Independent Auditor's Report

To the Members of CRISIL Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of CRISIL Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31 December 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and the branch of the holding Company the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 December 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matter section below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and branch of the Holding Company, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition The Group's income from operations comprises of income from initial ratings and surveillance services, global research and risk solution services, customized research, special assignments and subscriptions to information products and services, revenue from initial public offering (IPO) grading services, independent equity research (IER) services, infrastructure advisory and risk management services. Refer Note 2.18 to the consolidated financial statements, for details of revenue recognized during the year.	Our audit of the recognition of contract revenue included, but was not limited to, the following: • Obtained an understanding of the revenue and receivable business process, and assessed the appropriateness of the revenue recognition policies adopted by the Group; • Evaluated key controls around the recognition of contract revenue. Tested the design, implementation and operating effectiveness of these identified key controls during the year and as at the year-end;

Key audit matter	How our audit addressed the key audit matter
The application of the accounting standard is complex and is an area of focus in the audit, as it involved application of significant judgements and estimates relating to identification of distinct performance obligations, determination of transaction price of identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Due to the significance of the item to the financial statements, complexities involved and management judgement involved for ensuring appropriateness of accounting treatment, this matter has been identified as a key audit matter for the current year's audit.	• Evaluated the appropriateness of accounting policies selected by the Group on the basis of our understanding of the Group, the nature and size of its operation, and the requirement of the relevant accounting standards under the IND AS framework; • On a sample of contracts, tested the revenue recognition and our procedures included: - reviewing the contract terms and conditions; - evaluating the identification of performance obligations of the contract; - evaluating the appropriateness of management's assessment of manner of satisfaction of performance obligations and consequent recognition of revenue; and - evaluating the reasonableness of the estimates involved in the recognition of revenue from initial rating and surveillance services including testing the calculation of fee allocation to rating and surveillance, in determining revenue from infrastructure advisory and risk management services in accordance with the percentage completion method etc. • Tested revenue recognition for cut-off transactions on sample basis to assess whether the timing of revenue recognition is appropriate; and • Evaluated the appropriateness and adequacy of the disclosures made in the accompanying consolidated financial statements for revenue recorded during the year.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the

companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. We did not audit the financial statements of seven (7) subsidiaries and one (1) branch, whose financial statements reflects total assets of ₹ 10,962 lakh and net assets of ₹ 7,145 lakh as at 31 December 2023, total revenues of ₹ 9,633 lakh and net cash inflows amounting to ₹ 1,977 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and branch, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries and branch, are based solely on the reports of the other auditors and branch auditor.

    Further, of these subsidiaries, five (5) subsidiaries and one (1) branch are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and branch located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries and branch located outside India, is based on the report of other auditors and branch auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and branch auditor.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that the Holding Company, one (1) subsidiary company incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that two (2) subsidiary companies incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies.

17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us, and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

18. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

    c) The reports on the accounts of the branch offices of the Holding Company audited under section 143(8) of the Act by branch auditors have been sent to us, and have been properly dealt with in preparing this report;

    d) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    e) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    f) On the basis of the written representations received from the directors of the Holding Company, its subsidiary company and taken on record by the Board of Directors of the Holding Company, its subsidiary company and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 December 2023 from being appointed as a director in terms of section 164(2) of the Act;

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and

    h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act:

        i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures as detailed in Note 36A(1) to the consolidated financial statements;

        ii. The Holding Company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 December 2023;

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies during the year ended 31 December 2023;

        iv. a. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in Note 43(viii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Holding Company, or any such subsidiary companies, its associate companies or its joint venture companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in Note 43(viii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, its associate companies or its joint venture companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. a. The interim dividend declared and paid by the Holding Company during the year ended 31 December 2023 and until the date of this audit report is in compliance with section 123 of the Act;

b. The final dividend paid by the Holding Company during the year ended 31 December 2023 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend; and

c. As stated in Note 42 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 December 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Gujral
Partner
Membership No.: 105117
UDIN: 24105117BKDAMA8203

Place: Dehradun
Date: 16 February 2024

Annexure I

List of entities included in the Statement

1. CRISIL Risk and Infrastructure Solutions Limited (Merged with CRISIL Limited, w.e.f. 1 September 2022)
2. CRISIL lrevna UK Limited
3. CRISIL lrevna US LLC
4. CRISIL lrevna Poland Sp.Z.oo.
5. CRISIL lrevna Information Technology (Hangzhou) Co. Ltd.
6. Coalition Development Limited
7. Coalition Development Singapore Pte. Ltd.
8. CRISIL lrevna Argentina S.A
9. Pragmatix Services Private Limited (Merged with CRISIL Limited, w.e.f. 1 September 2022)
10. CRISIL Ratings Limited
11. Greenwich Associates LLC (Merged with CRISIL Irevna US LLC, w.e.f. 1 April 2023)
12. Greenwich Associates Singapore Pte. Limited
13. Greenwich Associates Japan K. K.
14. Greenwich Associates Canada, ULC (Winded up, w.e.f. 31 July 2023)
15. Greenwich Associates UK Limited
16. CRISIL Irevna Information Technology Colombia SAS (w.e.f. 25 October 2023)
17. CRISIL lrevna Australia Pty Ltd.
18. Peter Lee Associates Pty Limited (w.e.f. 17 March 2023)
19. Bridge To India Private Limited (w.e.f. 30 September 2023)
20. CRISIL ESG Ratings and Analytics Limited (w.e.f. 26 September 2023)

Annexure II

Annexure II to the Independent Auditor's Report of even date to the members of CRISIL Limited on the consolidated financial statements for the year ended 31 December 2023

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of CRISIL Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 December 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 December 2023, based on the internal financial controls with reference to Consolidated Financial Statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to two (2) subsidiaries, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 1,446 lakh and net assets of ₹ 1,259 lakh as at 31 December 2023, total revenues of ₹ 104 lakh and net cash inflows amounting to ₹ 1,241 lakh for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Gujral
Partner
Membership No.: 105117
UDIN: 24105117BKDAMA8203

Place: Dehradun
Date: 16 February 2024

Consolidated Balance Sheet

As at December 31, 2023

(₹ lakh)

Particulars	Notes	As at December 31, 2023	As at December 31, 2022
Assets			
1. Non-current assets			
(a) Property, plant and equipment	3	4,446	4,737
(b) Right of use assets	4	5,529	8,660
(c) Goodwill	5	42,080	37,983
(d) Other intangible assets	6	11,409	10,518
(e) Intangible assets under development	7	3,086	1,359
(f) Financial assets			
i. Investments	8	27,813	19,077
ii. Other financial assets	9	1,406	1,309
(g) Deferred tax assets (net)	10	8,573	7,939
(h) Tax assets	11	16,477	15,180
(i) Other non-current assets	12	905	218
Total non-current assets		**121,724**	**106,980**
2. Current assets			
(a) Financial assets			
i. Investments	8	77,800	49,265
ii. Trade receivables	13	68,951	75,883
iii. Cash and cash equivalents	14	36,612	31,925
iv. Bank balances other than (iii) above	15	378	218
v. Loans	16	388	323
vi. Other financial assets	17	3,606	3,063
(b) Other current assets	18	21,993	15,443
Total current assets		**209,728**	**176,120**
Total Assets		**331,452**	**283,100**
Equity and Liabilities			
1. Equity			
(a) Equity share capital	19	731	731
(b) Other equity		218,195	178,467
Total equity		**218,926**	**179,198**
2. Liabilities			
Non-current liabilities			
(a) Financial liabilities			
i. Lease liabilities	39	3,076	2,389
ii. Other financial liabilities	21	4,702	4,235
(b) Provisions	22	4,040	2,888
(c) Other non-current liabilities	23	19	10
Total non-current liabilities		**11,837**	**9,522**
3. Current liabilities			
(a) Financial liabilities			
i. Lease liabilities	39	1,656	5,957
ii. Trade payables	24		
- Total outstanding dues of micro enterprises and small enterprises		1,064	735
- Total outstanding dues of creditors other than micro enterprises and small enterprises		13,192	13,465
iii. Other financial liabilities	25	36,279	32,797
(b) Other current liabilities	26	38,000	31,522
(c) Provisions	27	10,109	8,705
(d) Tax liabilities	28	389	1,199
Total current liabilities		**100,689**	**94,380**
Total Equity and Liabilities		**331,452**	**283,100**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements.

This is the consolidated balance sheet
referred to in our audit report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Manish Gujral
Partner
Membership No.: 105117

Place: Dehradun
Date: February 16, 2024

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

Ewout Steenbergen
Chairman
[DIN: 07956962]

Amish Mehta
Managing Director & Chief Executive Officer
[DIN: 00046254]

Sanjay Chakravarti
Chief Financial Officer

Minal Bhosale
Company Secretary

Place: Mumbai
Date: February 16, 2024

CRISIL
An S&P Global Company

Consolidated Statement of Profit and Loss

For the year ended December 31, 2023

(₹ lakh)

Particulars	Notes	Year ended December 31, 2023	Year ended December 31, 2022
Income			
Revenue from operations	29	313,952	276,872
Other income	30	9,364	12,247
Total income		**323,316**	**289,119**
Expenses			
Employee benefits expense	31	174,777	155,298
Finance costs	32	366	640
Depreciation and amortisation expenses	3, 4 & 6	10,378	10,331
Other expenses	33	51,025	48,610
Total expenses		**236,546**	**214,879**
Profit before tax		**86,770**	**74,240**
Tax expense/ (credit)	10		
Current tax		22,313	19,109
Deferred tax		(1,387)	(1,308)
Total tax expense		**20,926**	**17,801**
Profit after tax for the year		**65,844**	**56,439**
Other comprehensive (income)/expense (OCI)			
A. Items that will be reclassified to profit or loss:			
- Exchange differences in translating the financial statements of a foreign operation		1,225	1,822
- The effective portion of gain and loss on hedging instruments in a cash flow hedge		(1,717)	2,997
- Tax effect on above		432	(754)
B. Items that will not be reclassified to profit or loss:			
- Remeasurements of the defined benefit plans		115	(231)
- Equity instruments through other comprehensive income		(8,735)	462
- Tax effect on above		(100)	26
Total other comprehensive (income)/ loss net of tax for the year		**(8,780)**	**4,322**
Total comprehensive income for the year comprising profit and other comprehensive (income)/ loss for the year		**74,624**	**52,117**
Profit attributable to:			
Owners of the Company		65,844	56,439
Non-controlling interest		-	-
Total comprehensive income attributable to:			
Owners of the Company		74,624	52,117
Non-controlling interest		-	-
Earnings per share: Nominal value of ₹ 1 per share	46		
Basic		90.08	77.31
Diluted		90.07	77.26
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements.

This is the consolidated statement of profit and loss referred to in our audit report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Manish Gujral
Partner
Membership No.: 105117

Place: Dehradun
Date: February 16, 2024

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

Ewout Steenbergen
Chairman
[DIN: 07956962]

Amish Mehta
Managing Director & Chief Executive Officer
[DIN: 00046254]

Sanjay Chakravarti
Chief Financial Officer

Minal Bhosale
Company Secretary

Place: Mumbai
Date: February 16, 2024

Consolidated Statement of Cash Flow

For the year ended December 31, 2023

(₹ lakh)

Particulars		Year ended December 31, 2023	Year ended December 31, 2022
A.	**Cash flow from operating activities:**		
	Profit before tax	86,770	74,240
	Adjustments for:		
	Depreciation and amortisation expenses	10,378	10,331
	Interest income on financial assets carried at amortised cost	(256)	(230)
	Modification/ waiver of lease rent	(148)	(63)
	Exchange (gain)/ loss on translation of assets and liabilities	(3,274)	(3,390)
	Unrealised foreign exchange (gain)/ loss	1,435	(1,457)
	Profit on sale of property, plant and equipment	(314)	(114)
	Profit on sale of current investments	(1,779)	(1,149)
	Gain on fair valuation of current investments	(1,833)	(492)
	Provision for doubtful trade receivables	62	998
	Provision on other financial assets	23	69
	Excess provision written back	-	(70)
	Interest on bank deposits	(619)	(130)
	Share based payment to employees	1	2
	Dividend on investments	(839)	(272)
	Finance costs	366	640
	Other interest income	(7)	-*
	Operating profit before working capital changes	**89,966**	**78,913**
	Movements in working capital		
	(Increase)/decrease in trade receivables	4,380	(21,650)
	(Increase)/decrease in loans	(65)	(90)
	(Increase)/decrease in other financial assets	(494)	(1,114)
	(Increase)/decrease in other assets	(5,357)	(2,471)
	Increase/(decrease) in trade payables	17	928
	Increase/(decrease) in provisions	2,254	1,556
	Increase/(decrease) in other financial liabilities	5,476	9,262
	Increase/(decrease) in other liabilities	6,276	2,348
	Cash generated from operations	**102,453**	**67,682**
	Taxes paid	(24,420)	(22,048)
	Net cash generated from operating activities - (A)	**78,033**	**45,634**
B.	**Cash flow from investing activities:**		
	Purchase of property, plant and equipment and intangible assets	(6,295)	(4,114)
	Proceeds from sale of property, plant and equipment and intangible assets	383	225
	Investments in mutual funds (net of proceeds)	(24,923)	(2,678)
	Investment in subsidiaries	(3,274)	(110)
	Other interest income	7	-*
	Interest on bank deposits	592	124
	Fixed deposits with maturity more than three months (placed)/ matured (Net)	(2)	117
	Dividend on investments	839	272
	Net cash used in investing activities - (B)	**(32,673)**	**(6,164)**

Consolidated Statement of Cash Flow

For the year ended December 31, 2023

(₹ lakh)

	Particulars	Year ended December 31, 2023	Year ended December 31, 2022
C.	**Cash flow from financing activities:**		
	Receipts from allotment of shares and share application money	920	3,551
	Dividend paid	(35,816)	(34,314)
	Principal payment of lease liabilities	(5,506)	(5,429)
	Finance costs paid towards lease liabilities	(366)	(640)
	Net cash used in financing activities - (C)	**(40,768)**	**(36,832)**
	Net increase in cash and cash equivalents (A+B+C)	**4,592**	**2,638**
	Add / (less): Adjustment towards acquisition - (D)	419	-
	Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	**5,011**	**2,638**
	Cash and cash equivalents - Opening balance	31,925	28,992
	Add: Exchange difference on translation of foreign currency cash and cash equivalents	(324)	295
	Cash and cash equivalents - Closing balance	36,612	31,925
	Net Increase/(decrease) in cash and cash equivalents	**5,011**	**2,638**
	Components of cash and cash equivalents (refer to note 14):		
	Cash on hand	3	3
	Balances with banks on current account	14,952	17,054
	Deposits with original maturity of less than three months	21,657	14,868
	Total	**36,612**	**31,925**

'-' in amounts column denote amount less than ₹ 50,000*

The accompanying notes are an integral part of the consolidated financials statements.

This is the consolidated statement of cash flow referred to in our audit report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Manish Gujral
Partner
Membership No.: 105117

Place: Dehradun
Date: February 16, 2024

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

Ewout Steenbergen
Chairman
[DIN: 07956962]

Amish Mehta
Managing Director & Chief Executive Officer
[DIN: 00046254]

Sanjay Chakravarti
Chief Financial Officer

Minal Bhosale
Company Secretary

Place: Mumbai
Date: February 16, 2024

Consolidated Statement of Changes in Equity

For the year ended December 31, 2023

A. Equity Share Capital (refer to note 19)

(₹ lakh)

Balance as at January 1, 2023	Changes in equity share capital during the year	Balance as at December 31, 2023
731	-*	731

'-' in amounts column denote amount less than ₹ 50,000*

(₹ lakh)

Balance as at January 1, 2022	Changes in equity share capital during the year	Balance as at December 31, 2022
729	2	731

B. Other equity (refer to note 20)

(₹ lakh)

Particulars	Reserves & Surplus						Items of other comprehensive income (OCI)			Total
	Share application money pending allotment	Capital redemption reserve	Securities premium	General reserve	Share-based payment reserve	Retained earnings	Equity instruments through OCI	Currency fluctuation reserve	Hedge reserve	
Balance as at January 1, 2023	**4**	**27**	**35,328**	**14,115**	**3,283**	**1,52,068**	**(25,479)**	**399**	**(1,278)**	**1,78,467**
Profit for the year	-	-	-	-	-	65,844	-	-	-	65,844
Allotment of shares	(4)	-	889	-	-	-	-	-	-	885
Additions during the year	35	-	-	-	-	-	-	-	-	35
Other comprehensive income	-	-	-	-	-	(86)	8,806	(1,225)	1,285	8,780
Final dividend (refer to note 47)	-	-	-	-	-	(16,808)	-	-	-	(16,808)
Interim dividend (refer to note 47)	-	-	-	-	-	(19,008)	-	-	-	(19,008)
Exercise of stock option	-	-	261	-	(261)	-	-	-	-	-
Balance as at December 31, 2023	**35**	**27**	**36,478**	**14,115**	**3,022**	**1,82,010**	**(16,673)**	**(826)**	**7**	**2,18,195**

Consolidated Statement of Changes in Equity

For the year ended December 31, 2023

(₹ lakh)

Particulars	Reserves & Surplus						Items of other comprehensive income (OCI)			Total
	Share application money pending allotment	Capital redemption reserve	Securities premium	General reserve	Share-based payment reserve	Retained earnings	Equity instruments through OCI	Currency fluctuation reserve	Hedge reserve	
Balance as at January 1, 2022	**223**	**27**	**30,529**	**14,115**	**4,312**	**1,29,770**	**(25,049)**	**2,221**	**965**	**1,57,113**
Profit for the year	-	-	-	-	-	56,439	-	-	-	56,439
Allotment of shares	(223)	-	3,768	-	-	-	-	-	-	3,545
Additions during the year	4	-	-	-	-	-	-	-	-	4
Other comprehensive income	-	-	-	-	-	173	(430)	(1,822)	(2,243)	(4,322)
Share based payment to employees	-	-	-	-	2	-	-	-	-	2
Final dividend (refer to note 47)	-	-	-	-	-	(16,052)	-	-	-	(16,052)
Interim dividend (refer to note 47)	-	-	-	-	-	(18,262)	-	-	-	(18,262)
Exercise of stock option	-	-	1,031	-	(1,031)	-	-	-	-	-
Balance as at December 31, 2022	**4**	**27**	**35,328**	**14,115**	**3,283**	**1,52,068**	**(25,479)**	**399**	**(1,278)**	**1,78,467**

The accompanying notes are an integral part of the consolidated financial statements.

This is the consolidated statement of changes in equity referred to in our audit report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Manish Gujral
Partner
Membership No.: 105117

Place: Dehradun
Date: February 16, 2024

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

Ewout Steenbergen
Chairman
[DIN: 07956962]

Amish Mehta
Managing Director & Chief Executive Officer
[DIN: 00046254]

Sanjay Chakravarti
Chief Financial Officer

Minal Bhosale
Company Secretary

Place: Mumbai
Date: February 16, 2024

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended December 31, 2023

1. Corporate Information

CRISIL Limited ('the Company' or 'CRISIL' or 'Parent') (CIN: L67120MH1987PLC042363) and its subsidiaries (collectively referred to as 'the Group') is a globally-diversified analytical Company providing ratings, research, risk and policy consulting services. We are India's leading ratings agency and the foremost provider of high-end research to the world's largest banks and leading corporations. We deliver 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.

S&P Global Inc. the ultimate Holding Company, through its subsidiaries owned 66.65% as on December 31, 2023 of the Company's equity share capital. (refer to note 19).

These consolidated financial statements for the year ended December 31, 2023 were approved by the Board of Directors on February 16, 2024.

2. Summary of significant accounting policies

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

2.2 Basis of consolidation

The Company consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as disclosed in note 2.6. Control exists when the Company has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. In assessing control, potential voting rights are considered only if the rights are substantive.

The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Company.

Transactions eliminated on consolidation:

The financial statements of the Group Companies are consolidated on a line-by-line basis and all intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements.

Functional and presentation currency:

These consolidated financial statements are presented in Indian rupees, which is the functional currency of the parent Company. All financial information is presented in rounded to the nearest lakh, except when otherwise indicated.

2.3 Basis of preparation

These consolidated 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.

The consolidated financial statements have been prepared on going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements.

All the assets and liabilities have been classified as current or non- current as per the Group'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 realization in cash or cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current / non- current classification of assets and liabilities.

2.4 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities (including contingent liabilities) as at the date of the consolidated 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 consolidated 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 consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated 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 the Group assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

- **Goodwill impairment**
  The Group estimates the value in use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and anticipated future economic and regulatory conditions.

  Goodwill is tested for impairment, relying on a number of factors including operating results, business plans and future cash flows. Calculating the future net cash flows expected to be generated to determine if impairment exists and to calculate the impairment involves significant assumptions, estimation and judgment. The estimated cash flows are prepared using internal forecasts.

- **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 Group 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 Group 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 Group'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 only recognised to the extent that it is highly probable a significant reversal will not occur.

  The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group 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.

  Revenue for fixed-price contract is recognised using percentage-of-completion method. The Group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

- **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 judgments 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 Group 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 2.23.

- **Provisions and contingent liabilities**
  Provision is recognised when the Group 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.

  Contingent Liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

- **Business combinations and intangible assets**
  Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by valuation experts.

- **Impairment of financial assets**
  The impairment provision for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Share-based payments**
  Estimating fair value for share-based payments requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them.

2.5 Cash flow statement

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

CRISIL
An S&P Global Company

2.6 The consolidated financial statements represent consolidation of accounts of the Company, its subsidiaries as detailed below:

Name of the entity	Country of incorporation	Ownership in % either directly or through subsidiaries	
		December 31, 2023	December 31, 2022
CRISIL Risk and Infrastructure Solutions Limited (refer to note 44.2)	India	NA	NA
Pragmatix Services Private Limited (refer to note 44.2)	India	NA	NA
CRISIL Ratings Limited	India	100%	100%
CRISIL ESG Ratings & Analytics Limited (refer to note 44.5)	India	100%	NA
Bridge To India Energy Private Limited (refer to note 44.3)	India	100%	NA
CRISIL Irevna UK Limited	United Kingdom	100%	100%
CRISIL Irevna US LLC	United States of America	100%	100%
CRISIL Irevna Argentina S.A.	Argentina	100%	100%
CRISIL Irevna Poland Sp.zo.o.	Poland	100%	100%
Coalition Development Limited	United Kingdom	100%	100%
Coalition Development Singapore Pte Limited	Singapore	100%	100%
CRISIL Irevna Information Technology (Hangzhou) Co., Ltd	China	100%	100%
CRISIL Irevna Australia Pty Ltd	Australia	100%	100%
CRISIL Irevna Information Technology Colombia SAS	Columbia	100%	NA
Greenwich Associates LLC (refer to note 44.1)	United States of America	NA	100%
Peter Lee Associates Pty. Limited (refer to note 44.4)	Australia	100%	NA
Greenwich Associates Singapore PTE. LTD.	Singapore	100%	100%
Greenwich Associates Japan K.K.	Japan	100%	100%
Greenwich Associates Canada ULC (refer to note 44.7)	Canada	NA	100%
Greenwich Associates UK Limited	United Kingdom	100%	100%

2.7 Property, plant and equipment

Property, plant and equipment (PPE) 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.

2.8 Goodwill and other intangibles assets

Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset may be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Other 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. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. The amortisation expense on intangible assets with finite life is recognised in the statement of profit and loss under the head 'Depreciation and amortisation expenses'.

Expenditure on development eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

2.9 Depreciation and 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 and amortisation is provided on a straight-line basis so as to expense the cost less residual value over their estimated useful lives.

Type of asset	Estimated Useful Life
Buildings	20 years
Furniture and fixtures	4 to 16 years
Office equipment	3 to 10 years
Computers	3 years
Vehicles	3 years
Customer relationship	3 to 12 years
Technology	5 years
Brand	20 years
Database	4 to 5 years
Tradename	7 years
Platform	5 years
Software	1 to 3 years

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

Leasehold improvements are amortised over the lease term or useful life of the asset, whichever is lower.

2.10 Impairment

a) Impairment of non-financial assets

(i) Goodwill

Goodwill is tested for impairment on an annual basis or whenever there is an indication that goodwill may be impaired. For goodwill impairment testing, the carrying amount of the CGUs (including allocated goodwill) is compared with its recoverable amount by the Group. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU prorata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognised in the statement of profit and loss and is not reversed in the subsequent period.

(ii) Other 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 asset

In accordance with Ind-AS 109, the Group 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 amortised cost e.g., loans, deposits, and bank balance.

ii) Trade receivables.

The Group 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 Group 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.

2.11 Business combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103. The acquisition date is the date on which control is transferred to the acquirer. The Group measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, less the net recognised amount of the identifiable assets acquired and liabilities (including contingent liabilities) acquired.

When the fair value of the net identifiable assets acquired and liabilities acquired exceeds the consideration transferred, a bargain purchase gain is recognised as capital reserve. Business combinations between entities under common control is accounted at carrying value.

Transaction cost that the Group incurs in connection with business combinations such as finder fees, legal fees and other professional and consulting fees are expensed as incurred.

Goodwill is measured at cost less accumulated impairment loss.

2.12 Leases

The Group's lease assets consists of office premises. The Group 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 Group assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Group has the right to direct the use of the asset

Where the Group is a lessee

The Group 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 Group is reasonably certain to exercise that option.

At the date of commencement of the lease, the Group recognises a right of use assets 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 Group 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 assets 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 assets. 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 Group 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 Group 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 Group 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.

2.13 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 the proceeds.

2.14 Fair value of financial instruments

In determining the fair value of the financial instruments the Group 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 assessing 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.

2.15 Financial instruments

Initial recognition

The Group 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 amortised 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 FVTOCI 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.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

(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 FVTPL. 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 Group 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 Group uses hedging instruments that are governed by the policies of the Group.

(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 Group 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 Group transfers amounts from this reserve to retained earnings when these equity instruments are derecognised. A financial liability (or a part of a financial liability) is derecognised from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.16 Provision, contingent liabilities and contingent assets:

A provision is recognised when the Group has a present obligation (legal or constructive) 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 recognised as a finance costs.

Contingent liabilities are disclosed in note 36. Contingent liabilities are disclosed for:

(i) possible obligations which will be confirmed only by future events not wholly within the control of the Group 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 where an inflow of economic benefits is probable.

2.17 Cash and cash equivalents

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

2.18 Revenue recognition

Income from operations

Income from operations comprises income from initial rating and surveillance services, global research and risk solutions, customised research, core research program, customer projects and experienced management programs, special assignments and subscriptions to information products and services, independent equity research (IER) services, IPO grading services, infrastructure consulting and risk management services.

- Revenue from Initial rating fees are deemed to accrue on the date the rating is awarded and a portion of it is deferred basis an estimate that will be attributed to future surveillance recorded equally over 11 months and recognise the deferred revenue over the estimated surveillance periods.
- Surveillance fee, subscription to information products and services, coalition business 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 services are recognised in the period in which such assignments are carried out in a time proportion basis.
- Global research and risk solutions 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.
- Core research program revenue is recognised at a point in time when research report is delivered to the customer.
- Revenue from infrastructure consulting, risk management services and customer projects and experience management program services are recognised in accordance with percentage completion method.
- Percentage of completion for infrastructure consulting is determined based on the project cost incurred to date as a percentage of total estimated project cost required to complete the project.
- Revenue from risk management services comprise of revenue from sale of software and annual maintenance contracts. Revenue from sale of software licenses are recognised upon delivery of these licenses which constitute transfer of all risks and rewards. Revenue from consultancy services and sale of software which involves customisation are recognised over execution period. Revenue from annual maintenance contracts are recognised on a time proportion basis.

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.

Unbilled receivables (only where act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms is classified under 'Trade Receivables'.

Accrued revenue where the right to consideration is conditional upon factors other than the passage of time are contract assets which are classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

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

2.19 Other Income

Grant income

Grants and subsidies are recognised at fair value where there is reasonable assurance that the grant/ subsidy will be received and all attaching conditions will be complied with.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income

Dividend income is recognised when the Group'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 recognised in the statement of profit and loss.

2.20 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 Group 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 contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Group'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 Group, 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 (asset) 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 Group 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 Group 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 twelve months after the reporting date. Where the Group has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

In respect of foreign subsidiaries retirement benefits are governed and accrued as per local statutes and there are no defined benefit plan. The amount contributed to the defined contribution plan is charged to the statement of profit and loss account on accrual basis.

2.21 Employee stock compensation cost

The Group 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

2.22 Foreign currency

Functional currency

The functional currency of the Group and its Indian subsidiaries is the Indian Rupee (INR), whereas the functional currency of the foreign subsidiaries is mentioned in AOC-1. These consolidated financial statements are presented in Indian Rupees (rounded off to the nearest lakh except otherwise indicated).

The financial statements of subsidiary companies whose functional currency is the currency of a hyperinflationary economy are adjusted for the effects of changes in general price index (to reflect the change in purchasing power of the local currency) and expressed in terms of the current unit of measurement at the closing date of the reporting period, in accordance with Ind AS 29 "Financial Reporting in Hyperinflationary Economies".

Subsidiaries with the currency of hyperinflationary economy as their functional currency are restated as per Ind AS 29 before consolidation in accordance with Ind AS 110 'Consolidated Financial Statements'. Once restated, all items of the financial statements of such a subsidiary is converted to INR at the closing exchange rate. To determine the existence of hyperinflation, the Group assesses the qualitative characteristics of the economic environment of the country such as the trend of inflation rate over the past three years.

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 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.

Foreign currency translation

Assets and liabilities of the entities with functional currency other than the presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. The statement of profit and loss has been translated using monthly average exchange rates prevailing during the year. Translation adjustment have been reported as foreign currency translation reserve in the statement of changes in equity.

2.23 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 it relates to the 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 Group:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The current income tax for overseas subsidiaries has been computed based on the tax laws applicable to each subsidiary in the respective jurisdiction in which they operate.

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 (including those arising from consolidation adjustments).

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.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2.24 Segment reporting policies

The Managing Director and Chief Executive Officer of the Group has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 Operating Segments. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by industry classes. Accordingly, segment information has been presented for industry classes.

The Group is structured into two reportable business segments – 1. Ratings services 2. Research, Analytics and Solutions. The reportable business segments are in line with the segment wise information which is being presented to the CODM. Geographical information on revenue and industry revenue information is collated based on individual customers invoices or in relation to which the revenue is otherwise recognised. The accounting principles used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant policies.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

Inter segment transfers

The Group generally accounts for inter segment services and transfers as if the services or transfers were to third parties at arm length price.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocable income and expenses includes general corporate income and expense items which are not identified to any business segment.

2.25 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 Group 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.

2.26 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.

2.27 Recent accounting pronouncements

Ministry of Corporate Affairs (MCA), vide notification dated March 31, 2023, has made the following amendments to Ind AS which are effective April 1, 2023:

a. Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.

b. Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.

c. Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the Group does not expect these amendments to have any significant impact on its consolidated financial statements.

3. Property, plant and equipment

For the year ended December 31, 2023

(₹ lakh)

Particulars	Gross carrying amount						Accumulated depreciation						Net carrying amount
	As at January 1, 2023	Additions	Deductions	Currency translation reserve	Adjustments (refer to note 44)	As at December 31, 2023	As at January 1, 2023	For the year	Deductions	Currency translation reserve	Adjustments (refer to note 44)	As at December 31, 2023	As at December 31, 2023
Buildings	10	-	-	-	-	10	10	-	-	-	-	10	-
Furniture and fixtures	1,742	110	1,113	(28)	14	725	1,537	40	1,104	20	14	479	246
Office equipments	1,660	433	288	(61)	21	1,765	1,356	90	282	15	19	1,160	605
Computers	14,742	1,640	1,622	(639)	34	14,155	11,152	2,078	1,610	(171)	-	11,449	2,706
Vehicles	908	307	114	(18)	-	1,083	425	238	75	26	34	580	503
Leasehold improvements	4,188	911	471	(951)	4	3,681	4,033	140	468	(406)	4	3,295	386
Total	**23,250**	**3,401**	**3,608**	**(1,697)**	**73**	**21,419**	**18,513**	**2,586**	**3,539**	**(516)**	**71**	**16,973**	**4,446**

For the year ended December 31, 2022

(₹ lakh)

Particulars	Gross carrying amount						Accumulated depreciation						Net carrying amount
	As at January 1, 2022	Additions	Deductions	Currency translation reserve	Adjustments	As at December 31, 2022	As at January 1, 2022	For the year	Deductions	Currency translation reserve	Adjustments	As at December 31, 2022	As at December 31, 2022
Buildings	10	-	-	-	-	10	10	-	-	-	-	10	-
Furniture and fixtures	1,753	53	160	96	-	1,742	1,483	54	124	124	-	1,537	205
Office equipments	1,742	92	169	(5)	-	1,660	1,388	71	139	36	-	1,356	304
Computers	13,450	2,992	1,933	233	-	14,742	10,459	2,002	1,924	615	-	11,152	3,590
Vehicles	595	471	152	(6)	-	908	415	129	123	4	-	425	483
Leasehold improvements	4,149	611	280	(292)	-	4,188	3,910	110	279	292	-	4,033	155
Total	**21,699**	**4,219**	**2,694**	**26**	**-**	**23,250**	**17,665**	**2,366**	**2,589**	**1,071**	**-**	**18,513**	**4,737**

3.1 The title deeds of all immovable properties (other than properties where the Group is the lessee and lease arrangement is duly exercised in favour of the lessee) are held in the name of the respective entities forming part of the Group.

4. Right of use assets

For the year ended December 31, 2023

(₹ lakh)

Particulars	Gross carrying amount						Accumulated depreciation						Net carrying amount
	As at January 1, 2023	Additions	Deletion/ Modification	Currency translation reserve	Adjustments (refer to note 44)	As at December 31, 2023	As at January 1, 2023	For the year	Deductions	Currency translation reserve	Adjustments (refer to note 44)	As at December 31, 2023	As at December 31, 2023
Buildings	23,805	1,927	12,689	24	224	13,291	15,145	5,152	12,689	34	120	7,762	5,529
Total	**23,805**	**1,927**	**12,689**	**24**	**224**	**13,291**	**15,145**	**5,152**	**12,689**	**34**	**120**	**7,762**	**5,529**

For the year ended December 31, 2022

(₹ lakh)

Particulars	Gross carrying amount						Accumulated depreciation						Net carrying amount
	As at January 1, 2022	Additions	Deletion/ Modification	Currency translation reserve	Adjustments	As at December 31, 2022	As at January 1, 2022	For the year	Deductions	Currency translation reserve	Adjustments	As at December 31, 2022	As at December 31, 2022
Buildings	22,305	1,195	144	449	-	23,805	9,605	5,289	41	292	-	15,145	8,660
Total	**22,305**	**1,195**	**144**	**449**	**-**	**23,805**	**9,605**	**5,289**	**41**	**292**	**-**	**15,145**	**8,660**

5. Goodwill

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Carrying value at the beginning of the year	37,983	37,267
Goodwill on business combination (refer to note 44)		
- On acquisition of Peter Lee Associates Pty. Limited	1,694	-
- On acquisition of Bridge To India Energy Private Limited	464	-
- On net working capital adjustment of Greenwich Associates LLC	-	110
Foreign currency exchange gain	1,939	606
Carrying value at the end of the year	**42,080**	**37,983**
Goodwill has been allocated in the following CGU's:		
Global Research and Risk Solutions	11,597	9,545
Global Benchmarking Analytics	26,399	24,817
Business Intelligence & Risk Solutions	3,621	3,621
Consulting (Energy)	463	-
Total	**42,080**	**37,983**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Cash Generating Units (CGU) or groups of CGU's, which benefit from the synergies of the acquisition. The chief operating decision maker reviews the goodwill for any impairment at the CGU's level.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use, both of which are calculated by the Group using a discounted cash flow analysis. These calculations use pre tax cash flow projections over a period of three years, based on financial budgets approved by the management. For calculation of the recoverable amount, the Group has used the following rates:

Particulars	As at December 31, 2023	As at December 31, 2022
Growth rate	5.00%	5.00%
Discount rate	19.40%	16.60%

The above discount rate is based on the weighted average cost of capital of the Company or Group. These estimates are likely to differ from future actual results of operations and cash flows.

An analysis of sensitivity of the computation to a change in key parameters (operating margins and discount rate) based on reasonably probable assumptions, did not identify any probable scenario in which recoverable amount of the CGU would decrease below its carrying amount.

As at December 31, 2023 and December 31, 2022, the estimated recoverable amount of the CGU exceeded its carrying amount, hence impairment is not triggered.

6. Intangible assets

For the year ended December 31, 2023

(₹ lakh)

Particulars	Gross carrying amount						Accumulated amortisation						Net carrying amount
	As at January 1, 2023	Additions	Deductions	Currency translation reserve	Adjustments (refer to note 44)	As at December 31, 2023	As at January 1, 2023	For the year	Deductions	Currency translation reserve	Adjustments (refer to note 44)	As at December 31, 2023	As at December 31, 2023
Brand	4,081	-	-	31	165	4,277	599	219	-	6	-	824	3,453
Technology	2,101	-	-	-	-	2,101	2,101	-	-	-	-	2,101	-
Database	4,304	-	-	31	412	4,747	3,346	918	-	27	-	4,291	456
Customer relationship	9,307	-	-	157	1,671	11,135	3,801	737	-	76	-	4,614	6,521
Tradename	467	-	-	-	-	467	467	-	-	-	-	467	-
Platform	985	-	-	-	-	985	972	13	-	-	-	985	-
Software	13,528	1,173	634	59	3	14,129	12,969	753	634	65	3	13,150	979
Total	**34,773**	**1,173**	**634**	**278**	**2,251**	**37,841**	**24,255**	**2,640**	**634**	**174**	**3**	**26,432**	**11,409**

For the year ended December 31, 2022

(₹ lakh)

Particulars	Gross carrying amount						Accumulated amortisation						Net carrying amount
	As at January 1, 2022	Additions	Deductions	Currency translation reserve	Adjustments	As at December 31, 2022	As at January 1, 2022	For the year	Deductions	Currency translation reserve	Adjustments	As at December 31, 2022	As at December 31, 2022
Brand	3,679	-	-	402	-	4,081	358	192	-	49	-	599	3,482
Technology	2,101	-	-	-	-	2,101	2,101	-	-	-	-	2,101	-
Database	3,975	-	-	329	-	4,304	2,366	784	-	196	-	3,346	958
Customer relationship	8,598	-	-	709	-	9,307	3,000	664	-	137	-	3,801	5,506
Tradename	467	-	-	-	-	467	467	-	-	-	-	467	-
Platform	985	-	-	-	-	985	775	197	-	-	-	972	13
Software	13,885	57	1,264	850	-	13,528	12,542	839	1,258	846	-	12,969	559
Total	**33,690**	**57**	**1,264**	**2,290**	**-**	**34,773**	**21,609**	**2,676**	**1,258**	**1,228**	**-**	**24,255**	**10,518**

7. Intangible assets under development

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Software	3,086	1,359
Total	**3,086**	**1,359**

7.1 Ageing for intangible assets under development

Ageing as at December 31, 2023:

(₹ lakh)

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,780	306	-	-	3,086
Projects temporarily suspended	-	-	-	-	-

Ageing as at December 31, 2022:

(₹ lakh)

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	830	134	261	134	1,359
Projects temporarily suspended	-	-	-	-	-

7.2 Personnel expenses to the extent of ₹ 1,424 lakh (Previous year: ₹ 498 lakh) is considered for capitalisation as intangible assets.

7.3 As at December 31, 2023 and December 31, 2022, there were no project the completion of which was overdue or exceeded cost compared to original plan.

8. Investments

A. Non-current investments	As at December 31, 2023		As at December 31, 2022	
	Number of shares	₹ lakh	Number of shares	₹ lakh
Unquoted equity investments carried at fair value through OCI (refer to note 8.1)				
Equity Shares of National Commodity and Derivative Exchange Limited of ₹ 10 each, fully paid up	1,875,000	2,582	1,875,000	2,779
Equity Shares of Caribbean Information and Credit Rating Agency of US $ 1 each, fully paid up	300,000	276	300,000	382
Sub - total (a)		**2,858**		**3,161**
Quoted equity investments carried at fair value through OCI (refer to note 8.1)				
Equity Share of ICRA Limited of ₹ 10 each, fully paid up (refer to note 8.2)	1	-*	1	-*
Equity Shares of CARE Ratings Limited of ₹ 10 each, fully paid up	2,622,431	24,955	2,622,431	15,916
Sub - total (b)		**24,955**		**15,916**
Total non-current investments - (a + b)		**27,813**		**19,077**

B. Current investments	As at December 31, 2023		As at December 31, 2022	
	Number of units	₹ lakh	Number of units	₹ lakh
Investments in mutual funds (Unquoted investments carried at fair value through profit and loss) (refer to note 34)				
Canara Robeco Savings Fund - Direct Growth	12,572,506	4,857	24,156,475	8,699
DSP Low Duration Fund - Direct Plan - Growth	48,016,537	8,764	43,046,485	7,327
DSP Banking & PSU Debt Fund - Direct - Growth	20,362,339	4,463	21,245,656	4,353
ICICI Prudential Corporate Bond Fund - Direct Plan - Growth	33,402,360	9,210	27,605,653	7,059
ICICI Prudential Savings Fund - Direct Plan- Growth	1,081,839	5,294	993,976	4,515
HSBC Ultra Short Duration Fund - Direct - Growth	734,582	9,010	-	-
HSBC Money Market Fund - Direct - Growth	20,534,661	5,070	-	-
Nippon India Corporate Bond Fund - Direct - Growth	8,725,432	4,808	-	-
Bandhan Bond Fund Short Term Plan - Direct - Growth	16,561,126	8,915	-	-
Invesco India Money Market Fund - Direct - Growth	133,304	3,752	-	-
Sundaram Low Duration Fund - Direct - Growth	149,524	4,930	-	-
Sundaram Ultra Short Term Fund - Direct plan - Growth	190,895	4,991	-	-
UTI Money Direct Fund - Direct	134,329	3,736	-	-
Sundaram Corporate Bond Fund - Direct - Growth	-	-	24,862,164	8,556
TATA Ultra Short Term Fund - Direct Plan - Growth	-	-	70,851,227	8,756
Total current investments (c)		**77,800**		**49,265**
Total investments (a + b + c)		**105,613**		**68,342**

(₹ lakh)

C. Summary of Investments (Non-current + current)	As at December 31, 2023	As at December 31, 2022
Aggregate amount of quoted investments	24,955	15,916
Aggregate market value of quoted investments	24,955	15,916
Aggregate amount of unquoted investments	80,658	52,426
Aggregate amount of impairment in value of investments	-	-

8.1 The total dividend recognised pertaining to FVTOCI instruments for the year ended December 31, 2023 was ₹ 839 lakh (Previous year: ₹ 272 lakh). The Group recognises dividend in statement of profit and loss under the head "other income".

8.2 '-*' in amounts columns denote amount less than ₹ 50,000.

9. Other financial assets (Non-current)

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Unsecured, considered good, unless otherwise stated		
Security and other deposits	1,384	1,163
Interest accrued on fixed deposits	1	6
Other bank balances		
Deposits with more than 12 months maturity {Deposits includes fixed deposits with banks ₹ 20 lakh (Previous year: ₹ 40 lakh) marked as lien for guarantees issued by banks on behalf of the Group}	21	140
Total	**1,406**	**1,309**

10. Income tax

(₹ lakh)

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
Current tax	22,313	19,109
Deferred tax	(1,387)	(1,308)
Total income tax expense recognised in current year	**20,926**	**17,801**

The tax year for the Indian entities being the year ending March 31, 2024, the tax expense for the year is the aggregate of the provision made for the three months ended March 31, 2023 and the provisions for the nine months upto December 31, 2023. The tax provision for the nine months has been arrived at using effective tax rate for the period April 1, 2023 to March 31, 2024.

The reconciliation between income tax provision of the Group and amounts computed by applying the Indian statutory income tax rate to profit before taxes is summarised below:

(₹ lakh)

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
Profit before income tax	86,770	74,240
Enacted income tax rate in India for fiscal year ended March 31, 2024 and March 31, 2023. (in %)	25.168%	25.168%
Computed expected tax expense	21,838	18,685
Effect of:		
Income not chargeable to tax (including non-taxable income)	(1,257)	(671)
Expenses that are not deductible in determining taxable profit	322	299
Income subject to different tax rates	235	(521)
Tax expense of prior years	(132)	295
Others	(80)	(286)
Total income tax expense recognised in the statement of profit and loss	**20,926**	**17,801**

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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, 2023 (₹ lakh)

Particulars	Opening balance	Recognised in profit and loss	Recognised in OCI	Adjustments	Exchange difference	Closing balance
Deferred tax liability on:						
Gains from investments	607	-	(71)	-	-	536
Gains from mutual funds	205	458	-	-	-	663
Provision for ESOS	99	(35)	-	-	(13)	51
Discounting of security deposits	36	-	-	-	-	36
Property, plant and equipment and other intangible assets	(370)	70	-	569	(108)	161
Gross deferred tax liability	**577**	**493**	**(71)**	**569**	**(121)**	**1,447**
Deferred tax asset on:						
Provision for compensated absences	1,905	336	-	-	2	2,243
Provision for bonus and commission	2,532	770	-	-	(30)	3,272
Provision for gratuity	919	280	29	1	-	1,229
Provision for LTIP	463	164	-	-	32	659
Provision for doubtful trade receivables	556	(141)	-	-	1	416
Initial rating fees and other deferred revenue	296	33	-	-	-	329
Business combination	563	-	-	-	-	563
Gains / losses on forward contract	429	-	(432)	-	-	(3)
Lease liability and right of use assets	299	(180)	-	(31)	32	120
40A(ia) of the Income Tax Act, 1961 and other items	533	472	-	-	20	1,025
Brought forward losses	21	-	-	-	-	21
Interest expense disallowance	-	146	-	-	-	146
Gross deferred tax asset	**8,516**	**1,880**	**(403)**	**(30)**	**57**	**10,020**
Net deferred tax asset	**7,939**	**1,387**	**(332)**	**(599)**	**178**	**8,573**

As at December 31, 2022 (₹ lakh)

Particulars	Opening balance	Recognised in profit and loss	Recognised in OCI	Adjustments	Exchange difference	Closing balance
Deferred tax liability on:						
Gains from investments	639	-	(32)	-	-	607
Gains from mutual funds	82	123	-	-	-	205
Provision for ESOS	-	102	-	-	(3)	99
Discounting of security deposit	36	-	-	-	-	36
Gross deferred tax liability	**757**	**225**	**(32)**	**-**	**(3)**	**947**
Deferred tax asset on:						
Provision for compensated absences	1,783	121	-	-	1	1,905
Provision for bonus and commission	1,772	732	-	-	28	2,532
Provision for gratuity	738	239	(58)	-	-	919
Provision for LTIP	-	460	-	-	3	463
Provision for doubtful trade receivables	531	21	-	-	4	556
Initial rating fees and other deferred revenue	250	46	-	-	-	296
Business combination	401	256	-	-	(94)	563

As at December 31, 2022

(₹ lakh)

Particulars	Opening balance	Recognised in profit and loss	Recognised in OCI	Adjustments	Exchange difference	Closing balance
Gains/ losses on forward contract	(325)	-	754	-	-	429
Property, plant and equipment and other intangible assets	98	262	-	-	10	370
Lease liability and right of use assets	651	(358)	-	-	6	299
40A(ia) of the Income Tax Act, 1961 and other items	618	(67)	-	-	(18)	533
Brought forward losses	(17)	15	-	-	23	21
Interest expense disallowance	70	(76)	-	-	6	-
Earnout payments	108	(118)	-	-	10	-
Gross deferred tax asset	**6,678**	**1,533**	**696**	**-**	**(21)**	**8,886**
Net deferred tax asset	**5,921**	**1,308**	**728**	**-**	**(18)**	**7,939**

Deferred tax liability of ₹ 18,428 lakh (Previous year: ₹ 19,726 lakh) on undistributed earnings of certain subsidiaries has not been recognised, as it is the intention of the Group to reinvest the earnings of these subsidiaries for the foreseeable future.

11. Tax assets (Non-current)

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Advance taxes paid (net of provision for taxation)	16,477	15,180
Total	**16,477**	**15,180**

12. Other non-current assets

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Capital advance	191	97
Prepaid expenses	290	121
Balance with government authority	424	-
Total	**905**	**218**

13. Trade receivable (Current)

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Trade receivables considered good- secured	-	-
Trade receivables considered good- unsecured (refer to note 38)	68,951	75,883
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	1,881	2,381
Less: Allowance for doubtful trade receivables	(1,881)	(2,381)
Total	**68,951**	**75,883**

13.1 The balance lying in unbilled receivables as at December 31, 2022 is significantly billed during the current year.

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

13.3 Reconciliation of loss allowance:

(₹ lakh)

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
Opening balance	2,381	2,138
Add: Provided during the period	62	998
Less: Utilisation	(562)	(755)
Closing balance	**1,881**	**2,381**

13.4 Ageing for trade receivables for each of the category

As at December 31, 2023 (₹ lakh)

Particulars	Unbilled	Outstanding for following periods from due date of payment						Total
		Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables- considered good	15,440	24,605	28,404	502	-	-	-	68,951
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	103	-	301	817	477	178	5	1,881
(iv) Disputed trade receivables- considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-	-
Total	**15,543**	**24,605**	**28,705**	**1,319**	**477**	**178**	**5**	**70,832**
Less: Allowance for doubtful trade receivables								(1,881)
Total								**68,951**

As at December 31, 2022 (₹ lakh)

Particulars	Unbilled	Outstanding for following periods from due date of payment						Total
		Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables- considered good	18,916	19,557	34,806	2,604	-	-	-	75,883
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	-	-	330	324	910	41	776	2,381
(iv) Disputed trade receivables- considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-	-
Total	**18,916**	**19,557**	**35,136**	**2,928**	**910**	**41**	**776**	**78,264**
Less: Allowance for doubtful trade receivables								(2,381)
Total								**75,883**

14. Cash and cash equivalents (Current)

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Cash on hand	3	3
Balances with banks:		
On current accounts	14,952	17,054
Deposits with original maturity of less than 3 months	21,657	14,868
Total	**36,612**	**31,925**

15. Other bank balances (Current)

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Earmarked balances with banks (refer to note 15.1)	112	73
Deposits with original maturity for more than 3 months but less than 12 months {Deposits includes fixed deposits with banks ₹ 88 lakh (Previous year: ₹ 94 lakh) marked as lien for guarantees issued by banks on behalf of the Group}	266	145
Total	**378**	**218**

15.1 Earmarked balances with banks relate to unpaid dividends. The Company has complied with the applicable regulations for maintenance of unpaid dividend accounts as per Section 129 of the Companies Act, 2013.

16. Loans (Current)

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Unsecured, considered good, unless otherwise stated		
Loans to employees (refer to note 16.1)	388	323
Total	**388**	**323**
Sub-classification of loans:		
Loan receivables considered good- Secured	-	-
Loan receivables considered good- Unsecured	388	323
Loan receivables which have significant increase in credit risk	-	-
Loan receivables - credit impaired	-	-
Less: Allowance for impairment loss	-	-
Total	**388**	**323**

16.1 There are no loans given to promoters, directors, key managerial persons and related parties.

17. Other financial assets (Current)

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Unsecured, considered good, unless otherwise stated		
Interest accrued on deposits	53	21
Fair value of foreign currency forward contract (refer to note 34.2)	11	-
Security deposits		
- Considered good	3,002	2,865
- Considered doubtful	169	152
Others		
- Considered good	540	177
- Considered doubtful	84	39
Less: Allowance for impairment loss	(253)	(191)
Total	**3,606**	**3,063**

18. Other current assets

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Prepaid expense	3,956	2,718
Balances with government authorities	8,880	7,149
Advances to suppliers and employees	5,020	3,045
Accrued revenue	4,137	2,531
Total	**21,993**	**15,443**

19. Equity share capital

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Authorised capital (refer to note 44):		
195,000,000 Equity shares of ₹ 1 each (Previous year: 195,000,000 equity shares of ₹ 1 each)	1,950	1,950
Issued, subscribed and paid up:		
73,113,605 equity shares of ₹ 1 each fully paid up (Previous year: 73,064,044 equity shares of ₹ 1 each)	731	731
Total	**731**	**731**

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

Equity shares

Particulars	As at December 31, 2023	
	₹ lakh	Nos.
At the beginning of the year (face value of ₹ 1 per share)	731	73,064,044
Add: Issued during the year-under employee stock option scheme (ESOS) (refer to note 45)	-*	49,561
Outstanding at the end of the year	**731**	**73,113,605**

'-' in amounts column denote amount less than ₹ 50,000*

Particulars	As at December 31, 2022	
	₹ lakh	Nos.
At the beginning of the year (face value of ₹ 1 per share)	729	72,868,446
Add: Issued during the year-under employee stock option scheme (ESOS) (refer to note 45)	2	195,598
Outstanding at the end of the year	**731**	**73,064,044**

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 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 Company 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:

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Group Holding of the S&P Global Inc.		
31,209,480 equity shares of ₹ 1 each fully paid held by S&P India, LLC, fellow subsidiary (Previous year: 31,209,480 equity shares of ₹ 1 each)	312	312
11,523,106 equity shares of ₹ 1 each fully paid held by S&P Global Asian Holdings Pte. Limited, fellow subsidiary (Previous year: 11,523,106 equity shares of ₹ 1 each)	115	115
6,000,000 equity shares of ₹ 1 are held by Standard & Poor's International LLC, fellow subsidiary (Previous year: 6,000,000 equity shares of ₹ 1 each)	60	60
Total	**487**	**487**

(d) The Company has neither issued shares for consideration other than cash or bonus shares nor there has been any buy back of shares during the five years immediately preceding the date of balance sheet.

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

Name of the shareholder	As at December 31, 2023	
	% holding in the class	Nos.
Equity shares of ₹ 1 each fully paid		
1. Group Holding of the S&P Global Inc.		
a) S&P India, LLC	42.69%	31,209,480
b) S&P Global Asian Holdings Pte. Limited	15.76%	11,523,106
c) Standard & Poor's International LLC	8.21%	6,000,000
2. Jhunjhunwala Rekha Rakesh	5.47%	4,000,000

Name of the shareholder	As at December 31, 2022	
	% holding in the class	Nos.
Equity shares of ₹ 1 each fully paid		
1. Group Holding of the S&P Global Inc.		
a) S&P India, LLC	42.72%	31,209,480
b) S&P Global Asian Holdings Pte. Limited	15.77%	11,523,106
c) Standard & Poor's International LLC	8.21%	6,000,000
2. Jhunjhunwala Rekha Rakesh	5.47%	4,000,000

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) Disclosure of Shareholding of Promoters

As at December 31, 2023

Promoter Name	Shares held by Promoters				% change during the year
	As at December 31, 2023		As at December 31, 2022		
	No. of shares	% of total shares	No. of shares	% of total shares	
S&P India, LLC	31,209,480	42.69%	31,209,480	42.72%	-0.03%
S&P Global Asian Holdings Pte. Limited	11,523,106	15.76%	11,523,106	15.77%	-0.01%
Standard & Poor's International LLC	6,000,000	8.21%	6,000,000	8.21%	0.00%

As at December 31, 2022

Promoter Name	Shares held by Promoters				% change during the year
	As at December 31, 2022		As at December 31, 2021		
	No. of shares	% of total shares	No. of shares	% of total shares	
S&P India, LLC	31,209,480	42.72%	31,209,480	42.83%	-0.11%
S&P Global Asian Holdings Pte. Limited	11,523,106	15.77%	11,523,106	15.81%	-0.04%
Standard & Poor's International LLC	6,000,000	8.21%	6,000,000	8.23%	-0.02%

(g) Shares reserved for issue under options

For details of shares reserved for issue under the ESOS of the Company (refer to note 45).

(h) Capital management

The Group is predominantly equity financed and continues to maintain adequate amount of liquidity to meet strategic and growth objectives. The Group manages its capital to ensure that it will be able to continue as going concerns while maximising the return to its stakeholders. The Group has ensured a balance between earning adequate returns on treasury asset and need to cover financial and business risk. The Group 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 Group has an overdraft and other loan facilities (unsecured) sanctioned from banks to support any temporary funding requirements, as and when required.

20 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) 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.

d) Other comprehensive income (OCI)

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

e) 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 recognised directly in OCI and accumulated under the hedging cash flow hedge reserve, net of applicable deferred income taxes.

f) Currency fluctuation reserve

Exchange difference relating to the translation of the results and net assets of the Group's foreign operations from their respective functional currencies to the Group's functional currency is recognised directly in other comprehensive income and accumulated in the currency fluctuation reserve.

g) Retained earnings

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

h) Capital redemption reserve

The Group 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.

i) Share application money pending allotment

It represent the amount received on the application on which allotment is not yet made (pending allotment).

21. Other financial liabilities (Non-current)

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Employee related payables	4,702	4,235
Total	**4,702**	**4,235**

22. Provisions (Non-current)

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Provision for gratuity (refer to note 40)	4,040	2,888
Total	**4,040**	**2,888**

23. Other non-current liabilities

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Unearned revenue	19	10
Total	**19**	**10**

24. Trade payables (Current)

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Total outstanding dues of micro enterprises and small enterprises (as per intimations received from suppliers)	1,064	735
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer to note 38)	13,192	13,465
Total	**14,256**	**14,200**

24.1 Ageing for trade payables for each of the category

As at December 31, 2023

(₹ lakh)

Particulars	Unbilled	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	1,053	11	-	-	-	1,064
(ii) Others	12,239	928	5	17	3	13,192
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**13,292**	**939**	**5**	**17**	**3**	**14,256**

As at December 31, 2022

(₹ lakh)

Particulars	Unbilled	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	706	29	-	-	-	735
(ii) Others	11,673	1,764	25	3	-	13,465
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**12,379**	**1,793**	**25**	**3**	**-**	**14,200**

25. Other financial liabilities (Current)

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Employee related payables	34,653	30,854
Capital creditors	238	-
Unpaid dividend (Investor education and protection fund will be credited as and when due)	112	73
Fair value of foreign currency forward contract (refer to note 34.2)	-	1,708
Earnout payables	873	-
Others	403	162
Total	**36,279**	**32,797**

26. Other current liabilities

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Statutory liabilities	8,811	7,748
Unearned revenue (refer to note 26.1)	29,169	23,661
Others	20	113
Total	**38,000**	**31,522**

26.1 The balance lying in 'Unearned revenue' as at December 31, 2022 is fully recognised as revenue during the current year.

27. Provisions (Current)

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Provision for compensated absences (refer to note 40)	9,350	8,028
Provision for gratuity (refer to note 40)	759	677
Total	**10,109**	**8,705**

28. Tax liabilities (Current)

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Provision for tax (net of advance tax)	389	1,199
Total	**389**	**1,199**

29. Revenue from operations

(₹ lakh)

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
Ratings services	77,239	66,343
Research, Analytics and solutions	236,713	210,529
Total	**313,952**	**276,872**

29.1 The Group disaggregates revenue from contracts with customers by nature of services. (refer to note 37).

29.2 The Group 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.

30. Other income

(₹ lakh)

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
Interest on:		
- Bank deposits	619	130
- Financial assets carried at amortised cost	256	230
- Others (refer to note 38)	7	-*
Inflation adjustment results (refer to note 41)	2,704	1,674
Profit on sale of property, plant and equipment	314	114
Dividend from equity investments measured at FVTOCI	839	272
Foreign exchange gain (net)	-	6,576
Profit on sale of current investments	1,779	1,149
Gain on fair valuation of current investments	1,833	492
Grant income	7	54
Modification/ waiver of lease rent	148	63
Excess provision written back	-	70
Miscellaneous income	858	1,423
Total	**9,364**	**12,247**

'-' in amounts column denote amount less than ₹ 50,000*

31. Employee benefits expense

(₹ lakh)

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
Salaries, wages and bonus	156,095	139,100
Share based payment to employees	1	2
Contribution to provident and other funds (refer to note 40)	11,882	10,484
Staff training and welfare expenses	6,799	5,712
Total	**174,777**	**155,298**

32. Finance costs

(₹ lakh)

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
Interest on lease liability (refer to note 39)	366	640
Total	**366**	**640**

33. Other expenses

(₹ lakh)

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
Repairs and maintenance - Buildings	1,552	1,325
Repairs and maintenance - others	4,235	2,289
Electricity	659	562
Communication expenses	1,175	1,107
Insurance	216	209
Rent (refer to note 39)	727	849
Rates and taxes	170	137

(₹ lakh)

Particulars	**Year ended December 31, 2023**	**Year ended December 31, 2022**
Printing and stationery	335	255
Conveyance and travelling	3,941	3,304
Books and periodicals	1,554	1,597
Remuneration to non-whole time directors (refer to note 38)	297	279
Business promotion and advertisement	316	110
Foreign exchange loss	158	-
Professional fees	12,622	12,297
Associate service fee	14,762	13,224
Software purchase and maintenance expenses	4,351	4,273
Provision for doubtful trade receivables	62	998
Provision on other financial assets	23	69
Corporate social responsibility (CSR) expenses (refer to note 38)	895	839
Auditors' remuneration	272	244
Recruitment expenses	1,745	2,660
Sales commission	436	696
Miscellaneous expenses	522	1,287
Total	**51,025**	**48,610**

34. Financial instruments

The carrying value and fair value of financial instruments by categories as at December 31, 2023 are as follows:

(₹ lakh)

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 instruments designated upon initial recognition**	**Mandatory**			
Assets								
Investments								
- Quoted equity investments	-	-	-	24,955	-	-	24,955	24,955
- Unquoted equity investments	-	-	-	2,858	-	-	2,858	2,858
- Mutual funds	-	-	77,800	-	-	-	77,800	77,800
Cash and cash equivalents	36,612	-	-	-	-	-	36,612	36,612
Other bank balances	378	-	-	-	-	-	378	378
Trade receivables	68,951	-	-	-	-	-	68,951	68,951
Loans	388	-	-	-	-	-	388	388
Other financial assets	5,001	-	-	-	-	11	5,012	5,012
Total	**111,330**	**-**	**77,800**	**27,813**	**-**	**11**	**216,954**	**216,954**
Liabilities								
Lease liabilities	4,732	-	-	-	-	-	4,732	4,732
Trade payables	14,256	-	-	-	-	-	14,256	14,256
Other financial liabilities	40,981	-	-	-	-	-	40,981	40,981
Total	**59,969**	**-**	**-**	**-**	**-**	**-**	**59,969**	**59,969**

The carrying value and fair value of financial instruments by categories as at December 31, 2022 are as follows:

(₹ lakh)

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 instruments designated upon initial recognition	Mandatory			
Assets								
Investments								
- Quoted equity investments	-	-	-	15,916	-	-	15,916	15,916
- Unquoted equity investments	-	-	-	3,161	-	-	3,161	3,161
- Mutual funds	-	-	49,265	-	-	-	49,265	49,265
Cash and cash equivalents	31,925	-	-	-	-	-	31,925	31,925
Other bank balances	218	-	-	-	-	-	218	218
Trade receivables	75,883	-	-	-	-	-	75,883	75,883
Loans	323	-	-	-	-	-	323	323
Other financial assets	4,372	-	-	-	-	-	4,372	4,372
Total	**112,721**	**-**	**49,265**	**19,077**	**-**	**-**	**181,063**	**181,063**
Liabilities								
Lease liabilities	8,346	-	-	-	-	-	8,346	8,346
Trade payables	14,200	-	-	-	-	-	14,200	14,200
Other financial liabilities	35,324	-	-	-	-	1,708	37,032	37,032
Total	**57,870**	**-**	**-**	**-**	**-**	**1,708**	**59,578**	**59,578**

34.1 Fair value hierarchy

For financial reporting purpose, fair value measurements are categorised 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.

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, 2023 and December 31, 2022.

(₹ lakh)

Particulars	As at December 31, 2023			As at December 31, 2022		
	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	77,800	-	-	49,265	-	-
B. Investments at FVTOCI						
1. Quoted equity shares	24,955	-	-	15,916	-	-
2. Unquoted equity shares	-	-	2,858	-	-	3,161
C. Forward contracts receivable	-	11	-	-	-	-
Financial liabilities measured at fair value:						
A. Forward contracts payable	-	-	-	-	1,708	-

Reconciliation of Level 3 fair value measurements of financial assets and financial liabilities is given below:

(₹ lakh)

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
Opening balance	**3,161**	**3,299**
Gain recognised in profit and loss	-	-
Gain/ (loss) recognised in other comprehensive income	(303)	(138)
Closing balance	**2,858**	**3,161**

34.2 Derivative financial instruments and hedging activity

The Group'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 Group 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 values are as under:

As at December 31, 2023

Type of Hedge	Currency	Number of contracts	Nominal value (Foreign currency in '000)	Carrying amount of hedging instrument (₹ lakh)	Maturity date	Weighted average strike price/rate	Changes in fair value of hedging instrument (₹ lakh)	Change in the hedging item used as the basis for recognising hedge effectiveness (₹ lakh)
Cash flow hedge								
Foreign exchange forward contracts	USD	18	73,889	62,179	Jan to Dec'24	84.15	165	(165)
	GBP	11	7,515	7,892	Jan to Dec'24	105.01	(121)	121
	EUR	12	5,223	4,853	Jan to Dec'24	92.91	(33)	33

As at December 31, 2022

Type of Hedge	Currency	Number of contracts	Nominal value (Foreign currency in '000)	Carrying amount of hedging instrument (₹ lakh)	Maturity date	Weighted average strike price/rate	Changes in fair value of hedging instrument (₹ lakh)	Change in the hedging item used as the basis for recognising hedge effectiveness (₹ lakh)
Cash flow hedge								
Foreign exchange forward contracts	USD	38	64,611	52,567	Jan to Dec'23	81.36	(1,469)	1,469
	GBP	11	7,777	7,788	Jan to Dec'23	100.14	(67)	67
	EUR	12	6,315	5,511	Jan to Dec'23	87.27	(172)	172

Movement in cash flow hedging reserve

(₹ lakh)

Particulars	Foreign exchange forward contract
As at January 1, 2022	**965**
Add: Changes in fair value of effective portion of outstanding forecasted cash flow hedge	(2,874)
Less: Amounts reclassified to statement of profit or loss	(123)
Less: Tax relating to above (net)	754
As at January 1, 2023	**(1,278)**
Add: Changes in fair value of effective portion of outstanding forecasted cash flow hedge	1,554
Add: Amounts reclassified to statement of profit or loss	163
Less: Tax relating to above (net)	(432)
As at December 31, 2023	**7**

The Group 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 Group 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.

35. Financial risk management

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarised in note 34. The main types of risks are market risk (foreign currency exchange rate risk and price risk), business and credit risks and liquidity risk. The Group 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 Group has a mechanism to identify, assess, mitigate and monitor various risks to key business objectives.

The policies for managing specific risk are summarised below:

35.1 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 rates, price and other market changes, the Group exposure to market risk is mainly due to foreign exchange rates and price risk.

Foreign currency exchange rate risk

Our exposure to market risk includes changes in foreign exchange rates. Exposures to currency exchange rates arise from the Group's overseas sales and purchases, which are primarily denominated in US dollars (USD), EURO, and Pounds Sterling (GBP). As of December 31, 2023 and December 31, 2022, we have 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 under note 34.2.

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

Particulars	As at December 31, 2023 (Foreign Currency in '000)		As at December 31, 2023 (₹ lakh)	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	52,547	1,947	43,798	1,623
GBP	768	555	819	591
EURO	5,789	180	5,358	166
Others	2,646	5,309	831	482

Particulars	As at December 31, 2022 (Foreign Currency in '000)		As at December 31, 2022 (₹ lakh)	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	58,109	1,077	48,153	893
GBP	1,497	270	1,491	269
EURO	8,861	176	7,792	155
Others	3,257	2,397	1,002	549

For the year ended December 31, 2023, every 5% increase/decrease of the respective foreign currencies compared to functional currency of the Group would impact operating margins by ₹ 2,397 lakh (+/-2.72%). For the year ended December 31, 2022, operating margins would increase/decrease by ₹ 2,829 lakh (+/-3.88%). 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 Group'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 Group has adopted disciplined practices including position sizing, diversification, valuation, loss prevention, due diligence, and exit strategies in order to mitigate losses.

The Group is exposed price risk arising mainly from investments in mutual funds recognised at FVTPL. The details of such investment are given under note 8. If the prices had been higher/lower by 5% from the market prices existing as at reporting dates, profit would increase/decrease by ₹ 3,890 lakh and ₹ 2,463 lakh for the year ended December 31, 2023 and December 31, 2022 respectively.

The Group is exposed price risk arising mainly from investments in quoted equity instruments recognised at FVTOCI. The details of such investment are given under note 8. 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, 2023 would increase/decrease by ₹ 1,248 lakh and ₹ 796 lakh for the year ended December 31, 2022.

35.2 Liquidity risk

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

Liquidity risk management

The Group continues to maintain adequate amount of liquidity/treasury to meet strategic and growth objectives. The Group has ensured a balance between earning adequate returns on liquidity/treasury assets and the need to cover financial and business risks. Group'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 Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The treasury position of the Group is given below:

Financial assets maturing within and after one year:

(₹ lakh)

Particulars	As at December 31, 2023		As at December 31, 2022	
	within one year	more than one year	within one year	more than one year
Trade receivables	68,951	-	75,883	-
Cash and cash equivalents	36,612	-	31,925	-
Other bank balances	378	-	218	-
Loans	388	-	323	-
Investments	77,800	27,813	49,265	19,077
Other financial assets	3,606	1,406	3,063	1,309
Total	**187,735**	**29,219**	**160,677**	**20,386**

Financial liabilities maturing within and after one year:

(₹ lakh)

Particulars	As at December 31, 2023		As at December 31, 2022	
	within one year	more than one year	within one year	more than one year
Lease liabilities	1,656	3,076	5,957	2,389
Trade payables	14,256	-	14,200	-
Other financial liabilities	36,279	4,702	32,797	4,235
Total	**52,191**	**7,778**	**52,954**	**6,624**

35.3 Business and credit risks

To mitigate the risk arising from high dependence on any one business for revenues, the Group 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 Group 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 Group. The Group is exposed to this risk for receivables from customers.

To manage credit risk, the Group 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 Group uses a provision margin to compute the expected credit loss allowance for trade receivables. Further, the Group doesn't have significant credit risk exposure to any single counter party or a group of counter parties and have adequate provision for credit risk/bad debts. Trade receivables are monitored on periodic basis for any non-recoverability of the dues. Bank balances are held with only high rated banks. Refer note 13.4 for trade receivables aging.

36. Contingent liabilities and capital commitments:

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
A. Contingent liabilities		
1. Claims against the Group not acknowledged as debts		
Disputed income tax, sales tax, service tax and GST demand:	54,059	42,170
2. Provident fund Based on the judgement by the Honourable Supreme Court dated February 28, 2019, past provident fund liability, is not determinable at present, in view of uncertainty on the applicability of the judgement to the Group with respect to timing and the components of its compensation structure. In absence of further clarification, the Group has been legally advised to await further developments in this matter to reasonably assess the implications on its financial statements, if any. The Group periodically receives notices and inquiries from income tax authorities related to the Group's operations in various jurisdictions. The Group evaluates 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.		
	54,059	**42,170**
B. Capital commitment		
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	945	158
Total	**55,004**	**42,328**

37. Segment reporting

Business segments:

A description of the types of products and services provided by each reportable segment is as follows:

Ratings services – Ratings services includes credit ratings for corporates, banks, bank loans, credit analysis services, grading services and global analytical services.

Research, Analytics and solutions – Research, Analytics and solutions segment includes global research and risk solutions, industry reports, customized research assignments, subscription to data services, independent equity research (IER), IPO gradings, training, credit ratings for small and medium enterprises (SME), advisory services and a comprehensive range of risk management tools, analytics and solutions to financial institutions, banks and corporates in India.

Segment reporting for the year ended December 31, 2023 (₹ lakh)

Particulars	Business segments		
	Ratings services	Research, Analytics and Solutions	Total
Operating revenue (refer to note 29)	77,239	236,713	313,952
Segment results	33,465	49,363	82,828
Add / (less) unallocables:			
1. Unallocable income			
Interest income			882
Profit/ gain on current investments			3,612
Profit on sale of property, plant and equipment			314
Grant income			7
Others*			4,401
2. Unallocable expenditure			(47)
3. Depreciation and amortisation expenses (Unallocable)			(5,227)
Profit before tax			86,770
Tax expense			(20,926)
Profit after tax			65,844
Segment assets	28,648	158,599	187,247
Unallocable assets**			144,205
Segment liabilities	23,389	67,987	91,376
Unallocable liabilities**			21,150

Revenue and non-current assets by geographic segments (₹ lakh)

Geography	Revenue	Non-current assets#
India	84,645	25,095
Europe	77,732	22,035
North America	126,995	18,254
Rest of the world	24,580	2,071
Total	**313,952**	**67,455**

Segment reporting for the year ended December 31, 2022 (₹ lakh)

Particulars	Business segments		
	Ratings services	Research, Analytics and Solutions	Total
Operating revenue (refer to note 29)	66,343	210,529	276,872
Segment results	27,859	45,708	73,567
Add / (less) unallocables:			
1. Unallocable income			
Interest income			360
Profit/ gain on sale of current investments			1,641
Profit on sale of property, plant and equipment			114
Grant income			54
Others*			3,930
2. Unallocable expenditure			(384)
3. Depreciation and amortisation expenses (Unallocable)			(5,042)
Profit before tax			74,240
Tax expense			(17,801)
Profit after tax			56,439
Segment assets	24,057	153,099	177,156
Unallocable assets**			105,944
Segment liabilities	19,618	59,716	79,334
Unallocable liabilities**			24,568

Revenue and non-current assets by geographic segments (₹ lakh)

Geography	Revenue	Non-current assets #
India	72,852	35,009
Europe	71,138	18,683
North America	110,747	9,439
Rest of the world	22,135	344
Total	**276,872**	**63,475**

Notes to segmental results:

**Other income which have been allocated to business segments have not been considered in determining unallocable income.*

***Assets and liabilities used interchangeably between business segments have been classified as unallocable. The Group believes that it is currently not practical to allocate these assets and liabilities since a meaningful segregation of the available data is not feasible.*
#Non-current assets for the purpose of geographical segment does not include deferred tax assets, tax assets and financial instruments.

Entity wide disclosures

None of the customers for the year ended December 31, 2023 and December 31, 2022 constituted 10% or more of the the total revenue of the Group.

38. List of related parties

Parties	Relationship
Related parties where control exists	
S&P Global Inc.	The Ultimate Holding Company
CRISIL Foundation	Controlled trust
Other related parties (to the extent where transactions have taken place)	
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 Limited	Fellow subsidiary
S&P Trucost 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 Global Ratings UK Limited	Fellow subsidiary
S&P Global Ratings Europe Limited	Fellow subsidiary
Standard & Poor’s Financial Services, LLC	Fellow subsidiary
S&P Global Ratings Singapore Pte Ltd	Fellow subsidiary
S&P Global Ratings Hong Kong Limited	Fellow subsidiary
S&P Global Ratings Australia Pty Ltd	Fellow subsidiary
S&P Global Ratings Japan Inc.	Fellow subsidiary
S&P Global Market Intelligence LLC	Fellow subsidiary
S&P Global Market Intelligence Inc.	Fellow subsidiary
S&P Dow Jones Indices LLC	Fellow subsidiary
Markit Group Limited	Fellow subsidiary
IHS Global FZ LLC	Fellow subsidiary
Markit North America, Inc	Fellow subsidiary
Asia Index Private Limited	Fellow subsidiary
Nreach Online services Private Limited	Entity over which KMP are able to exercise significant influence (upto April 8, 2022)
Key Management Personnel	
Girish Paranjpe	Independent Director
Vinita Bali	Independent Director
Amar Raj Bindra	Independent Director
Shyamala Gopinath	Independent Director
Yann Le Pallec	Director (with effect from October 3, 2022)
Elizabeth Mann	Director (upto July 22, 2022)
Ewout Steenbergen	Chairman (from April 19, 2023 to February 16, 2024)
Girish Ganeshan	Director (with effect from April 19, 2023)
John L Berisford	Chairman (upto April 18, 2023)
Amish Mehta*	Managing Director & Chief Executive Officer
Sanjay Chakravarti*	Chief Financial Officer
Minal Bhosale*	Company Secretary

** Related Party under the Companies Act, 2013*

Transactions with related parties

(₹ lakh)

Name of the related party	Nature of transaction / outstanding balances	As at and for the year ended December 31, 2023	As at and for the year ended December 31, 2022
S&P Global Canada Corp.	Professional services rendered	285	272
	Amount receivable	-	10
S&P Global Ratings Europe Limited	Professional services rendered	4,069	3,174
	Reimbursement of expenses received	9	7
	Amount receivable	681	605
S&P Global Ratings UK Limited	Professional services rendered	2,951	2,299
	Amount receivable	489	436
Standard & Poor's Financial Services, LLC	Professional services rendered	17,101	15,400
	Reimbursement of expenses paid	625	619
	Amount receivable	-	2,631
S&P Global Ratings Singapore Pte Ltd	Professional services rendered	600	537
	Amount receivable	-	30
S&P Global Ratings Hong Kong Limited	Professional services rendered	1,755	1,520
	Amount receivable	143	308
S&P Global Ratings Australia Pty Ltd	Professional services rendered	854	635
	Amount receivable	74	53
S&P Global Ratings Japan Inc.	Professional services rendered	334	358
	Amount receivable	20	72
S&P Global Market Intelligence LLC	Subscription fees paid	481	347
	Professional services rendered	1,295	609
	Professional fee paid	52	99
	Amount receivable	380	317
S&P Dow Jones Indices LLC	Professional services rendered	3	-
Standard & Poor's International LLC	Dividend paid	2,940	2,820
	Share capital outstanding	60	60
	Amount receivable	-	-*
S&P India, LLC	Dividend paid	15,293	14,668
	Share capital outstanding	312	312
S&P Global Asian Holdings Pte. Limited	Dividend paid	5,646	5,416
	Share capital outstanding	115	115
IHS Global FZ LLC	Professional services rendered	17	46
	Amount receivable	-	8
Standard & Poor's South Asia Services Private Limited	Reimbursement of expenses received	733	1,240
	Amount receivable	-*	257
S&P Trucost Limited	Professional services rendered	483	352
	Amount receivable	189	130
Markit Group Limited	Rent paid	50	-
Asia Index Private Limited	Reimbursement of expenses paid	2	2
	Amount payable	-	2
Markit North America, Inc	Professional services rendered	424	396
	Amount receivable	2	318
NREACH online services private limited	Purchase of stationary	-	8
S&P Global Inc.	Professional services rendered	94	-*
	Rent paid	106	399
	Amount payable	-	35
	Amount receivable	91	-

Transactions with related parties

(₹ lakh)

Name of the related party	Nature of transaction / outstanding balances	As at and for the year ended December 31, 2023	As at and for the year ended December 31, 2022
S&P Global Market Intelligence Inc.	Reimbursement of expenses received	78	65
	Amount receivable	18	4
S&P Global Limited	Rent paid	-	35
S&P Global UK Limited	Professional services rendered	3,078	2,758
	Amount receivable	725	851
CRISIL Foundation	Donation	895	958
	Loan given	350	110
	Loan repaid	350	110
	Interest income	7	-*
	Amount received by CRISIL on behalf of CRISIL foundation	2	-
	Reimbursement of expenses received	113	67
	Amount receivable	143	80
Girish Paranjpe	Sitting fees and commission	77	73
Shyamala Gopinath	Sitting fees and commission	89	83
Vinita Bali	Sitting fees and commission	57	54
Amar Raj Bindra	Sitting fees and commission	74	69
Amish Mehta	Remuneration	1,009	969
	Options alloted (Number)	7,878	29,941
	Dividend paid	16	6
Sanjay Chakravarti	Remuneration	331	263
	Options alloted (Number)	1,000	850
	Dividend paid	1	-*
Minal Bhosale	Remuneration	178	146
	Options alloted (Number)	-	999
	Dividend paid	1	1

'-' in amounts column denote amount less than ₹ 50,000*

Notes:

1. All related party transactions entered during the year were in ordinary course of the business and on arm's length basis.
2. Employee benefits that requires actuarial valuation or are linked to events or fulfilment of conditions are disclosed in managerial remuneration as and when paid.

39 Leases

The Group has elected not to recognise right of use assets and lease liabilities for short term leases (lease term of 12 months or less) and leases of low-value and has recognised the lease payments for such leases as an expense over the lease term.

39.1 The following is the movement in lease liabilities:

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Opening balance	8,346	13,214
Adjustments	107	-
Less: Modification of lease term	(262)	(145)
Add: Additions	2,051	526

(₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Add: Forex adjustment	(4)	180
Add: Interest recognised during the year	366	640
Less: Payment (including interest on lease liabilities)	(5,872)	(6,069)
Closing balance	**4,732**	**8,346**
Bifurcation of lease liability:		
Non-current	3,076	2,389
Current	1,656	5,957
Total	**4,732**	**8,346**

39.2 The table below provides details regarding the contractual maturities of lease liabilities as at December 31, 2023 on an undiscounted basis:

(₹ lakh)

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
Future minimum lease payments:		
Not later than one year	1,563	6,023
Later than one year and not later than five years	2,075	2,903
Later than five years	-	53
Total	**3,638**	**8,979**

The Group 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 116 was ₹ 727 lakh (Previous year: ₹ 849 lakh) for the year.

The Group has recognised interest on lease liability of ₹ 366 lakh (Previous year: ₹ 640 lakh) under finance costs. The aggregate depreciation on ROU assets has been included under Depreciation and amortisation expense in the Statement of Profit and Loss.

40 Gratuity and other post employment benefits plans

In accordance with the Payment of Gratuity Act, 1972 the Group provides for gratuity, a defined benefit retirement plan covering eligible employees (completed continuous services of five years or more) of the Group. 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 Group.

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 benefits expense recognised in Statement of Profit and Loss and OCI:

(₹ lakh)

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
Employee benefits expense		
Current service cost	940	830
Interest cost on defined benefit obligation	256	173
Adjustment	(1)	(1)
Net impact on profit (before tax)	**1,195**	**1,002**
Remeasurement of the net defined benefit plans:		
Re-measurement - actuarial (gain)/loss	144	(112)
Expected return on plan assets	(29)	(150)
Adjustment	-	31
Net impact on OCI (before tax)	**115**	**(231)**

Balance Sheet:

Details of provision for gratuity benefit (₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Present value of funded obligations	7,090	6,299
Fair value of plan assets	(2,291)	(2,734)
Net liability	**4,799**	**3,565**

Changes in the present value of the defined benefit obligation are as follows: (₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Opening defined benefit obligation	6,299	6,235
Current service cost	940	830
Interest cost	442	391
Acquisitions (credit)/ cost	6	-
Actuarial (gain)/loss	144	349
Actuarial (gain)/loss (financial assumptions)	(1)	(461)
Exchange gain	(2)	15
Benefits directly paid by the Group entities	(33)	(19)
Benefits paid	(705)	(1,041)
Closing defined benefit obligation	**7,090**	**6,299**

Changes in the fair value of plan assets are as follows: (₹ lakh)

Particulars	As at December 31, 2023	As at December 31, 2022
Opening fair value of plan assets	2,734	3,369
Interest income on plan assets	187	219
Contribution by employer	47	37
Return on plan assets greater / (lesser) than discount rate recognised in OCI	29	150
Benefits paid	(706)	(1,041)
Closing fair value of plan assets	**2,291**	**2,734**

Maturity profile of defined benefit obligation:

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
Weighted average duration of defined benefit obligation	4 - 7 years	4 - 7.1 years

The defined benefit obligation shall mature after December 31, 2023 as follows:

Particulars	₹ lakh
December 31, 2024	760
December 31, 2025	820
December 31, 2026	899
December 31, 2027	1,100
December 31, 2028	1,257
December 31, 2029 to December 31, 2033	6,573

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

Particulars	**As at December 31, 2023**	**As at December 31, 2022**
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 Group's plans is as below:

Particulars	**Year ended December 31, 2023**	**Year ended December 31, 2022**
Discount rate	7.20%	7.20%
Estimated rate of return on plan assets	7.00%	7.00%
Mortality rate	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Expected employee turnover		
Service years	Rates	Rates
Service < 5	20.00%	20.00%
Service => 5	10.00%	10.00%
Increment	10% for first 4 years starting 2024 and 7% thereafter	10% for first 4 years starting 2023 and 7% thereafter
Expected employer's contribution next year (₹ lakh)	737	645

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

Particulars	**As at December 31, 2023**	**As at December 31, 2022**
Government securities	88%	87%
Fixed deposits, debentures and bonds	3%	9%
Others	9%	4%
Total	**100%**	**100%**

The significant 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.

Discount rate	**₹ lakh**
Effect on DBO due to 0.5% increase in discount rate	(237)
Effect on DBO due to 0.5% decrease in discount rate	251

Salary escalation rate	**₹ lakh**
Effect on DBO due to 0.5% increase in salary escalation rate	188
Effect on DBO due to 0.5% decrease in salary escalation rate	(189)

The Group has recognised the following amounts in the statement of profit and loss: (₹ lakh)

Particulars	**Year ended December 31, 2023**	**Year ended December 31, 2022**
i. Contribution to provident fund	1,474	2,080
ii. Contribution to gratuity fund	1,195	1,002
iii. Contribution to other funds	9,213	7,402
Total	**11,882**	**10,484**

A provision of ₹ 9,350 lakh has been made for compensated absences as at December 31, 2023 (Previous year: ₹ 8,028 lakh).

41. Application of Ind AS 29 in financial reporting of Argentina subsidiary

Ind AS 29 "Financial reporting in Hyperinflation Economies", which requires that the financial statements of entities whose functional currency is that of Hyperinflation economy to be adjusted for the effects of changes in a suitable general price index and to be expressed in terms of the current unit of measurement at the closing rate of the reporting period, is still applicable for the Company's Argentine subsidiary. The inflation adjustment was calculated by means of conversion factor derived from the Argentine price indexes published by the Argentina's Official Statistics Bureau ('INDEC'). The average index for the year ended December 31, 2023, was 3.00 (Previous year average index: 1.95).

The main procedures for the above mentioned adjustment are as follows:

i. Monetary assets and liabilities which are carried at amounts current at the balance sheet date are not restated because they are already expressed in terms of the monetary unit current at the balance sheet date.

ii. Non-monetary assets and liabilities which are not carried at amounts current at the balance sheet date, and components of shareholders' equity are adjusted by applying the relevant conversion factors.

iii. All items in the income statement are restated by applying the relevant conversion factors.

iv. The effect of inflation on the Company's net monetary position is included in the income statement, in finance costs, net, under the caption "Inflation adjustment results".

42. Dividend

Details of dividend paid on equity shares are as under:

(₹ lakh)

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
Final dividend for the year 2022 (Previous year: 2021) ₹ 23 per equity share of ₹ 1 each (Previous year: ₹ 22 per share)	16,808	16,052
Interim dividend for the year 2023 (Previous year: 2022) ₹ 26 per equity share of ₹ 1 each (Previous year: ₹ 25 per share)	19,008	18,262
Total	**35,816**	**34,314**

The Board of Directors at its meeting held on February 16, 2024 have recommended a payment of final dividend of ₹ 28 per equity share of face value of ₹ 1 each for the financial year ended December 31, 2023. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

43. Additional regulatory information required by schedule III:

i) The Group does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii) The Group has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

iii) The Group has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

iv) The Group has not traded or invested in crypto currency or virtual currency during the year.

v) The Group did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year.

vi) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

vii) The Group has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year.

viii) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any parties with understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ix) The Group has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the current or previous year.

44 Business Combinations

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed.

44.1 Merger of CRISIL Irevna US LLC and Greenwich Associates LLC

The Board of Directors of CRISIL Irevna US LLC and Greenwich Associates LLC vide board resolution dated October 21, 2022 had approved a scheme of amalgamation. The scheme has received approval of the competent authorities and accordingly Greenwich Associates LLC has been merged with CRISIL Irevna US LLC with effect from April 1, 2023. The merger has no impact on the consolidated financial results of the Group. In accordance with Appendix C to Ind AS 103 'Business Combination', the financial information of CRISIL Irevna US LLC in the consolidated financial statements in respect of prior period have been restated as if business combination had occurred from the beginning of the preceding period.

44.2 Merger of CRISIL Risk and Infrastructure Solutions Limited (CRIS) and Pragmatix Services Private Limited (PSPL)

i) The Board of Directors of the Company has approved arrangement for amalgamation of two wholly owned subsidiaries (CRISIL Risk and Infrastructure Solutions Limited and Pragmatix Services Private Limited - Transferor Company) with the Company in its Board meeting held on December 13, 2021. The Company has filed necessary applications to the National Company Law Tribunal (NCLT) on December 27, 2021. The Scheme has been sanctioned by the National Company Law Tribunal (NCLT) with appointed date as April 1, 2022 and the Scheme became effective on September 1, 2022. The merger has no impact on the consolidated financial results of the Group.

ii) The authorised equity share capital of the Company has been increased by the authorised equity share capital of the former CRIS and PSPL in accordance with the Scheme of Merger vide Board resolution dated December 13, 2022.

44.3 Acquisition of Bridge To India Energy Private Limited

The Company has completed the acquisition of 100% stake in 'Bridge To India Energy Private Limited' (Bridge To India) on September 30, 2023. Bridge To India is a renewable energy (RE) consulting & knowledge services provider to financial and corporate clients in India. The acquisition will augment CRISIL's existing offerings and bolster our market positioning in the renewable energy space. The transaction is at a total consideration of ₹ 721 lakh. Accordinly, Bridge To India became a wholly owned subsidiary of the Company with effect from the said date.

Assets acquired, and liabilities assumed is as under:

Particulars	(₹ lakh)
Total identifiable assets (A)	550
Total identifiable liabilities (B)	293
Goodwill (C)	464
Total net assets (A-B+C)	**721**

44.4 Acquisition of Peter Lee Associates Pty. Limited

CRISIL Limited, through its subsidiary, CRISIL Irevna Australia Pty Limited has completed the acquisition of 100% stake in Peter Lee Associates Pty. Limited (Peter Lee) on March 17, 2023.

Peter Lee is an Australian research and consulting firm providing benchmarking research programs to the financial services sector. Peter Lee conducts annual research programs across Australia and New Zealand in various areas in banking, markets and investment management. The acquisition will complement CRISIL's existing portfolio of products and expand offerings to new geographies and segments across financial services including commercial banks and investment management. The deal will accelerate CRISIL's strategy in the APAC region to be the foremost player in the growing market.

The total consideration is ₹ 3,421 lakh (AUD 6.18 million), which includes upfront and deferred consideration.

Assets acquired, and liabilities assumed is as under:

Particulars	(₹ lakh)
Total identifiable assets (A)	2,746
Total identifiable liabilities (B)	1,019
Goodwill (C)	1,694
Total net assets (A-B+C)	**3,421**

44.5 Incorporation of CRISIL ESG Ratings and Analytics Limited (CERA)

The Board of Directors of the Company at its meeting held on September 12, 2023 has approved incorporation of a step down 100% subsidiary by CRISIL Ratings Limited, an existing wholly owned subsidiary of the Company, to carry out the business of ESG scores. On September 26, 2023, the Certificate of Incorporation received from the Central Registration Centre in the name of "CRISIL ESG Ratings & Analytics Limited (CERA)".

44.6 Incorporation of CRISIL Irevna Information Technology Colombia SAS

The Board of Directors of CRISIL Irevna UK Limited, subsidiary of CRISIL Limited has approved the incorporation of a wholly owned subsidiary in the name of "CRISIL Irevna Information Technology Colombia SAS" in Colombia to carry out research, risk and analytics services. On October 25, 2023, the Certificate of Incorporation has been received from the Chamber of Commerce (Colombia) in the name of "CRISIL Irevna Information Technology Colombia SAS".

44.7 Closure of Greenwich Associates Canada, ULC

Greenwich Associates Canada, ULC (subsidiary of CRISIL Irevna US LLC) has been closed post receiving the requisite approval of the competent authorities w.e.f July 31, 2023. The same has no impact on the consolidated financial results of the Group.

45. Employee stock option scheme (ESOS)

The Group has formulated an ESOS based on which employees are granted options to acquire the equity shares of the parent 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:

Particulars	Date of grant	No. of options granted	Exercise price (₹)	Vesting condition	Exercise period	Weighted average price (₹)*
ESOS 2011 (5)	16-Dec-16	194,200	2,180.85	Vested equally in the period of 1 to 3 years subject to conditions	within 3 years from date of vesting	621.74
ESOS 2012 (4)	16-Dec-16	47,800	2,180.85			621.74
ESOS 2014 (3)	16-Dec-16	82,100	2,180.85	Vested equally in the period of 3 to 5 years subject to conditions	within 2 years from date of vesting	734.46
ESOS 2014 (4)	09-Mar-17	13,400	1,997.35			680.28
ESOS 2014 (5)	17-Jul-17	25,000	1,956.55			626.51
ESOS 2014 (6)	08-Jan-18	8,000	1,919.25			623.48
ESOS 2014 (7)	24-Jan-18	238,970	1,969.45			651.23
ESOS 2014 (8)	04-Apr-18	164,457	1,841.35	Vested equally in the period of 1 to 3 years subject to conditions	within 2 years from date of vesting	410.12
ESOS 2014 (9)	16-Apr-19	226,155	1,568.85			332.35

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

The summary for each scheme as at December 31, 2023

Particulars	ESOS - 2011		ESOS - 2012		ESOS - 2014	
	Number of options	Wtd. avg. exercise price (₹)	Number of options	Wtd. avg. exercise price (₹)	Number of options	Wtd. avg. exercise price (₹)
Outstanding at the beginning of the year	4,280	2,180.85	5,000	2,180.85	97,172	1,791.26
Add: Granted during the year	-	N.A.	-	N.A.	-	N.A.
Less: Exercised during the year	4,280	2,180.85	-	N.A.	45,281	1,756.70
Less: Expired/ forfeited during the year	-	N.A.	5,000	2,180.85	28,728	1,867.06
Outstanding at the end of the year	-	N.A.	-	N.A.	23,163	1,764.82
Exercisable at the end of the year	-	N.A.	-	N.A.	23,163	1,764.82

The summary for each scheme as at December 31, 2022

Particulars	ESOS - 2011		ESOS - 2012		ESOS - 2014	
	Number of options	Wtd. avg. exercise price (₹)	Number of options	Wtd. avg. exercise price (₹)	Number of options	Wtd. avg. exercise price (₹)
Outstanding at the beginning of the year	132,075	2,180.85	5,000	2,180.85	242,489	1,784.14
Add: Granted during the year	-	N.A.	-	N.A.	-	N.A.
Less: Exercised during the year	70,555	2,180.85	-	N.A.	125,043	1,784.60
Less: Expired/ forfeited during the year	57,240	2,180.85	-	N.A.	20,274	1,747.16
Outstanding at the end of the year	4,280	2,180.85	5,000	2,180.85	97,172	1,791.26
Exercisable at the end of the year	4,280	2,180.85	5,000	2,180.85	90,167	1,778.91

Particulars	Date	Wtd. avg. exercise price (₹)
Weighted average share price at the date of exercise	February 17, 2023 April 18, 2023 July 18, 2023 November 7, 2023	2,934.22 3,147.56 3,635.13 3,935.88

Particulars	Range of exercise prices (₹)	Wtd. avg. remaining contractual life
Range of exercise prices and weighted average remaining contractual life	1568.85 to 1,997.35	214 days

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

Particulars	Year ended December 31, 2023		Year ended December 31, 2022	
	Numbers	₹ lakh	Numbers	₹ lakh
Exercised during the year (Excludes share application money pending allotment)	49,561	885	195,598	3,547
Total	**49,561**	**885**	**195,598**	**3,547**

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 December 31, 2023		Year ended December 31, 2022	
	Numbers	₹ lakh	Numbers	₹ lakh
Not later than two years	26,979	469	106,452	1,943
Total	**26,979**	**469**	**106,452**	**1,943**

46. Earnings per share

The following reflects the profit and share data used in the basic and diluted earnings per share (EPS) computations:

(₹ lakh)

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
Net profit for calculation of basic/diluted EPS	65,844	56,439

Particulars	Year ended December 31, 2023	Year ended December 31, 2022
	Numbers	Numbers
Weighted average number of equity shares in calculating basic EPS	73,094,435	73,006,144
Effect of dilution:		
Add: weighted average stock options granted under ESOS	12,401	45,114
Weighted average number of equity shares in calculating diluted EPS	**73,106,836**	**73,051,258**

(₹)

Earnings per share: Nominal value of ₹ 1	Year ended December 31, 2023	Year ended December 31, 2022
Basic (₹)	90.08	77.31
Diluted (₹) (On account of ESOS, refer to note 45)	90.07	77.26

47 Statement pursuant to details to be furnished for subsidiaries as prescribed by Companies Act, 2013

As at and for the year ended December 31, 2023

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ lakh	As % of consolidated profit or loss	₹ lakh	As % of consolidated other comprehensive income	₹ lakh	As % of consolidated total comprehensive income	₹ lakh
1	2	3	4	5	6	7	8	9
Parent: CRISIL Limited	68.1%	148,982	101.5%	66,826	114.1%	10,014	103.0%	76,840
Subsidiaries								
Indian								
1. CRISIL Ratings Limited	4.8%	10,490	30.7%	20,238	0.0%	-*	27.1%	20,238
2. Bridge To India Energy Private Limited (refer to note 44.3)	0.1%	198	0.0%	15	0.0%	-	0.0%	15
3. CRISIL ESG Ratings and Analytics Limited	0.5%	1,057	0.0%	7	0.0%	-	0.0%	7
Foreign								
1. CRISIL Irevna Argentina S.A.	0.2%	504	-0.9%	(610)	0.0%	-	-0.8%	(610)
2. CRISIL Irevna Poland SP.Zo.o.	0.3%	663	0.3%	192	0.0%	-	0.3%	192
3. CRISIL Irevna UK Limited	29.3%	64,207	37.6%	24,745	0.0%	-	33.2%	24,745
4. CRISIL Irevna US LLC (refer to note 44.1)	10.5%	22,972	-3.9%	(2,593)	0.0%	-	-3.5%	(2,593)
5. CRISIL Irevna Information Technology (Hangzhou) Co. Ltd.	0.4%	891	0.5%	352	0.0%	-	0.5%	352
6. Coalition Development Limited	4.6%	10,118	20.8%	13,682	0.0%	-	18.3%	13,682
7. Coalition Development Singapore Pte Limited	0.2%	369	0.0%	15	0.0%	-	0.0%	15
8. Greenwich Associates Singapore PTE. LTD.	0.3%	562	0.2%	150	0.0%	-	0.2%	150
9. Greenwich Associates Japan K.K.	0.1%	203	0.0%	9	0.0%	-	0.0%	9
10. Greenwich Associates Canada ULC (refer to note 44.7)	0.0%	-	-0.9%	(610)	0.0%	-	-0.8%	(610)
11. Greenwich Associates UK Limited	0.7%	1,537	0.1%	91	0.0%	-	0.1%	91
12. CRISIL Irevna Australia Pty Ltd	1.2%	2,673	0.0%	21	0.0%	-	0.0%	21
13. Peter Lee Associates (refer to note 44.4)	0.1%	285	0.3%	201	0.0%	-	0.3%	201
14. CRISIL Irevna Information Technology Colombia SAS	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Total elimination/adjustment	-21.4%	(46,785)	-86.3%	(56,887)	-14.1%	(1,234)	-77.9%	(58,121)
TOTAL	**100%**	**218,926**	**100%**	**65,844**	**100%**	**8,780**	**100%**	**74,624**

As at and for the year ended December 31, 2022

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ lakh	As % of consolidated profit or loss	₹ lakh	As % of consolidated other comprehensive income	₹ lakh	As % of consolidated total comprehensive income	₹ lakh
1	2	3	4	5	6	7	8	9
Parent: CRISIL Limited	59.7%	107,038	65.6%	37,051	51.6%	(2,231)	66.8%	34,820
Subsidiaries								
Indian								
1. CRISIL Ratings Limited	4.0%	7,232	29.2%	16,497	0.3%	(14)	31.6%	16,483
Foreign								
1. CRISIL Irevna Argentina S.A.	0.6%	1,047	-0.6%	(314)	0.0%	-	-0.6%	(314)
2. CRISIL Irevna Poland SP.Zo.o.	0.5%	868	0.4%	199	0.0%	-	0.4%	199
3. CRISIL Irevna UK Limited	36.4%	65,256	10.6%	5,992	0.0%	-	11.5%	5,992
4. CRISIL Irevna US LLC (refer to note 44.1)	17.7%	31,786	8.9%	5,001	0.0%	-	9.6%	5,001
5. CRISIL Irevna Information Technology (Hangzhou) Co. Ltd.	0.4%	767	0.5%	275	0.0%	-	0.5%	275
6. Coalition Development Limited	10.1%	18,065	23.3%	13,144	0.0%	-	25.2%	13,144
7. Coalition Development Singapore Pte Limited	0.2%	342	0.1%	48	0.0%	-	0.1%	48
8. Greenwich Associates Singapore PTE. LTD.	0.2%	402	0.1%	38	0.0%	-	0.1%	38
9. Greenwich Associates Japan K.K.	0.1%	207	0.0%	(7)	0.0%	-	0.0%	(7)
10. Greenwich Associates Canada ULC	0.4%	703	-0.1%	(38)	0.0%	-	-0.1%	(38)
11. Greenwich Associates UK Limited	1.4%	2,476	0.1%	53	0.0%	-	0.1%	53
12. CRISIL Irevna Australia Pty Ltd	0.1%	136	0.0%	23	0.0%	-	0.0%	23
Total elimination/adjustment	-31.8%	(57,127)	-38.1%	(21,523)	48.1%	(2,077)	-45.1%	(23,600)
Total	**100%**	**179,198**	**100%**	**56,439**	**100%**	**(4,322)**	**100%**	**52,117**

'-' in amounts column denote amount less than ₹ 50,000*

48. The figures for the previous year have been regrouped/ rearranged wherever necessary to conform to the current year's 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

Manish Gujral
Partner
Membership No.: 105117

Place: Dehradun
Date: February 16, 2024

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

Ewout Steenbergen
Chairman
[DIN: 07956962]

Amish Mehta
Managing Director & Chief Executive Officer
[DIN: 00046254]

Sanjay Chakravarti
Chief Financial Officer

Minal Bhosale
Company Secretary

Place: Mumbai
Date: February 16, 2024

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ lakh)

Sl. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Name of the subsidiary	CRISIL Ratings Limited	CRISIL ESG Ratings & Analytics Limited	Bridge To India Energy Private Limited	CRISIL Irevna Argentina S.A.	CRISIL Irevna Poland SP.Zo.o.	CRISIL Irevna UK Limited	CRISIL Irevna US LLC	CRISIL Irevna Information Technology (Hangzhou) Co. Ltd.	Coalition Development Limited	Coalition Development Singapore Pte Limited	Greenwich Associates Singapore PTE. LTD.	Greenwich Associates Japan K.K.	Greenwich Associates Canada ULC	Greenwich Associates UK Limited	CRISIL Irevna Australia Pty Ltd	Peter Lee Associates Pty. Limited	CRISIL Irevna Information Technology Colombia SAS
The date since when subsidiary was acquired/ Investment in subsidiary	3-Jun-19	26-Sep-23	30-Sep-23	21-May-07	14-Nov-08	19-Oct-04	19-Oct-04	22-Jul-10	3-Jul-12	3-Jul-12	26-Feb-20	26-Feb-20	26-Feb-20	26-Feb-20	28-Aug-20	17-Mar-23	25-Oct-23
Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	December 31, 2023	March 31, 2024	March 31, 2024	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023"	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2023
Reporting currency	INR	INR	INR	ARS	PLN	GBP	USD	CNY	GBP	SGD	SGD	JPY	USD	USD	AUD	AUD	COP
Exchange rate as on the last date (Rs.)	1.00	1.00	1.00	0.10	21.43	106.67	83.35	11.67	106.67	63.15	63.15	0.59	83.35	83.35	57.07	57.07	0.02
Equity share capital	2,610	1,050	18	172	9	4,441	28,421	247	151	-*	-*	65	-	1,089	2,626	1	-
Reserves & surplus	7,880	7	180	332	654	59,766	(5,449)	644	9,967	369	562	138	-	448	47	284	-
Total assets	29,530	1,057	386	855	1,165	74,106	48,274	1,315	25,216	469	1,401	347	-	2,189	3,850	722	-
Total liabilities	19,040	-	188	351	502	9,899	25,302	424	15,098	100	839	144	-	652	1,177	437	-
Investments	1,050	-	-	-	-	57,709	1,160	-	-*	-	-	-	-	-	3,421	-	-
Turnover	49,381	-	101	4,809	3,287	41,991	48,914	3,393	51,600	846	2,784	641	-	2,503	513	1,348	-
Profit before taxation	27,182	7	20	(899)	245	25,186	(2,736)	372	17,751	26	169	30	(602)	118	26	282	-
Tax expense	6,944	-	5	(289)	53	441	(143)	20	4,069	11	19	21	8	27	5	81	-
Profit after taxation	20,238	7	15	(610)	192	24,745	(2,593)	352	13,682	15	150	9	(610)	91	21	201	-
Dividend Paid	16,980	-	-	-	477	20,941	-	284	22,536	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

'-' in amounts column denote amount less than ₹ 50,000*

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

Ewout Steenbergen
Chairman
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Amish Mehta
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Place: Mumbai
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