

## Summary of significant accounting policies and other explanatory information to standalone financial statements as at and for the year ended December 31, 2020

### 1 Corporate information

CRISIL Limited ("the Company" or "CRISIL") [CIN : L67120MH1987PLC042363] is a globally-diversified analytical Company providing ratings and research services. CRISIL is the foremost provider of high-end research to the world's largest banks and leading corporations. CRISIL delivers analysis, opinions, and solutions that make markets function better. CRISIL Limited is a public limited Company, domiciled in India. The registered office of the Company is located at CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400076. The equity shares of the Company are listed on recognised stock exchanges in India - The Bombay Stock Exchange and the National Stock Exchange.

These standalone financial statements for the year ended December 31, 2020 were approved by the Board of Directors on February 11, 2021.

S&P Global Inc. the ultimate holding Company, through its subsidiaries owned 67.13% as on December 31, 2020 of the Company's equity share capital (Refer Note 18).

### 2 Summary of significant accounting policies

#### 2.1 Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

#### Functional and presentation currency

These standalone financial statements are presented in Indian rupees, which is the functional currency of the Company. All financial information is presented in Indian rupees.

#### 2.2 Basis of preparation

These standalone financial statements have been prepared under the historical cost convention on an accrual basis, except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All the 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 Schedule

III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

#### 2.3 Use of estimates and judgments

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions that affect the reported balances of assets and liabilities (including contingent liabilities) as at the date of the financial statements and the reported income and expenses for the years presented. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these standalone financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

#### Estimates and assumptions are required in particular for:

- **Useful life and residual value of property, plant and equipment (PPE) and intangible assets**

Useful lives of PPE and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when it is assessed, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

- **Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain

that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

• **Revenue recognition**

Revenue from rendering of services is recognised when the obligation to render services based on agreements/arrangements with the customers are satisfied and when there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of delivery or upon formal customer acceptance depending on customer terms. Revenue is recognised only to the extent that it is highly probable a significant reversal will not occur.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

• **Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. As actuarial valuation involves making various assumptions that may be different from the actual development in the future, key actuarial assumptions include discount rate, trends in salary escalation, attrition and mortality rate. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

• **Valuation of taxes on income**

Significant judgements are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Uncertain tax position is with regards to items of expense or transaction that may be challenged by tax authorities. The Company reviews the carrying amount of deferred

tax assets at the end of each reporting period. The policy for the same has been explained under note 2.17.

• **Provisions**

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement obligations and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

• **Share-based payments**

The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share-based payment transaction is presented as a separate component in equity under "share-based payment reserve". The amount recognised as an expense is adjusted to reflect the impact of the revision of original estimates based on number of options that are expected to vest, in the statement of profit and loss with a corresponding adjustment to equity.

**2.4 Property, Plant and Equipment (PPE)**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Amount capitalised under property, plant and equipment includes purchase price, duties and taxes, other incidental expenses incurred during the construction/installation stage. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

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## 2.5 Intangibles

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Expenditure on development eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

## 2.6 Depreciation/amortisation

Based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given below best represent the period over which management expects to use these assets. Hence in certain class of assets, the useful lives is different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation/amortisation is provided on straight line method (SLM) over useful life.

Type of asset	Estimated useful life
Buildings	20 Years
Furniture and fixtures	10 Years
Office equipment	3 to 10 Years
Computers	3 Years
Vehicles	3 Years
Software	1 to 3 Years

The estimated useful lives of PPE and intangible assets as well as the depreciation and amortization period are reviewed at the end of each financial year and the depreciation and amortization method is revised to reflect the changed pattern, if any.

Leasehold improvements are amortized over the lease term or useful life of the asset, whichever is lower, over a period of 1 to 9 years.

## 2.7 Impairment

### a) Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount in the statement of profit and loss. An impairment loss

is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) has no impairment loss been recognised for the asset in the prior years. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) net selling price and its value in use.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Value in use is the present value of an asset calculated by estimating its net future value including the disposal value. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

### b) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i) Financial assets that are measured at amortized cost e.g., loans, deposits, and bank balances.
- ii) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date.

For all other financial assets, ECL is measured at an amount equal to the twelve month ECL unless there has been a significant increase in credit risk from the initial recognition in which case those are measured at lifetime ECL.

## 2.8 Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over

the lease term. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

The Company's lease assets consists of office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset

**Where the Company is a lessee**

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

At the date of commencement of the lease, the Company recognises a right of use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The cost of the right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right of use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right of use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right of use asset. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment.

Right of use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease payments shall include fixed payments, variable lease payments based on an index or rate, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Lease liability and right of use assets have been presented separately in the Balance Sheet and lease payments are classified as cash used in financing activities in the statement of cash flows.

**Company as a lessor**

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

**Transition**

Effective January 1, 2020, the Company has adopted Ind AS 116 "Leases" and applied the standard to all applicable lease contracts existing on January 1, 2020 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental rate at the date of initial application. Comparatives as at and for the year ended

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December 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our financial statements for year ended December 31, 2019.

## 2.9 Share capital

Ordinary shares are classified as equity, incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

## 2.10 Fair value of financial instruments

In determining the fair value of the financial instruments the Company uses variety of methods and assumptions that are based on market conditions and risk existing at each reporting date. The method used to determine the fair value includes discounted cash flow analysis, available quoted market prices and dealer quotes. All method of accessing fair value results in general approximation of value and such value may never actually be realised. For all other financial instruments the carrying amounts approximates fair value due to short term maturity of those instruments.

## 2.11 Financial instruments

### Initial recognition

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

### Subsequent measurement

#### a) Non-derivative financial instruments

##### (i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

##### (ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

##### (iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

##### (iv) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

#### b) Derivative financial instruments

The Company uses derivative financial instruments i.e. foreign exchange forward and options contracts to manage its exposure to foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The Company uses hedging instruments that are governed by the policies of the Company.

##### (i) Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income and presented within equity in the cash flow hedging

reserve to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction.

**(ii) Receivable hedge**

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges and the ineffective portion of cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses).

**Derecognition of financial instruments**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. The changes in fair value of equity investments designated at FVTOCI are accumulated within 'Equity instruments at OCI' reserve within equity. The Company transfers amounts from this reserve to retained earnings if these equity instruments are derecognised. A financial liability (or a part of a financial liability) is derecognised from the Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**2.12 Provision, contingent liabilities and contingent assets:**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.

**Contingent liabilities are disclosed for:**

- (i) possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed wherein an inflow of economic benefits is probable.

**2.13 Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**2.14 Revenue recognition**

**Income from operations**

Income from operations comprises income from initial rating and surveillance services, global research and analytical services, customised research, special assignments and subscriptions to information products and services, revenue from IPO grading services and independent equity research (IER) services.

- Revenue from Initial rating fees are deemed to accrue on the date the rating is awarded.
- Surveillance fee, subscription to information products and services and revenue from IER are accounted on a time proportion basis and revenue is straight lined over the period of performance.
- Revenue from customised research and IPO grading are recognised in the period in which such assignments are carried out in a time proportion basis.
- Global research and analytics revenue consists of time and material contracts which is recognised on output basis measured by number of hours/days/weeks worked at the rates specified in the agreements.

Provision for estimated losses, if any, on uncompleted contracts are recorded in the year in which such losses become certain based on the current estimates.

Revenue from group companies is recognised based on transaction price which is at arm's length.

Accrued revenue are classified as Unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period. Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could

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undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

## Grant income

Export benefits from government authorities are received in the form of saleable scrips and are recognised at fair value in the statement of profit and loss under "other income", where all attaching conditions will be complied with and to the extent there is no significant uncertainty as to the ultimate realisation on transfer of scrips in the year of the sale. The related costs are recognised under "other expense".

## Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

## Dividend income

Dividend income is recognised when the Company's right to receive payment is established by the balance sheet date.

## Profit /(loss) on sale of current investment

Profit/(loss) on sale of current investment is accounted when the sale is executed. On disposal of such investments, the difference between the carrying amount and the disposal proceeds, net of expenses, is recognized in the statement of profit and loss.

## 2.15 Retirement and other employee benefits

### Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value

of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

### Defined contribution plans

Retirement benefits in the form of provident fund is a defined contribution plan and is charge to the statement of profit and loss for each period of service rendered by the employees. Excess or short of contribution is recognised as an asset or liability in the financial statement. There are no other obligations other than the contribution payable to the respective authorities.

### Employee stock compensation cost

The Company recognises expense relating to share based payment in net profit using fair value in accordance with Ind AS 102-Share Based Payment.

The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the

options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under “share-based payment reserve”. The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest.

**2.16 Foreign currency transactions**

Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing at the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated.

**2.17 Taxes on income**

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) The Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets includes Minimum Alternate Tax (MAT) paid in accordance with the tax laws which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

**2.19 Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events such as buy back, Employee Stock Option Scheme (ESOS), etc., that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the Company has adopted treasury stock method to compute the new shares that can possibly be created by un-exercised stock options. The net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**2.20 Dividend**

The final dividend on shares is recorded as a liability on the date of approval by the shareholders. Interim dividend is recognised as a liability on the date of declaration by the Company's Board of Directors.

**2.21 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of

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transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flow from operating, investing and financing activities are segregated.

## 2.22 Non-current assets held for sale and Discontinued operations

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criterias are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the balance sheet date. Subsequently, such non-

current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortized.

A discontinued operation is a component of the entity that has been disposed off or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations and;
- is part of a single co-ordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately in the Standalone Statement of Profit and Loss.



**3A. Property, plant and equipment**

For the year ended December 31, 2020

Particulars	Carrying value				Accumulated depreciation			Net block			
	As at January 1, 2020	Additions	Deductions	Adjustments (Refer Note 46)	As at December 31, 2020	Up to January 1, 2020	For the year	Deductions	Adjustments (Refer Note 46)	Up to December 31, 2020	As at December 31, 2020
Buildings	10	-	-	-	10	10	-	-	-	10	-
Furniture and fixtures	925	39	123	8	833	665	75	98	7	635	198
Office equipments	1,708	42	27	45	1,673	1,176	123	16	37	1,246	427
Computers	5,627	1,531	35	331	6,792	4,190	895	33	256	4,796	1,996
Vehicles	601	24	148	150	327	341	115	123	83	250	77
Leasehold improvements	3,070	325	43	-	3,352	2,725	252	28	-	2,949	403
<b>Total</b>	<b>11,936</b>	<b>1,961</b>	<b>376</b>	<b>534</b>	<b>12,987</b>	<b>9,107</b>	<b>1,460</b>	<b>298</b>	<b>383</b>	<b>9,886</b>	<b>3,101</b>

For the year ended December 31, 2019

Particulars	Carrying value				Accumulated depreciation			Net block			
	As at January 1, 2019	Additions	Deductions	Adjustments	As at December 31, 2019	Up to January 1, 2019	For the year	Deductions	Adjustments	Up to December 31, 2019	As at December 31, 2019
Buildings	10	-	-	-	10	10	-	-	-	10	-
Furniture and fixtures	919	37	31	-	925	528	162	25	-	665	260
Office equipments	1,649	131	77	-	1,703	971	266	61	-	1,176	527
Computers	4,562	1,310	245	-	5,627	3,415	1,009	234	-	4,190	1,437
Vehicles	670	128	197	-	601	305	180	144	-	341	260
Leasehold improvements	3,052	18	-	-	3,070	2,424	301	-	-	2,725	345
<b>Total</b>	<b>10,862</b>	<b>1,624</b>	<b>550</b>	<b>-</b>	<b>11,936</b>	<b>7,653</b>	<b>1,918</b>	<b>464</b>	<b>-</b>	<b>9,107</b>	<b>2,829</b>

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## 3B. Right of use asset

For the year ended December 31, 2020

Particulars	Carrying value				Accumulated depreciation				Net block As at December 31, 2020	
	Transition impact of Ind AS 116 (Refer Note 39)	Additions	Lease Modification	Adjustments	As at December 31, 2020	Up to January 1, 2020	For the year	Lease Modification		Adjustments
Building	15,580	1,104	(2,339)	-	14,345	-	4,912	(1,264)	-	3,648
<b>Total</b>	<b>15,580</b>	<b>1,104</b>	<b>(2,339)</b>	<b>-</b>	<b>14,345</b>	<b>-</b>	<b>4,912</b>	<b>(1,264)</b>	<b>-</b>	<b>3,648</b>

(Rupees in lakhs)

## 4. Intangible assets

For the year ended December 31, 2020

Particulars	Carrying value				Accumulated amortisation				Net block As at December 31, 2020	
	As at January 1, 2020	Additions	Deductions	Adjustments (Refer Note 46)	As at December 31, 2020	Up to January 1, 2020	For the year	Deductions		Adjustments (Refer Note 46)
Software	2,595	817	-	10	3,402	1,508	1,101	-	2	2,607
<b>Total</b>	<b>2,595</b>	<b>817</b>	<b>-</b>	<b>10</b>	<b>3,402</b>	<b>1,508</b>	<b>1,101</b>	<b>-</b>	<b>2</b>	<b>2,607</b>

(Rupees in lakhs)

For the year ended December 31, 2019

Particulars	Carrying value				Accumulated amortisation				Net block As at December 31, 2019	
	As at January 1, 2019	Additions	Deductions	Adjustments	As at December 31, 2019	Up to January 1, 2019	For the year	Deductions		Adjustments
Software	2,463	132	-	-	2,595	800	708	-	-	1,508
<b>Total</b>	<b>2,463</b>	<b>132</b>	<b>-</b>	<b>-</b>	<b>2,595</b>	<b>800</b>	<b>708</b>	<b>-</b>	<b>-</b>	<b>1,508</b>

(Rupees in lakhs)

5. Investments

A. Non-current investments	As at December 31, 2020		As at December 31, 2019	
	No. of shares	Rupees in lakhs	No. of shares	Rupees in lakhs
<b>Investments in subsidiaries</b>				
<i>Unquoted equity investments carried at cost</i>				
Equity Shares of CRISIL Risk and Infrastructure Solutions Limited of Rupee 1 each, fully paid up (Refer Note 5.1)	49,999,970	707	49,999,970	707
Equity Shares of CRISIL Irevna UK Limited, of £ 1 each, fully paid up (Refer Note 5.1)	5,514,100	11,585	5,514,100	11,585
Equity Shares of CRISIL Irevna Argentina S.A. of ARS 1 each, fully paid up (Refer Note 5.1)	704,018	147	704,018	147
100% Investment in the capital of CRISIL Irevna Information & Technology (Hangzhou) Co., Limited (Refer Note 5.1)	-	244	-	244
Equity Shares of Pragmatix Services Private Limited of Rupees 10 each, fully paid up	3,140,000	5,600	3,140,000	5,600
Equity Shares of CRISIL Ratings Limited of Rupee 1 each, fully paid up (Refer Note 5.4)	261,000,000	2,610	1,000,000	10
<b>Sub - total (a)</b>		<b>20,893</b>		<b>18,293</b>
<b>Other investments</b>				
<i>Unquoted equity investments carried at fair value through OCI (Refer Notes 5.2 and 33)</i>				
Equity Shares of Caribbean Information and Credit Rating Agency of US \$1 each, fully paid up	300,000	155	300,000	120
Equity Shares of National Commodity and Derivative Exchange Limited of Rupees 10 each, fully paid up	1,875,000	3,082	1,875,000	3,204
<b>Sub - total (b)</b>		<b>3,237</b>		<b>3,324</b>
<i>Quoted equity investments carried at fair value through OCI (Refer Notes 5.2 and 33)</i>				
Other Investments				
Equity Share of CARE Ratings Limited of Rupees 10 each, fully paid up	2,622,431	13,791	2,622,431	16,756
Equity Share of ICRA Limited of Rupees 10 each, fully paid up (Refer Note 5.3)	1	-	1	-
<b>Sub - total (c)</b>		<b>13,791</b>		<b>16,756</b>
<b>Total non-current investments (A) - (a + b + c)</b>		<b>37,921</b>		<b>38,373</b>

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B. Current investments	As at December 31, 2020		As at December 31, 2019	
	No. of units	Rupees in lakhs	No. of units	Rupees in lakhs
<b>Investments in mutual funds</b>				
<i>(Unquoted investments carried at fair value through profit and loss)</i>				
<i>(Refer Note 33)</i>				
L&T Banking and PSU Debt Fund - Direct Plan - Growth	8,531,402	1,715	-	-
ICICI Prudential Savings Fund - Direct Plan - Growth	1,168,989	4,885	-	-
Invesco India Treasury Advantage Fund - Direct Plan - Growth	149,826	4,533	-	-
DSP Banking and PSU Debt Fund - Direct - Growth	25,079,791	4,805	-	-
IDFC Ultra Short Term Fund - Direct Plan - Growth	13,849,417	1,645	-	-
IDFC Low Duration Fund - Growth - Direct Plan	16,238,534	4,939	-	-
Aditya Birla Sun Life Savings Fund - Growth - Direct Plan	1,135,020	4,802	-	-
Kotak Savings Fund - Direct Plan - Growth	5,741,861	1,974	-	-
HDFC Charity Fund for Cancer Cure - Debt Plan - Direct - 100%	-	-	2,500,000	255
Invesco India Short Term Fund - Direct Plan Growth	-	-	157,336	4,313
Axis Treasury Advantage Fund - Direct Growth	-	-	87,495	2,000
LIC MF Banking and PSU Debt Fund - Direct Plan - Growth	-	-	17,417,522	4,606
IDFC Bond Fund - Short Term Plan - Growth - (Direct Plan)	-	-	6,754,142	2,862
L&T Short Term Bond Fund - Direct Plan - Growth	-	-	14,588,155	2,863
L&T Money Market Fund - Direct Plan - Growth	-	-	19,892,581	4,001
DSP Short Term Fund - Direct Plan - Growth	-	-	5,104,208	1,797
DSP Corporate Bond Fund - Direct - Growth	-	-	4,325,447	501
Sundaram Corporate Bond Fund Direct Growth	-	-	7,064,600	2,027
<b>Total investments in mutual funds (B)</b>		<b>29,298</b>		<b>25,225</b>
<b>Total investments (A + B)</b>		<b>67,219</b>		<b>63,598</b>

The market value of quoted investments is equal to the carrying value

- 5.1 Includes deemed investment on account of share based payment recharge to employees of subsidiary companies.
- 5.2 The total dividend recognized pertaining to FVTOCI instruments for the year ended on December 31, 2020 was Rupees 433 lakhs and for the year ended December 31, 2019 was Rupees 761 lakhs. Dividend from equity investments designated at FVTOCI relates to investments held at the end of the reporting period. For all the equity instruments that are classified by the Company as FVTOCI, fair value changes on the instrument, excluding dividends, are recognized in the OCI. The Company recognizes dividend in statement of profit and loss under the head "other income".
- 5.3 '-' in amounts' columns denote amounts less than Rupees 50,000.
- 5.4 Company has invested additional Rupees 2,500 lakhs and Rupees 100 lakhs on March 31, 2020 and May 20, 2020 respectively pursuant to the requirements of SEBI (Credit Rating Agencies) Regulations, 1999.

## 6. Loans (Non-current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
<i>Unsecured, considered good, unless otherwise stated</i>		
Security deposits	2,317	3,250
<b>Total</b>	<b>2,317</b>	<b>3,250</b>

## 7. Other financial assets (Non-current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
Unsecured, considered good, unless otherwise stated		
Interest accrued on fixed deposits	4	-
Other bank balances		
Bank deposits with original maturity for more than 12 months {Deposit includes fixed deposits with banks Rupees 6 lakhs (Previous year: 37 lakhs) marked as lien for guarantees issued by banks on behalf of the Company (Refer Note 34)}	57	51
<b>Total</b>	<b>61</b>	<b>51</b>

8. Income tax

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
Current tax (from continuing and discontinued operations)	5,928	9,259
Deferred tax (from continuing and discontinued operations)	(767)	1,896
<b>Total income tax expense recognised in current year</b>	<b>5,161</b>	<b>11,155</b>

The tax year for the Company being the year ending March 31, 2021, the tax expense for the year is the aggregate of the provision made for the three month period ended March 31, 2020 and the provision for the nine month period ended December 31, 2020. The tax provision for the nine month period has been arrived at using effective tax rate for the period April 1, 2020 to March 31, 2021.

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2020	December 31, 2019
Profit before tax (from continuing and discontinued operations)	21,833	37,784
Enacted income tax rate in India for fiscal year ended March 31, 2021 and March 31, 2020. (%)	25.17%	27.61%
Computed expected tax expense	5,495	10,433
<b>Effect of:</b>		
Income exempt from tax	(111)	(292)
Expenses that are not deductible in determining taxable profit	162	289
Tax expense/(reversal) of prior years	(368)	66
Income subject to different tax rates	-	(477)
Change in income tax rate	-	1,247
Others	(17)	(111)
<b>Total income tax expense recognised in the statement of profit and loss</b>	<b>5,161</b>	<b>11,155</b>

Deferred tax

The tax effect of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

As at December 31, 2020

(Rupees in lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in retained earnings	Recognised in OCI	Others*	Closing balance
Deferred tax liability on :						
Gains from other investments	642	-	-	(20)	-	622
Gains from mutual funds	91	(28)	-	-	-	63
Gains / losses on forward contracts	13	-	-	146	-	159
<b>Gross deferred tax liability</b>	<b>746</b>	<b>(28)</b>	<b>-</b>	<b>126</b>	<b>-</b>	<b>844</b>
Deferred tax asset on :						
Discounting on security deposits	12	153	-	-	-	165
Provision for compensated absences	1,238	233	-	-	(225)	1,246
Provision for bonus and commission	123	64	-	-	(371)	(184)
Provision for gratuity	535	28	-	98	(84)	577
Provision for doubtful debt	261	55	-	-	(182)	134
Unearned revenue	531	-	-	-	(531)	-
40A(ia) of the Income Tax Act, 1961 and other items	43	3	-	-	-	46
Property, plant and equipment and intangibles	839	102	-	-	19	960
On lease liability and right to use	-	101	232	-	-	333
<b>Gross deferred tax asset</b>	<b>3,582</b>	<b>739</b>	<b>232</b>	<b>98</b>	<b>(1,374)</b>	<b>3,277</b>
<b>Net deferred tax asset</b>	<b>2,836</b>	<b>767</b>	<b>232</b>	<b>(28)</b>	<b>(1,374)</b>	<b>2,433</b>

\* represents the amount of deferred tax as on December 31, 2019 pertaining to Rating business which has been transferred to CRISIL Ratings Limited. (Refer Note 46)

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As at December 31, 2019

(Rupees in lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in retained earnings	Recognised in OCI	Others*	Closing balance
<b>Deferred tax liability on :</b>						
Gains from other investments	672	-		(30)	-	642
Gains from mutual funds	50	41		-	-	91
Gains / losses on forward contracts	115	-		(102)	-	13
<b>Gross deferred tax liability</b>	<b>837</b>	<b>41</b>		<b>(132)</b>	<b>-</b>	<b>746</b>
<b>Deferred tax asset on :</b>						
Discounting on security deposits	11	1		-	-	12
Provision for compensated absences	1,826	(588)		-	-	1,238
Provision for bonus and commission	634	(511)		-	-	123
Provision for gratuity	662	(187)		60	-	535
Provision for doubtful debt	620	(359)		-	-	261
Unearned revenue	598	(67)		-	-	531
40A(ia) of the Income Tax Act, 1961 and other items	36	7		-	-	43
Property, plant and equipment and intangibles	990	(151)		-	-	839
<b>Gross deferred tax asset</b>	<b>5,377</b>	<b>(1,855)</b>		<b>60</b>	<b>-</b>	<b>3,582</b>
<b>Net deferred tax asset</b>	<b>4,540</b>	<b>(1,896)</b>		<b>192</b>	<b>-</b>	<b>2,836</b>

## 9. Tax assets (Non-current)

(Rupees in lakhs)

Particulars	As at	
	December 31, 2020	December 31, 2019
Advance income-tax (net of provision for taxation) {Provision of tax Rupees 120,050 lakhs (Previous year : Rupees 114,122 lakhs)}	4,145	4,815
<b>Total</b>	<b>4,145</b>	<b>4,815</b>

## 10. Other non-current assets

(Rupees in lakhs)

Particulars	As at	
	December 31, 2020	December 31, 2019
Prepaid rent	-	558
Capital advance	54	55
Prepaid expenses	318	418
<b>Total</b>	<b>372</b>	<b>1,031</b>

**11. Trade receivable (Current)**

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
Trade receivables considered good- Secured	-	-
Trade receivables considered good- Unsecured (Refer Note 37)	11,723	15,343
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	490	1,008
Less: Allowance for impairment loss	(490)	(1,008)
<b>Total</b>	<b>11,723</b>	<b>15,343</b>

The Company uses a provision matrix to determine impairment loss allowance on the portfolio trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At period end, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

Specific allowance for loss is also been provided by the management based on expected recovery on individual customers.

Reconciliation of loss allowance:

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
Opening balance	1,008	1,755
Transferred to CRISIL Ratings Limited	(714)	-
Movement during the year	196	(747)
<b>Closing balance</b>	<b>490</b>	<b>1,008</b>

**12. Cash and cash equivalents (Current)**

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
Balances with banks:		
On current accounts	9,775	6,727
Deposits with original maturity of less than 3 months	-	400
<b>Total</b>	<b>9,775</b>	<b>7,127</b>

**13. Other bank balances (Current)**

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
On unpaid dividend accounts	76	75
Deposit with original maturity for more than 3 months but less than 12 months {(Deposit includes fixed deposits with banks Rupees 5 lakhs (Previous year Rupees 29 lakhs) marked as lien for guarantees issued by banks on behalf of the Company. (Refer Note 34)}	92	92
<b>Total</b>	<b>168</b>	<b>167</b>

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## 14. Loans (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
<i>Unsecured, considered good, unless otherwise stated</i>		
Loan to subsidiaries (Refer Notes 37 and 38)	5,089	325
Loans to employees	213	323
Security deposits		
- Considered good	1,383	67
- Considered doubtful	43	27
Less: Allowance for impairment loss	(43)	(27)
<b>Total</b>	<b>6,685</b>	<b>715</b>
<b>Sub-classification of loans:</b>		
Loan receivables considered good- Secured	-	-
Loan receivables considered good- Unsecured	6,685	715
Loan receivables which have significant increase in credit risk	-	-
Loan receivables - credit impaired	43	27
Less: Allowance for impairment loss	(43)	(27)
<b>Total</b>	<b>6,685</b>	<b>715</b>

## 15. Other financial assets (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
<i>Unsecured, considered good, unless otherwise stated</i>		
Advances recoverable (Refer Note 37)	909	673
Receivable from CRISIL Ratings Limited on account of transfer against purchase consideration (Refer Note 37)	5,170	-
Unbilled receivables (Refer Note 15.1)	3,301	2,939
Accrued interest on fixed deposit	3	8
Interest accrued on loan to subsidiaries	158	1
Fair value of foreign currency forward contract (Refer Note 33)	846	49
<b>Total</b>	<b>10,387</b>	<b>3,670</b>

15.1 The balance lying in unbilled receivables as at December 31, 2019 is fully billed during the current year.

## 16. Other current assets

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
Prepaid rent	-	246
Prepaid expense	1,104	1,426
Balances with government authorities	863	931
Advances to suppliers and employees	787	568
<b>Total</b>	<b>2,754</b>	<b>3,171</b>

## 17. Asset held for sale

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
Building (Refer Note 17.1)	318	318
<b>Total</b>	<b>318</b>	<b>318</b>

17.1 The Company has classified a building premise as asset held for sale at its carrying value amounting to Rupees 318 lakhs. The Company has actively marketed the premise. The premise has been classified as unallocable as the Company believes that it is currently not practicable to allocate the premise to any segment.

18. Equity share capital

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
<b>Authorised capital:</b>		
100,000,000 equity shares of Rupee 1 each (Previous year 100,000,000 equity shares of Rupee 1 each)	1,000	1,000
<b>Issued, subscribed and paid up:</b>		
72,593,290 equity shares of Rupee 1 each fully paid up (Previous year 72,304,326 equity shares of Rupee 1 each)	726	723
<b>Total</b>	<b>726</b>	<b>723</b>

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

Equity shares

Particulars	As at December 31, 2020	
	Rupees in lakhs	Nos.
At the beginning of the year (face value of Rupee 1 per share)	723	72,304,326
Add : Issued during the year - Under employee stock option scheme (ESOS) (Refer Note 45)	3	288,964
<b>Outstanding at the end of the year</b>	<b>726</b>	<b>72,593,290</b>

Particulars	As at December 31, 2019	
	Rupees in lakhs	Nos.
At the beginning of the year (face value of Rupee 1 per share)	721	72,115,782
Add : Issued during the year - Under employee stock option scheme (ESOS) (Refer Note 45)	2	188,544
<b>Outstanding at the end of the year</b>	<b>723</b>	<b>72,304,326</b>

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rupee 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding/ultimate holding and/ or their subsidiaries

Out of equity shares issued by the Company, shares held by its Holding Company, Ultimate Holding Company and their subsidiaries/ associates are as below:

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
<b>Group Holding of the S&amp;P Global Inc.</b>		
31,209,480 equity shares of Rupee 1 each fully paid held by S&P India, LLC, fellow subsidiary (Previous year 31,209,480 equity shares of Rupee 1 each)	312	312
11,523,106 equity shares of Rupee 1 each fully paid held by S&P Global Asian Holdings Pte. Limited, fellow subsidiary (Previous year 11,523,106 equity shares of Rupee 1 each)	115	115
6,000,000 equity shares of Rupee 1 are held by Standard & Poor's International LLC, fellow subsidiary (Previous year 6,000,000 equity shares of Rupee 1 each)	60	60
<b>Total</b>	<b>487</b>	<b>487</b>

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**(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

Particulars	As at	As at
	December 31, 2020	December 31, 2019
<b>Equity shares bought back by the Company (in numbers)</b>		
Aggregate number of equity shares bought back by the Company (In last five years)	Nil	511,932
Aggregate number of bonus shares and shares issued for consideration other than cash by the Company	Nil	Nil

**(e) Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	As at December 31, 2020	
	% holding in the class	Nos.
<b>Equity shares of Rupee 1 each fully paid</b>		
1. Group Holding of the S&P Global Inc.		
a) S&P India, LLC	42.99%	31,209,480
b) S&P Global Asian Holdings Pte. Limited	15.87%	11,523,106
c) Standard & Poor's International LLC	8.27%	6,000,000
2. Life Insurance Corporation of India	5.95%	4,321,911
3. Jhunjhunwala Rakesh and Rekha	5.48%	3,975,000

Name of the shareholder	As at December 31, 2019	
	% holding in the class	Nos.
<b>Equity shares of Rupee 1 each fully paid</b>		
1. Group Holding of the S&P Global Inc.		
a) S&P India, LLC	43.16%	31,209,480
b) S&P Global Asian Holdings Pte. Limited	15.94%	11,523,106
c) Standard & Poor's International LLC	8.30%	6,000,000
2. Jhunjhunwala Rakesh and Rekha	6.64%	4,797,793
3. Life Insurance Corporation of India	5.48%	3,965,000

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**(f) Shares reserved for issue under options**

For details of shares reserved for issue under the employee stock option scheme (ESOS) of the Company (Refer Note 45).

**(g) Capital management**

The Company is predominantly equity financed and continues to maintain adequate amount of liquidity to meet strategic and growth objectives. The Company manages its capital to ensure that it will be able to continue as going concerns while maximising the return to its stakeholders. The Company has ensured a balance between earning adequate returns on treasury asset and need to cover financial and business risk. The Company actively monitors its portfolio and has a policy in place for investing surplus funds. Appropriate limits and controls are in place to ensure that investments are made as per policy. The company has a overdraft facility with banks to support any temporary funding requirements which has not been utilised as at December 31, 2020.

## 19. Explanation of reserves

**a) General reserve**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the retained earnings.

**b) Securities premium**

The amount received in excess of face value of the equity shares is recognised in securities premium.

**c) Retained earnings**

Retained earnings represent the cumulative profits of the Company and the effects of measurements of defined benefit obligation.

**d) Share-based payment reserve**

The share-based payment reserve account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees.

**e) Other comprehensive income (OCI)**

Other comprehensive income includes fair value changes in equity instruments and hedge reserve through OCI.

**f) Hedge reserve**

Forward contracts are stated at fair value at each reporting date. Changes in the fair value of the forward contracts that are designated and effective as hedges of future cash flows are recognized directly in OCI and accumulated under the hedging cash flow hedge reserve, net of applicable deferred income taxes.

**g) Capital redemption reserve**

The Company has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings. The amount in capital redemption reserve is equal to nominal amount of the equity shares bought back.

**h) Special Economic Zone (SEZ) reinvestment reserve**

The SEZ reinvestment reserve has been created out of the profit of eligible SEZ units in terms of the provisions of Section 10 AA(1)(ii) of the Income Tax Act, 1961. The reserve should be utilized by the Company for acquiring new plant and machinery for the purpose of business in terms of Section 10 AA(2) of the Income Tax Act, 1961.

**20. Other financial liabilities (non-current)**

Particulars	(Rupees in lakhs)	
	As at December 31, 2020	As at December 31, 2019
Employee related payables	499	489
Lease liability (Refer Note 39)	7,397	-
Sundry deposits	-	48
<b>Total</b>	<b>7,896</b>	<b>537</b>

**21. Provisions (Non-current)**

Particulars	(Rupees in lakhs)	
	As at December 31, 2020	As at December 31, 2019
Gratuity (Refer Note 40)	1,688	1,358
<b>Total</b>	<b>1,688</b>	<b>1,358</b>

**22. Trade payables (Current)**

Particulars	(Rupees in lakhs)	
	As at December 31, 2020	As at December 31, 2019
Total outstanding dues of micro enterprises and small enterprises (as per intimation received from suppliers)	9	3
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,486	6,755
<b>Total</b>	<b>5,495</b>	<b>6,758</b>

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## 22.1 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 is provided as under

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
-Principal amount remaining unpaid, but not due	9	3
-Interest due thereon as at year end	-	-
-Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
-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 Micro, Small and Medium Enterprises Development Act, 2006	-	-
-Interest accrued and remaining unpaid as at year end	-	-
-Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status its suppliers.

## 23. Other financial liabilities (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
Employee related payables	6,622	7,903
Lease liability (Refer Note 39)	3,668	-
Payable to CRISIL Ratings Limited on account of transfer of business (Refer Note 37)	27,619	-
Unpaid dividend (Investor education and protection fund will be credited as and when due)	76	75
Sundry deposit	48	75
<b>Total</b>	<b>38,033</b>	<b>8,053</b>

## 24. Provisions (Current)

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
Compensated absences (Refer Note 40)	4,951	4,920
Gratuity (Refer Note 40)	606	767
<b>Total</b>	<b>5,557</b>	<b>5,687</b>

## 25. Other current liabilities

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
Statutory liabilities	2,079	2,253
Advance received from customer (Refer Note 25.1)	191	382
Unearned revenue (Refer Note 25.1)	3,458	10,285
<b>Total</b>	<b>5,728</b>	<b>12,920</b>

25.1 The balance lying in 'Unearned revenue' and 'Advance received from customer' as at December 31, 2019 is fully recognised as revenue during the current year.

## 26. Income from operations

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2020	December 31, 2019
Ratings services	21,709	20,514
Research services	67,169	63,387
<b>Total</b>	<b>88,878</b>	<b>83,901</b>

26.1 The Company disaggregates revenue from contracts with customers by nature of services which has been described above. Further, disaggregation of revenue by geographical region is as under :

(Rupees in lakhs)

Geographical region	Year ended	Year ended
	December 31, 2020	December 31, 2019
India	12,905	15,509
Europe	25,893	24,654
North America	41,730	34,822
Rest of the world	8,350	8,916
<b>Total</b>	<b>88,878</b>	<b>83,901</b>

26.2 The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has right to consideration that corresponds directly with the value of entity's performance completed to date.

## 27. Other income

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2020	December 31, 2019
Interest on :		
- Income tax refund	-	361
- Bank deposits	46	30
- Loan to subsidiaries	811	10
- Financial assets carried at amortized cost	249	227
Grant income (Refer Note 47)	2,649	2,025
Profit on sale of property, plant and equipment	-	39
Dividend on investments (Refer Note 37)	441	5,485
Foreign exchange gain (net)	1,542	374
Profit on sale of current investments	698	836
Profit on fair valuation of current investments	252	532
Excess provision written back	395	78
Support and management fees	3,116	2,959
Miscellaneous income	196	25
<b>Total</b>	<b>10,395</b>	<b>12,981</b>

## 28. Employee benefits expenses

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2020	December 31, 2019
Salaries, wages and bonus	41,245	39,707
Share based payment to employees	76	220
Contribution to provident and other funds	1,327	1,346
Contribution to gratuity fund (Refer Note 40)	666	615
Staff training and welfare expenses	999	1,491
Less : Recoveries from subsidiaries towards overhead allocated	(679)	(550)
<b>Total</b>	<b>43,634</b>	<b>42,829</b>

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## 29. Finance cost

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2020	December 31, 2019
Interest expense on bank overdraft	3	-
Interest on lease liability (Refer note 39)	842	-
Reimbursement of interest on lease liability recovered from subsidiaries	(151)	-
<b>Total</b>	<b>694</b>	<b>-</b>

## 30. Depreciation and amortisation

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2020	December 31, 2019
Depreciation and amortisation on tangible, intangible and right of use assets (Refer Notes 3A, 3B and 4)	7,473	2,626
Less: Depreciation allocated to discontinuing operations	-	(167)
Less: Reimbursement of common depreciation recovered from subsidiaries	(905)	(63)
<b>Total</b>	<b>6,568</b>	<b>2,396</b>

## 31. Other expenses

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2020	December 31, 2019
Repairs and maintenance - buildings	1,482	1,620
Repairs and maintenance - others	630	749
Electricity	493	866
Communication expenses	906	686
Insurance	119	57
Rent (Refer Note 39)	128	4,364
Rates and taxes	219	12
Printing and stationery	64	115
Conveyance and travelling	741	2,239
Books and periodicals	791	738
Vehicle expenses	2	3
Remuneration to non-whole time directors	161	157
Business promotion and advertisement	37	25
Professional fees (Refer Note 37)	19,743	19,268
Associate service fee	2,282	2,257
Software purchase and maintenance expenses	1,215	911
Provision for doubtful deposits	28	3
Provision for doubtful debts / bad debts	140	-
Loss on sale of property, plant and equipment	1	-
Corporate social responsibility (CSR) expenses (Refer Note 43)	774	761
Donation (Refer Note 37)	84	328
Auditors' remuneration (Refer Note 35)	65	66
Recruitment expenses	197	251
Miscellaneous expenses	352	297
Less : Overhead allocated to discontinued operations	-	(2,785)
Less : Recoveries from subsidiaries towards overhead allocated	(4,110)	(1,049)
<b>Total</b>	<b>26,544</b>	<b>31,939</b>

## 32. Financial risk management

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in Note 33. The main types of risks are market risk (foreign currency exchange rate risk and price risk), business and credit risks and liquidity risk. The Company has in place a robust risk management policy with overall governance and oversight from the Audit Committee and Board of Directors. Risk assessment is conducted periodically and the Company has a mechanism to identify, assess, mitigate and monitor various risks to key business objectives.

The policies for managing specific risk are summarized below:

### 32.1 Market risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market price. Such changes may result from changes in foreign currency exchange rates, interest rate, price and other market changes. The Company's exposure to market risk is mainly due to foreign exchange rates and price risk.

#### Foreign currency exchange rate risk

The Company's exposure to market risk includes changes in foreign exchange rates. Most of the Company's transactions are carried out in INR. Exposures to currency exchange rates arise from the Company's overseas operations, which are primarily denominated in US dollars (USD), EURO and Pounds Sterling (GBP). As of December 31, 2020 and December 31, 2019, the Company has entered into foreign exchange forward contracts to hedge the effect of adverse fluctuations in foreign currency exchange rates. The details in respect of the outstanding foreign exchange forward contracts are given. (Refer Note 33.2)

Following is the currency profile of non-derivative financial assets and financial liabilities:

Particulars	As at December 31, 2020			
	(Foreign Currency in '000)		(Rupees in lakhs)	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	27,849	1,682	20,446	1,235
GBP	2,711	-	2,687	-
EURO	1,148	-	1,030	-
Others	362	1,907	142	324

  

Particulars	As at December 31, 2019			
	(Foreign Currency in '000)		(Rupees in lakhs)	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	19,717	3,363	14,070	2,400
GBP	2,786	-	2,599	-
EURO	679	12	541	9
Others	1,695	2,839	891	371

For the year ended December 31, 2020, every 5% increase/decrease of the respective foreign currencies compared to functional currency of the Company would impact operating margins by Rupees 1,137 lakhs (+/-6.08 %). For the year ended December 31, 2019, operating margins would increase/decrease by Rupees 766 lakhs (+/-2.79%). Exposure to foreign currency exchange rate vary during the year depending upon the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Company's exposure to currency risk.

#### Price risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company has adopted disciplined practices including position sizing, diversification, valuation, loss prevention, due diligence, and exit strategies in order to mitigate losses.

The Company is exposed to price risk arising mainly from investments in mutual funds recognized at FVTPL. The details of such investment are given under Note 5. If the prices had been higher/lower by 5% from the market prices existing as at the reporting date, profit would increase/decrease by Rupees 1,465 lakhs and Rupees 1,261 lakhs for the year ended December 31, 2020 and for the year ended December 31, 2019 respectively.

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The Company is also exposed to price risk arising mainly from investments in equity instruments recognized at FVTOCI. The details of such investment are given under Note 5. If the equity prices had been higher/lower by 5% from the market prices existing as at the reporting date, OCI for the year ended December 31, 2020 would increase/decrease by Rupees 690 lakhs and Rupees 838 lakhs for the year ended December 31, 2019.

## 32.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. For the Company, liquidity risk arises from obligations on account of financial liabilities - trade payables and other financial liabilities.

### Liquidity risk management

The Company continues to maintain adequate amount of liquidity/treasury to meet strategic and growth objectives. The Company has ensured a balance between earning adequate returns on liquidity/treasury assets and the need to cover financial and business risks. The Company's treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. The treasury position of the Company is given below:

Financial assets maturing within one year:

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
Trade receivables	11,723	15,343
Cash and cash equivalents	9,775	7,127
Other bank balances	168	167
Loans	6,685	715
Investments in mutual funds	29,298	25,225
Others	10,387	3,670
<b>Total</b>	<b>68,036</b>	<b>52,247</b>

Financial liabilities maturing within and after one year:

(Rupees in lakhs)

Particulars	As at December 31, 2020		As at December 31, 2019	
	within one year	after one year	within one year	after one year
Trade payables	5,495	-	6,758	-
Others	38,033	7,896	8,053	537
<b>Total</b>	<b>43,528</b>	<b>7,896</b>	<b>14,811</b>	<b>537</b>

## 32.3 Business and credit risks

To mitigate the risk arising from high dependence on any one business for revenues, the Company has adopted a strategy of diversifying in new products/services and into different business segments. To address the risk of dependence on a few large clients and a few sectors in the business segments, the Company has also actively sought to diversify its client base and industry segments.

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to this risk for receivables from customers.

To manage credit risk, the Company periodically assesses the financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company uses a provision margin to compute the expected credit loss allowance for trade receivable. Trade receivables are monitored on periodic basis for any non-recoverability of the dues. Bank balances are held with only high rated banks.

(Rupees in lakhs)

Receivables	As at	As at
	December 31, 2020	December 31, 2019
<= 6 months	11,653	15,888
> 6 months but <= 1 year	508	391
> 1 year	52	72
Provision for doubtful receivables	(490)	(1,008)

### 33. Financial Instruments

The carrying value and fair value of financial instruments by categories as at December 31, 2020 are as follows:

(Rupees in lakhs)

Particulars	Amortised cost	Financial assets/liabilities at FVTPL		Financial assets/liabilities at FVTOCI		Derivative instruments in hedging relationship	Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instrument designated upon initial recognition	Mandatory			
<b>Assets</b>								
Investments								
Quoted equity investments	-	-	-	13,791	-	-	13,791	13,791
Unquoted equity investments	-	-	-	3,237	-	-	3,237	3,237
Mutual funds	-	-	29,298	-	-	-	29,298	29,298
Cash and cash equivalents	9,775	-	-	-	-	-	9,775	9,775
Other bank balances	168	-	-	-	-	-	168	168
Trade receivables	11,723	-	-	-	-	-	11,723	11,723
Loans	9,002	-	-	-	-	-	9,002	9,002
Other financial assets	9,602	-	-	-	-	846	10,448	10,448
<b>Total</b>	<b>40,270</b>	<b>-</b>	<b>29,298</b>	<b>17,028</b>	<b>-</b>	<b>846</b>	<b>87,442</b>	<b>87,442</b>
<b>Liabilities</b>								
Trade payables	5,495	-	-	-	-	-	5,495	5,495
Other financial liabilities	45,929	-	-	-	-	-	45,929	45,929
<b>Total</b>	<b>51,424</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51,424</b>	<b>51,424</b>

The carrying value and fair value of financial instruments by categories as at December 31, 2019 are as follows:

(Rupees in lakhs)

Particulars	Amortised cost	Financial assets/liabilities at FVTPL		Financial assets/liabilities at FVTOCI		Derivative instruments in hedging relationship	Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instrument designated upon initial recognition	Mandatory			
<b>Assets</b>								
Investments								
Quoted equity investments	-	-	-	16,756	-	-	16,756	16,756
Unquoted equity investments	-	-	-	3,324	-	-	3,324	3,324
Mutual funds	-	-	25,225	-	-	-	25,225	25,225
Cash and cash equivalents	7,127	-	-	-	-	-	7,127	7,127
Other bank balances	167	-	-	-	-	-	167	167
Trade receivables	15,343	-	-	-	-	-	15,343	15,343
Loans	3,965	-	-	-	-	-	3,965	3,965
Other financial assets	3,672	-	-	-	-	49	3,721	3,721
<b>Total</b>	<b>30,274</b>	<b>-</b>	<b>25,225</b>	<b>20,080</b>	<b>-</b>	<b>49</b>	<b>75,628</b>	<b>75,628</b>
<b>Liabilities</b>								
Trade payables	6,758	-	-	-	-	-	6,758	6,758
Other financial liabilities	8,590	-	-	-	-	-	8,590	8,590
<b>Total</b>	<b>15,348</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,348</b>	<b>15,348</b>

#### 33.1 Fair value hierarchy

For financial reporting purpose, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value as at December 31, 2020 and December 31, 2019.

(Rupees in lakhs)

Particulars	As at December 31, 2020			As at December 31, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value:						
A Investments at FVTPL						
1. Mutual Funds	29,298	-	-	25,225	-	-
B Investments at FVTOCI						
1. Quoted equity shares	13,791	-	-	16,756	-	-
2. Unquoted equity shares	-	-	3,237	-	-	3,324
C Forward contracts receivable	-	846	-	-	49	-

### 33.2 Derivative financial instruments and hedging activity

The Company's risk management policy is to hedge substantial amount of forecast transactions for each of the major currencies presently US\$, GBP £ and Euro €. The hedge limits are governed by the risk management policy. The Company uses forward foreign exchange contracts to mitigate exchange rate exposure arising from forecast sales in foreign currencies. All forward exchange contracts have been designated as hedging instruments in cash flow hedges in accordance with Ind AS 109. Details of currency hedge and forward contract value are as under:

#### As at December 31, 2020

Type of Hedge	Currency	Number of contracts	Nominal value (Foreign currency in '000)	Carrying amount of hedging instrument (Rupees in lakhs)	Maturity date	Weighted average strike price/rate	Changes in fair value of hedging instrument (Rupees in lakhs)	Change in the hedging item used as the basis for recognising hedge effectiveness (Rupees in lakhs)
<b>Cash flow hedge</b>								
i) Foreign exchange forward contracts	USD	20	39,791	30,796	Jan - Dec-21	77.40	974	(974)
	GBP	11	6,080	6,005	Jan - Dec-21	98.76	(219)	219
	EUR	12	4,212	3,763	Jan - Dec-21	89.34	(128)	128
<b>Receivables hedge</b>								
i) Foreign exchange forward contracts	USD	1	6,250	4,896	6-Jul-21	78.34	219	(219)

#### As at December 31, 2019

Type of Hedge	Currency	Number of contracts	Nominal value (Foreign currency in '000)	Carrying amount of hedging instrument (Rupees in lakhs)	Maturity date	Weighted average strike price/rate	Changes in fair value of hedging instrument (Rupees in lakhs)	Change in the hedging item used as the basis for recognising hedge effectiveness (Rupees in lakhs)
<b>Cash flow hedge</b>								
i) Foreign exchange forward contracts	USD	24	51,415	37,692	Jan - Dec-20	73.31	155	(155)
	GBP	11	5,969	5,650	Jan - Dec-20	94.66	(163)	163
	EUR	12	3,459	2,918	Jan - Dec-20	84.36	57	(57)

<b>Movement in cash flow hedging reserve</b>		<b>(Rupees in lakhs)</b>
<b>Particulars</b>	<b>Foreign exchange forward contract</b>	
<b>As at January 1, 2019</b>		227
Add: Changes in fair value of effective portion of outstanding forecasted cash flow hedge		840
Less: Amounts reclassified to profit or loss		(1,133)
Less: Tax relating to above (net)		102
As at January 1, 2020		36
Add: Changes in fair value of effective portion of outstanding forecasted cash flow hedge		161
Add: Amounts reclassified to profit or loss		418
Less: Tax relating to above (net)		(146)
<b>As at December 31, 2020</b>		<b>469</b>

The Company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk. Hedge is broadly classified as revenue hedge and receivable hedge.

**Revenue hedge**

For forecasted revenue transaction, the Company will adopt cash flow hedge and record mark to market through OCI. Effective hedge is routed through OCI in the balance sheet and the ineffective portion is immediately routed through the statement of profit and loss.

**Receivable hedge**

The ineffective portion of cash flow hedges are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses).

**Details of unhedged foreign exposure**

<b>Currency</b>	<b>As at December 31, 2020</b>			
	<b>(Foreign Currency in '000)</b>		<b>(Rupees in lakhs)</b>	
	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
<b>Monetary</b>				
USD	27,849	1,682	20,446	1,235
GBP	2,711	-	2,687	-
EUR	1,148	-	1,030	-
Others	362	1,907	142	324
<b>Investment</b>				
USD	430	-	225	-
GBP	14,240	-	11,390	-
Others	796	-	105	-

  

<b>Currency</b>	<b>As at December 31, 2019</b>			
	<b>(Foreign Currency in '000)</b>		<b>(Rupees in lakhs)</b>	
	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
<b>Monetary</b>				
USD	19,717	3,363	14,070	2,400
GBP	2,786	-	2,599	-
EUR	679	12	541	9
Others	1,695	2,839	891	371
<b>Investment</b>				
USD	430	-	225	-
GBP	14,240	-	11,390	-
Others	796	-	105	-

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## 34. Details of contingent liabilities and capital commitments are as under:

(Rupees in lakhs)

Receivables	As at	As at
	December 31, 2020	December 31, 2019
<b>A. Contingent liabilities</b>		
1. Bank guarantee in the normal course of business	75	132
2. Disputed income tax, sales tax, service tax and GST demand:		
(i) Pending before appellate authorities in respect of which the Company is in appeal	8,544	8,158
(ii) Decided in Company's favour by appellate authorities and department is in further appeal	1,146	1,146
3. Provident fund		
<p>Based on the judgement by the Honorable Supreme Court dated 28 February 2019, past provident fund liability, is not determinable at present, in view of uncertainty on the applicability of the judgement to the Company with respect to timing and the components of its compensation structure. In absence of further clarification, the Company has been legally advised to await further developments in this matter to reasonably assess the implications on its financial statements, if any.</p> <p>The Company periodically receives notices and inquiries from income tax authorities related to the Company's operations in the jurisdictions of operations in. The Company has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands by income tax authorities will not succeed on ultimate resolution other than what has been provided or disclosed herein.</p>		
	<b>9,765</b>	<b>9,346</b>
<b>B. Capital commitment</b>		
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for. Management believes that the ultimate outcome of above matters will not have a material adverse impact on its financial position, results of operations and cash flows. In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments pending at various authorities.	189	138
<b>Total</b>	<b>9,954</b>	<b>9,574</b>

## 35. Auditors' remuneration includes :

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2020	December 31, 2019
Audit fees (including limited review fees)	52	52
<b>In any other matter:</b>		
Certification work	7	10
Out of pocket expenses	6	4
<b>Total</b>	<b>65</b>	<b>66</b>

## 36. Segment reporting

In accordance with Paragraph 3 of Indian Accounting Standard (Ind AS) 108 - Operating Segments, segment information has been given in the consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

37. List of related parties

Parties	Relationship
<b>Related parties where control exists</b>	
S&P Global Inc.	Ultimate Holding Company
CRISIL Risk and Infrastructure Solutions Limited ('CRIS')	Subsidiary
CRISIL Irevna UK Limited	Subsidiary
CRISIL Irevna US LLC	Subsidiary of CRISIL Irevna UK Limited
CRISIL Irevna Poland Sp.zo.o	Subsidiary of CRISIL Irevna UK Limited
CRISIL Irevna Argentina S.A.	Subsidiary
CRISIL Irevna Information & Technology (Hangzhou) Co. Limited	Subsidiary
Coalition Development Limited	Subsidiary of CRISIL Irevna UK Limited
Coalition Development Singapore Pte Limited	Subsidiary of Coalition Development Limited
Pragmatix Services Private Limited	Subsidiary
CRISIL Ratings Limited (Refer note 46)	Subsidiary (with effect from June 3, 2019)
CRISIL Irevna Australia Pty Ltd	Subsidiary of CRISIL Irevna UK Limited (with effect from August 28,2020)
Greenwich Associates LLC	Subsidiary of CRISIL Irevna US LLC (with effect from February 26, 2020)
Greenwich Associates International, LLC	Subsidiary of Greenwich Associates LLC (with effect from February 26, 2020 and till December 22, 2020)
Greenwich Associates UK (Holdings) Limited	Subsidiary of Greenwich Associates LLC (with effect from February 26, 2020)
Greenwich Associates Singapore PTE. LTD.	Subsidiary of Greenwich Associates LLC (with effect from February 26, 2020)
Greenwich Associates Japan K.K.	Subsidiary of Greenwich Associates LLC (with effect from February 26, 2020)
Greenwich Associates Canada ULC	Subsidiary of Greenwich Associates LLC (with effect from February 26, 2020)
Greenwich Associates UK Limited	Subsidiary of Greenwich Associates LLC (with effect from February 26, 2020)
CRISIL Foundation	Controlled Trust
<b>Other related parties (to the extent where transaction have taken place)</b>	
S&P India, LLC	Fellow subsidiary
Standard & Poor's International LLC	Fellow subsidiary
Standard & Poor's South Asia Services Private Limited	Fellow subsidiary
S&P Global Asian Holdings Pte. Limited	Fellow subsidiary
S&P Global Canada Corp.	Fellow subsidiary
S&P Global UK Limited	Fellow subsidiary
S&P Capital IQ (India) Private Limited	Fellow subsidiary
S&P Global Ratings Europe Limited	Fellow subsidiary
Standard & Poor's Financial Services, LLC	Fellow subsidiary
Standard & Poor's Singapore Pte. Ltd.	Fellow subsidiary
Standard & Poor's Hong Kong Limited	Fellow subsidiary
Standard & Poor's (Australia) Pty. Ltd.	Fellow subsidiary
Standard & Poor's Global Ratings Japan Inc.	Fellow subsidiary
S&P Global Market Intelligence LLC	Fellow subsidiary
S&P Ratings (China) Co. Ltd	Fellow subsidiary
Asia Index Private Limited	Fellow subsidiary
Fabindia Overseas Private Limited	Common Director
<b>Key Management Personnel</b>	
Girish Paranjpe	Independent Director
Vinita Bali	Independent Director
M. Damodaran	Independent Director
Shyamala Gopinath	Independent Director (with effect from July 10, 2020)
Arundhati Bhattacharya	Independent Director (upto April 15, 2020)
Ewout Steenberg	Director
Martin Fraenkel	Director (with effect from April 18, 2019)
Martina Cheung	Director (up to April 18, 2019)
John L Berisford	Chairman
Ravinder Singhanian	Alternate Director (up to July 22, 2019)
Ashu Suyash *	Managing Director and Chief Executive Officer
Amish Mehta *	Chief Operating Officer
Sanjay Chakravarti *	Chief Financial Officer
Minal Bhosale *	Company Secretary

\* Related parties as per Companies Act, 2013

# Standalone Financial Statements

## Transactions with related parties

(Rupees in lakhs)

Name of the related party	Nature of transaction / outstanding balances	As at and for the	As at and for the
		year ended December 31, 2020	year ended December 31, 2019
S&P Global UK Limited	Professional services rendered	690	362
	Amount receivable	220	216
S&P Global Canada Corp.	Professional services rendered	161	178
	Reimbursement of expenses received	1	-
S&P Global Ratings Europe Limited	Amount receivable	15	40
	Professional services rendered	4,516	4,639
Standard & Poor's Financial Services, LLC	Amount receivable	830	622
	Professional services rendered	13,354	11,766
Standard & Poor's Singapore Pte. Ltd.	Reimbursement of expenses received	22	-
	Amount receivable	23	884
Standard & Poor's Hong Kong Limited	Professional services rendered	656	714
	Amount receivable	46	55
Standard & Poor's (Australia) Pty. Ltd.	Professional services rendered	1,221	876
	Amount receivable	326	147
Standard & Poor's Global Ratings Japan Inc.	Professional services rendered	608	470
	Amount receivable	55	40
Standard & Poor's South Asia Services Private Limited	Professional services rendered	289	235
	Amount receivable	25	19
S&P Capital IQ (India) Private Limited	Reimbursement of expenses received	1,232	1,008
	Amount receivable	909	196
S&P Global Market Intelligence LLC	Reimbursement of expenses received	22	92
	Amount receivable	-*	17
S&P Ratings (China) Co. Ltd	Subscription fees paid	143	81
	Professional services rendered	2	14
S&P India, LLC	Amount payable	-	40
	Amount receivable	-	14
Standard & Poor's International LLC	Professional services rendered	-	11
	Dividend paid	9,987	9,363
S&P Global Asian Holdings Pte. Limited	Share capital outstanding	312	312
	Dividend paid	1,920	1,800
S&P Global Inc.	Share capital outstanding	60	60
	Reimbursement of expenses received	-*	-
Asia Index Private Limited	Amount receivable	-*	-
	Dividend paid	3,687	3,457
Fabindia Overseas Private Limited	Share capital outstanding	115	115
	Professional services rendered	2	2
CRISIL Risk and Infrastructure Solutions Limited	Reimbursement of expenses paid	4	2
	Professional services rendered	-	2
CRISIL Limited	Professional services rendered	-*	-*
	Support and management fee	-	72
CRISIL Limited	Expenses recovered	400	583
	Share of overhead expenses received	1,127	1,000
CRISIL Limited	Reimbursement of expense received (ESOS)	13	9
	Transfer of employee related liabilities	11	98
CRISIL Limited	Sale of property, plant and equipment	-	15
	Purchase of property, plant and equipment	1	2
CRISIL Limited	Loan given	750	150
	Loan repaid	300	600
CRISIL Limited	Loan outstanding	500	50
	Interest on loan received	40	8
CRISIL Limited	Interest receivable	17	1

Name of the related party	Nature of transaction / outstanding balances	As at and for the	As at and for the
		year ended December 31, 2020	year ended December 31, 2019
CRISIL Irevna UK Limited	Investment outstanding	707	707
	Amount receivable	454	386
	Professional services rendered	16,357	16,438
	Support and management fee	398	227
	Support services for product development	203	-
	Reimbursement of expenses received	30	24
	Reimbursement of expense received (ESOS)	11	18
	Dividend income	-	4,306
	Loan given	14,991	-
	Loan repaid	10,925	-
	Loan outstanding	4,589	-
CRISIL Irevna US LLC	Interest income	770	-
	Interest amount receivable	141	-
	Investment outstanding	11,585	11,585
	Amount receivable	2,236	1,319
	Professional services rendered	1,381	5,251
	Billing done on behalf of Company	6,482	16,377
	Professional fees paid	6,493	5,904
	Support and management fee	366	510
	Reimbursement of expenses received	88	12
	Sale of property, plant and equipment	2	-
	Amount received on behalf of the Company	2,201	-
CRISIL Irevna Argentina, S.A.	Reimbursement of expense received (ESOS)	(7)	32
	Amount receivable (net)	184	2,924
	Professional fees paid	5,039	4,910
CRISIL Irevna Poland Sp.zo.o	Investment outstanding	147	147
	Amount payable	404	376
	Professional fees paid	1,424	1,537
CRISIL Irevna Information & Technology (Hangzhou) Co. Limited	Reimbursement of expenses received	-	4
	Reimbursement of expense received (ESOS)	-	-*
	Amount payable	264	161
	Dividend income	-	402
	Professional fees paid	1,789	2,101
Coalition Development Limited	Reimbursement of expenses received	-	1
	Sale of property, plant and equipment	-	1
	Investment outstanding	244	244
	Amount payable	167	161
	Amount receivable	-	2
Coalition Development Singapore Pte Limited	Professional services rendered	1,423	1,253
	Support and management fee	1,098	1,092
	Reimbursement of expense received (ESOS)	5	310
	Reimbursement of expense received	-	1
	Amount receivable	-	568
CRISIL Foundation	Amount payable	191	-
	Professional services rendered	4,151	4,319
	Reimbursement of expense received (ESOS)	18	26
	Professional fees paid	354	173
	Amount receivable	128	888
Pragmatix Services Private Limited	Amount payable	95	16
	Donation	850	1,070
	Reimbursement of expenses received	14	52
	Amount receivable	4	-
	Support and management fee	-	72
Pragmatix Services Private Limited	Professional fees paid	-	2
	Expenses recovered	97	258
	Share of overhead expenses received	532	599
	Reimbursement of expense received (ESOS)	50	62
	Transfer of employee related liabilities	6	7
	Purchase of property, plant and equipment	-*	-
	Sale of property, plant and equipment	-	4

# Standalone Financial Statements

Name of the related party	Nature of transaction / outstanding balances	As at and for the year ended December 31, 2020	As at and for the year ended December 31, 2019
	Loan given	-	485
	Loan repaid	275	210
	Interest on loan received	1	1
	Loan outstanding	-	275
	Investment outstanding	5,600	5,600
	Interest receivable	-	-*
	Amount receivable (net)	396	28
CRISIL Ratings Limited #	Investment made during the year	2,600	10
	Net assets transferred to CRISIL Ratings Limited	5,170	-
	Reimbursement of expense received	30	-
	Reimbursement of expense received (ESOS)	83	-
	Share of overhead expenses received	3,070	-
	Expenses recovered	856	-
	Amount receivable	5,170	-
	Amount payable (net)	27,619	-
Greenwich Associates LLC	Professional services rendered	208	-
	Professional fees paid	63	-
	Amount receivable	65	-
	Amount payable	62	-
Girish Paranjpe	Sitting fees and commission	44	40
Shyamala Gopinath	Sitting fees and commission	19	-
Arundhati Bhattacharya	Sitting fees and commission	11	35
Vinita Bali	Sitting fees and commission	43	41
M. Damodaran	Sitting fees and commission	44	41
Ashu Suyash**	Remuneration	633	559
	Options granted (nos.)	-	21,056
Amish Mehta**	Remuneration	399	364
	Options granted (nos.)	-	11,633
Sanjay Chakravarti**	Remuneration	172	155
	Options granted (nos.)	-	5,488
Minal Bhosale**	Remuneration	96	91
	Options granted (nos.)	-	1,039

-\* in amounts column denote amount less than Rupees 50,000

\*\*Note: As the future liability for retirement and other employee benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to key managerial persons is not included above.

# As per the NCLT Order, rating business has been demerged from the Company with effect from the appointed date i.e 1 January 2020. Therefore, all current account transaction between January 1, 2020 to the date on which the scheme becoming effective have not been shown as related party transactions as these were done in trust and on behalf of CRISIL Ratings Limited (Refer Note 46).

# Standalone Financial Statements

## 38. The Company has provided following loans pursuant to Section 186 of the Companies Act, 2013 and disclosure under SEBI (LODR) Regulations, 2016:

(Rupees in lakhs)

Name of the entity	Relationship	Purpose for which the loan to be utilised	Particulars of loans	Amount outstanding as at December 31, 2020	Amount outstanding as at December 31, 2019	Maximum amount outstanding during the year
CRISIL Risk and Infrastructure Solutions Limited (CRIS)	100% subsidiary	Operational	The loan is repayable on demand. These loans carry interest @ 12.5% per annum.	500	50	600
Pragmatix Services Private Limited (PSPL)	100% subsidiary	Operational	The loan is repayable on demand. These loans carry interest as per ICICI Bank Limited's six months MCLR rate.	-	275	275
CRISIL Irevna UK Limited	100% subsidiary	Acquisition	Loan given as an unsecured loan for 10 years carrying an interest @ 6.413% per annum for financing acquisition.	4,589	-	15,719

For details of investments and advances provided to related parties Refer Note 37.

## 39. Leases

The Company has adopted Ind AS 116 effective January 1, 2020, using the modified retrospective method and has applied the standard to its leases with the cumulative impact recognized on the date of initial application i.e. January 1, 2020. Accordingly, previous period information has not been restated. The lease expenses which were recognized as rent expense in previous periods is now recognized as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The Company has elected not to recognize right-to-use assets and lease liabilities for short term leases (lease term of 12 months or less) and leases of low-value and has recognized the lease payments for such leases as an expense over the lease term. The transition has resulted in recognition of Right-of-Use (ROU) assets of Rupees 15,580 lakhs and Lease Liability of Rupees 15,105 lakhs in books. The cumulative effect of applying the standard resulted in Rupees 690 lakhs being debited to retained earnings (net of taxes). The adoption of this standard did not have any significant impact on the profit after tax and earnings per share.

### 39.1 The following is the movement in lease liabilities:

(Rupees in lakhs)

Particulars	Year ended December 31, 2020
<b>Balance as at January 1, 2020</b>	-
Additions (transitional impact on adoption of Ind AS 116)	15,105
Additions during the year	1,053
Add: Interest recognised during the year	842
Less: Waiver of lease rent	(25)
Less: Change in lease term	(1,231)
Payment made	(4,679)
<b>Balance as at December 31, 2020</b>	<b>11,065</b>

### 39.2 The table below provides details regarding the contractual maturities of lease liabilities as at December 31, 2020 on an undiscounted basis:

(Rupees in lakhs)

Particulars	Year ended December 31, 2020
Future minimum lease payments:	
Not later than one year	4,072
Later than one year and not later than five years	10,053
Later than five years	238
<b>Total</b>	<b>14,363</b>

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The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short term leases as per Ind AS 16 was Rupees 128 lakhs for the year.

Effective January 1, 2020, the Company has adopted Ind AS 116, Leases and has recognised interest on lease liability of Rupees 842 lakhs under finance costs.

The aggregate depreciation on ROU assets has been included under depreciation expense in the Statement of Profit and Loss. (Refer note 30)

## 40. Gratuity and other post employment benefits plans

In accordance with the Payment of Gratuity Act, 1972, CRISIL provides for gratuity, a defined benefit retirement plan covering eligible employees (completed continuous services of five years or more) of the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment at fifteen days salary of an amount based on the respective employee's salary and tenure of employment with the Company.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Net employee benefit expense recognised in statement of Profit and Loss and OCI:

(Rupees in lakhs)

Particulars	Year ended	Year ended
	December 31, 2020	December 31, 2019
Current service cost	565	592
Interest cost on defined benefit obligation	105	104
Re-measurement - actuarial (gain)/loss (recognized in OCI)	410	201
Expected return on plan assets (recognized in OCI)	(20)	13
Adjustment	(4)	21
Less: Amount transferred to discontinued operations	-	(102)
<b>Net gratuity benefit expense</b>	<b>1,056</b>	<b>829</b>

### Balance Sheet:

Details of provision for gratuity benefit

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
Present value of funded obligations	4,620	4,445
Fair value of plan assets	(2,326)	(2,320)
<b>Net liability</b>	<b>2,294</b>	<b>2,125</b>

Changes in the present value of the defined benefit obligation are as follows:

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
Opening defined benefit obligation	4,445	3,965
Current service cost	565	592
Interest cost	246	275
Acquisitions/ transfer (credit)/ cost	(669)	25
Actuarial (gain)/loss	(28)	(24)
Actuarial (gain)/loss (financial assumptions)	438	225
Benefits paid	(377)	(613)
<b>Closing defined benefit obligation</b>	<b>4,620</b>	<b>4,445</b>

Changes in the fair value of plan assets are as follows:

(Rupees in lakhs)

Particulars	As at	As at
	December 31, 2020	December 31, 2019
Opening fair value of plan assets	2,320	2,008
Acquisition/ transfer adjustment	(384)	-
Expected return on plan assets	-	(13)
Interest (income) / expense on plan assets	141	171
Contribution by employer	606	767
Return on plan assets greater / (lesser) than discount rate	20	-
Benefits paid	(377)	(613)
<b>Closing fair value of plan assets</b>	<b>2,326</b>	<b>2,320</b>

The defined benefit obligation shall mature after December 31, 2020 as follows:

Particulars	Rupees in lakhs
December 31, 2021	408
December 31, 2022	484
December 31, 2023	566
December 31, 2024	599
December 31, 2025	680
December 31, 2026 to December 31, 2030	3,718

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Year ended	Year ended
	December 31, 2020	December 31, 2019
Investment with insurer	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity for the Company's plans is as below:

Particulars	Year ended	Year ended
	December 31, 2020	December 31, 2019
Discount rate	5.70%	6.80%
Rate of return on plan assets	7.00%	7.50%
<b>Expected employee turnover</b>		
Service years	<b>Rates</b>	<b>Rates</b>
Service < 5	20.00%	20.00%
Service => 5	10.00%	10.00%
Increment	10% for First 4 years starting 2020 and 7% thereafter	10% for First 4 years starting 2019 and 7% thereafter
Expected employer's contribution next year (Rupees in lakhs)	606	767

Broad category of plan assets as per percentage of total plan assets of the gratuity

Particulars	Year ended	Year ended
	December 31, 2020	December 31, 2019
Government securities	81%	76%
Fixed deposit, debentures and bonds	13%	18%
Others	6%	6%
<b>Total</b>	<b>100%</b>	<b>100%</b>

The actuarial assumptions for the determination of defined benefit obligations are discount rate and salary escalation rate. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, holding all other assumptions constant.

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Discount rate	Rupees in lakhs
Effect on DBO due to 0.5% increase in discount rate	(176)
Effect on DBO due to 0.5% decrease in discount rate	189

Salary escalation rate	Rupees in lakhs
Effect on DBO due to 0.5% increase in salary escalation rate	155
Effect on DBO due to 0.5% decrease in salary escalation rate	(151)

## Other benefits

The Company has recognised the following amounts in the statement of profit and loss: (Rupees in lakhs)

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
i. Contribution to provident fund	1,170	1,178
ii. Contribution to other funds	157	168

The expenses for compensated absences have been recognised in the same manner as gratuity and a provision of Rupees 4,951 lakhs has been made as at December 31, 2020 (Rupees 4,920 lakhs as at December 31, 2019).

## 41. Earning per share

The following reflects the profit and share data used in the basic and diluted Earning Per Share (EPS) computations:

(Rupees in lakhs)

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
<b>Net profit for calculation of basic/diluted EPS</b>		
From continuing operations	16,672	13,551
From discontinued operations	-	13,078

Particulars	Year ended December 31, 2020 (Nos.)	Year ended December 31, 2019 (Nos.)
Weighted average number of equity shares in calculating basic EPS	72,494,072	72,243,688
<b>Effect of dilution:</b>		
Add: weighted average stock options granted under ESOS	53,214	95,840
Weighted average number of equity shares in calculating diluted EPS	72,547,286	72,339,528

Earnings per share : Nominal value of Rupee 1	Year ended December 31, 2020 (Rupees)	Year ended December 31, 2019 (Rupees)
From continuing operations		
Basic	23.00	18.76
Diluted (On account of ESOS, Refer note 45)	22.98	18.73
<b>From discontinued operations</b>		
Basic	-	18.10
Diluted (On account of ESOS, Refer note 45)	-	18.08
<b>From continuing and discontinued operations</b>		
Basic	23.00	36.86
Diluted (On account of ESOS, Refer note 45)	22.98	36.81

The following potential equity shares are anti-dilutive and therefor excluded from the weighted average number of equity shares for the purpose of diluted EPS

Particulars	Year ended December 31, 2020 (Nos.)	Year ended December 31, 2019 (Nos.)
Options to purchase equity shares had anti-dilutive effect	110,150	263,247

## 42. Dividend

Details of dividend paid on equity shares are as under:

(Rupees in lakhs)

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
Final dividend for the year 2019 (Previous year 2018) Rupees 13 per equity share (Previous year Rupees 11 per share) of Rupee 1 each	9,422	7,938
Dividend distribution tax on final dividend	-	1,632
Interim dividend for the year 2020 (Previous year 2019) Rupees 19 per equity share (Previous year Rupees 19 per share) of Rupee 1 each	13,781	13,735
Dividend distribution tax on interim dividend	-	1,857
<b>Total</b>	<b>23,203</b>	<b>25,162</b>

### Proposed dividend

The Board of Directors at its meeting held on February 11, 2021 have recommended a payment of final dividend of Rupees 14 per equity share of face value of Rupee 1 each for the financial year ended December 31, 2020. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

43. Corporate Social Responsibility (CSR) expenses for the year ended December 31, 2020 includes Rupees 774 lakhs (Previous year Rupees 761 lakhs) includes spend on various CSR schemes as prescribed under Section 135 of the Companies Act, 2013. The CSR amount based on limits prescribed under the Companies Act, 2013 for the year was Rupees 728 lakhs (Previous year Rupees 733 lakhs). Key CSR activities were “education and women empowerment – financial capability building” and “conservation of environment”.

44. The Company has considered internal and external information and has performed sensitivity analyses based on current estimates, in assessing the recoverability of receivables, unbilled revenues, goodwill, intangible assets, other financial assets (including cash liquidity), and the profitability of the company. Whilst the situation continues to be extremely dynamic, at present the company does not see any material impact on the above. However, the actual impact of the pandemic on the company’s financial performance may differ from what is estimated, and the company continues to monitor changes to future economic conditions.

## 45. Employee stock option scheme (“ESOS”)

The Company has formulated an ESOS based on which employees are granted options to acquire the equity shares of the Company that vests in a graded manner. The options are granted at the closing market price prevailing on the stock exchange, immediately prior to the date of grant. Details of the ESOS granted are as under :

Details	Date of grant	No. of options granted	Exercise price (Rupees)	Graded vesting period :			Weighted average price (Rupees)**
				1st Year	2nd Year	3rd Year	
ESOS 2014 (1)	17-Apr-14 *	2,860,300	1,217.20	953,433	953,433	953,434	469.48
ESOS 2014 (2)	01-Jun-15 *	71,507	2,101.10	23,835	23,835	23,837	708.36
ESOS 2012 (1)	16-Apr-12	903,150	1,060.00	180,630	361,260	361,260	320.59
ESOS 2012 (2)	16-Apr-12	5,125	1,060.00	5,125	-	-	230.97
ESOS 2012 (3)	14-Feb-14	123,000	1,119.85	24,600	49,200	49,200	334.20
ESOS 2011 (1)	14-Feb-11	1,161,000	579.88	232,200	464,400	464,400	185.21
ESOS 2011 (2)	14-Feb-11	23,750	579.88	23,750	-	-	149.41
ESOS 2011 (3)	3-Oct-14	33,000	1,985.95	6,600	13,200	13,200	583.69
ESOS 2011 (4)	25-Feb-15	22,000	2,025.20	4,400	8,800	8,800	515.78
ESOS 2011 (5)	16-Dec-16	194,200	2,180.85	38,840	77,680	77,680	621.74
ESOS 2012 (4)	16-Dec-16	47,800	2,180.85	9,560	19,120	19,120	621.74
ESOS 2014 (3)	16-Dec-16*	82,100	2,180.85	27,093	27,093	27,914	734.46
ESOS 2014 (4)	09-Mar-17*	13,400	1,997.35	4,422	4,422	4,556	680.28
ESOS 2014 (5)	17-Jul-17*	25,000	1,956.55	8,250	8,250	8,500	626.51
ESOS 2014 (6)	08-Jan-18*	8,000	1,919.25	2,666	2,666	2,667	623.48
ESOS 2014 (7)	24-Jan-18*	238,970	1,969.45	79,656	79,656	79,658	651.23
ESOS 2014 (8)	4-Apr-18	164,457	1,841.35	54,818	54,818	54,820	410.12
ESOS 2014 (9)	16-Apr-19	226,155	1,568.85	75,384	75,384	75,387	332.35

\* At the end of 3rd, 4th & 5th year in equal tranches

\*\*Weighted average price of options as per Black -Scholes Option Pricing model at the grant date.

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The Company had three schemes under which options have been granted in the past. Under ESOS 2011, ESOS 2012, ESOS 2014 (8) and ESOS 2014 (9) option vest over three years at each of the anniversaries. ESOS 2011 and ESOS 2012 are exercisable within three years from the date of vesting and are settled in equity on exercise. ESOS 2014 (8) and ESOS 2014 (9) are exercisable within two years from the date of vesting and are settled in equity on exercise.

Under ESOS 2014 (1-7) options vest over five years starting from third anniversary of the grant. Options are exercisable within two years from the date of vesting and are settled in equity on exercise.

The summary for each scheme as at December 31, 2020

Particulars	ESOS - 2011		ESOS - 2012		ESOS - 2014	
	Number of options	Wtd. avg. exercise price (Rupees)	Number of options	Wtd. avg. exercise price (Rupees)	Number of options	Wtd. avg. exercise price (Rupees)
Outstanding at the beginning of the year	207,400	2,168.45	74,030	1,804.92	1,112,938	1,563.03
Granted during the year	-	N.A.	-	N.A.	-	N.A.
Forfeited during the year	-	N.A.	15,030	1,684.59	110,596	1,812.45
Exercised during the year	-	N.A.	19,200	1,119.85	269,764	1,226.04
Expired during the year	52,040	2,131.41	7,960	2,180.85	91,113	1,446.12
Outstanding at the end of the year	155,360	2,180.85	31,840	2,180.85	641,465	1,678.36
Exercisable at the end of the year	155,360	2,180.85	31,840	2,180.85	392,868	1,622.82

The summary for each scheme as at December 31, 2019

Particulars	ESOS - 2011		ESOS - 2012		ESOS - 2014	
	Number of options	Wtd. avg. exercise price (Rupees)	Number of options	Wtd. avg. exercise price (Rupees)	Number of options	Wtd. avg. exercise price (Rupees)
Outstanding at the beginning of the year	220,600	2,157.53	74,030	1,804.92	1,356,879	1,547.24
Granted during the year	-	N.A.	-	N.A.	226,155	1,568.85
Forfeited during the year	-	N.A.	-	N.A.	246,193	1,795.83
Exercised during the year	-	N.A.	-	N.A.	188,544	1,217.20
Expired during the year	13,200	1,985.95	-	N.A.	35,359	1,217.20
Outstanding at the end of the year	207,400	2,168.45	74,030	1,804.92	1,112,938	1,563.03
Exercisable at the end of the year	207,400	2,168.45	74,030	1,804.92	607,682	1,367.84

Particulars	Date	Wtd. avg. exercise price (Rupees)
Weighted average share price at the date of exercise.	February 11, 2020	1,793.60
	April 21, 2020	1,366.43
	July 21, 2020	1,571.67
	October 20, 2020	1,762.51

Particulars	Range of exercise prices Rupees	Wtd. avg. remaining contractual life
Range of exercise prices and weighted average remaining contractual life.	1119.85 to 1217.25	106 days
	1568.85 to 1,997.35	1110 days
	2,101.10 to 2,180.85	744 days

Cash inflow on exercise of options at the weighted average share price at the date of exercise.

Particulars	Year ended December 31, 2020		Year ended December 31, 2019	
	Numbers	Rupees in lakhs	Numbers	Rupees in lakhs
Exercised during the year	288,964	3,522	188,544	2,295
<b>Total</b>	<b>288,964</b>	<b>3,522</b>	<b>188,544</b>	<b>2,295</b>

There are no cash settled plans implemented by the Company and hence there is no further liability booked in the books.

The estimates of future cash inflow that may be received upon exercise of options.

Particulars	Year ended		Year ended	
	December 31, 2020		December 31, 2019	
	Numbers	Rupees in lakhs	Numbers	Rupees in lakhs
Not later than two years	814,380	14,569	1,248,464	20,645
Later than two years & not later than five years	14,285	280	145,904	2,584
<b>Total</b>	<b>828,665</b>	<b>14,849</b>	<b>1,394,368</b>	<b>23,229</b>

**46.** Securities and Exchange Board of India (SEBI) notifications dated May 30, 2018 and September 19, 2018, under the SEBI (Credit Rating Agencies) Regulations, 1999, have mandated segregation of Ratings and Non-Ratings businesses of Credit Rating Agencies. Pursuant to, and in order to comply with these notifications, CRISIL's Board of Directors approved transfer of the Ratings business to CRISIL Ratings Limited, (incorporated on June 3, 2019), a wholly owned subsidiary of the Company. This transfer has been undertaken through a 'Scheme of arrangement in terms of Section 230 to 232 of the Companies Act, 2013' ('Scheme') which has been approved by Stock Exchanges. The Scheme has been sanctioned by the National Company Law Tribunal (NCLT) with appointed date as January 1, 2020 and the certified copy of the Order dated June 8, 2020 has been received on July 7, 2020 which has been filed with Registrar of Companies on July 20, 2020. Further SEBI and Reserve Bank of India (RBI) has given necessary approval on December 4, 2020 and December 31, 2020, respectively, to CRISIL Ratings Limited to act as a Credit Rating Agency. On receipt of approval, the Scheme became effective on December 31, 2020 with the appointed date of January 1, 2020. The whole of the assets and liabilities of the transferred business became the assets and liabilities of the resulting company and were transferred at their book value as per the Order, as appearing in the books of the Company with effect from the appointed date.

**46.1** The details of assets and liabilities transferred to CRISIL Ratings Limited are as under:

Particulars	(Rupees in lakhs)	
	As at January 1, 2020	
<b>A. Assets</b>		
Property, plant and equipment	151	
Intangible assets	8	
Trade receivables	2,124	
Loans	37	
Cash and cash equivalents	2,880	
Other bank balance	67	
Current Investments	10,193	
Other financial assets	963	
Other current assets	58	
<b>Total assets</b>	<b>16,481</b>	
<b>B. Liabilities</b>		
Trade payable	306	
Other financial liabilities	1,773	
Provisions	1,226	
Other current liabilities	8,006	
<b>Total liabilities</b>	<b>11,311</b>	
<b>C. Net Assets</b>	<b>5,170</b>	

**46.2** Pursuant to the requirements of Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations', the financial results of Ratings business transferred was presented as discontinued operations in the year ended December 31, 2019 as follows:

Particulars	(Rupees in lakhs)	
	Year ended December 31, 2019	
Revenue from operations	33,967	
Total expense	15,901	
Profit before tax	18,066	
Tax expense	4,988	
Profit after tax	13,078	

# Standalone Financial Statements

Cash flow from discontinued operations is as follows:

(Rupees in lakhs)

Particulars	Year ended December 31, 2019
Cash generated from operating activities	15,553
Cash used in investing activities	(3,748)

47. During the year, the Company received export benefits amounting to Rupees 2,649 lakhs (Previous year 2,025 lakhs) in the form of duty free saleable scrips under the Service Export Incentive Scheme (SEIS) from the government authorities and the same has been accounted for as "Other income" in the standalone financial statements.

48. Previous year's figures have been regrouped where necessary to conform to current year classification.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

**For Walker Chandiok & Co LLP**

Chartered Accountants  
Firm Registration No.:001076N/N500013

**Khushroo B. Panthaky**

Partner  
Membership No.: 042423

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

**John L Berisford**

Chairman  
[DIN: 07554902]  
Place: Connecticut

**Ashu Suyash**

Managing Director and Chief Executive Officer  
[DIN: 00494515]  
Place: Mumbai

**Sanjay Chakravarti**

Chief Financial Officer

**Minal Bhosale**

Company Secretary  
Place: Mumbai

Date: February 11, 2021  
Place: Mumbai

Date: February 11, 2021  
Place: Mumbai

# Notice

NOTICE is hereby given that the Thirty-Fourth Annual General Meeting (“AGM”) of the members of CRISIL Limited (the Company) will be held on Tuesday, April 20, 2021 at 4.00 p.m IST through Video Conferencing (VC) and/or other audio visual means (OAVM) means, without the in-person presence of shareholders.

In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide circular dated January 13, 2021 and Securities and Exchange Board of India (“SEBI”) vide circular dated January 15, 2021 (hereinafter referred to as “Circulars”) permitted companies to hold their general meetings through video conferencing (VC) or other audiovisual means (OAVM) for the year 2021. In keeping with government advisories on Covid-19 and considering the current extraordinary circumstances, which are not conducive to a safe conduct of the AGM with physical attendance of stakeholders, the Board of Directors has approved conduct of the 34th Annual General Meeting through Video Conferencing and/or other audio visual means (OAVM) (hereinafter referred to as “VC/OAVM”).

Notice is hereby given that the following business will be transacted at the AGM:

## ORDINARY BUSINESS:

### 1. Adoption of Financial Statements

To receive, consider and adopt:

- a. the Audited Financial Statements of the Company for the year ended December 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon; and
- b. the Audited Consolidated Financial Statements of the Company for the year ended December 31, 2020, together with the Report of the Auditors thereon.

### 2. Declaration of dividend

To declare final dividend on equity shares of Rs.14 per equity share and to approve and confirm the declaration and payment of three interim dividends aggregating Rs. 19 per equity share for the year ended December 31, 2020.

### 3. Re-appointment of Mr. John Berisford

To appoint a Director in place of Mr. John Berisford (DIN 07554902), who retires by rotation and, being eligible, seeks re-appointment.

By order of the Board

For **CRISIL Limited**  
**Minal Bhosale**

Company Secretary  
ACS 12999

Mumbai, February 11, 2021

## NOTES

### FOR JOINING THE AGM THROUGH VC/OAVM:

1. The detailed procedure for participating in the AGM through VC/OAVM is as under:
  - i. Members will be provided with a facility to attend the AGM through the National Securities Depository Limited (NSDL) integrated e-voting and AGM attendance system.
  - ii. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available against the name and EVEN of the Company.
  - iii. Members who do not have the User ID and Password for e-voting through NSDL system or have forgotten the User ID and Password may retrieve the same by following the procedure stated in the instructions related to e-voting, mentioned in the Notice. Further members can also use the OTP based login for logging into the e-voting system of NSDL.
  - iv. Members can participate in the AGM through smart phone/laptop, however, for better experience and smooth participation, members are advised to join through a laptop connected through broadband. Please note that members connecting from mobile devices or tablets or through laptops etc., connected via mobile hotspot, may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use a stable Wi-Fi or LAN connection.
  - v. Members who would like to express their views/pose questions/register as speaker shareholders at the AGM, may send their questions in advance at least 48 hours before the start of the AGM i.e. by April 18, 2021 by 4.00 p.m. IST from their registered email address mentioning their name, demat account number/folio number and mobile number, to the Company's email address [investors@crisil.com](mailto:investors@crisil.com). The Company reserves the right to restrict the number of speakers as appropriate for smooth conduct of the AGM.
  - vi. For convenience of the members and proper conduct of AGM, members can login and join the AGM 15 minutes before the time scheduled for the AGM. Access will be open throughout the proceedings of AGM as well.
  - vii. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

viii. Members who need assistance before or during the AGM with use of technology, can:

- Send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or use toll free no.: 1800-1020-990/1800-22-44 30; or
- Specifically for assistance with VC/OAVM facility, contact Mr. Sanjeev Yadav, Assistant Manager, NSDL at the designated email ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [SanjeevY@nsdl.co.in](mailto:SanjeevY@nsdl.co.in) or at telephone number +91- 9324006225; or
- Specifically for escalation/assistance with e-voting, contact Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or at 'toll free no. 1800-1020-990/1800-22-44 30.

2. Corporate Members are requested to send a scanned copy of a duly certified copy of the Board Resolution authorising their representative(s) with attested specimen signature of the authorised representative to the Company, at [investors@crisil.com](mailto:investors@crisil.com) for participating at the AGM.
3. As physical attendance of the members is dispensed with by law for VC/OAVM facilitated AGMs, the facility of appointment of proxies by members will not be available for the Meeting.

**INSTRUCTIONS RELATED TO E-VOTING:**

4. The Company will be providing e-voting facility to the members so as to facilitate them to cast their vote on all resolutions set forth in this Notice electronically, through e-voting services provided by NSDL.
5. The remote e-voting period shall commence on Friday, April, 16, 2021 at 10:00 a.m. and end on Monday, April 19, 2021 at 5:00 p.m. The remote e-voting module shall be disabled at 5.00 p.m. on April 19, 2021. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.
6. The instructions for e-voting are as under:

**Step 1:** Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com/>

- How to Log-in to NSDL e-voting website?

  - a) Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
  - b) Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
  - c) A new screen will open. Member will need to enter his/her User ID, Password and a verification code as shown on the screen. Alternatively, if the member is registered for NSDL eservices i.e. IDEAS, he/she can log-in at <https://eservices.nsdl.com/> with existing IDEAS login. Once the member logs-in to NSDL eservices after using log-in credentials, click

on e-voting and proceed to Step 2 i.e. Cast your vote electronically.

d) User ID details are given below:

<b>Manner of holding shares</b>		<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID	For example if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID	For example if your Beneficiary ID is 12***** then your User ID is 12*****.
c) For Members holding shares in physical form	EVEN Number followed by Folio Number registered with the Company	For example if folio number is 001*** and EVEN is 101456 then User ID is 101456001***

e) The password details are given below:

- 1) If the member is already registered for e-voting, then he/she can use the existing password to login and cast his/her vote.
- 2) If the member is using NSDL e-voting system for the first time, the member will need to retrieve the 'initial password' which was communicated to the member. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force the member to change the password.
- 3) How to retrieve the 'initial password'?
  - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is the 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please refer to point 25 below.
- f) If the member is unable to retrieve or have not received the "Initial password" or has forgotten the password:
  - 1) Click on "Forgot User Details/Password?" option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/), if you are

holding shares in your demat account with NSDL or CDSL.

- 2) Click on “Physical User Reset Password?” option available on [www.evoting.nsd.com](http://www.evoting.nsd.com), if you are holding shares in physical mode.
  - 3) If the member is still unable to get the password by aforesaid two options, he/she can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning the demat account number/folio number, PAN, name and registered address.
  - 4) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
- g) After entering the password, tick on Agree to “Terms and Conditions” by selecting on check box.
- h) Thereafter the member will have to click on “Login” button.
- i) After the member clicks on the “Login” button, Home page of e-voting will open.

**Step 2:** Cast your vote electronically on NSDL e-voting system

- How to cast your vote electronically on NSDL e-voting system?
  - a. After successful login at Step 1, the member will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
  - b. After clicking on Active Voting Cycles, the member will be able to see all the companies “EVEN” in which he/she is holding shares and whose voting cycle is in active status.
  - c. Select “EVEN” of Company for which you wish to cast your vote.
  - d. Now you are ready for e-voting as the voting page opens.
  - e. Cast the vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
  - f. Upon confirmation, the message “Vote cast successfully” will be displayed.
  - g. The member can also take the printout of the votes cast by him/her by clicking on the print option on the confirmation page.
  - h. Once the member confirms the vote on the resolution, he/she will not be allowed to modify the vote.

**INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

7. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting, the said resolutions will not be decided on a show of hands at the AGM.
8. Members who are participating in the AGM through VC/OAVM on April 20, 2021 can cast their vote during the meeting electronically through e-voting services provided by NSDL.
9. The e-voting at the AGM will begin once the Chairman or Company Secretary announces the commencement of the e-voting during the AGM.
10. The e-voting module shall be disabled by NSDL for voting after the conclusion of the meeting.
11. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
12. The procedure for e-voting at the AGM is the same as mentioned above for remote e-voting and the same e-voting credentials need to be entered while e-voting at the AGM.
13. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through VC/OAVM but shall not be entitled to cast their vote again.
14. Members can reach out for assistance in this respect to NSDL personnel at phone number and email ids mentioned at 1 (viii) above.

**INSTRUCTIONS COMMONLY APPLICABLE TO E-VOTING PRIOR TO OR AT THE AGM**

15. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date (i.e April 13, 2021) shall only be entitled to attend the AGM through VC/OAVM on April 20, 2021 and avail the aforesaid facility of remote e-voting as well as e-voting at the AGM.
16. Any person who acquires shares of the Company after dispatch of this Notice and holds shares as of the Cut-Off Date i.e. as on Tuesday, April 13, 2021, may obtain login ID and password by sending a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) with a copy to [investors@crsil.com](mailto:investors@crsil.com) by mentioning his/her Folio No. or DP ID and Client ID. However, if you are already registered with NSDL for e-voting, you can use your existing User ID and password for casting your vote and attending the AGM.
17. In case of joint shareholders, only such joint holder who is higher in the order of names will be entitled to vote.
18. Corporate/Institutional Members (Corporate/FIs/FLLs/Trusts/Mutual Funds/Banks, etc.) are required to send

scan (PDF format) of the relevant Board resolution to the Scrutiniser through e-mail to [scrutinisers@mmjc.in](mailto:scrutinisers@mmjc.in) with a copy to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

19. It is strongly recommended not to share e-voting password with any other person and take utmost care to keep your password confidential. Access to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
20. In case of any queries, you may refer the Frequently Asked Questions (FAQs) and e-voting user manual for shareholders available in the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-1020-990/1800-22-44 30 or send a request to Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or at toll free no.: 1800-1020-990/1800-22-44 30.
21. The e-voting credentials sent along with the notice be considered for the purpose of remote e-voting, attending and e-voting at the AGM.
22. Mr. Makarand Joshi, Practicing Company Secretary, has been appointed Scrutiniser for scrutinising the e-voting process in a fair and transparent manner. The Scrutiniser shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutiniser's Report of the votes cast in favour or against, forthwith to the Chairman of the Company.
23. The Results of remote e-voting and e-voting at the AGM, on resolutions shall be aggregated and declared on or after the AGM and the resolutions will be deemed to be passed on AGM date subject to receipt of the requisite numbers of votes in favour of the Resolutions.
24. The Results declared, along with the Scrutiniser's Report, shall be placed on the Company's website [www.crisil.com](http://www.crisil.com) and on the website of NSDL within forty eight hours of the conclusion of the AGM and communicated to the Stock Exchanges where the shares of the Company are listed, viz. BSE Ltd. and National Stock Exchange of India Ltd.

#### **UPDATION OF EMAIL ADDRESS TO RECEIVE E-COPY OF ANNUAL REPORT, ATTENDANCE AND E-VOTING CREDENTIALS**

25. In accordance with Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014 and the aforesaid Circulars, the Annual Report of the Company for the financial year 2020, including the Notice convening the AGM, are being sent by email to the members whose email addresses are available with the depositories for communication purposes or are obtained directly from

the members, as per Section 136 of the Companies Act, 2013 and Rule 11 of the Companies (Accounts) Rules, 2014. For other members, who have not registered their email addresses, the Annual Report has been sent at their registered postal address. The same is also available on the Company's website at [www.crisil.com](http://www.crisil.com), on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Members who have not registered their email addresses so far are requested to get their email addresses registered. Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participants. Members holding shares in physical mode are requested to update their email addresses with the Company's RTA, KFin Technologies Private Limited at [einward.ris@kfinotech.com](mailto:einward.ris@kfinotech.com) with a copy to [investors@crsil.com](mailto:investors@crsil.com) to receive copies of the Annual Report 2020 in electronic mode by providing Folio No., name, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card) and AADHAR (self-attested scanned copy of Aadhar card) for registering email address.

#### **INSTRUCTIONS RELATED TO THE PAYMENT OF FINAL DIVIDEND FOR THE YEAR ENDING DECEMBER 31, 2020:**

26. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, April 1, 2021 to Friday, April 2, 2021 (both days inclusive) for determining the names of members eligible for dividend on equity shares, if declared at the AGM.
27. Dividend as recommended by the Board of Directors, if declared at the AGM, shall be paid on Monday, April 26, 2021:
  - (i) to those Members whose names appear on the Register of Members of the Company after giving effect to all valid transfers in physical form lodged with the Company and its Registrar and Transfer Agents before Thursday, April 1, 2021; and,
  - (ii) in respect of shares held in electronic form, on the basis of beneficial ownership as per the details furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) at the close of business hours on Thursday, April 1, 2021.
28. Members are requested to note that the Company's shares are under compulsory electronic trading for all investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience. Members whose shares are in electronic mode are requested to inform change of address and updates of bank account(s) to their respective Depository Participants. Members holding shares in physical form are requested to advise such changes to the Company's Registrar and Transfer Agent, KFin Technologies Private Limited. Members are encouraged to use the Electronic

Clearing Services (ECS) for receiving dividends. Members desirous of availing ECS facility for payment of dividend may download the required ECS mandate form from the website of the Company, [www.crisil.com](http://www.crisil.com).

29. The Company has transferred the unclaimed or un-encashed dividends for financial years upto 2013 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company transfers the unclaimed or un-encashed dividend to IEPF after the expiry of seven years from the date of transfer to unpaid dividend account.

Members who have a valid claim to any unclaimed dividends which are not yet transferred, may claim the same from the Company immediately. The detailed dividend history, due dates for transfer to IEPF and the details of unclaimed amounts lying with the Company in respect of dividends declared since 2014 are available on website of the Company, [www.crisil.com](http://www.crisil.com).

Also, pursuant to Section 124(2) of the Companies Act, 2013, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company in respect of dividends declared in financial year 2020, on the website of the Company.

## GENERAL INSTRUCTIONS

30. All the documents referred to in the Notice will be available for inspection in electronic mode by the Members between 11.00 a.m. and 1.00 p.m. on all working days, except Saturdays, from the date hereof upto the date of the Meeting by sending an email to [investors@crisil.com](mailto:investors@crisil.com).
31. The certificate from the Statutory Auditors of the Company certifying that the Company's Employee Stock Option Scheme – 2011, Employee Stock Option Scheme – 2012 and Employee Stock Option Scheme – 2014 are being implemented in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolutions passed by the members of the Company will be available for inspection by the members during AGM in electronic mode upon login at NSDL e-voting system at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Members can also inspect the same by sending an email to [investors@crisil.com](mailto:investors@crisil.com) up to date of this Annual General Meeting i.e. April 20, 2021.
32. The Annual Report of the Company along with the Notice of the 34th Annual General Meeting is also available on the website of the Company, [www.crisil.com](http://www.crisil.com) and on the website of BSE Ltd. and National Stock Exchange of India Ltd. As per Section 136(1), the copies of the aforesaid documents will also be available for inspection in electronic mode between 11.00 a.m. and 1.00 p.m. on all working days, excluding Saturdays, by sending an email to [investors@crisil.com](mailto:investors@crisil.com).

33. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members during the AGM in electronic mode upon login at NSDL e-voting system at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Members can also inspect the same by sending an email to [investors@crisil.com](mailto:investors@crisil.com) up to date of this Annual General Meeting i.e. April 20, 2021.

34. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.

35. Since the AGM will be held through VC/OAVM means, the Route Map is not annexed in this Notice. The Registered Office of the Company will be deemed to be the venue of the AGM.

## **36. Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2, the following information is furnished about the Directors proposed to be appointed/re-appointed:**

### **1. Mr. John Berisford:**

Mr John Berisford (age 57 years) was appointed as a director of the Company w.e.f. July 19, 2016.

Mr John Berisford is the President of S&P Global Ratings. He has ultimate responsibility of all aspects of the business, including commercial, analytical, control, technology and operations.

S&P Global Ratings is regulated in many of the countries in which it operates. Mr Berisford is a director of two of its largest legal entities, S&P Global Ratings Europe Limited and Standard & Poor's Financial Services LLC.

Previously, Mr Berisford was the Executive Vice President of Human Resources for S&P Global Inc. (formerly known as The McGraw-Hill Companies). In this role, he was instrumental in creating and executing the Company's growth and value plan, resulting in the creation of McGraw Hill Financial and the sale of McGraw Hill Education. He led the initiative to create the Company's focused business unit operating model, while strengthening the human resource function with new capabilities to support growth and performance goals.

Before joining S&P Global in 2011, Mr Berisford spent 22 successful years at PepsiCo where he spearheaded a number of important global initiatives and transformations. Among other strategic projects, he led the integration after PepsiCo acquired the independent Pepsi Bottling Group into its overall corporate structure.

Mr Berisford holds a bachelor's degree in political science from West Liberty College in West Virginia and a master's degree in labour and industrial relations from West Virginia University.

Mr Berisford is a director in Standard & Poor's Financial Services LLC, S&P Global Real Estate Inc., S&P Global International LLC, Standard & Poor's Credit Market Services Europe Limited and S&P Global Ratings.

Mr Berisford is a member of the Nomination and Remuneration Committee of the Board of Directors of CRISIL Limited.

Mr Berisford will not be paid any remuneration other than sitting fee for attending meetings of the Board and Committees thereof of which he is a member/Chairperson or commission which may be approved by the Board of Directors and/or the Nomination and Remuneration Committee of the Board. He does not hold any share in the Company and is not related to any Director or Key Managerial Personnel of the Company in any way. The details of Mr Berisford's attendance of the Board and the Committee meetings have been given elsewhere in this Annual Report.

By order of the Board

For **CRISIL Limited**

**Minal Bhosale**

Company Secretary

ACS 12999

Mumbai, February 11, 2021

