportunities to local and small vendors. While carrying business with them, the Company ensures to make timely payments and if requires during the bulk procurement, support is also extended in the form of advance payment.
 5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also provide details thereof, in about 50 words or so.
- Please refer Principle 6

Principle 3: Businesses should promote the well-being of all employees

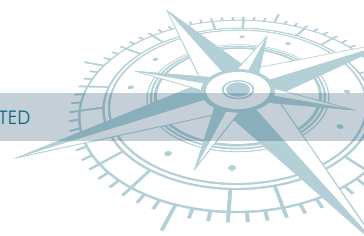
ICRA recruits, hires, employs, trains, promotes and compensates individuals based on job-related qualifications and abilities. ICRA also has a longstanding policy of providing a work environment that respects the dignity and worth of each individual and is free from all forms of unlawful employment discrimination, including harassment because of race, color, gender, age, religion, national origin, citizenship, marital status, sexual orientation, gender identity, genetic information, disability or any other characteristic protected by law.

To attract, motivate and retain our valuable talent we reward employees based on performance and merit. Deserving employees are eligible to participate in the Long term/ deferred incentive plan focused on retaining critical talent in the Company. We continually benchmark the compensation package we offer against those that the industry and competition offer. Our compensation package is so structured as to be stable while also providing incentives for continuous improvement in performance. Additionally, company provides learning opportunities to its employees across levels. It invests in their training and development which also results in the overall improved performance of the Company. New joiners go through a systematic On-boarding program to equip them adequately with information and skills required to be purposeful at work.

We are committed to providing the best possible work environment and facilities to employees at all levels. Periodic connect sessions with employees are conducted to address concerns in a systematic manner. This encompasses Face Time with Group CEO, Face Time with Group HR Head and Connect Meetings with the HR Leads to strengthen communication and address queries. We actively promote a culture of celebration at work and mark employees' birthdays and service anniversaries. To ensure that new employees' feel welcomed at the Work Place we have a focused intervention called Fresh Eyes session, which is an engagement program with new hires to gather their feedback as well as best practices from their experience to recommend actions to Management. The Company also considers feedback from separating employees and uses it to improve Work environment. We have constituted a Talent Advisory Group with representation from employees to propel two-way communication and enhance participation from employees in designing and executing key initiatives impacting employees. We publish monthly employee Newsletter named "Employee Wall - News and Views" towards enhancing periodic communication and engagement.

We have structured rewards and recognition program to appreciate and thank all performance enthusiasts who continually strive to make a difference in the Company. Recognition in the company is not confined to a top-down phenomenon and employees are encouraged to appreciate subordinates, peers and seniors. Appreciation notes are made available to all employees, appropriate card can be used to commend colleagues, seniors or subordinates.

We help employees accommodate personal needs with business responsibilities. Our policies towards leave and attendance management support a culture that promotes balance between Work and Life, at the same time ensuring that business disruption is minimized.



Life at ICRA inspires employees to give their best and make most of open learning situations, growth opportunities and also participate in organizational activities. ICRA believes in empowering and nurturing talent. Being focused and result oriented is something that is ingrained in an ICRA employee. We believe that human connection is the key to success. We foster a friendly and supportive work environment. The company believes in growing leadership and promoting talent internally. Deserving employees, those who demonstrate high performance and potential are awarded challenging assignments and higher responsibilities.

ICRA is committed to complying with all environmental, health and safety laws and regulations of the country and localities in which we do business. The Company believes it is our obligation to respect the environment in the worldwide communities where we operate and live. We are committed to operating in a way that protects and preserves our environment and natural resources and maintains a healthy, safe and environmentally sound workplace.

1. Please indicate the Total number of employees.
407 employees
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.
58
3. Please indicate the Number of permanent women employees.
129
4. Please indicate the Number of permanent employees with disabilities.
N.A
5. Do you have an employee association that is recognized by management?
No
6. What percentage of your permanent employees is members of this recognized employee association?
N.A
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S.No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	The company does not hire child labour, forced labour or involuntary labour. No Complaint	Not Applicable
2.	Sexual harassment	No case reported	Not Applicable
3.	Discriminatory employment	There is no discrimination in the recruitment process of the Company.	Not Applicable

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Employees' safety is of prime importance to us. The Company conducts periodic basic fire safety training, evacuation drills for employees across all branches. Employees are sensitized about the safety norms and they are also educated and demonstrated about the use of fire-fighting equipments. ICRA continues to focus on skilling employees with the requisite knowledge and skill. The Company provides various trainings like orientation sessions with the new employees, skill enhancing sessions and other leadership mentoring programmes etc. 82% of permanent employees and 87% of permanent women employees were given skill up-gradation training in this financial year.

Principle 4: Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the company mapped its internal and external stakeholders?

ICRA believes that building strong relationships with the stakeholders by engaging them on equitable basis helps grow our business. We acknowledge their contribution in achieving each milestones and enabling us to create value driven business. Our key stakeholders are our shareholders, employees, vendors, customers and regulators. To have a transparency, we have established a mechanism for communication with all of our stakeholders. We conduct investors' meeting, shareholder meeting, share information about the company's

performance & key developments on the company's website and timely disseminate relevant information to external stakeholders through defined medium.

Employees are the assets of our company, we value their dedication and their discretionary effort to help the company succeed and our endeavour is to provide them safe, healthy, cultured and competitive environment. We acknowledge their strengths and therefore to enhance their knowledge we provide regular learning opportunities. To have a two-way communication with employees, we have platforms like townhall meeting, face time, fresh eye sessions etc. so that every employee can interact with senior management team. Employees are also motivated to participate in various engagement opportunities that are highlighted in Principle 3.

Customers are the lifeblood of our business and we take pride in providing quality and valued services to them. In order to strengthen relationship with our customers, we have various communication channels. Nevertheless having regular interactions with them we also share insights on recent economic, financial, infrastructure, sectoral matters and other developments through ICRA insight-newsletter, seminars and regular webinars.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?
N.A.
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Please refer Principle 8

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

We believe that all employees have a right to be treated equally with dignity and respect. We respect human rights and appropriate action is taken in case of infringement. The Company recruits, hires, employs, trains, promotes and compensates individuals based on job-related qualifications and abilities. ICRA also has a longstanding policy of providing a work environment that respects the dignity and worth of each individual and is free from all forms of unlawful employment discrimination, including harassment because of race, color, gender, age, religion, national origin, citizenship, marital status, sexual orientation, gender identity, genetic information, disability or any other characteristic protected by law. Our goal is to build an organizational environment that encourages the full participation of all members of our diverse work force and enables everyone to use the full range of their talents, skills and abilities to serve our customers. Unlawful discrimination and harassment, including sexual harassment, discriminatory harassment, and other workplace conduct prohibited by local law is not tolerated. This prohibition applies to all unlawful discrimination and harassment occurring in the work environment, whether in the office, at customer-related or ICRA-related events outside the office, or in the use of Company resources, including electronic mail, voice mail and the Internet. If an employee informs that he or she has been subject to or has witnessed discrimination or harassment in the workplace by a non-employee, that employee will be informed of ICRA policy and appropriate corrective action and preventive steps is taken.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Please refer to Principle 1 & 3

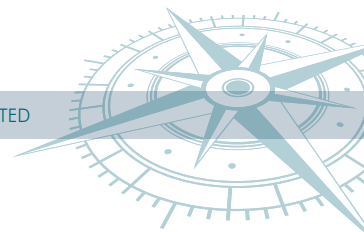
Principle 6: Businesses should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/suppliers/contractors/NGOs/Others.

ICRA is committed to comply with all environmental, health and safety laws and regulations of the country and localities in which we do business. The Company believes it is our obligation to respect the environment in the worldwide communities where we operate and live. We are committed to operating in a way that protects and preserves our environment and natural resources and maintains a healthy, safe and environmentally sound workplace.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Company is extremely conscious in its operations and has taken some initiatives in the limited space. We manage our operations in order to make optimum use of resources. With this conviction, we have established an e-waste management system that guides us on disposal of e-waste responsibly. The Company has always demonstrated commitment towards paper recycling and we are the green partner of Greenobin Recycling



Private Limited. Apart from these the Company consciously monitors to take steps like using cloud based servers to reduce energy consumption, endorsement of various environment awareness campaigns, making use of reusable cups and plates, encourage employees to make use of platforms like video conferencing and audio chatting, installation of LED lights etc.

3. Does the company identify and assess potential environmental risks? Y/N
N.A
4. Does the company have any project related to Clean Development Mechanism? If so, provide detail thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?
N.A
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.
N.A
6. Are the Emissions/waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?
N.A
7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.
N.A

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
The Company is a member of various industry associations such as AACRA, ASSOCHAM, FICCI and CII etc.
2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)
No.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, the Company and its group companies have been undertaking various activities under Corporate Social Responsibility ("CSR"), in compliance with Section 135 of the Companies Act, 2013 (the "Act") read with Schedule VII of the Act. The policy is laid down and the annual plan is prepared and implemented under the guidance of CSR Committee of the Company. We aim to create impact in the lives of people through various education, skill development and mental health projects. Each program has its own monitoring checks and a mechanism is established to ensure transparency and quality in delivery. To create a much larger impact, the Company provides ICRA employees a platform to contribute and engage in the CSR activities. Under volunteering initiative, we conduct various activities that help in strengthening the projects. Through this medium we also ensure that each employee is deeply aware of the social concerns and their duties towards the society. It helps in making "Social Responsibility" ingrained into the system and hence making the idea of CSR sustainable.

The brief about the projects is as follows:

- a) Market Aligned Skills Training (MAST): It is a result oriented skill training project which is completely focused to cater beneficiary's job skill needs and employers' requirements. It provides in-depth training in IT skills, English language skills, workplace readiness and mock interviews. The graduating students get an access to job placement services across the industry sectors. This project is being implemented by Anudip Foundation for Social Welfare in West Bengal.
- b) The Residential Camp: The camp is a collaborative effort of the Company and Seva Mandir to provide an accelerated and customized education programme in Udaipur. This is targeted at bringing out-of-school children and inducting them into the mainstream formal education system.

- c) Inclusive Education: The Company strives hard to nurture ecosystems that enable “Learning for All.” With this vision in mind we are currently involved in such initiative to provide equal opportunity and participation to children with special needs. The Company is implementing this project in partnership with the Amar Jyoti Charitable Trust in Delhi.
 - d) The other notable project being run along with Vidya Integrated Development for Youths and Adults (VIDYA) Gurgaon, provides quality education to underprivileged children. Under this project, students are encouraged to achieve their full potential in the academic, creative, physical, emotional, spiritual and moral sphere.
 - e) Make my Mark: This project is a joint effort of the Company and Biswa Gauri Charitable Trust. The aim of this project is to create a simulated workplace i.e. a vocational learning centre to train children with Autism about various printing techniques. This will eventually grow into a sheltered work-place for adults with Autism to enable them to lead a productive life. This project is implemented in Bengaluru.
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?
- Each project is implemented through implementing partners that has strength, expertise and experience in the respective thematic areas. The rigorous protocol of conducting due diligence is followed in finalizing the like-minded partner. Please refer the above point to know more about the partners.
3. Have you done any impact assessment of your initiative?
- Each CSR project is very much result oriented, so a mechanism of reviewing all its initiatives is placed wherein the progress of each project is assessed on quantitative as well as qualitative parameters along with its overall impact on the beneficiaries. The desired objectives (performance parameter) of all the projects are stated at the commencement stage of the project and regular monitoring, review and course correction measures are taken, if required.
4. What is your company’s direct contribution to community development projects-Amount in INR and the details of the projects undertaken?
- The total expenditure in the financial year 2016-17 is Rs. 153.98 lakhs. Please refer CSR Annual Report for more details.
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so
- Community development is the ultimate agenda of all the initiatives undertaken by the Company. The projects are designed to reflect the need of the beneficiaries. ICRA encourages active participation of the key stakeholders in the implementation of the projects and ensures sustainability of the programmes.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What is the percentage of customer complaints/consumer cases pending as on the end of the financial year?

No case is pending.

2. Does the company display products information on the product label, over and above what is mandated as per local laws? Yes/No/N.A / Remarks (additional information)

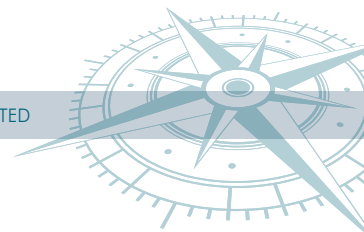
This aspect is not applicable but the Company complies with disclosure requirements relating to its products and services.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

N.A

4. Did your company carry out any consumer survey/consumer satisfaction trends?

While the Company has not conducted any formal survey in this financial year, however to measure the consumer satisfaction level, the Company gets the survey done periodically through external party. Also, the Company frequently monitors and receives feedback from the customers through medium like interactions at various forums.



Annexure 1

National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business

- Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability
- Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- Principle 3: Businesses should promote the wellbeing of all employees
- Principle 4: Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
- Principle 5: Businesses should respect and promote human rights
- Principle 6: Businesses should respect, protect, and make efforts to restore the environment
- Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
- Principle 8: Businesses should support inclusive growth and equitable development
- Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

Annexure IX

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not on an arm's length basis:

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advance, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	1.	2.	3.	4.	5.	6.	7.	8.
	Nil							

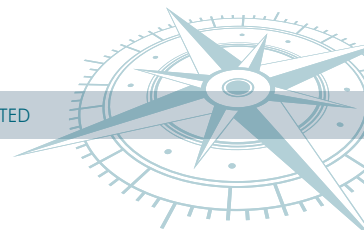
2. Details of material contracts or arrangement or transactions on an arm's length basis:

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advance, if any
	1.	2.	3.	4.	5.	6.
	Nil					

For and on behalf of the Board of Directors

Place: Gurgaon
Date: May 11, 2017

(Arun Duggal)
Chairman
DIN: 00024262



Independent Auditors' Report

TO THE MEMBERS OF ICRA LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements ("financial statements") of **ICRA Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its profit and its cash flows for the year ended on that date.

Report on other legal and regulatory requirements

- (i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure I", a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
- (ii) As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

Independent Auditors' Report

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-II".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements – Refer Note 24 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no delay in transferring the amounts that were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on the audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management - Refer Note 39 to the financial statements.

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

Chartered Accountants

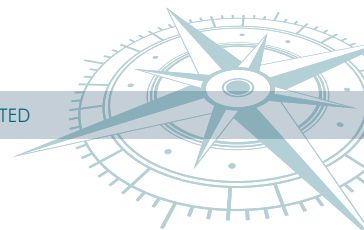
ICAI Firm Registration number: 101248 W/W-100022

Shashank Agarwal

Partner

Membership No.: 095109

Place: Gurgaon
Date: May 11, 2017



Independent Auditors' Report

Annexure I of the Independent Auditor's Report to the Members of ICRA Limited on the standalone financial statements for the year ended March 31, 2017.

We report that:

- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified once every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to the information and explanations given to us, the Company is a service company, primarily rendering rating, research and other services to corporate and non-corporate customers. Accordingly, it does not hold any inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies or other parties covered in the register maintained under Section 189 of the Act. Further, there are no firms and limited liability partnerships covered in the register required under Section 189 of the Act. Accordingly, para 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans, investments, guarantees, and security where provisions of Section 185 and 186 of the Act are required to be complied with. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits covered under Section 73 to 76 of the Act.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records by the Company under sub-section (1) of Section 148 of the Act for any of the activities carried out by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-tax, Sales tax, Value Added Tax, Service tax, Cess and other material statutory dues as applicable to it, have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Duty of customs and Duty of excise.

According to the information and explanations given to us, there are no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income-tax, Sales tax, Value Added Tax, Service tax, Cess and other material statutory dues as applicable to it, were in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, the Company did not have any dues on account of Sales tax and Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanation given to us, the following dues of Income-tax and Service tax have not been deposited by the Company on account of disputes:

Independent Auditors' Report

Name of the statute	Nature of dues	Amount in (Rupees in lakhs)*	Payment under protest in (Rupees in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	18.10	Nil	FY 2000-01	The Assessing Officer
		0.44	Nil	FY 2002-03	
		2.00	Nil	FY 2003-04	
		37.86	Nil	FY 2003-04	
		181.90	11.00	FY 2005-06	The Commissioner of Income Tax (Appeals)
		232.52	Nil	FY 2010-11	
		147.64	Nil	FY 2011-12	
		262.15	Nil	FY 2012-13	
Finance Act, 1994	Service Tax	401.55	Nil	FY 2013-14	
		1.99	Nil	F.Y. 2001-2002	Assistant. Commissioner of Central Excise
		8.60	8.60	F.Y. 1998-1999 to 2001-2002	Appellate Tribunal (Customs, Excise and Service Tax)
		11.40	11.40	F.Y 2001-2002 to 2004-2005	The Commissioner (Appeals) of Central Excise

*amount as per demand orders including interest and penalty, wherever indicated in the order.

- (viii) According to the information and explanations given to us, the Company did not have any outstanding dues to any financial institutions, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, paragraph 3(ix) of the order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid/ provided by the Company in accordance with provisions of Section 197 read with Schedule V of the Act.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements, as required, by the applicable accounting standards.
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Chartered Accountants

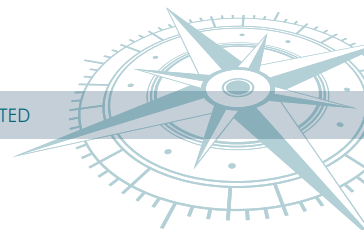
ICAI Firm Registration number: 101248 W/W-100022

Shashank Agarwal

Partner

Membership No.: 095109

Place: Gurgaon
Date: May 11, 2017



Independent Auditors' Report

Annexure II to the Independent Auditor's Report to the Members of ICRA Limited on the standalone financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ICRA Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration number: 101248 W/W-100022

Shashank Agarwal
Partner
Membership No.: 095109

Place: Gurgaon
Date: May 11, 2017

Balance Sheet as at March 31, 2017

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

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	(3)	990.33	1,000.00
Reserves and surplus	(4)	44,370.15	39,836.19
Non-current liabilities			
Other long-term liabilities	(5)	82.40	105.08
Long-term provisions	(6)	102.42	725.54
Current liabilities			
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	(25)	2.62	2.17
Total outstanding dues of creditors other than micro enterprises and small enterprises		532.57	344.21
Other current liabilities	(7)	6,480.46	6,357.26
Short-term provisions	(8)	2,198.77	4,988.24
Total		54,759.72	53,358.69
ASSETS			
Non-current assets			
Fixed Assets	(9)		
Tangible assets		1,278.95	1,522.86
Intangible assets		20.07	26.35
Non-current investments	(10)	13,141.63	25,402.74
Deferred tax assets (net)	(11)	275.10	418.30
Long-term loans and advances	(12)	1,516.65	1,716.93
Other non-current assets	(13)	990.05	1,674.35
Current assets			
Current investments	(14)	15,804.50	1,700.00
Trade receivables	(15)	1,855.76	1,648.57
Cash and bank balances	(16)	18,312.67	18,108.60
Short-term loans and advances	(17)	521.01	398.75
Other current assets	(18)	1,043.33	741.24
Total		54,759.72	53,358.69
Significant accounting policies			
	(2)		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of **ICRA Limited**

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

Chartered Accountants

(ICAI Firm registration number: 101248W/W-100022)

Shashank Agarwal

Partner

Membership No.: 095109

Naresh Takkar

Managing Director & Group C.E.O.

(DIN: 00253288)

Arun Duggal

Chairman

(DIN: 00024262)

Place : Gurgaon

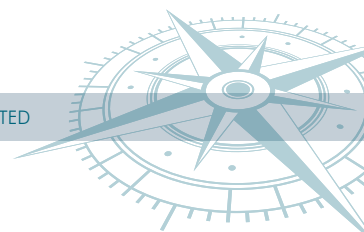
Dated : May 11, 2017

Vipul Agarwal

Group Chief Financial Officer

S. Shakeb Rahman

Company Secretary



Statement of Profit and Loss for the year ended March 31, 2017

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

Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
Income			
Revenue from operations	(19)	20,921.82	19,389.42
Other operating income	(20)	168.18	147.21
Other income	(21)	3,403.28	2,369.31
Total		24,493.28	21,905.94
Expenses			
Employee benefits expenses	(22)	9,145.43	8,332.60
Depreciation and amortisation	(9)	320.27	355.60
Other expenses	(23)	3,782.62	3,463.77
Total		13,248.32	12,151.97
Profit before exceptional items and tax		11,244.96	9,753.97
Exceptional items	(33)	681.29	(345.52)
Profit before tax		11,926.25	9,408.45
Tax expense:	(31)		
Current tax		3,455.39	3,336.36
Deferred tax		143.21	(74.46)
Total tax expense		3,598.60	3,261.90
Profit for the year		8,327.65	6,146.55
Earnings per equity share (face value of Rs. 10 per share):	(30)		
Basic		84.57	62.53
Diluted		84.32	62.25

Significant accounting policies

(2)

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of ICRA Limited

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

Chartered Accountants

(ICAI Firm registration number: 101248W/W-100022)

Shashank Agarwal

Partner

Membership No.: 095109

Naresh Takkar

Managing Director & Group C.E.O.

(DIN: 00253288)

Arun Duggal

Chairman

(DIN: 00024262)

Place : Gurgaon

Dated : May 11, 2017

Vipul Agarwal

Group Chief Financial Officer

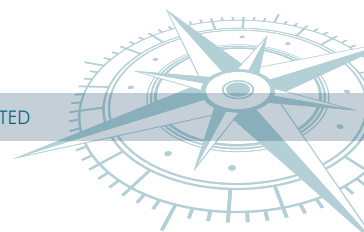
S. Shakeb Rahman

Company Secretary

Cash Flow Statement for the year ended March 31, 2017

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

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. Cash flow from operating activities		
Profit before tax	11,926.25	9,408.45
Adjustments for:		
Depreciation and amortisation	320.27	355.60
Bad debts written off	399.27	499.11
Provision for doubtful debts	169.08	139.50
Provision for doubtful advances (net)	(7.22)	7.22
Loss on sale/ write off of fixed assets (net)	9.05	8.72
Exceptional items	(681.29)	345.52
Profit on sale/ redemption of investments	(253.02)	(965.14)
Interest on fixed deposits	(1,763.03)	(1,349.49)
Interest on loan to subsidiary company	-	(11.48)
Dividend from subsidiary companies	(1,165.19)	-
Advances received from customers written back	(144.65)	(129.63)
Other interest income	(181.83)	(6.16)
Operating cash flow before working capital changes	8,627.69	8,302.22
Adjustments for:		
(Increase)/ decrease in trade receivables	(822.56)	(99.58)
(Increase)/ decrease in loans and advances	107.41	(233.34)
(Increase)/ decrease in other assets	4.05	(3.15)
Increase/ (decrease) in trade payables	188.81	160.34
Increase/ (decrease) in other liabilities	314.53	426.94
Increase/ (decrease) in provisions	(399.49)	325.37
Cash generated from operations before tax	8,020.44	8,878.80
Taxes paid	(3,488.42)	(3,321.70)
Net cash generated from operating activities (A)	4,532.02	5,557.10
B. Cash flow from investing activities:		
Purchase of fixed assets (tangible and intangible) including capital advances	(173.24)	(266.79)
Sale proceeds from fixed assets	8.28	14.79
Investment in corporate deposits	(4,985.00)	-
Investment in subsidiaries	-	(345.52)
Sale of investment in subsidiaries (net of expenses of Rs. 177.10 lakh) (Refer note 33)	3,022.90	-
Sale proceeds from redemption/ disposal of mutual funds	1,053.02	8,221.25
(Increase)/ decrease in fixed deposits (having maturity of more than three months), net	572.87	(11,640.86)
Repayment of loan by a subsidiary	-	150.00
Dividend received from subsidiary companies	1,158.49	-
Interest received on fixed deposits	1,692.59	774.19
Interest on loan to subsidiary company	-	11.48
Other income	23.25	6.16
Net cash generated/(used) in investing activities (B)	2,373.16	(3,075.30)



Cash Flow Statement for the year ended March 31, 2017

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

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
C. Cash flow from financing activities:		
Payment towards buy back of shares (Refer note 32)	(3,999.89)	-
Dividend paid	(2,500.00)	(2,400.00)
Dividend distribution tax paid	(312.41)	(488.58)
(Decrease) / increase in unclaimed dividend	(0.24)	(0.90)
Net cash used in financing activities (C)	(6,812.54)	(2,889.48)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	92.64	(407.68)
Add: Cash and cash equivalents at the beginning of year	96.12	503.80
Cash and cash equivalents at the end of the year	188.76	96.12
Components of cash and cash equivalents (Refer note 16)		
Cash on hand	7.92	7.16
Balances with banks		
In current accounts	77.14	80.78
In escrow account	100.00	-
In deposit accounts (with original maturity of three months or less)	3.70	8.18
Cash and cash equivalents at the end of the year	188.76	96.12
Other bank balances		
In deposit accounts with maturity less than twelve months from the reporting date	17,103.91	18,005.08
Earmarked balance with bank		
In unpaid dividend account	7.16	7.40
In deposit accounts with maturity less than twelve months from the reporting date earmarked against bank guarantees	1,012.84	-
Cash and bank balances at the end of the year	18,312.67	18,108.60

Note:

Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 (AS-3)-" Cash Flow Statements"

Significant accounting policies (Refer note 2)

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of ICRA Limited

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

Chartered Accountants

(ICAI Firm registration number: 101248W/W-100022)

Shashank Agarwal

Partner

Membership No.: 095109

Naresh Takkar

Managing Director & Group C.E.O.

(DIN: 00253288)

Arun Duggal

Chairman

(DIN: 00024262)

Place : Gurgaon

Dated : May 11, 2017

Vipul Agarwal

Group Chief Financial Officer

S. Shakeb Rahman

Company Secretary

Notes to financial statements for the year ended March 31, 2017

1 Background

ICRA Limited (formerly Investment Information and Credit Rating Agency of India 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, incorporated under the Companies Act, 1956, having its registered office in Delhi. It is listed on BSE Limited and the National Stock Exchange of India Limited. It has various subsidiaries involved in rating, management consulting, software solutions, information services etc.

2 Significant accounting policies:

a) Basis of preparation and presentation of financial statements

The accounts of the Company are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014, the other relevant provisions of the Act (including provisions of Companies Act, 1956 which continue to remain in force, to the extent applicable), pronouncements of the Institute of Chartered Accountants of India, guidelines issued by the Securities and Exchange Board of India ("SEBI"), to the extent applicable.

b) Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosures of contingent liabilities on the date of financial statements. Examples of such estimate include future obligations under employee benefit plans, income taxes, useful lives of tangible assets and intangible assets, impairment of assets, provision for doubtful debts and advances etc. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) Operating cycle

Based on the nature of activities of the Company, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

The financial statements are presented as per Schedule III to the Act. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

d) Fixed assets and depreciation / amortisation

Tangible fixed assets

Tangible fixed assets are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost of tangible fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Depreciation/ amortisation for the year has been provided on written down value over the useful life of the assets as prescribed in Schedule II to the Act except for leasehold improvements.

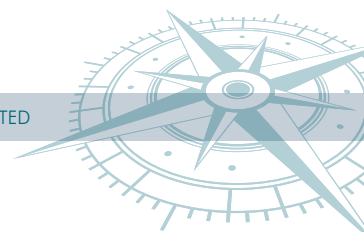
The leasehold improvements are depreciated using straight line method over the remaining primary period of the lease or useful life of the assets whichever is shorter. The remaining primary lease period for this purpose includes any lease period extendable at the discretion of the lessee.

Assets individually costing up to Rs. 5,000 are fully depreciated in the year of purchase.

Depreciation is provided on a pro-rata basis on assets acquired, sold or discarded during the year.

Intangible assets

- (i) Intangible assets are stated at cost less any accumulated amortisation and impairment losses, if any. The cost includes taxes and other incidental expenses related to the acquisition and implementation of the respective assets.
- (ii) Amortisation for the year has been provided @ 40% p.a. on written down value of the assets. Amortisation is provided on a pro-rata basis on assets acquired, sold or discarded during the year.



Notes to financial statements for the year ended March 31, 2017

e) Impairment of assets

In accordance with Accounting Standard 28 (AS 28) on 'Impairment of Assets', the carrying amounts of the Company's assets are reviewed at each Balance Sheet date to determine whether there is any impairment. If any such indication exists, the cash generating unit's recoverable amount is estimated as higher of its net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment loss is recognised in the Statement of Profit and Loss.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (Cash Generating Unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflow of other assets or CGUs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, had no impairment loss been recognised.

f) Assets held for sale

Non-current assets are classified as held for sale when their carrying amount will be recovered principally through a sale transaction rather than continuing use.

Assets designated as held for sale are held at the lower of carrying amount and net realisable value.

Depreciation is not charged against non-current assets classified as held for sale.

g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, balances and deposits with bank and highly liquid investments with original maturities, at the date of purchase/ investment, of three months or less.

h) Foreign currency transactions

Foreign currency transactions are recorded in Indian rupees by applying to the foreign currency amount, the exchange rate between Indian rupees and the foreign currency on/or closely approximating to the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date or at the time of settlement are translated into Indian rupees at the exchange rates on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

i) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within twelve months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the Schedule III to the Act.

Current investments are carried at cost or fair value, whichever is lower.

Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

Investments in foreign subsidiary companies are expressed in Indian rupees at the rates prevailing on the date when the remittance for the purpose was made/ foreign currency balance lying abroad was used, as the case may be.

j) Revenue recognition

Revenue from services is recognised as and when services are rendered and related costs are incurred, in accordance with the terms of the specific contracts. The Company recognises revenue as:

- i) The Company provides rating/ grading services to its customers wherein the first year rating/ grading fees includes free surveillance for first twelve months/ or the period of instrument, whichever is shorter, from the date of rating/ grading. A portion of the fee is allocated towards this free surveillance on the basis of management's estimate. The fee relating to rating/ grading is recognised in the month of assigning the rating/ grading by the rating committee of the Company. Surveillance fee for first year and subsequent period, to the extent of reasonable certainty of collection, is recognised on the basis of time elapsed (ignoring fractions of months).

Notes to financial statements for the year ended March 31, 2017

- ii) Revenue from other service arrangements is recognised as and when services are rendered in accordance with the terms of the specific contracts.
- iii) The dividend income is recognised when the unconditional right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognised on time proportionate basis.
- iv) Profit/ loss on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and carrying value of the investment.
- v) Unearned revenue represents fees received in advance or advance billing for which services have not been rendered.

k) Employee benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, performance incentives etc. are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service and measured accordingly.

Long term employee benefits

(i) Defined contribution plan

Provident fund is a defined contribution plan. Contributions by the Company to the provident fund are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity plan

The Company's gratuity benefit plan is a defined benefit plan. The gratuity liability for employees of the Company is funded through gratuity fund established as a Trust. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation as at the Balance Sheet date under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method by an independent actuary, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the Balance Sheet date.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

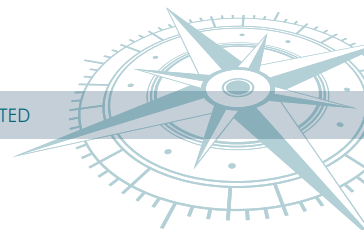
(iii) Other long-term employment benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date using Projected Unit Credit method by an independent actuary. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the Balance Sheet date.

l) Employees stock option scheme (ESOS)

The cost of employees stock option is calculated based on the intrinsic value method i.e. the excess of market price of underlying equity shares as of the date of the grant of options over the exercise price of such options is regarded as employee compensation and in respect of the number of options that are expected to ultimately vest, such cost is recognised on a straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares. The cost recognised at any date at least equals the intrinsic value of the vested portion of the option at that date. Adjustment, if any, for difference in initial estimate for number of options that are expected to ultimately vest and related actual experience is recognised in the Statement of Profit and Loss of that period.

SEBI vide notification no. LAD-NRO/GN/2014-15/16/1729 dated October 28, 2014, issued Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 repealing Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. According to the these



Notes to financial statements for the year ended March 31, 2017

guidelines, any company implementing any of the share based schemes should follow the requirements of the 'Guidance Note on Accounting for employee share-based Payments' or Accounting Standards as may be prescribed by the ICAI from time to time, including the disclosure requirements prescribed therein. Consequentially w.e.f. October 28, 2014 in respect of vested options expire unexercised, the cost which was accounted as reversal in the Statement of Profit and Loss of that period will now be accounted as reversal to General Reserve.

m) Leases

Lease rentals under an operating lease, are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

n) Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the Income-tax law) and deferred tax charge or credit. Income taxes are accrued in the same period the related revenues and expenses arise.

Differences that result between the profit considered for income taxes and the profit as per the financial statements are identified and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on tax rates that have been enacted or substantially enacted by the Balance Sheet date. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only to the extent there is virtual certainty of realisation of such assets. In other situations, deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

o) Earnings per share

The basic earnings per share is calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored in the calculation of diluted earnings per share.

p) Provisions and contingent liabilities

The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised in financial statements.

Notes to financial statements for the year ended March 31, 2017

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

Particulars	As at March 31, 2017	As at March 31, 2016
3 Share capital		
Authorised		
15,000,000 equity shares of Rs. 10/- each		
(previous year 15,000,000 equity shares of Rs. 10/- each)	1,500.00	1,500.00
Issued, subscribed and fully paid up		
9,919,323 equity shares of Rs. 10/- each fully paid up	991.93	1,000.00
(previous year 10,000,000 equity shares of Rs. 10/- each fully paid up)		
Par value of shares bought back pending for extinguishment (Refer note 32)	(1.60)	-
	990.33	1,000.00

3.1 Reconciliation of number of equity shares

	As at March 31, 2017		As at March 31, 2016	
	Number	Amount	Number	Amount
At the commencement the year	10,000,000	1,000.00	10,000,000	1,000.00
Less: Equity shares extinguished due to buy back of shares (Refer note 32)	80,677	8.07	-	-
At the end of the year	9,919,323	991.93	10,000,000	1,000.00

3.2 Employees stock option scheme (Also refer note 36)

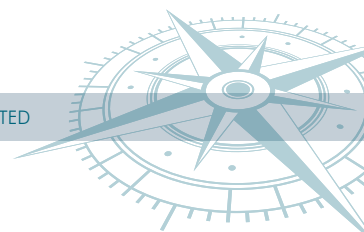
- Pursuant to the resolution passed by the shareholders at the annual general meeting held on June 12, 2006 for the grant of options, 906,000 equity shares representing 9.06% of the equity share capital of the Company have been issued to the ICRA Employees Welfare Trust ('Trust') for grant of options to the eligible employees. Accordingly, the ICRA Employees Welfare Trust has granted stock options to those eligible employees from the pool of 906,000 equity shares in two tranches so far. The first tranche was granted during 2006-07 and the second during 2010-11.
- 24,072 equity shares (previous year 8,650 equity shares) of Rs. 10 each transferred from trust to employees on exercise of the vested stock options in accordance with the terms of exercise under the "Employees Stock Option Scheme, 2006" (ESOS). Further, due to non exercise of options by the employees, 289 options (previous year nil) lapsed during the year.
- Under the Employees Stock Option Scheme, 2006, as at March 31, 2017 - 19,345 options (previous year 43,706 options) are outstanding for exercise out of total options granted under Tranche 2.
- 120,250 equity shares (previous year 119,961) are held by trust which were issued by the Company but not granted and shares against options granted but lapsed/ expired till March 31, 2017 under ESOS scheme.

3.3 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend recommended by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

3.4 Shares held by subsidiaries of the ultimate holding company

Equity shares of Rs. 10 each fully paid-up held by	As at March 31, 2017		As at March 31, 2016	
	Number	% of total shares	Number	% of total shares
Moody's Investment Company India Private Limited	2,850,900	28.74%	2,850,900	28.51%
Moody's Singapore Pte Limited	2,154,722	21.72%	2,154,722	21.55%



Notes to financial statements for the year ended March 31, 2017

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

3.5 Shares held by each shareholder holding more than 5 per cent shares

Equity shares of Rs. 10 each fully paid-up held by	As at March 31, 2017		As at March 31, 2016	
	Number	% of total shares	Number	% of total shares
Moody's Investment Company India Private Limited	2,850,900	28.74%	2,850,900	28.51%
Moody's Singapore Pte Limited	2,154,722	21.72%	2,154,722	21.55%
Life Insurance Corporation of India	668,086	6.74%	668,086	6.68%
General Insurance Corporation of India	522,999	5.27%	522,999	5.23%
Birla Sun Life Trustee Company Private Limited A/c- Birla Sun Life MNC Fund	508,848	5.13%	534,962	5.35%

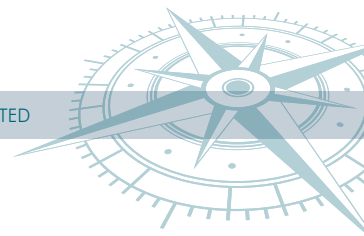
- 3.6 During the five years immediately preceding the current year and previous year, neither any bonus shares or shares issued for consideration other than cash that have been issued nor any shares that have been bought back.

Particulars	As at March 31, 2017	As at March 31, 2016
4 Reserves and surplus		
Capital redemption reserve		
At the commencement of the year	-	-
Add: Transfer from securities premium account on buy back of equity shares (Refer note 32)	9.67	-
	<u>9.67</u>	<u>-</u>
Securities premium account		
At the commencement of the year	8,703.56	8,608.94
Add: Transfer from employee stock options outstanding account on exercise of employee stock options	263.31	94.62
Less: Utilized towards buy back of equity shares (Refer note 32)	(3,990.22)	-
Less: Transfer to capital redemption reserve on buy back of equity shares (Refer note 32)	(9.67)	-
	<u>4,966.98</u>	<u>8,703.56</u>
Employees stock options outstanding		
At the commencement of the year	478.07	572.69
Less: Options exercised during the year	(263.31)	(94.62)
Less: Options lapsed during the year	(3.16)	-
	<u>211.60</u>	<u>478.07</u>
General reserve		
At the commencement of the year	11,160.58	10,545.58
Add: Transfer from Surplus	-	615.00
Add: Transfer from employees stock options outstanding	3.16	-
	<u>11,163.74</u>	<u>11,160.58</u>
Surplus (Profit and loss balance)		
At the commencement of the year	19,493.98	16,971.37
Add: Profit after tax for the year	8,327.65	6,146.55
Amount available for appropriation	<u>27,821.63</u>	<u>23,117.92</u>
Less: Appropriation		
Proposed dividend on equity shares	-	2,500.00
Dividend distribution tax on proposed equity dividend	-	508.94
Reversal of dividend distribution tax for earlier year	(196.53)	-
Transfer to general reserve	-	615.00
Total appropriations	<u>(196.53)</u>	<u>3,623.94</u>
Total surplus	<u>28,018.16</u>	<u>19,493.98</u>
Total reserves and surplus	<u>44,370.15</u>	<u>39,836.19</u>

Notes to financial statements for the year ended March 31, 2017

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

Particulars	As at March 31, 2017	As at March 31, 2016
5 Other long-term liabilities		
Deposit for vehicles	44.40	27.24
Rent equalisation reserve	38.00	77.84
	82.40	105.08
6 Long-term provisions		
Provision for employee benefits		
Provision for gratuity (Refer note 37)	-	499.78
Provision for compensated absences (Refer note 37)	102.42	225.76
	102.42	725.54
7 Other current liabilities		
Creditors for capital supplies and services	2.11	17.96
Advance received from customers	956.84	922.80
Due to related parties (Refer note 38)	34.80	36.47
Unearned revenue	4,191.41	4,049.00
Unpaid dividend	7.16	7.40
Rent equalisation reserve	38.79	39.60
Statutory dues	298.71	237.99
Payable to employees	899.85	986.68
Other liabilities	50.79	59.36
	6,480.46	6,357.26
8 Short-term provisions		
Provision for employee benefits		
Provision for gratuity (Refer note 37)	23.70	87.05
Provision for compensated absences (Refer note 37)	110.56	64.07
Other employees benefits	1,939.48	1,698.99
Others		
Provision for income tax [net of advance tax of Rs. 3,296.17 lakh (previous year Rs. 3,241.38 lakh)]	103.40	107.56
Proposed dividend on equity shares	-	2,500.00
Dividend distribution tax on proposed equity dividend	-	508.94
Others	21.63	21.63
	2,198.77	4,988.24



Notes to financial statements for the year ended March 31, 2017

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

9 Fixed assets

S. No.	Particulars	Gross block			Depreciation / Amortisation			Net block		
		As at March 31, 2016	Additions	Disposals/ adjustments	As at March 31, 2017	As at March 31, 2016	For the year	Disposals/ adjustments	As at March 31, 2017	As at March 31, 2016
(i)	Tangible assets									
1	Buildings *	1,953.86	-	(199.18)	1,754.68	1,074.12	46.53	(128.76)	991.89	879.74
2	Computers and data processing units	310.17	56.87	(75.26)	291.78	243.23	57.99	(71.20)	230.02	66.94
3	Furniture and fittings	470.92	9.70	(15.38)	465.24	280.17	54.79	(13.38)	321.58	190.75
4	Office equipment	211.23	26.86	(65.70)	172.39	178.26	22.47	(61.31)	139.42	32.97
5	Electrical installation and equipments	174.21	9.46	(12.43)	171.24	95.95	23.09	(10.74)	108.30	78.26
6	Vehicles	160.45	49.21	(20.10)	189.56	69.00	43.17	(15.85)	96.32	91.45
7	Leasehold improvements	459.58	-	-	459.58	276.83	61.16	-	337.99	182.75
	Sub-total	3,740.42	152.10	(388.05)	3,504.47	2,217.56	309.20	(301.24)	2,225.52	1,522.86
(ii)	Intangible assets									
1	Computer softwares	231.18	5.73	(42.11)	194.80	204.83	11.07	(41.17)	174.73	26.35
	Total	3,971.60	157.83	(430.16)	3,699.27	2,422.39	320.27	(342.41)	2,400.25	1,549.21
	Previous year	4,033.20	259.34	(320.94)	3,971.60	2,364.22	355.60	(297.43)	2,422.39	1,549.21

* Disposal/ adjustments against buildings represent transfer of assets from fixed assets to "assets held for sale"

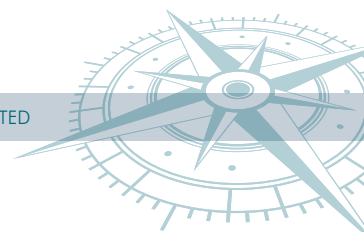
Notes to financial statements for the year ended March 31, 2017

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

10 Non-current investments

(Valued at cost unless stated otherwise)

Particulars	Face Value (Rupees unless otherwise stated)	Quantity As at March 31, 2017 (Numbers)	Quantity As at March 31, 2016 (Numbers)	Amount As at March 31, 2017	Amount As at March 31, 2016
Long term investment					
I. Trade investments (unquoted)					
a) Investment in equity instruments of subsidiaries (fully paid up)					
i ICRA Online Limited	10	8,951,458.00	8,951,458.00	871.76	871.76
ii ICRA Management Consulting Services Limited	10	15,000,000.00	15,000,000.00	1,500.00	1,500.00
iii ICRA Techno Analytics Limited (Refer note 33)	10	-	21,453,351.00	-	6,016.61
iv PT ICRA Indonesia	IDR 10,000	2,833,125.00	2,833,125.00	1,497.47	1,497.47
v ICRA Lanka Limited	LKR 10	5,948,900.00	5,948,900.00	256.58	256.58
vi ICRA Nepal Limited	NPR 100	102,000.00	102,000.00	63.75	63.75
				4,189.56	10,206.17
Provision for diminution in value of investments				(1,497.47)	(1,497.47)
Total (I)				2,692.09	8,708.70
II. Other investments (quoted)					
a) Investment in equity instruments (fully paid up)					
i Equity shares of CRISIL Limited	1	3,000.00	3,000.00	0.15	0.15
Total (a)				0.15	0.15
b) Investment in mutual funds					
Fixed maturity plans					
i DHFL Pramerica Fixed Maturity Plan - Series - 62 - Direct Plan Growth	10	7,000,000.00	7,000,000.00	700.00	700.00
ii Principal PNB Fixed Maturity Plan - Series B-10- Direct Plan Growth	10	-	4,444,997.60	-	444.50
iii Axis Fixed Term Plan - Series 52 - Direct Growth (XI-DG)	10	4,493,937.68	4,493,937.68	449.39	449.39
iv DHFL Pramerica Fixed Maturity Plan - Series 45 - Direct Plan Growth	10	15,000,000.00	15,000,000.00	1,500.00	1,500.00
v Reliance Fixed Horizon Fund - XXVI- Series 17 - Direct Plan Growth Plan	10	-	10,000,000.00	-	1,000.00
vi Reliance Fixed Horizon Fund XXVI Series 9 - Direct Plan Growth Plan	10	-	10,000,000.00	-	1,000.00
vii Invesco India FMP-Ser. 23 Plan H (370 Days) - Direct Plan (Formerly known as Religare Invesco FMP-Ser. 23 Plan H (370 Days) - Direct Plan Growth)	10	-	7,000,000.00	-	700.00
Sub-total				2,649.39	5,793.89
Other plans					
i DHFL Pramerica Premier Bond Fund - Direct Plan - Growth	10	4,607,849.01	4,607,849.01	1,000.00	1,000.00
ii Reliance Yearly Interval Fund Series 9 - Direct Plan Growth Plan	10	-	10,124,718.12	-	1,100.00
iii Principal Bank CD Fund - Direct Plan Growth	1,000	88,664.29	88,664.29	1,500.00	1,500.00
iv Birla Sun Life Interval Income Fund - Annual Plan IX - Gr - Direct	10	-	18,205,319.59	-	2,000.00



Notes to financial statements for the year ended March 31, 2017

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

10 Non-current investments (Contd.) (Valued at cost unless stated otherwise)

Particulars	Face Value (Rupees unless otherwise stated)	Quantity As at March 31, 2017 (Numbers)	Quantity As at March 31, 2016 (Numbers)	Amount As at March 31, 2017	Amount As at March 31, 2016
v Edelweiss Banking and PSU Debt Fund - Direct Plan - Growth (Formerly known as JP Morgan India Banking & PSU Debt Fund - Direct Plan - Growth Option)	10	18,264,673.38	18,264,673.38	2,000.00	2,000.00
vi DHFL Pramerica Short Term Floating Rate Fund - Direct Plan - Growth	10	10,503,245.50	10,503,245.50	1,500.00	1,500.00
vii Sundaram Banking & PSU Debt Fund Direct Plan-GR (Formerly known as Sundaram Flexible Fund Short Term Plan - Direct Plan-Gr)	10	8,885,904.98	8,885,904.98	1,800.00	1,800.00
Sub-total				7,800.00	10,900.00
Total (b)				10,449.39	16,693.89
Total (II) = (a+b)				10,449.54	16,694.04
Total (I + II)				13,141.63	25,402.74
Aggregate amount of quoted investments cost				10,449.54	16,694.04
market value				13,329.51	19,615.28
Aggregate amount of unquoted investments				4,189.56	10,206.17
Aggregate amount of provision for diminution in value of investments				(1,497.47)	(1,497.47)

Note:- IDR denotes Indonesian Rupiah, LKR denotes Sri Lankan Rupee and NPR denotes Nepalese Rupee

Particulars	As at March 31, 2017	As at March 31, 2016
11 Deferred tax assets (net)		
Deferred tax assets*		
Provision for employees benefits	81.91	303.39
Rent equalisation reserve	26.57	40.65
Provision for doubtful debts	174.41	115.41
Provision for doubtful loans and advances	2.62	5.59
	285.51	465.04
Deferred tax liabilities		
Depreciation	10.41	46.74
	10.41	46.74
	275.10	418.30

*excluding deferred tax assets of Rs. 1,410.13 lakh (previous year Rs. 909.41 lakh) not recognised in the absence of virtual certainty of realisation against capital loss resulted from sale of subsidiary, mutual funds and impairment loss on investment in one of the wholly owned subsidiaries.

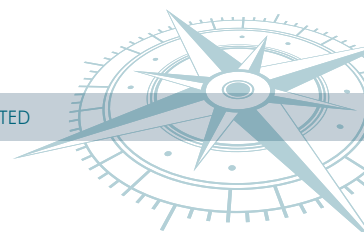
Notes to financial statements for the year ended March 31, 2017

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

Particulars	As at March 31, 2017	As at March 31, 2016
12 Long-term loans and advances		
<i>(Secured and considered good)</i>		
To parties other than related parties		
Loans to employees	73.33	125.83
To related parties (Refer note 38)		
Loans to employees	14.76	15.80
<i>(Unsecured and considered good)</i>		
To parties other than related parties		
Capital advances	-	0.44
Security deposits	98.03	261.30
Prepaid expenses	14.95	24.23
Advance tax (net of provision of Rs. 22,362.66 lakh (previous year Rs. 18,955.45 lakh)) (Refer note 24)	1,312.58	1,283.72
Advances recoverable in cash or kind	3.00	5.61
<i>(Unsecured and considered doubtful)</i>		
To parties other than related parties		
Capital advances	-	7.22
	1,516.65	1,724.15
Less: Provision for doubtful long-term loans and advances	-	(7.22)
	1,516.65	1,716.93
13 Other non-current assets		
Bank deposits with maturity more than twelve months from the reporting date (Refer note 16)	990.05	1,674.35
	990.05	1,674.35

14 Current investments (at lower of cost or fair value)

Particulars	Face Value (Rupees)	Quantity As at March 31, 2017 (Numbers)	Quantity As at March 31, 2016 (Numbers)	Amount As at March 31, 2017	Amount As at March 31, 2016
Current portion of long-term investments					
I Other investments					
(a) Investment in debentures (unquoted)					
(i) 10% Unsecured redeemable non convertible debentures of Nihilent Technologies Limited (Refer note 33)	10,000	36,750.00	-	3,675.00	-
Total (a)				3,675.00	-
b) Investment in corporate deposits (unquoted)					
(i) Housing Development Finance Corporation Limited				4,985.00	-
Total (b)				4,985.00	-
(c) Investment in mutual funds (quoted)					
Fixed maturity plans					
(i) Principal PNB Fixed Maturity Plan - Series B-10-476 Days - Direct Plan Growth	10	4,444,997.60	-	444.50	-
(ii) Reliance Fixed Horizon Fund - XXVI- Series 17 - Direct Plan Growth Plan	10	10,000,000.00	-	1,000.00	-
(iii) Reliance Fixed Horizon Fund XXVI Series 9 - Direct Plan Growth Plan	10	10,000,000.00	-	1,000.00	-
(iv) Invesco India FMP-Ser. 23 Plan H (370 Days) - Direct Plan (Formerly known as Religare Invesco FMP-Ser. 23 Plan H (370 Days) - Direct Plan Growth)	10	7,000,000.00	-	700.00	-
(v) Birla Sun Life Fixed Term Plan-Series HM (1099 days) - Growth Direct	10	-	8,000,000.00	-	800.00



Notes to financial statements for the year ended March 31, 2017

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

14 Current investments (at lower of cost or fair value) (Contd.)

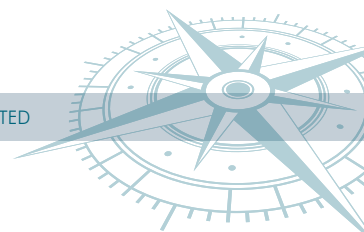
Particulars	Face Value (Rupees)	Quantity As at March 31, 2017 (Numbers)	Quantity As at March 31, 2016 (Numbers)	Amount As at March 31, 2017	Amount As at March 31, 2016
(vi) Birla Sun Life Fixed Term Plan Series KD (1143 Days) - Gr. Direct (Formerly known as Birla Sun Life Fixed Term Plan Series KD (1099 Days) - Growth Direct)	10	9,000,000.00	9,000,000.00	900.00	900.00
Sub-total				4,044.50	1,700.00
Other plans					
(i) Reliance Yearly Interval Fund Series 9 - Direct Plan Growth Plan	10	10,124,718.12	-	1,100.00	-
(ii) Birla Sun Life Interval Income Fund - Annual Plan IX - Gr - Direct	10	18,205,319.59	-	2,000.00	-
Sub-total				3,100.00	-
Total (c)				7,144.50	1,700.00
Total (a+b+c)				15,804.50	1,700.00
Aggregate amount of quoted investments					
cost				7,144.50	1,700.00
market value				9,038.75	2,103.37
Aggregate amount of unquoted investments				8,660.00	-
Aggregate amount of quoted investments (non-current and current)					
cost				17,594.04	18,394.04
market value				22,368.26	21,718.65
Aggregate amount of unquoted investments (non-current and current)				12,849.56	10,206.17
Aggregate amount of provision for diminution in value of investments (non-current and current)				(1,497.47)	(1,497.47)

Particulars	As at March 31, 2017	As at March 31, 2016
15 Trade receivables (Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	324.22	430.91
Considered doubtful	397.10	227.61
	721.32	658.52
Others		
Considered good	1,531.54	1,217.66
Considered doubtful	160.12	105.89
	1,691.66	1,323.55
	2,412.98	1,982.07
Less: provision for doubtful trade receivables	(557.22)	(333.50)
	1,855.76	1,648.57
16 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	7.92	7.16
Balances with banks		
In current accounts	77.14	80.78
In escrow account**	100.00	-
In deposit accounts (with original maturity of three months or less)	3.70	8.18
Other bank balances		
In deposit accounts with maturity less than twelve months from the reporting date*	17,103.91	18,005.08
Earmarked balance with bank		
In unpaid dividend account	7.16	7.40
In deposit accounts with maturity less than twelve months from the reporting date earmarked against bank guarantees**	1,012.84	-
	18,312.67	18,108.60

Notes to financial statements for the year ended March 31, 2017

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

Particulars	As at March 31, 2017	As at March 31, 2016
16 Cash and bank balances (Contd.)		
In deposit accounts with original maturity of three months or less from the original maturity date	3.70	8.18
In deposit accounts with maturity less than twelve months from the reporting date*	18,116.75	18,005.08
In deposit accounts with maturity more than twelve months from the reporting date	990.05	1,674.35
*Net of book overdraft of Rs. 91.29 lakh (previous year Rs. 87.43 lakh) for uncleared cheques issued in pursuance to sweep in facilities with various banks		
**Escrow account balance and bank guarantee of Rs. 1,000 lakh (previous year nil) are issued as security for performance of Company's obligations under the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998		
17 Short-term loans and advances (Secured and considered good)		
To parties other than related parties		
Loans to employees	15.79	24.87
To related parties (Refer note 38)		
Loans to employees	2.11	2.03
(Unsecured and considered good)		
To parties other than related parties		
Security deposits	175.91	9.85
Prepaid expenses	226.15	232.53
Advances recoverable in cash or kind	87.82	87.31
To related parties (Refer note 38)		
Other recoverable	13.23	42.16
(Unsecured and considered doubtful)		
To parties other than related parties	7.57	8.94
	528.58	407.69
Less: provision for doubtful short-term loans and advances	(7.57)	(8.94)
	521.01	398.75
18 Other current assets		
Interest accrued but not due on fixed deposits	807.63	737.19
Interest accrued but not due on investments	158.58	-
Accrued revenue	-	4.05
Dividend receivable from subsidiary	6.70	-
Assets held for sale	70.42	-
	1,043.33	741.24
Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
19 Revenue from operations		
Rating, research and other services fees	20,921.82	19,389.42
	20,921.82	19,389.42
20 Other operating income		
Advances received from customers written back	144.65	129.63
Professional services	12.11	10.90
Royalty	7.52	5.40
Bad debts recovered	1.86	1.28
Others	2.04	-
	168.18	147.21



Notes to financial statements for the year ended March 31, 2017

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

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
21 Other income		
Interest on fixed deposits	1,763.03	1,349.49
Dividend from subsidiary companies	1,165.19	-
Interest on loan to subsidiaries	-	11.48
Other interest income	181.83	6.16
Profit on sale/ redemption of investments	253.02	965.14
Rental income	34.91	23.39
Foreign exchange gain (net)	1.03	0.20
Other non-operating income	4.27	13.45
	3,403.28	2,369.31
22 Employee benefit expenses		
Salaries, wages and bonus	8,551.09	7,830.61
Contribution to provident fund (Refer note 37)	320.08	260.43
Staff welfare expenses	274.26	241.56
	9,145.43	8,332.60
23 Other expenses		
Electricity and water	110.30	135.11
Rent (Refer note 26)	304.33	291.39
Repairs and maintenance - building	1.76	0.38
Repairs and maintenance - others	400.23	312.35
Insurance	5.51	4.40
Rates and taxes	39.40	70.39
Communication	169.89	155.87
Printing and stationery	59.34	65.10
Books and periodicals	74.61	53.65
Travelling and conveyance	293.16	322.97
Directors' sitting fees	22.50	19.50
Legal and professional charges	1,265.04	945.12
Conference and meeting	36.81	53.65
Advertisement	8.61	3.59
Auditors' remuneration and expenses (Refer note 28)	54.30	51.73
Technical services	19.53	22.72
Bad debts written off	399.27	499.11
Provision for doubtful debts	169.08	139.50
Provision for doubtful advances (net)	(7.22)	7.22
Fees and subscription	14.61	11.15
Remuneration to non executive directors	50.00	50.00
Recruitment	85.75	19.67
Corporate social responsibility (Refer note 35)	153.99	129.62
Loss on sale/ write off of fixed assets (net)	9.05	8.72
Miscellaneous	42.77	90.86
	3,782.62	3,463.77

Notes to financial statements for the year ended March 31, 2017

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

24 Contingent Liabilities (to the extent not provided for):

Particulars	As at March 31, 2017	As at March 31, 2016
Claims against the Company disputed and not acknowledged as debts.		
Income Tax *	1,284.15	882.61
Provident Fund	12.09	15.37
Total	1,296.24	897.98

* The Company had deposited an amount of Rs. 11.00 lakh (previous year Rs. 11.00 lakh) under protest against the above claims.

The Company is contesting the demand and the management including its tax advisors believe that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

- 25 Based on the information available with the Company, three suppliers (previous year four) have been identified who are registered under Micro, Small & Medium Enterprises Development Act, 2006 (MSMED), to whom the Company owes dues, but the same are not outstanding for more than 45 days as at March 31, 2017. The information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at March 31, 2017	As at March 31, 2016
a.1) The principal amount payable to suppliers at the year end	2.62	2.17
a.2) The amount of interest due on the remaining unpaid amount to the suppliers as at the year end.	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED.	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED.	-	-

26 Leases:

As Lessee

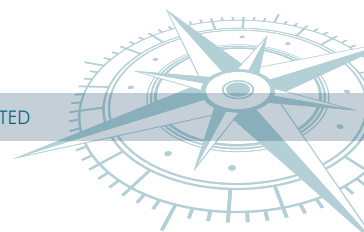
The Company's significant operating lease arrangements are in respect of premises (residential, offices and godowns etc.). The lease term for these leases ranges between 11 months and 12 years which includes a lock-in period and in certain cases are renewable by mutual consent on mutually agreeable terms. Lease payments under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

The schedule of lease rental payments in respect of operating leases is set out below:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Rental recognised in the Statement of Profit and Loss *	342.94	341.38

Particulars	As at March 31, 2017	As at March 31, 2016
Future minimum lease rental payments for non-cancellable operating leases:		
Not later than one year	405.88	448.20
Later than one year but not later than five years	357.61	704.24
Later than five years	91.49	146.89

* Includes rental for parking space, guest house, office premises etc. which has been accounted in the respective heads.



Notes to financial statements for the year ended March 31, 2017

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

As Lessor

The Company has given a part of its premises under cancellable operating lease arrangement. Lease rentals amounting to Rs. 34.91 lakh (previous year Rs. 23.39 lakh) has been recognised in the Statement of Profit and Loss. As only a portion of these premises has been let out, the gross carrying amount, depreciation for the year and the accumulated depreciation of leased premises/ assets is not separately identifiable.

27 Segment reporting:

As the Company's business activities falls within a single primary business segment and a geographical segment, the disclosure requirements of Accounting Standard 17 "Segment Reporting" specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 are not applicable.

28 Remuneration to auditors (excluding service tax):

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Audit fees	25.51	19.72
Limited review	14.45	14.45
Tax audit	5.62	5.59
Other certification services	4.99	7.16
Reimbursement of expenses	3.73	4.81
Total	54.30	51.73

29 Foreign currency transactions:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(1) Expenditure in foreign currency (on accrual basis)		
- Technical services	18.63	21.54
- Professional charges	12.26	22.28
- Foreign travel	0.07	1.83
- Others	6.40	4.01
(2) Remittance in foreign currency on account of final dividend		
- Amount of dividend remitted	538.68	517.13
- Number of Non-resident shareholders	1	1
- Number of equity shares held by Non-resident shareholders	2,154,722	2,154,722
- The year to which dividend related	2015-16	2014-15
(3) Earnings in foreign exchange		
- Professional fees	57.11	96.56

30 Earning per share (basic and diluted):

Particulars		For the year ended March 31, 2017	For the year ended March 31, 2016
I. Profit/(loss) for basic and diluted earnings per share of Rs 10 each		8,327.65	6,146.55
II. Weighted average number of equity shares for earnings as per share computation			
A) For basic earnings per share	Nos.	9,846,825	9,830,239
B) For diluted earnings per share	Nos.	9,875,770	9,874,261
No. of shares for basic earning per share as per II A	Nos.	9,846,825	9,830,239
Add: weighted average outstanding options related to employee stock options.	Nos.	28,945	44,022
No of shares for diluted earnings per share	Nos.	9,875,770	9,874,261
III. Earnings per share (face value of Rs 10 each)			
Basic	Rupees	84.57	62.53
Diluted	Rupees	84.32	62.25

Notes to financial statements for the year ended March 31, 2017

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

31 Tax expense:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Current tax		
Income tax for current year	3,399.56	3,348.94
Income tax for earlier years	55.83	(12.58)
Deferred tax	143.21	(74.46)
Total	3,598.60	3,261.90

32 Buy back of shares:

The Board of Directors of the Company in its meeting held on February 9, 2017 approved a proposal to buy back equity shares of the Company, for an aggregate amount not exceeding Rs 4,000 lakh (referred to as the "Maximum Buy back Size") from shareholders of the Company under the open market route in accordance with the provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 and the Companies Act, 2013 and rules made thereunder. The buy back process commenced on March 2, 2017 and closed on April 3, 2017. The Company utilized 99.997% of Maximum Buy back Size authorized for buy back. As of March 31, 2017, the Company bought back 96,720 equity shares as part of the aforementioned buy back process resulting in total cash outflow of Rs. 3,999.89 lakh. Out of 96,720 equity shares bought back, the Company extinguished 80,677 equity shares as at March 31, 2017 and the remaining 16,043 equity shares were extinguished in the month of April 2017 as per the records of the depositories. In line with the requirement of the Companies Act 2013, an amount of Rs 3,990.22 lakh has been utilized from the securities premium account for the buy back. Further, capital redemption reserve of Rs 9.67 lakh (representing the nominal value of the shares bought back) has been created as an apportionment from securities premium account.

33 The Board of Directors of the Company at its meeting held on August 5, 2016 and the Members of the Company through Postal Ballot, on September 17, 2016, approved sale of the entire shareholding held by the Company in ICRA Techno Analytics Limited ("ICTEAS") (now known as "Nihilent Analytics Limited") to Nihilent Technologies Limited, for a consideration of Rs. 6,875 lakh, comprising (i) payment of cash consideration of Rs. 3,200 lakh; and (ii) unsecured, unrated, 10% interest bearing and unlisted non-convertible debentures, issued for the balance amount, to be redeemed after one year and fifteen days from the date of allotment i.e. October 7, 2016. The transaction got consummated on October 7, 2016. As a result, ICTEAS along with its subsidiaries ceased as subsidiaries of the Company. The profit on sale of ICTEAS shares amounting to Rs. 681.29 lakh has been classified under 'Exceptional items'.

The exceptional items in previous year amounting to Rs. 345.52 lakh represent provision for other than temporary diminution in the value of non-current investment in PT ICRA Indonesia."

34 The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company has maintained adequate documentation for the international transactions entered into with the associated enterprises and domestic transactions entered into with the specified person during the financial year and expect such records to be in existence in accordance with the requirements of the law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

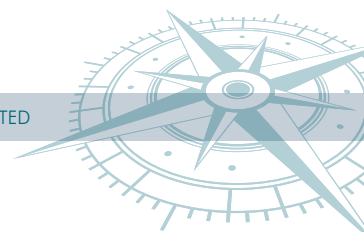
35 Corporate social responsibility expenditure

As per Section 135 of the Act, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The expenditure has been incurred on activities which are specified in Schedule VII to the Act.

- (a) Gross amount required to be spent by the Company during the year ended March 31, 2017 was Rs. 153.99 lakh (previous year Rs. 129.62 lakh)
 (b) Amount spent during the year on:

Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
	(-)	(-)	(-)
(ii) On purposes other than (i) above	153.99	-	153.99
	(129.62)	(-)	(129.62)

[Previous year figures are in {}]



Notes to financial statements for the year ended March 31, 2017

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

36 Employee stock option scheme

The Company had a stock option plan in place namely Employees Stock Options Scheme ("ESOS"), 2006, administrated through ICRA Employees Welfare trust ('Trust'). The Trust transfers shares to the eligible employees upon exercise of the options by such employees. The detail of ESOS tranches granted under scheme is as under:

Type of arrangement	Employee stock option scheme 2006	
	Tranche 1	Tranche 2
Date of grant	March 24, 2007	November 9, 2010
Number granted	615,763	272,500
Fair value of option	138.00	1,153.00
Exercise price	330.00	330.00
Contractual life from the date of vesting	5	5
Method used for valuation	Intrinsic value method	
Method of settlement	Equity shares	

Under ESOS 2006, each option, upon vesting, entitles the holder to acquire one equity share of Rs 10 each.

Summary of vesting provisions:

Vesting date	% of options vested	Lock-in period
1 year from grant date	40	Nil
2 years from grant date	30	Nil
3 years from grant date	30	Nil

All the vested options against tranche-1 were exercised/ expired/ lapsed on or before March 31, 2015.

Out of total options in force as on March 31, 2016, 24,072 shares (previous year - 8,650 share) against Tranche-2 were transferred to the employees on exercise of options during the year ended March 31, 2017.

The unissued and lapsed/ expired options lying as at March 31, 2017 is 120,250 (previous year 119,961). The movement of the stock options in force under the ESOS, 2006 is set out below:

Tranche 2:

Particulars	As at March 31, 2017	
	Number of options	Weighted Average Exercise Price(Rs)
Options outstanding at the beginning of the year	43,706	-
	(52,356)	-
Granted during the year	-	-
	(-)	(-)
Exercised during the year	24,072	330
	(8,650)	(330)
Options forfeited during the year	-	-
	(-)	(-)
Options expired during the year	289	-
	(-)	(-)
Options outstanding at the end of the year	19,345	-
	(43,706)	(-)

[Previous year figures are in ()]

Notes to financial statements for the year ended March 31, 2017

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

Other information regarding employee share based payment plans is as below:		For the year ended March 31, 2017	For the year ended March 31, 2016
Employees stock options outstanding as at year end		211.60	478.07
Weighted average share price during the year	In Rupees	4,030.97	4,091.60
Weighted average remaining contractual life	In Years	1.61	2.61

The ESOS, 2006 expired on June 27, 2016 and the eligible employees have the right to exercise the remaining 19,345 vested options by November 8, 2018.

37 Disclosure in respect of employee benefits under Accounting Standard (AS) – 15 (Revised) "Employee Benefits" prescribed by the Companies (Accounts) Rules, 2014.

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employees State Insurance fund which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to these funds for the year aggregated to Rs. 320.08 lakh (previous year Rs. 260.43 lakh) and is included in "Employee benefits".

Defined benefit plans

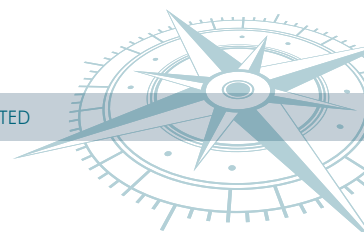
The Company operates post-employment defined benefit plan that provides gratuity. The gratuity is payable to all eligible employees of the Company on superannuation, death or permanent disablement in terms of the provisions of the payment of Gratuity Act or as per the Company's scheme, whichever is more beneficial.

The liability with regard to gratuity is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary.

a) Gratuity Plan

The present value of the obligation is determined based on an actuarial valuation using the projected unit credit method.

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Table showing changes in the present value of the obligation during the year		
Present value of obligation at beginning of the year	586.83	502.41
Interest cost	40.64	38.58
Current service cost	77.06	69.54
Benefit paid	(104.15)	(15.61)
Actuarial loss/ (gain)	74.77	(8.09)
Present value of obligation at the year end	675.15	586.83
Table showing changes in the fair value of plan assets during the year		
Fair value of plan assets at beginning of the year	-	-
Expected return on plan assets	1.45	-
Contribution	650.00	-
Fair value of plan assets at the end of the year	651.45	-
Long-term gratuity provision	-	499.78
Short-term gratuity provision	23.70	87.05
Actuarial loss/ (gain) recognised for the year		
Total actuarial loss/ (gain) recognised in the year	74.77	(8.09)
Amount to be recognised in the Balance Sheet and Statement of Profit and Loss		
Present value of obligation as at the end of the year	675.15	586.83
Fair value of plan assets at the end of the year	651.45	-
Net liability recognised in Balance Sheet	23.70	586.83



Notes to financial statements for the year ended March 31, 2017

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

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Expense recognised during the year		
Current service cost	77.06	69.54
Interest cost	40.64	38.58
Expected return on plan assets	(1.45)	-
Actuarial (gain)/loss	74.77	(8.09)
Expense recognised in the Statement of Profit and Loss	191.02	100.03
Actuarial assumptions		
Discount rate (per annum)	6.70%	7.60%
Expected rate of return on plan assets (per annum)	NA	NA
Rate of increase in compensation levels:	10.00% for first five years and 7.00% thereafter	11.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Assumptions regarding future mortality are based on the published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.

Particulars	As at March 31, 2017	As at March 31, 2016
Retirement age	60	60
Mortality table	Indian Assured Lives Mortality (2006-08) (modified) Ult.	Indian Assured Lives Mortality (2006-08) (modified) Ult.
Withdrawal rate	20%	16%

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Present value of defined benefit obligation	675.15	586.83	502.41	430.49	357.02
Fair value of plan assets	(651.45)	-	-	-	-
Excess of obligation over plan assets	23.70	586.83	502.41	430.49	357.02
Experience adjustment on plan liability	(83.38)	14.06	(15.16)	(9.83)	6.75
Experience adjustment on plan assets	1.45	-	-	-	-

Notes to financial statements for the year ended March 31, 2017

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

b) Other long-term benefits

The Company provides compensated absences benefits to the employees of the company which can be carried forward to future years. The liability for leave benefits recognised in the Balance Sheet is as under:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Present value of obligation at the end of the year		
Earned leaves	186.41	263.21
Sick leaves/ Casual leaves	26.57	26.62

38 Disclosures as required by the Accounting Standard 18 on "Related Party Disclosures" are given below:

A. Related Parties where control exists:

Ultimate holding company:

Moody's Corporation

Companies having substantial interest

Moody's Investment Company India Private Limited

Moody's Singapore Pte Limited

B. Subsidiaries including step-down subsidiaries

ICRA Management Consulting Services Limited (IMaCS)

ICRA Techno Analytics Limited (now known as "Nihilent Analytics Limited") (till October 7, 2016)

ICRA Online Limited

PT ICRA Indonesia

ICRA Nepal Limited

ICRA Lanka Limited

ICRA Sapphire Inc. (now known as "Nihilent Sapphire Inc.") (till October 7, 2016)

ICRA Global Capital Inc. (now known as "Nihilent Global Capital Inc.") (till October 7, 2016)

BPA Technologies Inc. (till October 7, 2016)

BPA Technologies Private Limited (till October 7, 2016)

IMaCS Virtus Global Partners, Inc. (Dissolved during financial year 2015-16)

Pragati Development Consulting Services Limited

C. Ultimate holding company, companies having substantial interest and fellow subsidiary companies with whom transactions taken place during the year:

Moody's Corporation

Moody's Investment Company India Private Limited

Moody's Singapore Pte Limited

Moody's Investors Service India Private Limited

Moody's Investors Service Inc.

Moody's Investors Service Limited

Moody's Investors Service Singapore Pte Limited

Moody's Asia Pacific Limited

MIS Quality Management Corp.

Moody's Investors Service Hong Kong Limited

Moody's Analytics Inc

Copal Research India Private Limited

D. Key management personnel:

Mr. Naresh Takkar

Mr. Vipul Agarwal

Mr. Vivek Mathur

Mr. Amit Kumar Gupta

Mr. S. Shakeb Rahman

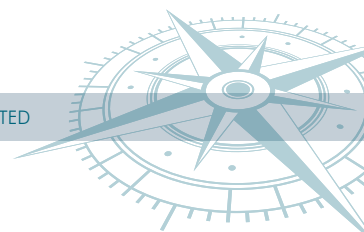
(w.e.f. May 22, 2015)

(till May 21, 2015)

(w.e.f. August 14, 2015)

E. Transactions and balances with related parties:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
ICRA Management Consulting Services Limited		
Professional services received	95.78	69.98
Professional services provided	6.60	4.50
Rental income	17.66	23.39



Notes to financial statements for the year ended March 31, 2017

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

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Other non-operating income	-	0.10
Reimbursement of expenses received/ receivable	125.99	154.25
Amount received by IMaCS on behalf of the Company	-	4.76
Reimbursement of expenses paid/ payable	-	1.21
Amount received on behalf of IMaCS	10.95	0.75
Amount of security deposit transferred by IMaCS	-	0.47
Short-term loans and advances - Other recoverables	-	27.97
Other current liabilities - Due to related parties	2.24	-
Other current assets - Accrued revenue	-	4.05
ICRA Techno Analytics Limited (till October 7, 2016)		
Professional services received	11.31	19.75
Interest income on loan	-	11.48
Dividend received	1,158.48	-
Reimbursement of expenses received/ receivable	-	9.75
Long-term loan repaid during the year #	-	125.00
Short-term loan repaid during the year #	-	25.00
(Maximum loan amount during the year Rs. Nil (previous year Rs. 150 lakh))		
Other current liabilities - Due to related parties	-	9.76
ICRA Online Limited		
Professional services received	18.81	8.91
Reimbursement of expenses received/ receivable	18.15	15.21
Reimbursement of expenses paid/ payable	14.80	20.25
Short-term loans and advances - Other recoverables	0.53	-
Other current liabilities - Due to related parties	-	7.17
PT ICRA Indonesia		
Equity shares issued during the year	-	345.52
Advance given converted into equity shares	-	30.09
Provision for diminution in value of investments	-	345.52
ICRA Nepal Limited		
Royalty	7.52	5.40
Dividend	6.70	-
Trade receivables	2.65	4.51
Short-term loans and advances - Other recoverables	0.02	0.71
Other current assets - Dividend receivable from subsidiary	6.70	-
ICRA Lanka Limited		
Reimbursement of expenses received/ receivable	1.50	2.34
Short-term loans and advances - Other recoverables	-	5.21
Moody's Corporation		
Technical services received	10.86	11.44
Reimbursement of expenses received/ receivable	-	1.68
Other current liabilities - Due to related parties	19.06	9.88
Moody's Investment Company India Private Limited		
Dividend paid	712.73	684.22
Moody's Singapore Pte Limited		
Dividend paid	538.68	517.13
Reimbursement of expenses paid/ payable	5.21	-
Moody's Investors Service India Private Limited		
Rental income	17.25	-
Reimbursement of expenses received/ receivable	4.85	11.18
Short-term loans and advances - Other recoverables	12.05	7.64

Notes to financial statements for the year ended March 31, 2017

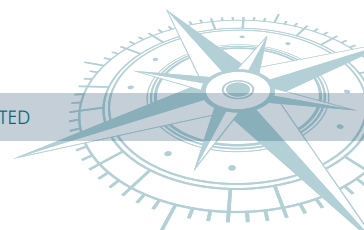
(All amounts in Rupees lakh, except share data and where otherwise stated)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Moody's Investors Service Inc.		
Directors' sitting fees	-	0.40
Short-term loans and advances - Other recoverables	0.63	0.63
Moody's Investors Service Limited		
Directors' sitting fees	-	0.40
Moody's Investors Service Singapore Pte Limited		
Rating and research services fees	-	63.30
Other current liabilities - Unearned revenue	-	24.32
Moody's Asia Pacific Limited		
Directors' sitting fees	-	0.40
MIS Quality Management Corp.		
Trademark license fees	6.56	6.73
Other current liabilities - Due to related parties	6.53	6.81
Moody's Investors Service Hong Kong Limited		
Technical services received	0.81	3.37
Other current liabilities - Due to related parties	0.73	2.85
Moody's Analytics Inc		
Professional services used	0.21	-
Other current liabilities - Due to related parties	0.19	-
Copal Research India Private Limited		
Professional services used	6.72	-
Other current liabilities - Due to related parties	6.05	-
Mr. Naresh Takkar		
Managerial remuneration*, §	376.08	347.87
Loan outstanding	16.87	17.83
Interest received by the Company	0.68	0.76
Dividend paid by the Company	9.56	8.16
Short-term provisions - Other employees benefits	145.25	95.00
Trade payable	0.01	-
Other current liabilities - Payable to employees	7.01	70.69
Mr. Vipul Agarwal		
Remuneration*	131.02	166.04
Other current liabilities - Payable to employees	1.48	44.78
Trade payable	0.13	0.11
Mr. Vivek Mathur		
Remuneration*	-	19.35
Mr. Amit Kumar Gupta		
Remuneration*	55.62	43.02
Other current liabilities - Payable to employees	0.72	11.12
Trade payable	-	0.14
Short-term loans and advances - Advances recoverable in cash or kind	0.16	-
Mr. S. Shakeb Rahman		
Remuneration*	16.39	9.70
Other current liabilities - Payable to employees	0.12	1.26

* As the liabilities for gratuity and compensated absences are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the key management personnel is not included above.

The unsecured loan was taken at the rate of interest of 12% per annum for purchase of office at Kolkata.

§ Employees Stock Options expense in Statement of Profit and Loss is Rs. Nil (previous year Rs. Nil).



Notes to financial statements for the year ended March 31, 2017

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

- 39** During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification are as follows:

Particulars	Specified Bank Notes**	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	1.04	1.11	2.15
Add: Permitted receipts	-	5.88	5.88
Less: Permitted payments	-	(4.82)	(4.82)
Less: Amount deposited in Banks	(1.04)	-	(1.04)
Closing cash in hand as on December 30, 2016	-	2.17	2.17

**For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016."

- 40** The Board of Directors, in its meeting on May 11, 2017, have proposed a dividend of Rs. 27 (previous year Rs. 25) per equity share for the financial year ended March 31, 2017. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on August 3, 2017 and if approved would result in a cash outflow of approximately Rs. 3,218.23 lakh including dividend distribution tax.

- 41 Foreign currency exposure not hedged by derivative instrument:**

Particulars	Amount (foreign currency in lakh)	
	As at March 31, 2017	As at March 31, 2016
Amount receivable on account of sale of services and reimbursement of expenses	USD 0.01	USD 0.08
Amount payable against professional services received	USD 0.61	USD 0.61
Deposits with banks	USD 0.01	USD 0.01

- 42** The previous year's figures have been regrouped/ reclassified wherever considered necessary to make them comparable with those of the current year's classification.

As per our report of even date attached

For and on behalf of the Board of Directors of **ICRA Limited**

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

Chartered Accountants

(ICAI Firm registration number: 101248W/W-100022)

Shashank Agarwal

Partner

Membership No.: 095109

Place : Gurgaon

Dated : May 11, 2017

Naresh Takkar

Managing Director & Group C.E.O.

(DIN: 00253288)

Vipul Agarwal

Group Chief Financial Officer

Arun Duggal

Chairman

(DIN: 00024262)

S. Shakeb Rahman

Company Secretary

Independent Auditors' Report

TO THE MEMBERS OF ICRA LIMITED

Report on the Consolidated Financial Statements

We have audited the consolidated financial statements of ICRA Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ("the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements 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 financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

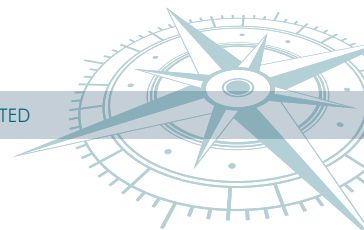
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2017, their consolidated profit and their consolidated cash flows for the year ended on that date.

Report on other legal and regulatory requirements

- (i) As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.



Independent Auditors' Report

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Director of the Holding Company and on the basis of the relevant assertion contained in the audit reports on standalone financial statements of the Holding Company and each of its subsidiary companies incorporated in India, none of the Directors of any such company are disqualified as on March 31, 2017 from being appointed as a Director of that company in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-I".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 26 to the consolidated financial statements;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no delay in transferring amounts, that were required to be transferred to the Investor Education and Protection Fund by the Holding Company incorporated in India.
There were no amounts which were required to be transferred to the Investor Education and Protection Fund by subsidiary companies incorporated in India; and
 - iv. The Company has provided requisite disclosures in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on the audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management – Refer Note 40 to the consolidated financial statements.

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

Chartered Accountants

ICAI Firm Registration No.:101248W/ W-100022

Shashank Agarwal

Partner

Membership No.: 095109

Place: Gurgaon
Date: May 11, 2017

Independent Auditors' Report

Annexure I to the Independent Auditor's Report to the Members of ICRA Limited on the consolidated financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

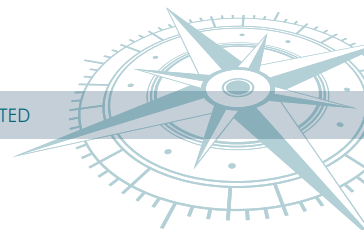
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Independent Auditors' Report

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Chartered Accountants

ICAI Firm Registration No.:101248W/ W-100022

Place: Gurgaon
Date: May 11, 2017

Shashank Agarwal

Partner

Membership No.: 095109

Consolidated Balance Sheet as at March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	(3)	990.33	1,000.00
Reserves and surplus	(4)	48,912.98	46,623.77
Minority Interest		94.65	80.19
Non-current liabilities			
Other long-term liabilities	(5)	82.40	106.38
Long-term provisions	(6)	502.63	1,221.19
Current liabilities			
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	(27)	2.68	2.17
Total outstanding dues of creditors other than micro enterprises and small enterprises		835.36	911.78
Other current liabilities	(7)	7,346.76	7,562.07
Short-term provisions	(8)	2,329.81	5,222.51
Total		61,097.60	62,730.06
ASSETS			
Non-current assets			
Fixed Assets	(9)		
Tangible assets		3,277.57	4,366.21
Intangible assets		261.74	519.81
Intangible assets under development		81.38	70.82
Goodwill on consolidation		122.53	4,308.37
Non-current investments	(10)	10,449.54	16,744.04
Deferred tax assets (net)	(11)	536.07	614.73
Long-term loans and advances	(12)	2,180.30	2,365.81
Other non-current assets	(13)	1,928.20	1,855.25
Current assets			
Current investments	(14)	15,835.72	1,731.22
Trade receivables	(15)	3,395.28	4,782.56
Cash and bank balances	(16)	20,046.70	22,589.33
Short-term loans and advances	(17)	1,016.89	1,118.10
Other current assets	(18)	1,965.68	1,663.81
Total		61,097.60	62,730.06
Significant accounting policies	(2)		

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of **ICRA Limited**

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

Chartered Accountants

(ICAI Firm registration number: 101248W/W-100022)

Shashank Agarwal

Partner

Membership No.: 095109

Place : Gurgaon

Dated : May 11, 2017

Naresh Takkar

Managing Director & Group C.E.O.

(DIN: 00253288)

Vipul Agarwal

Group Chief Financial Officer

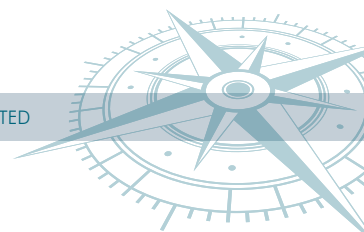
Arun Duggal

Chairman

(DIN: 00024262)

S. Shakeb Rahman

Company Secretary



Consolidated Statement of Profit and Loss for year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
Income			
Revenue from operations	(19)	33,133.48	33,976.23
Other operating income	(20)	169.96	139.25
Other income	(21)	2,451.95	2,707.79
Total		35,755.39	36,823.27
Expenses			
Employee benefits expenses	(22)	15,798.61	15,886.76
Finance costs	(23)	-	55.15
Depreciation and amortisation	(9)	853.82	957.69
Other expenses	(24)	7,418.11	8,123.85
Total		24,070.54	25,023.45
Profit before tax and minority interest		11,684.85	11,799.82
Profit from continuing operations before tax and minority interest		11,407.42	11,110.68
Tax expense:	(32)		
Current tax		4,030.52	3,871.92
Deferred tax		39.52	(103.10)
Profit from continuing operations after tax and before minority interest		7,337.38	7,341.86
Profit from discontinuing operations before tax	(31)	277.43	689.14
Tax expense:	(32)		
Current tax		231.13	499.64
Deferred tax		(55.05)	(111.56)
Profit from discontinuing operations after tax		101.35	301.06
Profit after tax and before minority interest		7,438.73	7,642.92
Minority interest		20.90	18.57
Profit after tax and minority interest		7,417.83	7,624.35
Earnings per equity share (Rs.) from total operations (face value of Rs. 10 per share):	(29)		
Basic		75.33	77.56
Diluted		75.11	77.21
Earnings per equity share (Rs.) from continuing operations (face value of Rs. 10 per share):	(29)		
Basic		74.30	74.50
Diluted		74.09	74.17
Significant accounting policies	(2)		

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of **ICRA Limited**

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

Chartered Accountants

(ICAI Firm registration number: 101248W/W-100022)

Shashank Agarwal

Partner

Membership No.: 095109

Place : Gurgaon

Dated : May 11, 2017

Naresh Takkar

Managing Director & Group C.E.O.

(DIN: 00253288)

Vipul Agarwal

Group Chief Financial Officer

Arun Duggal

Chairman

(DIN: 00024262)

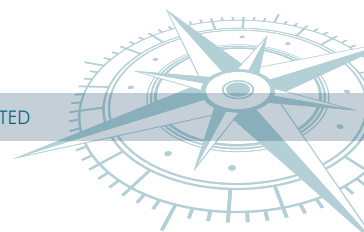
S. Shakeb Rahman

Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. Cash flow from operating activities		
Profit before taxation	11,684.85	11,799.82
Adjustments for:		
Depreciation and amortisation	853.82	957.69
Bad debts written off	529.49	828.90
Provision for doubtful debts (net)	339.30	273.13
Provision for doubtful advances (net)	(12.56)	(5.47)
Loss on sale/ write off of fixed assets (net)	6.50	14.31
Impairment loss on asset held for sale	58.77	-
Loss on sale of subsidiaries	99.40	-
Interest expense	-	55.15
Advances received from customers written back	(154.65)	(129.63)
Interest on fixed deposits	(1,925.57)	(1,540.00)
Other interest income	(217.08)	-
Dividend income	(5.27)	(5.00)
Profit on sale/ redemption of investments	(252.01)	(965.14)
Unrealised foreign exchange loss/ (gain) (net)	(26.89)	(84.44)
Provision/ liability no longer required written back	-	(29.72)
Other non-operating income	-	(9.89)
Operating cash flow before working capital changes	10,978.10	11,159.71
Adjustments for:		
Increase in trade receivables	(1,127.06)	(459.04)
Increase in loans and advances	(97.44)	(22.15)
Decrease/ (Increase) in other assets	194.39	(100.50)
Increase in trade payables	440.72	183.00
Increase in other liabilities	522.62	537.22
(Decrease)/ Increase in provisions	(251.49)	186.88
Cash generated from operations	10,659.84	11,485.12
Taxes paid (net)	(4,264.53)	(4,366.25)
Net cash generated from operating activities (A)	6,395.31	7,118.87
B. Cash flow from investing activities:		
Purchase of fixed assets (tangible and intangible) and capital advances	(573.18)	(1,037.00)
Sale proceeds from fixed assets	33.01	21.66
Sale proceeds from redemption/ disposal of mutual funds	1,102.01	8,221.25
Sale of investment in subsidiaries	3,022.90	-
(net of expenses of Rs. 177.10 lakh) (Refer note 31)		
Investment in corporate deposits	(4,985.00)	-
Increase in fixed deposits (having maturity of more than three months), net	404.55	(12,306.11)
Interest received on fixed deposits	2,084.85	947.04
Dividend income	5.27	5.00
Net cash generated/(used) in investing activities (B)	1094.41	(4,148.16)



Consolidated Cash Flow Statement for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
C. Cash flow from financing activities:		
Payment towards buy back of shares (Refer note 34)	(3,999.89)	-
Dividend paid	(2,500.00)	(2,400.00)
Dividend distribution tax paid	(548.25)	(488.58)
(Decrease)/ increase in unclaimed dividend	(0.24)	(0.90)
Repayment of secured loan	-	(1,012.50)
Interest paid	-	(55.15)
Net cash used in financing activities (C)	(7,048.38)	(3,957.13)
Net increase /(decrease) in cash and cash equivalents (A+B+C)	441.34	(986.42)
Add: Cash and cash equivalents at the beginning of year	2,446.31	3,321.50
Less: Cash and cash equivalents transfer on deconsolidation of subsidiaries	(2,182.38)	-
Effect of exchange gain/ (loss) on cash and cash equivalents	8.97	111.23
Cash and cash equivalents at the end of the year	714.24	2,446.31
Components of cash and cash equivalents (Refer note 16)		
Cash on hand	9.23	9.39
Balances with banks		
In current accounts	400.11	1,820.67
In escrow account	100.00	-
In deposit accounts (with original maturity of three months or less)	204.90	616.25
Cash and cash equivalents at the end of the year	714.24	2,446.31
Other bank balances		
In deposit accounts with maturity less than twelve months from the reporting date	18,222.46	19,972.76
Earmarked balance with bank		
In unpaid dividend account	7.16	7.40
In margin money	90.00	162.86
In deposit accounts with maturity less than twelve months from the reporting date earmarked against bank guarantees	1,012.84	-
	20,046.70	22,589.33

Note:

Consolidated Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 (AS-3) "Cash Flow Statements"

Significant accounting policies (Refer note 2)

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

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

Chartered Accountants

(ICAI Firm registration number: 101248W/W-100022)

Shashank Agarwal

Partner

Membership No.: 095109

Place : Gurgaon

Dated : May 11, 2017

For and on behalf of the Board of Directors of **ICRA Limited**

Naresh Takkar

Managing Director & Group C.E.O.

(DIN: 00253288)

Vipul Agarwal

Group Chief Financial Officer

Arun Duggal

Chairman

(DIN: 00024262)

S. Shakeb Rahman

Company Secretary

Notes to consolidated financial statements for the year ended March 31, 2017

1 Background

ICRA Limited (formerly Investment Information and Credit Rating Agency of India Limited) ('the Company' or 'Holding Company') 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, incorporated under the Companies Act, 1956, having its registered office in New Delhi. The Company's shares are listed on BSE Limited and the National Stock Exchange of India Limited.

The Company has various subsidiaries involved in rating, management consulting, software solutions, outsourcing and information services etc.

2. Significant accounting policies

a. Basis of preparation and presentation of consolidated financial statements

The consolidated financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the Accounting Standards ("AS") specified under section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014, the other relevant provisions of the Act (including provisions of Companies Act, 1956 which continue to remain in force, to the extent applicable), pronouncements of the Institute of Chartered Accountants of India ("ICAI"), guidelines issued by the Securities and Exchange Board of India ("SEBI"), to the extent applicable. The consolidated financial statements are presented as per Schedule III to the Act and in Indian rupees rounded off to the nearest lakh.

b. Principles of consolidation

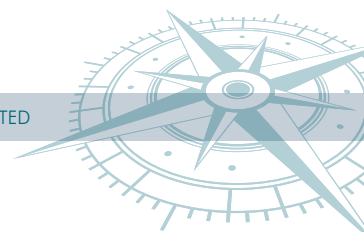
The consolidated financial statement are prepared in accordance with the principles and procedures required for the preparation and presentation of the consolidated financial statements as laid down under the AS - 21, 'Consolidated Financial Statements'.

The consolidated financial statements includes financial statements of the Company and its subsidiaries (collectively known as "the Group") and have been combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after duly eliminating intra-group balances and transactions resulting in unrealised profits or losses.

The excess/ deficit of cost to the Holding Company of its investment over its portion of net worth in the consolidated entities at the respective dates on which investment in such entities was made is recognised in the consolidated financial statements as goodwill on consolidation/ capital reserve. The Holding Company's portion of net worth in such entities is determined based on the book values of assets and liabilities as per the financial statements of the entities as on the date of investment and if the financial is not available, the financial statements for the immediately preceding period are adjusted for the effects of significant changes.

Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movement in their share in the equity, subsequent to the dates of investments as stated above. In case of losses applicable to minority exceeding the minority interest in equity of the subsidiary, the excess and any further losses applicable to the minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. If the subsidiary subsequently reports profits, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.

On sale of a subsidiary, the difference between the proceeds from sale of investment in subsidiary and the carrying amount of its assets (including goodwill on consolidation/ capital reserve) less liabilities as of the date of sale is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on sale of investment in subsidiary.



Notes to consolidated financial statements for the year ended March 31, 2017

The consolidated financial statements represent consolidation of accounts of the Company, its subsidiaries and step-down subsidiaries as detailed below:

Name of the entities	Country of Incorporation	Ownership in % either directly or through subsidiaries
ICRA Management Consulting Services Limited	India	100%
Pragati Development Consulting Services Limited	India	100%
ICRA Online Limited	India	100%
ICRA Techno Analytics Limited ("ICTEAS") (now known as Nihilent Analytics Limited)^	India	100%
ICRA Sapphire Inc. (now known as Nihilent Sapphire Inc.)^	USA	100%
ICRA Global Capital, Inc (now known as Nihilent Global Capital, Inc.)^	USA	100%
BPA Technologies Inc.^	USA	100%
BPA Technologies Private Limited^	India	100%
PT. ICRA Indonesia*	Indonesia	99%
ICRA Lanka Limited	Sri Lanka	100%
ICRA Nepal Limited	Nepal	51%

^ Till October 7, 2016

* Under liquidation.

c. Use of estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosures of contingent liabilities on the date of consolidated financial statements. Examples of such estimate include future obligations under employee benefit plans, income taxes, useful lives of tangible assets and intangible assets, impairment of assets, provision for doubtful debts and advances etc. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

d. Operating cycle

Based on the nature of activities of the each entity of the Group, the Group has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

The consolidated financial statements are presented as per Schedule III of the Act. All assets and liabilities have been classified as current or non-current as per each entity of the Group's operating cycle and other criteria set out in the Schedule III to the Act.

e. Fixed assets and depreciation/ amortisation

Tangible fixed assets

- Tangible fixed assets are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost of tangible fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Any amount recovered from customer against value of asset is netted off with value of asset.
- Depreciation/ amortisation for the year has been provided on written down value over the useful life of the assets as prescribed in Schedule II to Act except for leasehold improvements.

The leasehold improvements are depreciated using straight line method over the remaining primary period of the lease or useful life of the assets whichever is shorter. The remaining primary lease period for this purpose includes any lease period extendable at the discretion of the lessee.

Assets individually costing up to Rs. 5,000 are fully depreciated in the year of purchase.

Depreciation is provided on a pro-rata basis on assets acquired, sold or discarded during the year.

Notes to consolidated financial statements for the year ended March 31, 2017

- (iii) Tangible fixed assets acquired wholly or partly with specific grant/ subsidy from government, are recorded at the net acquisition cost to the Group.
- (iv) Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as an expense in the Consolidated Statement of Profit and Loss.

Intangible assets

Acquired intangible assets

- (i) Intangible assets are stated at cost less any accumulated amortisation and impairment losses, if any. The cost of intangible fixed assets includes taxes (other than those subsequently recoverable from tax authorities) duties and other incidental expenses related to the acquisition and implementation of the respective assets.
- (ii) Amortisation for the year has been provided @ 40% p.a. on written down value of the assets (except in ICRA Techno Analytics Limited and ICRA Online Limited). Amortisation is provided on a pro-rata basis on assets acquired, sold or discarded during the year.

In ICRA Techno Analytics Limited and ICRA Online Limited, intangible assets ("Computer softwares") are amortised over the estimated life of ten years using straight-line method.

Internally generated intangibles fixed assets

- (i) Internally generated goodwill is not recognised as an asset. With regard to other internally generated intangible fixed assets, expenditure on research activities undertaken with the prospect of developing new product (software, algorithms and framework), is recognised in the Consolidated Statement of Profit and Loss as incurred.

Development activities involve a plan or design for the new product (software, algorithms and framework). Development expenditure including regulatory cost, if any and legal expenses leading to development of new product (software's, algorithms and framework) are capitalised only if development costs can be measured reliably, the product is technically and commercially feasible, future economic benefits are probable, and the respective entity intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the Consolidated Statement of Profit and Loss as incurred.

Internally generated intangible fixed assets developed are amortised over the estimated life of 3-5 years from the date of capitalization.

Amortisation is provided on a pro-rata basis on assets acquired, sold or discarded during the year.

f. Impairment of assets

In accordance with AS - 28 'Impairment of Assets', the carrying amounts of the assets are reviewed at each Balance Sheet date to determine whether there is any impairment. For assets in respect of which any such indication exists, the cash generating unit's recoverable amount is estimated as higher of its net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment loss is recognised in the Consolidated Statement of Profit and Loss.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (Cash Generating Unit or CGU) that generates cash inflow from continuing use that are largely independent of the cash inflows of other assets or CGUs.

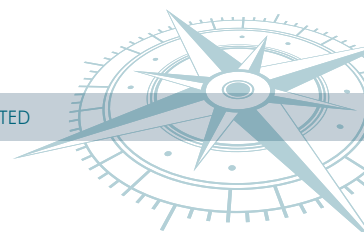
An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, had no impairment loss been recognised.

g. Assets held for sale

Non-current assets are classified as held for sale when their carrying amount will be recovered principally through a sale transaction rather than continuing use.

Assets designated as held for sale are held at the lower of carrying amount and net realisable value.

Depreciation is not charged against non-current assets classified as held for sale.



Notes to consolidated financial statements for the year ended March 31, 2017

h. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, balances and deposits with bank and highly liquid investments with original maturities, at the date of purchase/ investment, of three months or less.

i. Foreign currency transactions

Foreign currency transactions are recorded in Indian rupees by applying to the foreign currency amount the exchange rate between Indian rupees and the foreign currency on/ or closely approximating to the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date or at the time of settlement are translated into Indian rupees at the exchange rates on that date. The resultant exchange differences are recognised in the Consolidated Statement of Profit and Loss.

Non-integral operations

The reporting currency of the Group is the Indian rupee. All foreign subsidiaries of the Group are considered as non-integral operations and their local currencies are different from the reporting currency of the Group.

The consolidated financial statements of the foreign non integral subsidiaries (collectively referred to as the 'foreign non integral operations') are translated into Indian rupees as follows:

- (i) Share capital and opening reserves and surplus are carried at historical cost.
- (ii) All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening reserves and surplus) are translated using closing rates at Balance Sheet date.
- (iii) Profit and Loss items are translated at the respective yearly average rates or the exchange rate that approximates the actual exchange rate on date of specific transaction.
- (iv) The resulting net exchange difference is credited or debited to the foreign currency translation reserve.
- (v) On disposal of a non-integral foreign operation, the cumulative amount of the foreign currency translation reserve related to that operation is recognised as income or expenses.

The items of Consolidated Cash Flow Statement are translated at the respective average rates (yearly for profit and loss related items and annual for Balance Sheet related items) or the exchange rate that approximates the actual exchange rate on date of specific transaction. The effect of changes in exchange rates on cash and cash equivalents held in a foreign currency is reported separately as part of the reconciliation of the changes in cash and cash equivalents during the period.

j. Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within twelve months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/ non-current classification requirement of Schedule III to the Act.

Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

k. Revenue recognition

Revenue from services is recognised as and when services are rendered and related costs are incurred, in accordance with the terms of the specific contracts. The Group recognises revenue as:

- (i) The Group provides rating/ grading services to its customers wherein the first year rating/ grading fees includes free surveillance for first twelve months/ or the period of instrument, whichever is shorter, from the date of rating/ grading. A portion of the fee is allocated towards this free surveillance on the basis of management's estimate. The fee relating to rating/ grading is recognised in the month of assigning the rating/ grading by the rating/ grading committee of the respective entity. Surveillance fee for first year and subsequent period, to the extent of reasonable certainty of collection, is recognised on the basis of time elapsed (ignoring fractions of months).
- (ii) In consulting, revenue from:
 - a. Contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Notes to consolidated financial statements for the year ended March 31, 2017

- b. Time bound fixed price contracts are recognised over the life of the contract using the Proportionate Completion Method, with contract costs determining the degree of completion. When reliable estimates of revenue cannot be made or when revenue is contingent on events that are beyond the control of the Company, revenue is recognised under the Completed Contract Method. Foreseeable losses on contracts are recognised when probable.
When there is uncertainty with regards to ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.
- (iii) Revenue earned from services performed for software development and consultancy, licensing and sub-licensing fee, annual maintenance charges for software support, web development and hosting which is recognised to the extent services are performed.
- (iv) Revenue related to subscription fees of data products, research reports and any other periodic charges are spread over the period of contract on straight line basis.
- (v) Revenue from outsourced services in respect of period based assignments of maintenance and management of data income is recognised "on raising of periodical invoices as per agreement with client". In respect of other assignments income is recognised on raising of invoices on completion or reaching milestones as per agreement with client. Unbilled revenue for the reporting period is recognised on the basis of stage of completion.
- (vi) Revenue from other service arrangements is recognised as and when services are rendered in accordance with the terms of the specific contracts.
- (vii) The dividend income is recognised when the unconditional right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognised on time proportionate basis.
- (viii) Profit on sale of investments is recorded on transfer of title from the respective entity and is determined as the difference between the sale price and carrying value of the investment.
- (ix) Unearned revenue represents fees received in advance or advance billing for which services has not been rendered.
- (x) Out of pocket expenses invoiced to the customer are excluded from revenue and routed through recoverable account.

I. Employee benefits

Short term employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, performance incentives etc. are recognised in the Consolidated Statement of Profit and Loss in the period in which the employee renders the related service and measured accordingly.

Long term employee benefits

(i) Defined contribution plan

Provident fund is a defined contribution plan. Contributions payable by the Group to the provident fund are charged to the Consolidated Statement of Profit and Loss.

(ii) Defined benefit plans

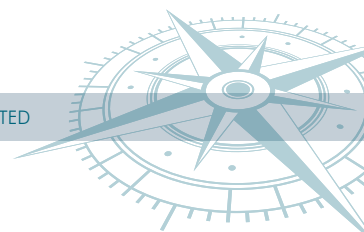
Gratuity plan

The Group's gratuity benefit plan is a defined benefit plan. The gratuity liability for the employees of the Holding Company is funded through gratuity fund established as a trust. The Group's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation as at the Balance Sheet date under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method by an independent actuary, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the Balance Sheet date.

Actuarial gains and losses are recognised immediately in the Consolidated Statement of Profit and Loss.



Notes to consolidated financial statements for the year ended March 31, 2017

(iii) Other long-term employment benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date using Projected Unit Credit method by an independent actuary. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the Balance Sheet date.

m. Employees stock option scheme (ESOS)

The cost of employees stock option is calculated based on the intrinsic value method i.e. the excess of market price of underlying equity shares as of the date of the grant of options over the exercise price of such options is regarded as employee compensation and in respect of the number of options that are expected to ultimately vest, such cost is recognised on a straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares. The cost recognised at any date at least equals the intrinsic value of the vested portion of the option at that date. Adjustment, if any, for difference in initial estimate for number of options that are expected to ultimately vest and related actual experience is recognised in the Consolidated Statement of Profit and Loss of that period.

SEBI vide notification no. LAD-NRO/GN/2014-15/16/1729 dated October 28, 2014, issued SEBI (Share Based Employee Benefits) Regulations, 2014 repealing SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. According to these guidelines, any company implementing any of the share based schemes should follow the requirements of the 'Guidance Note on Accounting for Employee Share-Based Payments' or Accounting Standards as may be prescribed by the ICAI from time to time, including the disclosure requirements prescribed therein. Consequentially w.e.f. October 28, 2014 in respect of vested options expire unexercised, the cost which was accounted as reversal in the Consolidated Statement of Profit and Loss of that period will now be accounted as reversal to General Reserve.

n. Leases

Lease rentals under an operating lease, are recognised as an expense in the Consolidated Statement of Profit and Loss on a straight line basis over the lease term.

o. Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the Income-tax law) and deferred tax charge or credit. Income taxes are accrued in the same period the related revenues and expenses arise.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the current year and reversal of the timing differences of the earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only to the extent there is virtual certainty of realisation of such assets. In other situations, deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

p. Earnings per share

The basic earnings per share are calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored in the calculation of diluted earnings per share.

q. Discontinuing operations

A discontinuing operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Group and which represents a separate major line of business or geographical area of operations and is part of a single plan to disposing of substantially in its entirety or disposing of piecemeal or terminating through abandonment pursuant to an overall plan to discontinue the entire component.

Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

Classification as a discontinuing operation occurs upon disposal of the component or when the component meets one of the below criteria whichever occur earlier:

- (i) the Company enters in to a binding sale agreement for substantially all of the assets attributable to the discontinuing operation.
- (ii) the board of directors of the Company has approved a detailed, formal plan for the discontinuance and made an announcement of the plan.

r. Provisions and contingent liabilities

The Group recognise a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised in the consolidated financial statements.

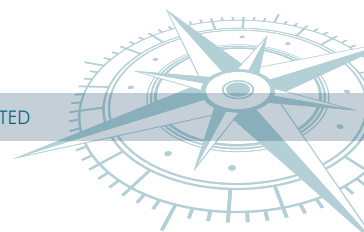
Particulars	As at March 31, 2017	As at March 31, 2016
3 Share capital		
Authorised		
15,000,000 equity shares of Rs. 10/- each (previous year 15,000,000 equity shares of Rs. 10/- each)	<u>1,500.00</u>	<u>1,500.00</u>
Issued, subscribed and fully paid up		
9,919,323 equity shares of Rs. 10/- each fully paid up (previous year 10,000,000 equity shares of Rs. 10/- each fully paid up)	991.93	1,000.00
Par value of shares bought back pending for extinguishment (Refer note 34)	<u>(1.60)</u>	-
Total	<u>990.33</u>	<u>1,000.00</u>

3.1 Reconciliation of number of equity shares

	As at March 31, 2017		As at March 31, 2016	
	Number	Amount	Number	Amount
At the commencement of the year	10,000,000	1,000.00	10,000,000	1,000.00
Less: Equity shares extinguished due to buy back of shares (Refer note 34)	80,677	8.07	-	-
At the end of the year	9,919,323	991.93	10,000,000	1,000.00

3.2 Employees stock option scheme (Refer note 37)

- a) Pursuant to the resolution passed by the shareholders at the annual general meeting held on June 12, 2006 for the grant of options, 906,000 equity shares representing 9.06% of the equity share capital of the Company have been issued to the ICRA Employees Welfare Trust ('Trust') for grant of options to the eligible employees. Accordingly, the ICRA Employees Welfare Trust has granted stock options to those eligible employees from the pool of 906,000 equity shares in two tranches so far. The first tranche was granted during 2006-07 and the second during 2010-11.
- b) 24,072 equity shares (previous year 8,650 equity shares) of Rs. 10 each transferred from trust to employees on exercise of the vested stock options in accordance with the terms of exercise under the "Employees Stock Option Scheme, 2006" (ESOS). Further, due to non exercise of options by the employees, 289 options (previous year nil) lapsed during the year.
- c) Under the Employees Stock Option Scheme, 2006, as at March 31, 2017 - 19,345 options (previous year 43,706 options) are outstanding for exercise out of total options granted under Tranche 2.
- d) 120,250 equity shares (previous year 119,961) are held by trust which were issued by the Company but not granted and shares against options granted but lapsed/ expired till March 31, 2017 under ESOS scheme.



Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

3.3 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend recommended by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

3.4 Shares held by subsidiaries of the ultimate holding company

Equity shares of Rs. 10 each fully paid-up held by	As at March 31, 2017		As at March 31, 2016	
	Number	% of total shares	Number	% of total shares
Moody's Investment Company India Private Limited	2,850,900	28.74%	2,850,900	28.51%
Moody's Singapore Pte Limited	2,154,722	21.72%	2,154,722	21.55%

3.5 Shares held by each shareholder holding more than 5 per cent shares

Equity shares of Rs. 10 each fully paid-up held by	As at March 31, 2017		As at March 31, 2016	
	Number	% of total shares	Number	% of total shares
Moody's Investment Company India Private Limited	2,850,900	28.74%	2,850,900	28.51%
Moody's Singapore Pte Limited	2,154,722	21.72%	2,154,722	21.55%
Life Insurance Corporation of India	668,086	6.74%	668,086	6.68%
General Insurance Corporation of India	522,999	5.27%	522,999	5.23%
Birla Sun Life Trustee Company Private Limited A/c- Birla Sun Life MNC Fund	508,848	5.13%	534,962	5.35%

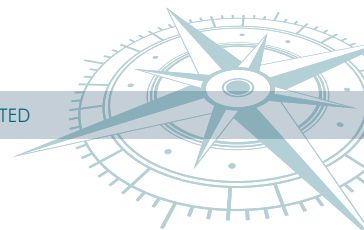
3.6 During the five years immediately preceding the current year and previous year, neither any bonus shares or shares issued for consideration other than cash that have been issued nor any shares that have been bought back.

Particulars	As at March 31, 2017	As at March 31, 2016
4 Reserves and surplus		
Capital reserve		
At the commencement of the year	255.34	255.34
Less: Reserves released on sale of subsidiaries	(255.34)	-
	-	255.34
Capital redemption reserve		
At the commencement of the year	30.43	30.43
Add: Transfer from securities premium account on buy back of equity shares (Refer note 34)	9.67	-
	40.10	30.43
Securities premium account		
At the commencement of the year	8,703.56	8,608.94
Add: Transfer from employee stock options outstanding account on exercise of employee stock options	263.31	94.62
Less: Utilized towards buy back of equity shares (Refer note 34)	(3,990.22)	-
Less: Transfer to capital redemption reserve on buy back of equity shares (Refer note 34)	(9.67)	-
	4,966.98	8,703.56
Employees stock options outstanding		
At the commencement of the year	478.07	572.69
Less: Options exercised during the year	(263.31)	(94.62)
Less: Options lapsed during the year	(3.16)	-
	211.60	478.07

Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016
General reserve		
At the commencement of the year	11,638.90	11,023.90
Add: Transfer from surplus	-	615.00
Add: Transfer from employees stock options outstanding	3.16	-
Less: Reserves released on sale of subsidiaries	(0.16)	-
	<u>11,641.90</u>	<u>11,638.90</u>
Foreign currency translation reserve		
At the commencement of the year	844.14	713.34
Less: Movement during the year	(843.59)	130.80
	<u>0.55</u>	<u>844.14</u>
Surplus (Profit and loss balance)		
At the commencement of the year	24,673.33	20,672.92
Add: Profit after tax for the year	7,417.83	7,624.35
Amount available for appropriation	<u>32,091.16</u>	<u>28,297.27</u>
Less: Appropriation		
Proposed dividend on equity shares	-	2,500.00
Dividend distribution tax on proposed equity dividend	235.84	508.94
Reversal of dividend distribution tax for earlier year	(196.53)	-
Transfer to general reserve	-	615.00
Total appropriations	<u>39.31</u>	<u>3,623.94</u>
Total surplus	<u>32,051.85</u>	<u>24,673.33</u>
Total reserves and surplus	<u>48,912.98</u>	<u>46,623.77</u>
5 Other long-term liabilities		
Deposit for vehicles	44.40	27.24
Rent equalisation reserve	38.00	77.84
Others	-	1.30
	<u>82.40</u>	<u>106.38</u>
6 Long-term provisions		
Provision for employee benefits		
Provision for gratuity (Refer note 38)	317.00	837.29
Provision for compensated absence (Refer note 38)	185.63	383.90
	<u>502.63</u>	<u>1,221.19</u>
7 Other current liabilities		
Creditors for capital supplies and services	16.69	32.83
Advance received from customers	1,039.18	1,114.19
Due to related parties (Refer note 39)	32.56	19.54
Unearned revenue	4,443.63	4,255.85
Unpaid dividend	7.16	7.40
Rent equalisation reserve	38.79	39.60
Statutory dues	398.74	353.51
Payable to employees	1,310.21	1,645.15
Bank overdraft	-	28.64
Other liabilities	59.80	65.36
	<u>7,346.76</u>	<u>7,562.07</u>
8 Short-term provisions		
Provision for employee benefits		
Provision for gratuity (Refer note 38)	84.55	174.96
Provision for compensated absence (Refer note 38)	141.14	128.48
Other employees benefits	1,943.19	1,698.99
Others		
Provision for income tax (net of advance tax of respective tax jurisdiction to the extent permissible)	106.12	164.51
Proposed dividend on equity shares	-	2,500.00
Dividend distribution tax on proposed equity dividend	-	508.94
Others	54.81	46.63
	<u>2,329.81</u>	<u>5,222.51</u>



Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

9. Fixed assets

S. No.	Particulars	As at March 31, 2016	Gross block	As at March 31, 2017	Depreciation / Amortisation For the year	Disposals/ adjustments*	As at March 31, 2017	Net block As at March 31, 2017	As at March 31, 2016
(i)	Tangible assets								
1	Buildings*	4,282.79	116.56	3,553.01	149.60	(326.29)	1,178.77	2,374.24	2,927.33
2	Computers and data processing units*	1,470.83	131.97	958.94	209.31	(580.53)	728.42	230.52	371.19
3	Furniture and fittings*	836.41	20.39	690.17	89.02	(119.34)	467.98	222.19	338.11
4	Office equipment*	471.00	36.68	344.66	57.45	(137.43)	254.97	89.69	136.05
5	Electrical installation and equipments*	369.19	11.50	299.63	44.65	(60.48)	164.23	135.40	189.13
6	Vehicles	189.91	49.21	189.56	44.42	(39.74)	96.32	93.24	98.27
7	Leasehold improvements	684.69	-	537.02	78.03	(51.86)	404.73	132.29	306.13
	Sub-Total	8,304.82	366.31	6,572.99	672.48	(1,315.67)	3,295.42	3,277.57	4,366.21
(ii)	Intangible assets								
1	Computer softwares	1,461.74	70.90	824.74	100.77	(528.42)	645.67	179.07	388.42
2	Internally generated intangible assets	320.75	31.85	352.60	80.57	-	269.93	82.67	131.39
	Sub-total	1,782.49	102.75	1,177.34	181.34	(528.42)	915.60	261.74	519.81
(iii)	Capital work-in-progress	-	158.23	-	-	-	-	-	-
(iv)	Intangible assets under development	70.82	42.42	81.38	-	-	-	81.38	70.82
	Total	10,158.13	669.71	7,831.71	853.82	(1,844.09)	4,211.02	3,620.69	4,956.84
	Previous Year	9,551.75	1,279.57	10,158.13	957.69	(406.12)	5,201.29	4,956.84	

* Disposals/adjustments includes gross block Rs. 721.45 lakh and accumulated depreciation Rs. 206.22 lakh of below mentioned assets are classified as "assets held for sale" in the current year.

Particulars	Gross block	Accumulated depreciation	Net block
Buildings	666.09	170.63	495.46
Computers and data processing units	15.60	11.49	4.11
Furniture and fittings	14.51	8.25	6.26
Office equipment	14.90	10.01	4.89
Electrical installation and equipments	10.35	5.84	4.51
Total	721.45	206.22	515.23

Disposals/ adjustments includes disposal of gross block Rs. 1,354.73 lakh and accumulated depreciation Rs. 947.52 lakh on sale of ICRA Techno Analytics Limited ('ICTEAS') along with its subsidiaries.

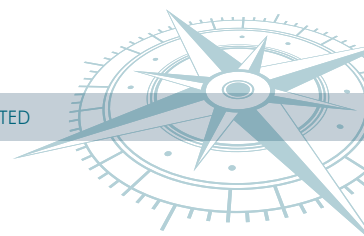
Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

10 Non-current investments

(Valued at cost unless stated otherwise)

Particulars	Face Value (Rupees unless otherwise stated)	Quantity As at March 31, 2017 (Numbers)	Quantity As at March 31, 2016 (Numbers)	Amount As at March 31, 2017	Amount As at March 31, 2016
Long term investment					
Other investments (quoted)					
a) Investment in equity instruments (fully paid up)					
i Equity shares of CRISIL Limited	1	3,000.00	3,000.00	0.15	0.15
Total (a)				0.15	0.15
b) Investment in mutual funds					
Fixed maturity plans					
i DHFL Pramerica Fixed Maturity Plan - Series - 62 - Direct Plan Growth	10	7,000,000.00	7,000,000.00	700.00	700.00
ii Principal PNB Fixed Maturity Plan - Series B-10- Direct Plan Growth	10	-	4,444,997.60	-	444.50
iii Axis Fixed Term Plan - Series 52 - Direct Growth (XI-DG)	10	4,493,937.68	4,493,937.68	449.39	449.39
iv DHFL Pramerica Fixed Maturity Plan - Series 45 - Direct Plan Growth	10	15,000,000.00	15,000,000.00	1,500.00	1,500.00
v Reliance Fixed Horizon Fund - XXVI- Series 17 - Direct Plan Growth Plan	10	-	10,000,000.00	-	1,000.00
vi Reliance Fixed Horizon Fund XXVI Series 9 - Direct Plan Growth Plan	10	-	10,000,000.00	-	1,000.00
vii Invesco India FMP-Ser. 23 Plan H (370 Days) - Direct Plan (Formerly known as Religare Invesco FMP-Ser. 23 Plan H (370 Days) - Direct Plan Growth)	10	-	7,000,000.00	-	700.00
Sub-total				2,649.39	5,793.89
Other plans					
i DHFL Pramerica Premier Bond Fund - Direct Plan - Growth	10	4,607,849.01	4,607,849.01	1,000.00	1,000.00
ii Reliance Yearly Interval Fund Series 9 - Direct Plan Growth Plan	10	-	10,124,718.12	-	1,100.00
iii Principal Bank CD Fund - Direct Plan Growth	1,000	88,664.29	88,664.29	1,500.00	1,500.00
iv Birla Sun Life Interval Income Fund - Annual Plan IX - Gr - Direct	10	-	18,205,319.59	-	2,000.00
v Edelweiss Banking and PSU Debt Fund - Direct Plan - Growth (Formerly known as JP Morgan India Banking & PSU Debt Fund - Direct Plan - Growth Option)	10	18,264,673.38	18,264,673.38	2,000.00	2,000.00
vi DHFL Pramerica Short Term Floating Rate Fund - Direct Plan - Growth	10	10,503,245.50	10,503,245.50	1,500.00	1,500.00
vii Sundaram Banking & PSU Debt Fund Direct Plan-GR (Formerly known as Sundaram Flexible Fund Short Term Plan - Direct Plan-Gr)	10	8,885,904.98	8,885,904.98	1,800.00	1,800.00
viii HDFC Prudence Fund - Dividend, Option : Payout	10	-	15,632.21	-	50.00
Sub-total				7,800.00	10,950.00
Total (b)				10,449.39	16,743.89
Total (a+b)				10,449.54	16,744.04
Aggregate amount of quoted investments				10,449.39	16,744.04
- cost				13,329.54	19,658.58
- market value					



Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

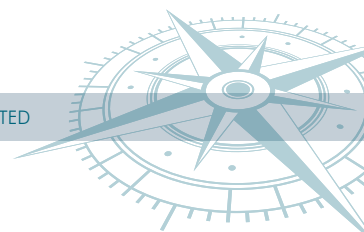
Particulars	As at March 31, 2017	As at March 31, 2016
11 Deferred tax assets (net)		
Deferred tax assets*	265.80	548.02
Provision for employees benefits	26.57	40.65
Rent equalisation reserve	293.11	177.83
Provision for doubtful debts	2.68	7.43
Provision for doubtful loans and advances	8.43	-
Others	596.59	773.93
Deferred tax liabilities		
Depreciation	60.52	159.20
	60.52	159.20
	536.07	614.73
* excluding deferred tax assets of Rs. 1,410.34 lakh (previous year Rs. 909.41 lakh) not recognised in the absence of virtual certainty of realisation against capital loss resulted from sale of subsidiary, mutual funds and impairment loss on investment in one of the wholly owned subsidiary.		
12 Long-term loans and advances (Secured and considered good) To parties other than related parties		
Loans to employees	99.92	160.62
To related parties (Refer note 39)		
Loans to employees	14.76	15.80
(Unsecured and considered good) To parties other than related parties		
Capital advances	-	0.44
Security deposits	190.94	441.68
Prepaid expenses	23.04	24.32
Advance tax (net of provisions of respective tax jurisdiction to the extent permissible) (Refer note 26)	1,841.25	1,707.60
Advances recoverable in cash or kind	10.39	15.35
(Unsecured and considered doubtful) To parties other than related parties		
Capital advances	-	7.22
	2,180.30	2,373.03
Less: Provision for doubtful long-term loans and advances	-	(7.22)
	2,180.30	2,365.81
13. Other non-current assets		
Bank deposits with maturity more than twelve months from the reporting date (Refer note 16)	1,928.20	1,855.25
	1,928.20	1,855.25

Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

14 Current investments (at lower of cost or fair value)

Particulars	Face Value (Rupees)	Quantity As at March 31, 2017 (Numbers)	Quantity As at March 31, 2016 (Numbers)	Amount As at March 31, 2017	Amount As at March 31, 2016
Current portion of long-term investments					
Other investments					
a) Investment in debentures (unquoted)					
i 10% Unsecured redeemable non convertible debentures of Nihilent Technologies Limited (Refer note 31)	10,000	36,750.00	-	3,675.00	-
Total (a)				3,675.00	-
b) Investment in Government or Trust securities (unquoted)					
i Citizen Investment Trust				31.22	31.22
Total (b)				31.22	31.22
c) Investment in corporate deposits (unquoted)					
i Housing Development Finance Corporation Limited				4,985.00	-
Total (c)				4,985.00	-
d) Investment in mutual funds (quoted)					
Fixed maturity plans					
i Principal PNB Fixed Maturity Plan - Series B-10-476 Days - Direct Plan Growth	10	4,444,997.60	-	444.50	-
ii Reliance Fixed Horizon Fund - XXVI- Series 17 - Direct Plan Growth Plan	10	10,000,000.00	-	1,000.00	-
iii Reliance Fixed Horizon Fund XXVI Series 9 - Direct Plan Growth Plan	10	10,000,000.00	-	1,000.00	-
iv Invesco India FMP-Ser. 23 Plan H (370 Days) - Direct Plan (Formerly known as Religare Invesco FMP-Ser. 23 Plan H (370 Days) - Direct Plan Growth)	10	7,000,000.00	-	700.00	-
v Birla Sun Life Fixed Term Plan-Series HM (1099 days) - Growth Direct	10	-	8,000,000.00	-	800.00
vi Birla Sun Life Fixed Term Plan Series KD (1143 Days) - Gr. Direct (Formerly known as Birla Sun Life Fixed Term Plan Series KD (1099 Days) - Growth Direct)	10	9,000,000.00	9,000,000.00	900.00	900.00
Sub-total				4,044.50	1,700.00
Other plans					
i Reliance Yearly Interval Fund Series 9 - Direct Plan Growth Plan	10	10,124,718.12	-	1,100.00	-
ii Birla Sun Life Interval Income Fund - Annual Plan IX - Gr - Direct	10	18,205,319.59	-	2,000.00	-
Sub-total				3,100.00	-
Total (d)				7,144.50	1,700.00
Total (a+b+c+d)				15,835.72	1,731.22
Aggregate amount of quoted investments					
- cost				7,144.50	1,700.00
- market value				9,038.75	2,103.37
Aggregate amount of unquoted investments				8,691.22	31.22
Aggregate amount of quoted investments (non-current and current)					
- cost				17,594.04	18,444.04
- market value				22,368.26	21,761.95
Aggregate amount of unquoted investments (non-current and current)				8,691.22	31.22
Aggregate amount of provision for diminution in value of investments (non-current and current)				-	-



Notes to consolidated financial statements for the year ended March 31, 2017

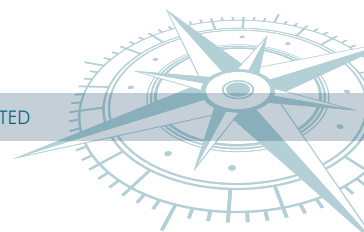
(All amounts Rupees in lakh, except share data and otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016
15 Trade receivables (Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	643.55	823.06
Considered doubtful	720.06	423.33
	<u>1,363.61</u>	<u>1,246.39</u>
Others		
Considered good	2,751.73	3959.5
Considered doubtful	160.64	105.89
	<u>2,912.37</u>	<u>4,065.39</u>
	<u>4,275.98</u>	<u>5,311.78</u>
Less: provision for doubtful trade receivables	<u>(880.70)</u>	<u>(529.22)</u>
	<u>3,395.28</u>	<u>4,782.56</u>
16 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	9.23	9.39
Balances with banks		
In current accounts	400.11	1,820.67
In escrow account**	100.00	-
In deposit accounts (with original maturity of three months or less)	204.90	616.25
Other bank balances		
In deposit accounts with maturity less than twelve months from the reporting date*	18,222.46	19,972.76
Earmarked balance with bank		
In unpaid dividend account	7.16	7.40
In margin money#	90.00	162.86
In deposit accounts with maturity less than twelve months from the reporting date earmarked against bank guarantees**	1,012.84	-
	<u>20,046.70</u>	<u>22,589.33</u>
In deposit accounts with original maturity of three months or less from the original maturity date	204.90	616.25
In deposit accounts with maturity less than twelve months from the reporting date #***	19,325.30	20,135.62
In deposit accounts with maturity more than twelve months from the reporting date	1,928.20	1,855.25
#Includes deposits against bank guarantees		
*Net of book overdraft of Rs. 177.64 lakh (previous year Rs. 87.43 lakh) for uncleared cheques issued in pursuance to sweep in facilities with various banks.		
**Escrow account balance and bank guarantee of Rs. 1,000 lakh (previous year nil) is issued as security for performance of Company's obligations under the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998		
17 Short-term loans and advances		
(Secured and considered good)		
To parties other than related parties		
Loans to employees	36.19	56.62
To related parties (Refer note 39)		
Loans to employees	2.11	2.03
(Unsecured and considered good)		
To parties other than related parties		
Security deposits	220.74	55.79
Prepaid expenses	484.41	459.97
Advances recoverable in cash or kind	260.76	285.10

Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016
Advance tax (net of provisions of respective tax jurisdiction to the extent permissible)	-	250.32
To related parties (Refer note 39)		
Other recoverable	12.68	8.27
(Unsecured and considered doubtful) To parties other than related parties		
Security deposits	0.17	5.50
Others	7.57	8.94
	1,024.63	1,132.54
Less: provision for doubtful short-term loans and advances	(7.74)	(14.44)
	1,016.89	1,118.10
18 Other current assets		
Interest accrued but not due on fixed deposits	853.38	792.16
Interest accrued but not due on investments	158.58	-
Accrued revenue (net of provision of Rs. 36.06 lakh)	495.02	868.45
Assets held for sale	456.46	-
Other receivables	2.24	3.20
	1,965.68	1,663.81
Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
19 Revenue from operations		
Rating, research and other services fees	21,189.08	19,609.27
Consulting fees	2,972.05	2,852.38
Outsourced and information services	4,831.22	4,194.34
Professional and I.T. services	4,141.13	7,320.24
	33,133.48	33,976.23
20 Other operating income		
Advances received from customers written back	154.65	129.63
Professional services	5.51	6.40
Bad debts recovered	7.76	3.22
Others	2.04	-
	169.96	139.25
21 Other income		
Interest on fixed deposits	1,925.57	1,540.00
Other interest income	217.08	30.69
Dividend income	5.27	4.31
Profit on sale/ redemption of investments	252.01	965.14
Provision/ liability no longer required written back	-	29.72
Rental income	33.22	-
Foreign exchange gain (net)	-	110.11
Other non-operating income	18.80	27.82
	2,451.95	2,707.79
22 Employee benefit expenses		
Salaries, wages and bonus	14,672.07	14,733.36
Contribution to provident fund (Refer note 38)	550.06	549.09
Staff welfare expenses	576.48	604.31
	15,798.61	15,886.76



Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
23 Finance costs		
Interest expense	-	55.15
	-	55.15
24 Other expenses		
Electricity and water	254.98	302.87
Rent (Refer note 28)	618.19	695.90
Repairs and maintenance - building	44.33	45.32
Repairs and maintenance - others	689.12	672.12
Insurance	39.16	44.10
Rates and taxes	113.27	139.07
Communication	327.93	311.92
Printing and stationery	87.16	101.81
Books and periodicals	75.76	55.50
Travelling and conveyance	751.62	791.88
Directors' sitting fees	29.89	24.63
Legal and professional charges	1,323.52	1,193.12
Sub contracting	1,399.20	1,978.16
Conference and meeting	45.36	58.44
Advertisement	14.90	4.24
Auditors' remuneration and expenses (Refer note 33)	86.70	89.79
Technical services	19.53	29.01
Bad debts written off	529.49	828.90
Provision for doubtful debts (net)	339.30	273.13
Provision for doubtful advances (net)	(12.56)	(5.47)
Fees and subscription	57.96	45.38
Loss on sale of subsidiaries (Refer note 31)	99.40	-
Remuneration to non executive directors	50.00	50.00
Recruitment	97.04	40.53
Corporate social responsibility (Refer note 36)	170.59	153.92
Impairment loss on asset held for sale	58.77	-
Loss on sale/ write off of fixed assets (net)	6.50	14.31
Loss on foreign exchange fluctuations	17.10	-
Miscellaneous	83.90	185.27
	7,418.11	8,123.85

25 Commitments as at year end (to the extent not provided for):

Particular	As at March 31, 2017	As at March 31, 2016
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	35.96	17.46
Total	35.96	17.46

26 Contingent liabilities (to the extent not provided for):

Particular	As at March 31, 2017	As at March 31, 2016
Claims against the Group disputed and not acknowledged as debts		
Income Tax*	1,284.15	882.61
Service Tax	1,045.85	342.59
Provident Fund	12.09	15.37
Total	2,342.09	1,240.57

* The Company had deposited an amount of Rs.11.00 lakh (previous year Rs. 11.00 lakh) under protest against the above claims.

Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

The Group is contesting the demand and the management including its tax advisors believe that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

- 27** Based on the information available with the Group, some suppliers have been identified who are registered under Micro, Small & Medium Enterprises Development Act, 2006 (MSMED), to whom the Company owes dues, but the same are not outstanding for more than 45 days as at March 31, 2017. The information has been determined to the extent such parties have been identified on the basis of information available with the Group.

Particular	As at March 31, 2017	As at March 31, 2016
a.1) The principal amount payable to suppliers at the year end	2.68	2.17
a.2) The amount of interest due on the remaining unpaid amount to the suppliers as at the year end	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED.	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED.	-	-

28 Leases

As Lessee

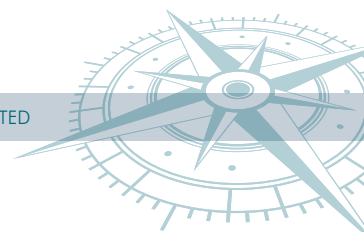
The Group's significant operating lease arrangements are in respect of premises (residential, offices and godown etc.). The lease term for these leases ranges between 11 months and 12 years which includes a lock-in period and in certain cases are renewable by mutual consent on mutually agreeable terms. Lease payments under operating leases are recognised in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term.

The schedule of lease rental payments in respect of operating leases is set out below:

Particular	For the year ended March 31, 2017	For the year ended March 31, 2016
Rental recognised in the Consolidated Statement of Profit and Loss*	654.17	745.89

Particular	As at March 31, 2017	As at March 31, 2016
Future minimum lease rental payments for non-cancellable operating leases		
Not later than one year	628.25	616.85
Later than one year but not later than five years	618.91	828.11
Later than five years	91.49	146.89

* Includes rental for parking space, guest house, office premises etc. which has been accounted in the respective heads.



Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

29 Earning per share (basic and diluted)

Particular	For the year ended March 31, 2017	For the year ended March 31, 2016
I. Profit/(loss) for the year for total operations	7,417.83	7,624.35
II. Weighted average number of equity shares for earnings as per share computation		
A) For basic earnings per share	9,846,825	9,830,239
B) For diluted earnings per share	9,875,770	9,874,261
No. of shares for basic earning per share as per II A	9,846,825	9,830,239
Add: weighted average outstanding options related to employee stock options	28,945	44,022
No. of shares for diluted earnings per share	9,875,770	9,874,261
III. Earnings per share for total operations (face value of Rs 10 each)		
Basic	75.33	77.56
Diluted	75.11	77.21
IV. Profit/(loss) for the year for continuing operations	7,316.48	7,323.29
V. Earnings per share for continuing operations (face value of Rs 10 each)		
Basic	74.30	74.50
Diluted	74.09	74.17

30 Segment reporting

(a) Information about primary segment- Business segment

The primary reporting of the Group has been performed on the basis of business segments. The Group is organised into four business segments – (a) Rating, research and other services (b) Consulting services (c) Outsourced and Information services and (d) Professional and I.T. Services etc. Segments have been identified and reported based on the nature of the services, the risks and returns, the organisation structure and the internal financial reporting system.

Segment wise Revenues, Results and Capital employed

Particular	Continuing operations		Discontinuing operations		Total	
	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016
External Revenues						
a) Rating, research and other services	21,343.14	19,746.58	-	-	21,343.14	19,746.58
b) Consulting services	2,977.95	2,854.32	-	-	2,977.95	2,854.32
c) Outsourced and Information services	4,841.22	4,194.34	-	-	4,841.22	4,194.34
d) Professional and I.T. services etc.	50.47	36.51	4,090.66	7,283.73	4,141.13	7,320.24
Total External Revenue	29,212.78	26,831.75	4,090.66	7,283.73	33,303.44	34,115.48
Inter-segment Revenue						
a) Rating, research and other services	14.12	9.90	-	-	14.12	9.90
b) Consulting services	95.78	69.98	-	-	95.78	69.98
c) Outsourced and Information services	19.41	11.25	-	-	19.41	11.25
d) Professional and I.T. services etc.	-	-	11.31	20.35	11.31	20.35
Total Inter-segment Revenue	129.31	91.13	11.31	20.35	140.62	111.48
Total Revenue						
a) Rating, research and other services	21,357.26	19,756.48	-	-	21,357.26	19,756.48
b) Consulting services	3,073.73	2,924.30	-	-	3,073.73	2,924.30
c) Outsourced and Information services	4,860.63	4,205.59	-	-	4,860.63	4,205.59
d) Professional and I.T. services etc.	50.47	36.51	4,101.97	7,304.08	4,152.44	7,340.59
Total Segment Revenue	29,342.09	26,922.88	4,101.97	7,304.08	33,444.06	34,226.96
Less: Elimination of Inter-segment Revenue	(129.31)	(91.13)	(11.31)	(20.35)	(140.62)	(111.48)
Total Revenue	29,212.78	26,831.75	4,090.66	7,283.73	33,303.44	34,115.48
Segment Results						
a) Rating, research and other services	8,501.32	7,359.44	-	-	8,501.32	7,359.44
b) Consulting services	(118.93)	161.06	-	-	(118.93)	161.06
c) Outsourced and Information services	1,249.63	1,118.58	-	-	1,249.63	1,118.58
d) Professional and I.T. services etc.	(11.14)	(3.51)	237.21	511.61	226.07	508.10
Total of all segments	9,620.88	8,635.57	237.21	511.61	9,858.09	9,147.18

Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

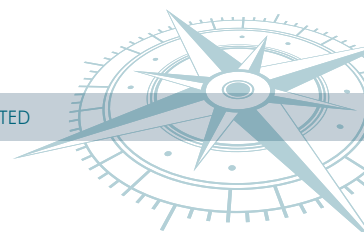
Particular	Continuing operations		Discontinuing operations		Total	
	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016
Unallocated expenses	(625.19)	-	-	-	(625.19)	-
Interest paid	-	(33.67)	-	(21.48)	-	(55.15)
Other income	2,411.73	2,516.55	40.22	191.24	2,451.95	2,707.79
Provision for tax	(4,070.04)	(3,768.82)	(176.08)	(388.08)	(4,246.12)	(4,156.90)
Profit after tax before minority interest	7,337.38	7,349.63	101.35	293.29	7,438.73	7,642.92
Capital employed (Segment assets - Segment liabilities)						
Segment assets						
a) Rating, research and other services	4,097.12	4,043.71	-	-	4,097.12	4,043.71
b) Consulting services	1,916.80	1,938.65	-	-	1,916.80	1,938.65
c) Outsourced and Information services	3,017.83	2,968.69	-	-	3,017.83	2,968.69
d) Professional and I.T. services etc.	8.15	11.34	-	6,986.45	8.15	6,997.79
e) Unallocable	52,057.70	43,974.52	-	2,806.70	52,057.70	46,781.22
Segment liabilities						
a) Rating, research and other services	9,292.00	9,488.61	-	-	9,292.00	9,488.61
b) Consulting services	654.73	659.03	-	-	654.73	659.03
c) Outsourced and Information services	856.79	696.65	-	-	856.79	696.65
d) Professional and I.T. services etc.	21.58	13.37	-	987.59	21.58	1,000.96
e) Unallocable	274.54	3,118.86	-	61.99	274.54	3,180.85
Total capital employed	49,997.96	38,960.39	-	8,743.57	49,997.96	47,703.96
Capital expenditure during the year						
a) Rating, research and other services	161.96	262.23	-	-	161.96	262.23
b) Consulting services	98.89	189.53	-	-	98.89	189.53
c) Outsourced and Information services	1,298.38	481.53	-	-	1,298.38	481.53
d) Professional and I.T. services etc.	-	-	172.41	115.18	172.41	115.18
Depreciation						
a) Rating, research and other services	324.99	361.78	-	-	324.99	361.78
b) Consulting services	142.44	99.99	-	-	142.44	99.99
c) Outsourced and Information services	298.05	269.46	-	-	298.05	269.46
d) Professional and I.T. services etc.	-	-	88.34	226.46	88.34	226.46
Non cash expenses other than depreciation						
a) Rating, research and other services	570.70	654.56	-	-	570.70	654.56
b) Consulting services	294.28	207.93	-	-	294.28	207.93
c) Outsourced and Information services	2.31	5.72	-	-	2.31	5.72
d) Professional and I.T. services etc.	-	-	-	242.66	-	242.66

(b) Information about secondary segment- Geographical segment

In respect of secondary segment information, the Group has identified its geographical segments as:

- (i) Within India
- (ii) Outside India

Particular	Continuing operations		Discontinuing operations		Total	
	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue by geographical market						
India	24,726.76	22,516.54	206.20	306.90	24,932.96	22,823.44
Outside India	4,486.02	4,315.21	3,884.46	6,976.83	8,370.48	11,292.04
Total	29,212.78	26,831.75	4,090.66	7,283.73	33,303.44	34,115.48
Carrying amount of segment assets						
India	61,045.62	52,568.22	-	3,196.79	61,045.62	55,765.01
Outside India	51.98	368.69	-	6,596.36	51.98	6,965.05
Total	61,097.60	52,936.91	-	9,793.15	61,097.60	62,730.06



Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

Particular	Continuing operations		Discontinuing operations		Total	
	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016
Capital expenditure						
India	1,555.10	930.40	170.23	110.89	1,725.33	1,041.29
Outside India	4.13	2.89	2.18	4.29	6.31	7.18
Total	1,559.23	933.29	172.41	115.18	1,731.64	1,048.47

(c) Accounting policies for segment

The accounting principles consistently used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments as set out in this schedule on significant accounting policies. In addition, the accounting policies in relation to segment accounting are as follows:

(i) Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of fixed assets, capital work in progress, current and non-current assets and long term and short term loans and advances except advance tax, deferred tax asset, cash and bank balances, investments and interest accrued. Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade payable and accrued liabilities. Segment liabilities do not include share capital, reserves, borrowings, proposed dividend, provision for tax and deferred tax liability.

(ii) Segment revenue and expenses

Segment revenue and expenses are directly attributable to the segment and have been allocated to various segments on the basis of specific identification. However, segment revenue and expenses do not include interest and other income/expense in respect of non segmental activities.

(iii) Inter-segment transactions

Segment revenue, segment expense and segment result include transactions between business segments. Such transactions are accounted for at competitive market prices charged to unaffiliated customers for similar services. Those transactions are eliminated in preparing company-wise results.

31 Discontinuing operations

The Board of Directors of the Company at its meeting held on August 5, 2016 and the Members of the Company through Postal Ballot, on September 17, 2016, approved sale of the entire shareholding held by the Company in ICTEAS to Nihilent Technologies Limited, for a consideration of Rs. 6,875 lakh, comprising (i) payment of cash consideration of Rs. 3,200 lakh; and (ii) unsecured, unrated, 10% interest bearing and unlisted non-convertible debentures, issued for the balance amount, to be redeemed after one year and fifteen days from the date of allotment i.e. October 7, 2016. The transaction got consummated on October 7, 2016. As a result, ICTEAS along with its subsidiaries ceased as subsidiaries of the Company. The loss on sale of subsidiaries amounting to Rs. 99.40 lakh has been classified as 'Loss on sale of subsidiaries' under 'Other expenses'.

The business of ICTEAS and its subsidiaries is considered as discontinuing operations till the period up to October 7, 2016, in the consolidated financial statements. The required relevant information for these discontinuing operations for all periods presented is as below:

Particular	For the year ended March 31, 2017	For the year ended March 31, 2016
Total revenue	4,149.89	7,495.32
Operating expenses	3,872.46	6,772.72
Profit from operation	277.43	722.60
Finance costs	-	33.46
Profit before tax	277.43	689.14
Tax expenses	176.08	388.08
Profit after tax	101.35	301.06

Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

Particular	As at March 31, 2017	As at March 31, 2016
Total assets (including Goodwill on consolidation)	-	10,167.18
Total liabilities	-	1,049.58
Net assets	-	9,117.60

The net cash flows attributable to the above discontinuing operations are as follows:

Particular	As at March 31, 2017	As at March 31, 2016
Cash generated from operating activities	134.80	682.09
Cash generated/ (used) in investing activities	2,137.00	(327.70)
Cash used in financing activities	(1,394.32)	(601.73)
Net cash generated/ (used) attributable to discontinuing operations	877.48	(247.34)

32 Tax expense

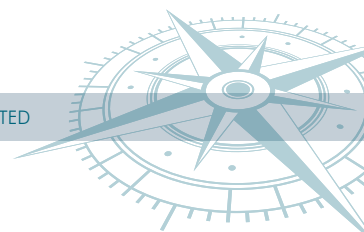
Particular	For the year ended March 31, 2017	For the year ended March 31, 2016
Tax expense for continuing operations		
Current tax		
Income tax for current year	3,971.80	3,885.40
Income tax for earlier years	58.72	(13.48)
Deferred tax	39.52	(103.10)
Total	4,070.04	3,768.82
Tax expense for discontinuing operations		
Current tax		
Income tax for current year	231.13	499.64
Deferred tax	(55.05)	(111.56)
Total	176.08	388.08

33 Remuneration to Auditors (excluding service tax)

Particular	For the year ended March 31, 2017	For the year ended March 31, 2016
Audit fees	50.76	47.91
Limited review	14.45	14.45
Tax audit	10.35	11.13
Other certification services	5.31	9.02
Reimbursement of expenses	5.83	7.28
Total	86.70	89.79

34 Buy back of equity shares

The Board of Directors of the Company in its meeting held on February 9, 2017 approved a proposal to buy back equity shares of the Company, for an aggregate amount not exceeding Rs 4,000 lakh (referred to as the "Maximum buy back Size") from shareholders of the Company under the open market route in accordance with the provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 and the Companies Act, 2013 and rules made thereunder. The buy back process commenced on March 2, 2017 and closed on April 3, 2017. The Company utilized 99.997% of Maximum Buy back Size authorized for buy back. As of March 31, 2017, the Company bought back 96,720 equity shares as part of the aforementioned buy back process resulting in total cash outflow of Rs. 3,999.89 lakh. Out of 96,720 equity shares bought back, the Company extinguished 80,677 equity shares as at March 31, 2017 and the remaining 16,043 equity shares were extinguished in the month of April 2017 as per the records of the depositories. In line with the requirement of the Companies Act 2013, an amount of Rs 3,990.22 lakh has been utilized from the securities premium account for the buy back. Further, capital redemption reserve of Rs 9.67 lakh (representing the nominal value of the shares bought back) has been created as an apportionment from securities premium account.



Notes to consolidated financial statements for the year ended March 31, 2017 (All amounts Rupees in lakh, except share data and otherwise stated)

35 The Indian entities of the Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Indian entities of the Group have maintained adequate documentation for the international transactions entered into with the associated enterprises and domestic transactions entered into with the specified person during the financial year and expect such records to be in existence in accordance with the requirements of the law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

36 Corporate social responsibility expenditure

In ICRA Limited, ICRA Online Limited and ICRA Techno Analytics Limited has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Act, which requires a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on CSR activities. The expenditure incurred on activities which are specified in Schedule VII to the Act is as under:

- (a) Gross amount required to be spent by these entities during the year ended March 31, 2017 was Rs. 185.09 lakh (previous year Rs. 153.92 lakh)
(b) Amount spent during the year on:

Particular	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	- (-)	- (-)	- (-)
(ii) On purposes other than (i) above	170.59 (153.92)	- (-)	170.59 (153.92)

[Previous year figures are in ()]

Difference in the amount to be spent and actual spent is on account of ICRA Techno Analytics Limited, sold on October 7, 2016 and has not incurred any expenditure on CSR.

37 Employee Stock Option Scheme

The Company had a stock option plan in place namely Employees Stock Options Scheme ("ESOS"), 2006, administrated through ICRA Employees Welfare trust ('Trust'). The Trust transfers shares to the eligible employees upon exercise of the options by such employees. The detail of ESOS tranches granted under scheme is as under:

Type of arrangement	Employee stock option plan 2006	
	Tranche 1	Tranche 2
Date of grant	March 24, 2007	November 9, 2010
Number granted	615,763	272,500
Fair value of option	138	1,153
Exercise Price	330	330
Contractual life from the date of vesting	5	5
Method used for valuation	Intrinsic value method	
Method of settlement	Equity shares	

Under ESOS 2006, each option, upon vesting, shall entitle the holder to acquire one equity share of Rs. 10 each.

Summary of vesting provisions:

Vesting date	% of options vested	Lock-in period
1 year from grant date	40	Nil
2 years from grant date	30	Nil
3 years from grant date	30	Nil

All the vested options against tranche-1 were exercised/ expired/ lapsed on or before March 31, 2015.

Out of the total options in force as on March 31, 2016, 24,072 shares (previous year - 8,650 share) against Tranche-2 were transferred to the employees on exercise of options during the year ended March 31, 2017.

Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

The unissued and lapsed/ expired options lying as at March 31, 2017 is 120,250 (previous year 119,961). The movement of the stock options in force under the ESOS, 2006 is set out below:

A. Tranche 2

Particular	As at March 31, 2017	
	Number of options	Weighted Average Exercise Price (Rs)
Options outstanding at the beginning of the year	43,706	-
	(52,356)	(-)
Granted during the year	-	-
	(-)	(-)
Exercised during the year	24,072	330
	(8,650)	(330)
Options forfeited during the year	-	-
	(-)	(-)
Options expired during the year	289	-
	(-)	(-)
Options outstanding at the end of the year	19,345	-
	(43,706)	(-)

[Previous year figures are in ()]

Other information regarding employee share based payment plans is as below:		For the year ended March 31, 2017	For the year ended March 31, 2016
Employees stock options outstanding as at year end		211.60	478.07
Weighted average share price during the year	In Rupees	4,030.97	4,091.60
Weighted average remaining contractual life	In Years	1.61	2.61

The ESOS, 2006 expired on June 27, 2016 and the eligible employees have the right to exercise the remaining 19,345 vested options by November 8, 2018.

38 Disclosure in respect of employee benefits under AS – 15 (Revised) "Employee Benefits" prescribed by the Companies (Accounts) Rules, 2014:

Defined contribution plans

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employed towards Provident fund and Employees State Insurance Fund which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The contributions are charged to the Consolidated Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to these funds for the year aggregated to Rs.550.06 lakh (previous year Rs. 549.09 lakh) and is included in "Employee benefits".

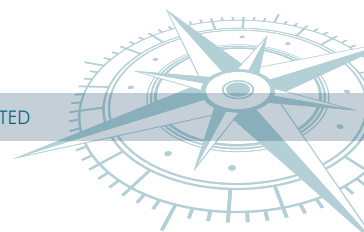
Defined benefit plans

The Group operates post-employment defined benefit plan that provides gratuity. The gratuity is payable to all eligible employees of the Group on superannuation, death or permanent disablement in terms of the provisions of the payment of Gratuity Act or as per the Group's scheme, whichever is more beneficial.

The liability with regard to gratuity and compensated absences is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary.

a) Gratuity Plan

The present value of the obligation is determined based on an actuarial valuation using the projected unit credit method.



Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

Particular	For the year ended March 31, 2017	For the year ended March 31, 2016
Table showing changes in the present value of the obligation during the year		
Present value of obligation at beginning of the year	1,012.25	1,060.63
Interest cost	66.47	67.47
Current service cost	131.03	126.68
Benefit paid	(130.59)	(235.35)
Actuarial loss/ (gain)	168.38	(7.18)
Adjustment on account of sale of subsidiary	(194.54)	-
Present value of obligation at the year end	1,053.00	1,012.25
Table showing changes in the fair value of plan assets during the year		
Fair value of plan assets at beginning of the year	-	-
Expected return on plan assets	1.45	-
Contribution	650.00	-
Fair value of plan assets at the end of the year	651.45	-
Long-term gratuity provision	317.00	837.29
Short-term gratuity provision	84.55	174.96
Actuarial loss/ (gain) recognised for the year		
Total actuarial loss/ (gain) recognised in the year	168.38	(7.18)
Amount to be recognised in the Consolidated Balance Sheet and Statement of Profit and Loss		
Present value of obligation as at the end of the year	1,053.00	1,012.25
Fair value of plan assets at the end of the year	651.45	-
Net liability recognised in balance sheet	401.55	1,012.25
Expense recognised during the year		
Current service cost	131.03	126.68
Interest cost	66.47	67.47
Expected return on plan assets	(1.45)	-
Actuarial (gain)/ loss	168.38	(7.18)
Expense recognised in the Consolidated Statement of Profit and Loss	364.43	186.97
Actuarial assumptions		
Discount rate (per annum)	6.50%-7.10%	7.40% - 8.00%
Expected rate of return on plan assets (per annum)	NA	NA
Rate of increase in compensation levels	8.00% - 10.00%	6.00% - 11.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Assumptions regarding future mortality are based on the published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.

Particular	As at March 31, 2017	As at March 31, 2016
Retirement age	60	60
Mortality table	Indian Assured Lives Mortality (2006-08) (modified) Ult. 9.00% to 30.00%	Indian Assured Lives Mortality (2006-08) (modified) Ult. 1.00% to 30.00%
Withdrawal rate		

Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

Particular	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Present value of defined benefit obligation	1,045.21	1,012.25	1,060.63	843.88	595.25
Fair value of plan assets	(651.45)	-	-	-	-
Excess of obligation over plan assets	393.76	1012.25	1060.63	843.88	595.25
Experience adjustment on plan liability	(82.89)	134.72	84.51	40.70	51.50
Experience adjustment on plan assets	1.45	-	-	-	-

b) Other long-term benefits

The Group provides compensated absences benefits to the employees of the Group which can be carried forward to future years. The liability for leave benefits recognised in the Consolidated Balance Sheet is as under:

Particular	For the year ended March 31, 2017	For the year ended March 31, 2016
Present value of obligation at the end of the year		
Earned leaves	282.79	461.00
Sick leaves/ Casual leaves	43.98	51.38

39 Disclosures as required by the AS 18 on "Related Party Disclosures" are given below:

A. Related parties where control exists:

Ultimate holding company:

Moody's Corporation

Companies having substantial interest:

Moody's Investment Company India Private Limited

Moody's Singapore Pte Limited

B. Ultimate holding company, companies having substantial interest and fellow subsidiary companies with whom transactions taken during the year:

Moody's Corporation

Moody's Investment Company India Private Limited

Moody's Singapore Pte Limited

Moody's Investors Service India Private Limited

Moody's Investors Service Inc.

Moody's Investors Service Limited

Moody's Investors Service Singapore Pte Limited

Moody's Asia Pacific Limited

MIS Quality Management Corp.

Moody's Investors Service Hong Kong Limited

Moody's Analytics Inc

Moody's Analytics UK Limited

Copal Research India Private Limited

C. Key management personnel:

Mr. Naresh Takkar

Mr. Vipul Agarwal

Mr. Vivek Mathur

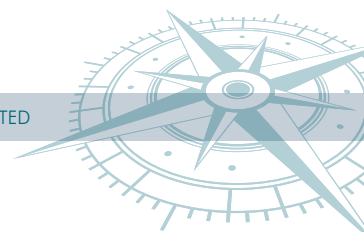
Mr. Amit Kumar Gupta

Mr. S. Shakeb Rahman

(w.e.f. May 22, 2015)

(till May 21, 2015)

(w.e.f. August 14, 2015)



Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

D. Transactions and balances with related parties:

Particular	For the year ended March 31, 2017	For the year ended March 31, 2016
Moody's Corporation		
Technical services received	10.86	11.44
Reimbursement of expenses received/ receivable	-	1.68
Other current liabilities - Due to related parties	19.06	9.88
Moody's Investment Company India Private Limited		
Dividend paid	712.73	684.22
Moody's Singapore Pte Limited		
Dividend paid	538.68	517.13
Reimbursement of expenses paid/ payable	5.21	-
Moody's Investors Service India Private Limited		
Rental income	17.25	-
Directors' sitting fees	-	0.10
Reimbursement of expenses received/ receivable	4.85	-
Reimbursement of expenses paid/ payable	-	11.18
Short-term loans and advances - Other recoverable	12.05	7.64
Moody's Investors Service Inc.		
Directors' sitting fees	-	0.40
Outsourced Services Rendered	3,248.00	2,848.08
Short-term loans and advances - Other recoverable	0.63	0.63
Trade receivables	276.23	539.02
Reimbursement of expenses received/ receivable	1.67	-
Moody's Investors Service Limited		
Directors' sitting fees	-	0.40
Moody's Investors Service Singapore Pte Limited		
Rating and research services fees	-	63.30
Unearned revenue	-	24.32
Moody's Asia Pacific Limited		
Directors' sitting fees	-	0.40
MIS Quality Management Corp.		
Trademark license fees	6.56	6.73
Other current liabilities - Due to related parties	6.53	6.81
Moody's Investors Service Hong Kong Limited		
Technical services received	0.81	3.37
Other current liabilities - Due to related parties	0.73	2.85
Moody's Analytics Inc		
Outsourced services rendered	775.18	649.69
Professional services used	0.21	-
Trade receivables	79.17	123.45
Reimbursement of expenses paid/ payable	-	1.35
Other current liabilities - Due to related parties	0.19	-
Moody's Analytics UK Limited		
Outsourced services rendered	8.35	-
Trade receivables	8.16	-

Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

Particular	For the year ended March 31, 2017	For the year ended March 31, 2016
Copal Research India Private Limited		
Professional services used	6.72	-
Other current liabilities - Due to related parties	6.05	-
Mr. Naresh Takkar		
Managerial remuneration*, \$	376.08	347.87
Loan outstanding	16.87	17.83
Interest received by the Company	0.68	0.76
Dividend paid by the Company	9.56	8.16
Short-term provisions - Other employees benefits	145.25	95.00
Trade payable	0.01	-
Other current liabilities - Payable to employees	7.01	70.69
Mr. Vipul Agarwal (w.e.f. May 22, 2015)		
Remuneration *	131.02	166.04
Other current liabilities - Payable to employees	1.48	44.78
Trade payable	0.13	0.11
Mr. Vivek Mathur (till May 21, 2015)		
Remuneration *	-	19.35
Mr. Amit Kumar Gupta (w.e.f. August 14, 2015)		
Remuneration *	55.62	43.02
Other current liabilities - Payable to employees	0.72	11.12
Trade payable	-	0.14
Short-term loans and advances - Advances recoverable in cash or kind	0.16	-
Mr. S. Shakeb Rahman		
Remuneration *	16.39	9.70
Other current liabilities - Payable to employees	0.12	1.26

* As the liabilities for gratuity and compensated absence are provided on an actuarial basis, the amounts pertaining to the key management personnel is not included above.

\$ Employees stock options expense in the Consolidated Statement of Profit and Loss is Rs. Nil (previous year Rs. Nil).

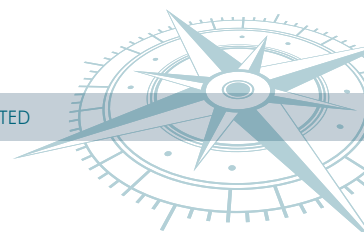
- 40** During the year, the indian entities of the Group had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification are as follows:

Particular	Specified Bank Notes**	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	2.49	1.61	4.10
Add: Permitted receipts	-	10.65	10.65
Less: Permitted payments	-	(4.42)	(4.42)
Less: Amount deposited in Banks#	(2.49)	-	(2.49)
Closing cash in hand as on December 30, 2016	-	7.84	7.84

Includes amount of Rs. 0.05 lakh exchanged at bank.

**For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016."

- 41** The Board of Directors, in its meeting on May 11, 2017, have proposed a dividend of Rs. 27 (previous year Rs. 25) per equity share for the financial year ended March 31, 2017. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on August 3, 2017 and if approved would result in a cash outflow of approximately Rs. 3,218.23 lakh including dividend distribution tax.



Notes to consolidated financial statements for the year ended March 31, 2017

(All amounts Rupees in lakh, except share data and otherwise stated)

42 Additional Information, as required under Schedule III to the Companies Act, 2013, of entities consolidated as Subsidiary:

Name of the entity	Net Assets (Total assets–Total liabilities)		Share in consolidated profit or (loss)	
	As % of consolidated net assets	Amount (Rs. in lakh)	As % of Consolidated profit or (loss)	Amount (Rs. in lakh)
Parent				
ICRA Limited	90.72%	45,360.48	112.27%	8,327.65
Subsidiaries				
Indian				
ICRA Management Consulting Services Limited	5.82%	2,910.81	-0.27%	(20.25)
Pragati Development Consulting Services Limited	0.12%	58.87	0.30%	22.56
ICRA Online Limited	7.94%	3,967.67	11.32%	839.73
ICRA Techno Analytics Limited	0.00%	-	1.02%	75.45
BPA Technologies Private Limited	0.00%	-	0.15%	11.16
Foreign				
ICRA Sapphire Inc.	0.00%	-	-0.82%	(60.68)
ICRA Global Capital Inc.	0.00%	-	0.00%	-
BPA Technologies Inc.	0.00%	-	1.18%	87.68
PT. ICRA Indonesia	0.01%	2.56	-0.03%	(2.33)
ICRA Lanka Limited	0.16%	78.63	0.12%	8.77
ICRA Nepal Limited	0.39%	193.16	0.57%	42.65
Minority interests included in respective subsidiaries	0.18%	94.65	0.28%	20.90
Eliminations	-5.34%	(2,668.87)	-26.09%	(1,935.46)
Total	100.00%	49,997.96	100.00%	7,417.83

43 The previous year's figures have been regrouped/ reclassified wherever considered necessary to make them comparable with those of the current year's classification.

As per our report of even date attached

For and on behalf of the Board of Directors of **ICRA Limited**

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

Chartered Accountants

(ICAI Firm registration number: 101248W/W-100022)

Shashank Agarwal

Partner

Membership No.: 095109

Place : Gurgaon

Dated : May 11, 2017

Naresh Takkar

Managing Director & Group C.E.O.

(DIN: 00253288)

Vipul Agarwal

Group Chief Financial Officer

Arun Duggal

Chairman

(DIN: 00024262)

S. Shakeb Rahman

Company Secretary

Form AOC-1
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries
Part "A": Subsidiaries
(Information in respect of each subsidiary to be presented with amounts (Rupees in lakhs))

S. No.	Name of Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	ICRA Management Consulting Services Limited			1,50,00,000 equity shares of Rs. 10/- each fully paid up	1410.81	3522.26	3522.26	5	3082.14	(33.98)	(13.73)	(20.25)	0.00	100% owned by ICRA Limited
2	ICRA Techno Analytics Limited			2,14,53,351 equity shares of Rs. 10/- each fully paid up	-	-	-	-	1368.90	215.78	140.33	75.45	-	See note 2
3	ICRA Online Limited			89,51,458 equity shares of Rs. 10/- each fully paid up	3,072.52	4,846.04	4,846.04	NIL	4,971.27	1298.66	(458.93)	839.73	-	100% owned by ICRA Limited
4	PT. ICRA Indonesia	December 31	1 INR = IDR 203.64	2,513,240 equity shares of IDR 10,000 each fully paid up	(1,508.10)	2.99	2.99	-	0	(1.90)	0.43	(2.33)	-	99% owned by ICRA Limited
5	ICRA Lanka Limited		Balance Sheet: (1 INR = 0.43 LKR) Profit loss (1 INR = 0.44 LKR)	5,948,900 equity shares of LKR 10/- each fully paid up	(177.96)	133.72	55.09	110.63	118.7	10.86	2.09	8.77	0.00	100% owned by ICRA Limited
6	ICRA Nepal Limited	Mid of July	INR exchange rate 1.6015	2,00,000 equity shares of NPR100/- each fully paid up	68.28	316.92	123.76	31.22	157.81	56.8	14.15	42.65	13.15	51% owned by ICRA Limited
7	Pragati Development Consulting Services Limited			50,000 equity shares of Rs. 10/- each fully paid up	53.87	229.64	229.64	-	129.96	32.13	9.57	22.56	0.00	100% owned by ICRA Management Consulting Services Limited



S. No.	Name of Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
8	IMaCS Virtus Global Partners Inc			Nil	0.00	0	0	-	0	0	0	0	0.00	See note 3
9	ICRA Sapphire Inc.		US Dollars Profit & Loss Exchange Rate for 2016-17 up to October 07, 2016- Rs. 66.93	2,479 equity shares fully paid up	-	-	-	-	236.45	(60.69)	-	(60.69)	-	See note 2
10	ICRA Global Capital, Inc.		US Dollars Profit & Loss Exchange Rate for 2016-17 up to October 07, 2016- Rs. 66.93	1,10,75,000 equity shares fully paid up	-	-	-	-	-	-	-	-	-	See note 2
11	BPA Technologies Inc.		US Dollars Profit & Loss Exchange Rate for 2016-17 up to October 07, 2016- Rs. 66.93	46,29,630 equity shares fully paid	-	-	-	-	2,564.76	123.82	36.14	87.68	-	See note 2
12	BPA Technologies Pvt. Ltd.			10,000 equity shares fully paid up of Rs. 10/- each	-	-	-	-	209.65	16.89	5.73	11.16	-	See note 2

1. Names of subsidiaries which are yet to commence operations :Nil

2. Names of subsidiaries which have been liquidated or sold during the year: Members of the Company had approved the sale of its entire shareholding in ICRA Techno Analytics Limited (now known as Nihilent Analytics Limited), then a wholly-owned subsidiary of the Company, inclusive of its four direct and indirect subsidiaries, to Nihilent Technologies Limited, which sale was consummated on October 7, 2016. The Companies sold during the year as under :-

- (i) ICRA Techno Analytics Limited (now known as Nihilent Analytics Limited);
- (ii) ICRA Sapphire Inc. (now known as Nihilent Sapphire Inc.);
- (iii) ICRA Global Capital, Inc (now known as Nihilent Global Capital, Inc.); and
- (iv) BPA Technologies Inc.; and

(v) BPA Technologies Private Limited.

3. IMaCS Virtus Global Partners Inc. has been dissolved in the State of Delaware w.e.f September 20, 2016 and is no more a subsidiary of ICRA Management Consulting Services Limited.

Shareholders Frequently Asked Questions

Q Since when and on which Stock Exchanges are ICRA's Equity Shares listed?

A ICRA's Equity Shares are listed on two Stock Exchanges with effect from April 13, 2007:

1. BSE Limited (BSE): [Scrip Code: 532835]
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001
Tel: + 91-22-22721233/4; Fax: + 91-22-22721919
2. National Stock Exchange of India Limited (NSE): [Symbol: ICRA]
Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051
Tel: +91 22 26598100 – 8114; Fax: +91 22 2659 8120

Q When does ICRA's financial year end?

A ICRA's financial year ends on March 31.

Q How much dividend has ICRA paid during the last three financial years?

A For the financial year 2015-16, a Dividend of 270%
For the financial year 2014-15, a Dividend of 250%
For the financial year 2013-14, a Dividend of 240%

Q How can a shareholder get dividend, if not yet received?

A The shareholder concerned may write to our Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited, or our Company Secretary & Compliance Officer, Mr. S. Shakeb Rahman, at the relevant address as mentioned below, quoting her/his folio number in the case of physical shares and the client ID and DP ID particulars in the case of dematerialised shares. We will check our records and issue a duplicate dividend warrant/demand draft if the dividend has remained unpaid according to the records of the Company.

Q How can Shareholders avail themselves of the National Electronic Clearing Service (NECS) facility?

A Shareholders who wish to avail the NECS facility are required to submit NECS Mandate Form (available on our website www.icra.in) duly completed along with a photocopy of a cheque (as advised in the Form) with their respective DPs (for shares held in the electronic form) and with the Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited (for shares held in the physical form). Our Registrar and Share Transfer Agent will take due note of same for payment of dividend through NECS. All subsequent dividends will also be paid to them through direct credit to their designated bank account.

Q Where is ICRA's Registered Office located?

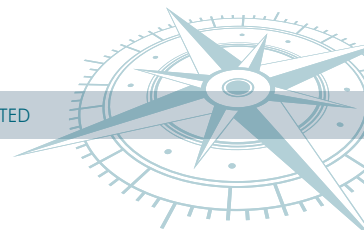
A Address of ICRA's Registered Office and its contact details are as follows:
1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi 110 001, India
Tel: +91 11 2335 7940-45; Website: www.icra.in

Q Who should be contacted for any information or assistance on share related matters including dematerialisation/rematerialisation, transfer/transmission of shares, subdivision or consolidation of shares, issue of duplicate share certificates, and unclaimed/non-receipt of dividend?

A Please contact our Registrar and Share Transfer Agent:
M/s. Link Intime India Private Limited
44 Community Centre, 2nd Floor, Naraina Industrial Area, Phase I, Near PVR, Naraina,
New Delhi – 110028
Email: delhi@linkintime.co.in; Tel: +91 11 4141 0592/93/94; Fax: +91 11 4141 0591
Or, ICRA's Company Secretary & Compliance Officer:
Mr. S. Shakeb Rahman
Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurgaon 122 002, Haryana
Email: investors@icraindia.com; Tel: + 91 124 4545 300

Q How can one convert physical holding into electronic holding, that is, how can one dematerialise shares?

A In order to dematerialise physical securities one has to fill in a DRF (Demat Request Form) which is available



Shareholders Frequently Asked Questions

with the DP and submit the same along with physical certificates that are to be dematerialised. Separate DRF has to be filled for each ISIN (International Securities Identification Number). The complete process of dematerialisation is outlined below:

- Surrender certificates for dematerialisation to your DP.
- DP intimates to the Depository regarding the request through the system.
- DP submits the certificates to the registrar of the Issuer Company.
- Registrar confirms the dematerialisation request from depository.
- After dematerialising the certificates, Registrar updates accounts and informs depository regarding completion of dematerialisation.
- Depository updates its accounts and informs the DP.
- DP updates the demat account of the investor.

Q Can electronic holdings be converted back into physical certificates?

A Yes. The process is called rematerialisation. If one wishes to get back her/his securities in the physical form s/he has to fill in the RRF (Remat Request Form) and request her/his DP for rematerialisation of the balances in her/his securities account. The process of rematerialisation is outlined below:

- Investor makes a request for rematerialisation.
- Depository participant intimates depository regarding the request through the system.
- Depository confirms rematerialisation request to the registrar.
- Registrar updates accounts and prints certificates.
- Depository updates accounts and downloads details to the depository participant.
- Registrar dispatches certificates to the investor.

Q What is the procedure for transfer of physical shares in favour of the transferee?

A The Transferee needs to send the share certificate(s) along with the share transfer deed in the prescribed form no. SH.4, duly filled in, executed and affixed with share transfer stamps within a period of 60 days from the date of execution of the share transfer deed, to the Company's Registrar and Share Transfer Agent. It takes about 15 days for the Company's Registrar and Share Transfer Agent to process the transfer. As per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity has to effect transfer of securities within 15 days and as per the Companies Act, 2013, it is one month.

Q Is submission of Permanent Account Number (PAN) mandatory for the transfer of physical shares?

A As per Regulation 40(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Schedule VII of the Listing Regulations, the requirement of PAN is as under:

- i. For registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the listed entity for registration of transfer of securities.
- ii. For securities market transactions and/or for off-market or private transactions involving transfer of shares in physical form, the transferee(s) as well as transferor(s) shall furnish copy of PAN card to the listed entity for registration of such transfer of securities.
- iii. In cases where PAN card is not available i.e. in case of residents of Sikkim, the requirement of PAN Card may be substituted with Identity proof.
- iv. In case of mismatch in PAN card details as well as difference in maiden name and current name, in case of married women, of the holder(s) of securities, the listed entity may collect the PAN card as submitted by the transferee(s) or transferor(s) as the case maybe:
Provided that this shall be subject to the listed entity verifying the veracity of the claim of such transferee(s) or transferor(s) by collecting sufficient documentary evidence in support of the identity of the transferee(s) or transferor(s).

Shareholders Frequently Asked Questions

Q What is the procedure for splitting a share certificate into smaller lots?

A Shareholders may write to the Company's Registrar and Share Transfer Agent enclosing the relevant share certificate for splitting into smaller lots. The share certificates, after splitting, will be sent by the Company's Registrar and Share Transfer Agent to the Shareholders at their registered address.

Q What is the procedure for getting share certificates issued in various denominations consolidated into a single certificate?

A Shareholders having certificates in various denominations under the same folio should send all the certificates to the Company's Registrar and Share Transfer Agent for consolidation of all the shares into a single certificate. If the shares are not under the same folio but have the same order of names, the Shareholder should write to the Company's Registrar and Share Transfer Agent for consolidation of folios. This will help the Shareholders efficiently monitor the holding and the corporate benefits receivable thereon. Consolidation of share certificates helps in saving costs in the event that the shares are dematerialised and also provides convenience in case the shares are continued to be held physically.

Q Who should be contacted for complaints?

A Our Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited, or our Company Secretary & Compliance Officer, Mr. S. Shakeb Rahman, at the relevant address as mentioned above.

Q If the shares are dematerialised, what is the procedure for change of address?

A Since the records of your dematerialised shares are maintained by your Depository Participant (DP), you have to inform your DP of any change in your address. Your DP will pass on this information to the Registrar whenever any action like despatch of Annual Reports or payment of dividend is due to be taken by the Registrar. **Shareholders are advised to update their address and Bank Account details with their respective depository participants so that in future Dividend Warrants, the Annual Report etc. are delivered to their latest address and the dividend amount is directly credited to their Bank Account.**

Q If the shares are held in the physical form, what is the procedure for change of address?

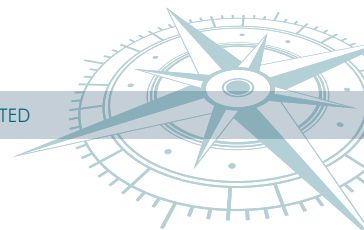
A Please send a written request along with a certified photocopy of any two of the following documents: electricity bill, telephone bill, gas bill, bank pass book, passport, voter identity card, aadhaar card, and driving licence. The request letter should be signed by the first shareholder or by all joint-holders stating the new address along with the PIN Code, and should be sent to the Registrar or ICRA (addresses mentioned earlier). Please quote your Folio number also.

Q Can there be multiple addresses for a single Folio?

A No, there can be only one registered address for one Folio.

Q Can joint-holders request a change of address?

A No, the letter of request will need to have the signature of the first shareholder or of all shareholders.



NOTICE

Notice is hereby given that the **Twenty-Sixth** Annual General Meeting of the Members of **ICRA Limited** (the "**Company**") will be held on Thursday, the 3rd day of August, 2017, at 3:00 p.m. at Air Force Auditorium, Subroto Park, New Delhi 110010, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a. the audited financial statements of the Company for the financial year ended March 31, 2017 and the report of the Board of Directors and Auditors thereon; and
 - b. the audited consolidated financial statements of the Company and its Subsidiaries for the financial year ended March 31, 2017 and the report of the Auditors thereon.
2. To declare Dividend on the Equity Shares for the financial year ended March 31, 2017.
3. To appoint a Director in place of Mr. Simon Richard Hastilow (DIN: 06573596), who retires by rotation, and being eligible, offers himself for reappointment.
4. To ratify the appointment of Statutory Auditors and to fix their remuneration, and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, as amended from time to time, the Company hereby ratifies the appointment of M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No.: 101248W/W-100022) as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Twenty-Seventh Annual General Meeting of the Company at such remuneration as may be agreed to between the Board of Directors and the Statutory Auditors of the Company."

SPECIAL BUSINESS

5. To consider, and if thought fit, to modify the terms of appointment of Mr. Naresh Takkar, Managing Director and CEO of the Company and CEO of ICRA Group, by passing with or without modification(s) the following resolutions as **Ordinary Resolutions**:

"RESOLVED THAT in partial modification of (i) the resolutions passed by the Members at the Twenty-Fourth Annual General Meeting of the Company held on August 13, 2015 for (A) reappointment of Mr. Naresh Takkar as the Managing Director & CEO of the Company, (B) appointment of Mr. Naresh Takkar as CEO of ICRA Group, and (C) the remuneration payable to him pursuant to Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, read with Schedule V of the Companies Act, 2013, and (ii) the resolutions passed by the Members at the Twenty-Fifth Annual General Meeting of the Company held on August 11, 2016 providing for modification of the effective date of the annual increment from 30th January to 1st April every year, effective from the financial year 2017-18, the Company hereby approves the payment of a onetime Special Bonus of Rs. 20,00,000 to Mr. Naresh Takkar for the financial year 2016-17."

“RESOLVED FURTHER THAT the addendum to the Appointment Letter, recording the modification in the terms as specified above, be executed between the Company and Mr. Naresh Takkar.

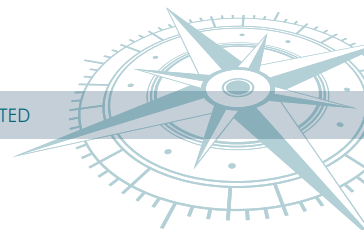
“RESOLVED FURTHER THAT the Board of Directors, or any individual Director or Officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary and/or incidental to give effect to the forgoing resolutions.”

By Order of the Board of Directors
For ICRA Limited

Place: Gurgaon
Date: May 11, 2017

(S. Shakeb Rahman)
Company Secretary & Compliance Officer

CIN: L74999DL1991PLC042749
Registered Office: 1105, Kailash Building, 11th Floor, 26,
Kasturba Gandhi Marg, New Delhi 110 001
Telephone No.: +91.11.23357940-45
Website: www.icra.in
Email ID: investors@icraindia.com



Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND THE SAID MEETING AND VOTE ON HER/HIS BEHALF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Pursuant to Section 105(1) of the Companies Act, 2013, read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of Members not exceeding 50 (fifty) in number and holding in aggregate not more than 10 (ten) per cent of the total share capital of the Company carrying voting rights. In the case of a Member holding more than 10 (ten) per cent of the total share capital of the Company carrying voting rights, such a Member may appoint a single person as proxy, who however shall not act as proxy for any other person or shareholder.
3. A proxy form duly stamped and executed, in order to be effective, must reach the Registered Office of the Company not less than 48 hours before the time of commencement of the Annual General Meeting.
4. Corporate Members are requested to send to the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representative to attend and vote at the Annual General Meeting.
5. Members/Proxy holders are requested to bring at the venue of Annual General Meeting their attendance slip duly signed so as to avoid inconvenience.
6. The explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business proposed under item no. 5 as above, is annexed hereto and forms a part of the this Notice.
7. Members holding shares in the physical form are requested to send the advice about any change in their registered address or bank particulars, to the Company's Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited, quoting their folio number. **Members holding shares in the electronic form must send the advice about any change in their registered address or bank particulars to their respective Depository Participants and not to the Company.**
8. The Notice of the Annual General Meeting along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail IDs are registered with the Company's Registrar and Share Transfer Agent/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2016-17 will also be available on the Company's website viz. www.icra.in
9. Members are requested to update (in case of change)/register, at the earliest, their email IDs with their Depository Participants in case the shares are held in the electronic form or the Registrar and Share Transfer Agent of the Company, Link Intime India Private Limited, in case the shares are held in the physical form. The Company will continue to send the said documents in the physical form to such Members whose email IDs it does not have and to those who request delivery of the said documents in the physical form.
10. Pursuant to Section 123(5) of the Companies Act, 2013, and Regulation 12 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding use of electronic payment modes for making payments to investors, **Members are requested to update their bank account and latest address details with their respective Depository Participants (for shares held in the electronic form) or submit duly completed NECS mandate forms** (available on the Company's website) along with a photocopy of their cheques to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited (for shares held in the physical form). Our Registrar and Share Transfer Agent will take due note of the same for payment of Dividend. Your Company provides Direct Credit (DC), Real Time Gross Settlement (RTGS), National Electronic Clearing Service (NECS) for payment of Dividend. Through DC/RTGS/NECS, Members can receive their Dividend electronically by way of direct credit to their bank accounts. This obviates problems like loss/fraudulent interception of Dividend warrants during postal transit while also expediting payment. It is strongly recommended that Members opt for DC/RTGS/NECS, if not done already. Members may kindly note that DC/RTGS/NECS details are accessed from the Depositories (for shares held in the electronic form) and from the Company's Registrar and Share Transfer Agent (for shares held in the physical form) and used for payment of Dividend.

11. Members desiring any information on the accounts of the Company are requested to write to the Company at least 10 (ten) days prior to the date of the Annual General Meeting so as to enable the Company keep the information ready.
12. Members may write to the Company Secretary of the Company for the annual accounts of the Subsidiary companies. The annual accounts of the Subsidiary companies for the financial year ended March 31, 2017 are available on the website www.icra.in under Investors section. The annual accounts shall also be available for inspection by any Member at the Registered Office of the Company.
13. In all correspondence with the Company or with its Share Transfer Agent, Members are requested to quote their Client ID Number and their DP ID Number if the shares are held in the dematerialised form; in case the shares are held in the physical form, they must quote their folio number.
14. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, August 1, 2017 to Wednesday, August 2, 2017 (both days inclusive) for determining the names of Members eligible to receive the Dividend declared, if any, on the Equity Shares of the Company.
15. If the Members approve the payment of Dividend at the forthcoming Annual General Meeting, the Dividend shall be paid to all those Members whose names appear in the Register of Members as on Monday, July 31, 2017, and to all those Members whose names appear as beneficial owners as per the details furnished by National Securities Depository Limited and Central Depository Services (India) Limited on the close of business hours as on that date.
16. Those Members who have not yet encashed/claimed the Dividend of the Company for any/all of the financial years 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16 are requested to encash/claim the same immediately. In terms of Section 124(5) of the Companies Act, 2013, the Company shall be required to transfer the unclaimed/unpaid Dividend of the Company on the expiry of seven years from the date it became due for payment, to the "Investor Education and Protection Fund".

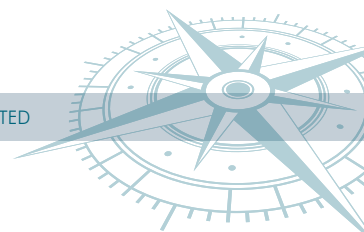
The details of the un-encashed/unclaimed Dividend for the Financial Years 2009-10 to 2015-16 as on March 31, 2017 are as under:

Dividend for the financial year	Unclaimed/Unpaid Dividend as on March 31, 2017 (Rs.)	Due date of transfer to Investor Education and Protection Fund
2009-10	127,279.00	September 18, 2017
2010-11	82,603.00	September 18, 2018
2011-12	122,960.00	September 9, 2019
2012-13	109,010.00	September 8, 2020
2013-14	119,577.00	September 19, 2021
2014-15	88,824.00	September 15, 2022
2015-16	65,900.22	September 12, 2023

Pursuant to Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and its amendment Rules, 2017, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the demat account of Investor Education and Protection Fund ("IEPF") Authority within a period of thirty days of such shares becoming due to be transferred to the IEPF as per the procedure mentioned in the said Rules.

17. Voting through electronic means

- I. In compliance with Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer electronic voting ("E-voting") facility to the Members to cast their votes electronically on all resolutions set forth in the Notice convening the 26th Annual General Meeting of the Company. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide E-voting facility.
- II. The E-voting facility is available at the link <https://www.evotingindia.com>.



- III. The E-voting Sequence Number (EVSN) is as under:

EVSN	170612009
-------------	-----------

- IV. The E-voting facility will be available during the following voting period:

Commencement of E-voting	End of E-voting
Monday, July 31, 2017 (9:00 a.m. IST)	Wednesday, August 2, 2017 (5:00 p.m. IST)

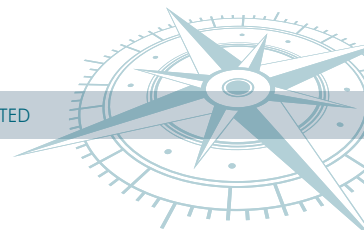
- V. The instructions for E-voting are as under:

- (i) The shareholders should log on to the E-voting website www.evotingindia.com.
- (ii) Click on Shareholders / Members
- (iii) Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company's Registrar and Share Transfer Agent/Depository Participant(s) are requested to use the initial password provided separately.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or the Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN of ICRA Limited on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 - (xvi) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - (xvii) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store, respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 - (xviii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and E-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- VI. The E-voting period commences on Monday, July 31, 2017 (9:00 a.m. IST) and ends on Wednesday, August 2, 2017 (5:00 p.m. IST). During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, July 28, 2017, may cast their vote electronically. The E-voting module shall also be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
 - VII. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, July 28, 2017.
 - VIII. Since the Company is required to provide Members facility to exercise their right to vote by electronic means, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Friday, July 28, 2017 and not casting their vote electronically, may only cast their vote at the 26th Annual General Meeting of the Company.
 - IX. Advocate Ashok Kumar Juneja, Proprietor of M/s. Juneja Associates, Mobile No. 9810532462 e-mail Id: ashokjuneja@gmail.com, has been appointed as the Scrutinizer to scrutinize the E-voting process in a fair and transparent manner.
 - X. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the E-voting period, unlock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
 - XI. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.icra.in and on the website of CDSL within two (2) days of passing of the resolutions at the 26th Annual General Meeting of the Company on August 3, 2017, and communicated to the BSE Limited and the National Stock Exchange of India Limited.
18. All documents referred to in the accompanying Notice will be available for inspection at the Registered Office of the Company during office hours on all working days up to the date of declaration of the result of the 26th Annual General Meeting of the Company.



Explanatory Statement (Pursuant to Section 102 of the Companies Act, 2013)

Item No. 5

The Members of the Company at the Twenty-Fourth Annual General Meeting of the Company held on August 13, 2015, had approved the reappointment of Mr. Naresh Takkar as Managing Director & CEO of the Company for a period of five years commencing from July 2, 2015 and valid till July 1, 2020, and also approved appointment of Mr. Takkar as CEO of ICRA Group effective from January 30, 2015 for a period of five years and valid till January 29, 2020, on the terms and conditions (including remuneration) as specified in the explanatory statement to the Notice of the Twenty-Fourth Annual General Meeting. Further, the Members of the Company at the Twenty-Fifth Annual General Meeting of the Company held on August 11, 2016, had approved the modification in the effective date of annual increment from 30th January to 1st April every year, effective from the financial year 2017-18.

Subject to approval of the Members, the Board of Directors of the Company at its meeting held on May 11, 2017, on recommendation of the Nomination and Remuneration Committee, approved the payment of a onetime Special Bonus of Rs. 20,00,000 to Mr. Takkar for the financial year 2016-17.

All other terms and conditions relating to Mr. Takkar's appointment/reappointment and remuneration as approved earlier by the Members shall remain unchanged.

The remuneration payable to Mr. Takkar is in conformity with and is within the permissible limits laid down under the Companies Act, 2013 including Schedule V of the Companies Act, 2013. Details of remuneration paid to Mr. Takkar are disclosed in the extract of the Annual Return annexed to the Board Report and in the Corporate Governance Report.

The Board accordingly recommends the resolution pertaining to payment of a onetime special bonus of Rs. 20,00,000 to Mr. Takkar for approval by the Members of the Company.

Mr. Takkar holds 41,000 equity shares of the Company and also holds options granted to him under the Company's Employees Stock Option Scheme. Except Mr. Takkar, none of the Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in this resolution.

By Order of the Board of Directors
For ICRA Limited

(S. Shakeb Rahman)
Company Secretary & Compliance Officer

Place: Gurgaon
Date: May 11, 2017

CIN: L74999DL1991PLC042749
Registered Office: 1105, Kailash Building, 11th Floor, 26,
Kasturba Gandhi Marg, New Delhi 110 001
Telephone No.: +91.11.23357940-45
Website: www.icra.in
Email ID: investors@icraindia.com

Details of the Director seeking reappointment at the Twenty-Sixth Annual General Meeting pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Profile



Mr. Hastilow is a Non-Independent Director of ICRA. He is a Managing Director and Global Head of Relationship Management at Moody's Investors Service. He is responsible for leading the global team that grows Moody's coverage share and revenue by developing relationships with new issuers in existing markets, penetrating new markets, and strengthening and expanding relationships with existing issuers and intermediaries. Prior to joining Moody's, Mr. Hastilow spent 11 years at Thomson Reuters where he led marketing and sales teams in the corporate and wealth management sectors.

Name of Director	Mr. Simon Richard Hastilow
Date of Birth	August 12, 1969
Relationship with other Directors inter se	None
First Date of Appointment	May 24, 2013
Expertise in Specific Functional Areas	Sales; Marketing; Product Development; and General Management
Qualifications	BA(Hons) in Business Studies, University of London; Diploma of the Chartered Institute of Marketing; Alumnus of the 2007 AMP Programme of INSEAD
No. of Equity Shares held in the Company	Nil
List of Other Companies/bodies corporate (including listed entities) in which Directorships are held	Nil
List of Committees of the Board of Directors (across all companies / bodies corporate) in which Chairmanship/ Membership is held**	Chairman • Stakeholders Relationship Committee of ICRA Limited

**Pursuant to Regulation 26(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, only two committees, viz. Audit Committee and Stakeholders Relationship Committee, have been considered.

Note: For other details such as number of meetings of the board and its committees attended during the financial year 2016-17 and remuneration drawn in respect of Mr. Simon Richard Hastilow, please refer to the corporate governance report of the Company.

**Form No. MGT-11****FORM OF PROXY**

[Pursuant to Section 105(6) of the Companies Act, 2013, and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L74999DL1991PLC042749
Name of the company: **ICRA Limited**
Registered office: 1105, Kailash Building, 11th Floor,
26, Kasturba Gandhi Marg, New Delhi-110 001

Name of Member(s):
Registered address:
Email ID:
Folio No/Client ID:
DP ID:

I/We, being the Member(s) holding.....share(s) of the above named company, hereby appoint

1. Name:
Address:
Email ID:
Signature:, or failing him/ her
2. Name:
Address:
Email ID:
Signature:, or failing him/ her
3. Name:
Address:
Email ID:
Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty-Sixth Annual General Meeting of the Company to be held on Thursday, the 3rd day of August, 2017 at 3.00 p.m. at Air Force Auditorium, Subroto Park, New Delhi 110 010, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To receive, consider and adopt:
 - a. the audited financial statements of the Company for the financial year ended March 31, 2017 and the report of the Board of Directors and the Auditors thereon;
 - b. the audited consolidated financial statements of the Company and its Subsidiaries for the financial year ended March 31, 2017 and the report of Auditors thereon.
2. To declare Dividend on the Equity Shares for the financial year ended March 31, 2017.
3. To appoint a Director in place of Mr. Simon Richard Hastilow (DIN: 06573596), who retires by rotation, and being eligible, offers himself for reappointment.
4. To ratify the appointment of the Statutory Auditors and to fix their remuneration.
5. To modify the terms of appointment of Mr. Naresh Takkar, Managing Director & CEO of the Company and CEO of ICRA Group.

Signed this.....day of....., 2017

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





ICRA Limited

Corporate Identity Number (CIN): L74999DL1991PLC042749
Registered Office: 1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg,
New Delhi-110 001
Telephone No.: +91.11.23357940-45
Website: www.icra.in Email ID: investors@icraindia.com

ATTENDANCE SLIP

Regd. Folio/DP ID & Client ID	
Number of shares	
Name and Address of the Member	

I hereby record my presence at the Twenty-Sixth Annual General Meeting of the Company held on Thursday, the 3rd day of August, 2017, at 3.00 p.m. at Air Force Auditorium, Subroto Park, New Delhi 110 010.

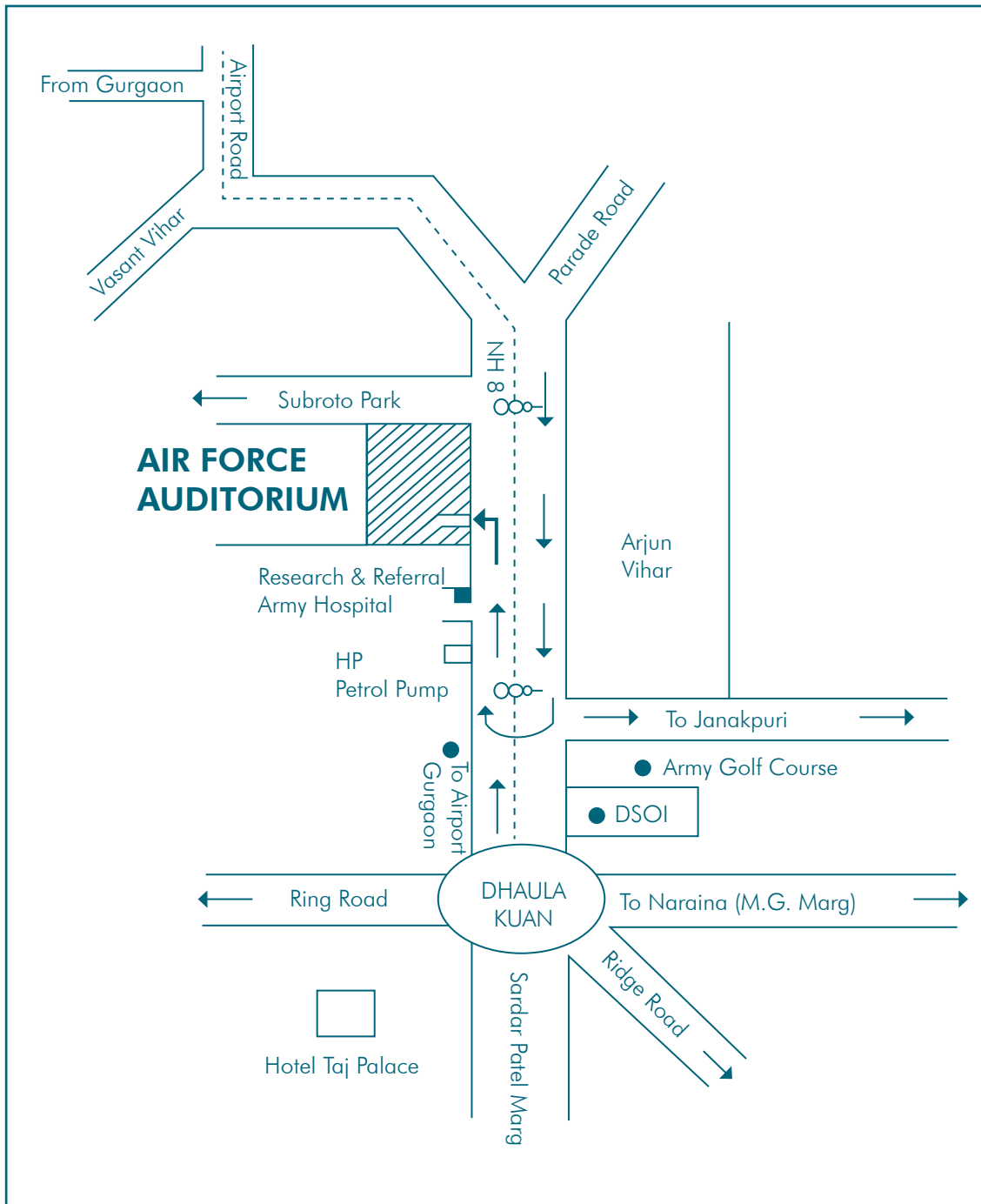
Name of the Member/Proxy
(in block letters)

Member's/Proxy's Signature

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall.



Route map to the venue of the AGM



ICRA MANAGEMENT CONSULTING SERVICES LIMITED

NEW DELHI

(Registered Office)
1105, Kailash Building, 11th Floor
26, Kasturba Gandhi Marg
New Delhi 110001, India
Tel.: 91-11- 23357940-45
Fax: 91-11- 23357945

NOIDA

(Corporate Office)
Logix Park, 1st Floor, Tower A4 & A5
Sector - 16, Noida 201301 (U.P.), India
Tel.: 91-120- 4515800
Fax: 91-120- 4515850

MUMBAI

1802, 18th Floor, Tower 3
Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone
Mumbai 400013, India
Tel.: 91-22-61796300
Fax : 91-22-61796301

KOLKATA

FMC Fortuna
A-10 & 11, 3rd Floor
234/3A, A.J.C. Bose Road
Kolkata 700020, India
Tel.: 91-33-71501100/1101
Fax: 91-33-71501150/22870728

CHENNAI

Karumuttu Centre, 5th Floor
634, Anna Salai, Nandanam
Chennai 600035, India
Tel.: 91-44-45964300,
24340043/9659/8080/24333293
Fax: 91-44-24343663

BENGALURU

M-01, Mezzanine Floor
Prestige Infantry Court, 130, Infantry Road
Bengaluru 560001, India
Tel.: 91-80-41109650
Fax: 91-80-40934111

AHMEDABAD

907-908, Sakar II, Ellisbridge, Opp. Town Hall
Ahmedabad 380006, India
Tel.: 91-79-40271500/1501
Fax: 91-79-40271502

PUNE

5A, 5th Floor, Symphony
S. No. 210, CTS 3202
Range Hills Road, Shivajinagar
Pune 411020, India
Tel.: 91-20-25561194, 25560195/0196
Fax: 91-20-25561231

www.imacs.in

PRAGATI DEVELOPMENT CONSULTING SERVICES LIMITED

(Registered Office)

1105, Kailash Building, 11th Floor,
26, Kasturba Gandhi Marg
New Delhi 110001, India
Tel.: 91-11- 23357940-45
Fax: 91-11- 23357945

(Corporate Office)

Logix Park, 1st Floor
Tower A-4 & A-5, Sector - 16
Noida 201 301 (U.P.), India
Tel.: 91-120- 4103328
Fax: 91-120- 4515850

(Project Office)

H.No. 212, Patliputra Colony
Patna- 800 003
Tel.: 91-0612- 2262777 - 8

ICRA ONLINE LIMITED

(Registered & Corporate Office)

Infinity Benchmark, 17th Floor,
Plot No. G-1, Bock GP,
Sector V, Salt Lake,
Kolkata 700 091, India
Tel.: 91-33- 40170100
Fax: 91-33- 40170101

(Branch Office)

107, 1st Floor, Raheja Arcade
Plot No. 61, Sector 11, CBD Belapur
Navi Mumbai 400 614, India
Tel.: 91-22- 67816100
Fax: 91-22- 27563057

www.icraonline.com

ICRA LIMITED

NEW DELHI

(Registered Office)
1105, Kailash Building
11th Floor, 26, Kasturba Gandhi Marg
New Delhi 110001, India
Tel.: 91-11-23357940-45

GURGAON

(Corporate Office)
Building No. 8, 2nd Floor, Tower A
DLF Cyber City, Phase II
Gurgaon 122002, Haryana, India
Tel.: 91-124-4545300

MUMBAI

Electric Mansion, 3rd & 4th Floor
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400025, India
Tel.: 91-22-61693300

KOLKATA

FMC Fortuna,
A-10 & 11, 3rd Floor
234/3A, A.J.C. Bose Road
Kolkata 700020, India
Tel.: 91-33-71501100/1101

CHENNAI

Karumuttu Centre, 3rd & 5th Floor
634, Anna Salai, Nandanam
Chennai 600035, India
Tel.: 91-44-45964300

BENGALURU-1

The Millenia, Tower-B
Unit No.1004, 10th Floor
1 & 2 Murphy Road, Ulsoor
Bengaluru 560008, India
Tel.: 91-80-43326400

BENGALURU-2

2nd Floor, Vayudooth Chamber
Trinity Circle
15-16, M.G. Road
Bengaluru 560001, India
Tel.: 91-80-49225500

AHMEDABAD

907-908, Sakar II
Ellisbridge, Opp. Town Hall
Ahmedabad 380006, India
Tel.: 91-79-40271500

HYDERABAD-1

4A, 4th Floor, SHOBHAN
6-3-927/A&B Somajiguda
Raj Bhavan Road
Hyderabad 500082, India
Tel.: 91-40-40676500

HYDERABAD-2

301 CONCOURSE, 3rd Floor
Above SBI-HPS Branch
No.7-1-58, Ameerpet
Hyderabad 500 016, India
Tel.: 91-40-49200200

PUNE

5A, Symphony, 5th Floor
S.No. 210, CTS 3202
Range Hills Road, Shivajinagar
Pune 411020, India
Tel.: 91-20-66069999

www.icra.in

ICRA LANKA LIMITED

(Registered & Corporate Office)
10-02 East Tower
World Trade Center
Colombo 1,
Sri Lanka-00100
Tel.: 94-11- 4339907
Fax: 94-11- 4235636

www.icralanka.com

ICRA NEPAL LIMITED

Registered & Corporate Office
Sunrise Bizz Park, 6th Floor
Dillibazar
Kathmandu - 33, Nepal
Tel.: 977 1 4419910/20
Fax: 977 1 4419930

www.icranepal.com



ICRA

A MOODY'S INVESTORS
SERVICE COMPANY