

Directors' Report

Dear Member,

The Directors are pleased to present to you the 37th Annual Report of CRISIL Limited, along with the audited financial statements, for the year ended December 31, 2023.

Financial performance

A summary of the Company's financial performance in 2023:

(₹ crore)

Particulars	Consolidated		Standalone	
	2023	2022	2023	2022
Total income	3,233.16	2,891.19	2,121.62	1,716.95
Profit before interest, depreciation, exceptional items and taxes	975.14	852.11	833.58	515.32
Finance cost	3.66	6.40	3.28	5.61
Deducting depreciation of	103.78	103.31	66.92	67.85
Profit before tax	867.70	742.40	763.38	441.86
Deducting taxes of	209.26	178.01	95.12	71.35
Profit after tax	658.44	564.39	668.26	370.51
Other comprehensive income	87.80	(43.22)	100.14	(22.31)
Total other comprehensive income/ (loss)	746.24	521.17	768.40	348.20
Appropriations				
Final dividend	204.73*	168.08**	204.73*	168.08**
Interim dividend	190.08	182.62	190.08	182.62

* Final dividend recommended for 2023: ₹ 28 per equity share of ₹ 1 each

** Final dividend paid for 2022: ₹ 23 per equity share of ₹ 1 each

Financial statements for the year ended December 31, 2023 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.

There are no material departures from the prescribed norms stipulated by the accounting standards in preparation of the annual accounts. Accounting policies have been consistently applied, except where a newly issued accounting standard, if initially adopted, or a revision to an existing accounting standard, required a change in the accounting policy hitherto in use. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

The Company discloses consolidated and standalone financial results on a quarterly basis, which are subject to limited review and publishes consolidated and standalone audited financial results annually.

a) Consolidated operations

Total income from the Company's consolidated operations for 2023 was ₹ 3,233.16 crore, 11.8% higher than ₹ 2,891.19 crore in the previous financial year. Overall expenses were ₹ 2,365.46 crore as against ₹ 2,148.79 crore in the previous financial year. Profit before tax was ₹ 867.70 crore as against ₹ 742.40 crore in the previous financial year.

Profit before tax for the year ended December 31, 2023, includes a one-off gain of ₹ 29.4 crore due to sharp devaluation of the Argentinian peso in Q4'23. A rise in the US dollar against the Rupee and the British Pound had increased profitability (Profit before tax) for FY 2022 by ₹ 30.1 crore on account of revaluation of a subsidiary loan.

Profit after tax was ₹ 658.44 crore as against ₹ 564.39 crore in the previous financial year.



b) Standalone operations

Total income from the Company's standalone operations for 2023 was ₹ 2,121.62 crore compared with ₹ 1,716.95 crore in the previous financial year. Overall expenses were ₹ 1,358.24 crore as against ₹ 1,275.09 crore in the previous financial year. Profit before tax was ₹ 763.38 crore as against ₹ 441.86 crore in the previous financial year. Profit after tax was ₹ 668.26 crore as against ₹ 370.51 crore in the previous financial year.

A detailed analysis of the performance, consolidated as well as standalone, is included in the Management Discussion and Analysis Report, which forms part of the Annual Report.

Dividend

The Directors recommend for approval of the members at the Annual General Meeting to be held on April 16, 2024,

Trend in share capital during the year:

Particulars	No. of shares allotted	Cumulative outstanding capital (no. of shares with face value of ₹ 1 each)
Capital at the beginning of the year, i.e., January 1, 2023	-	73,064,044
Allotment of shares to employees on February 17, 2023	12,830	73,076,874
Allotment of shares to employees on April 18, 2023	19,115	73,095,989
Allotment of shares to employees on July 18, 2023	10,373	73,106,362
Allotment of shares to employees on November 7, 2023	7,243	73,113,605
Capital at the end of the year, i.e., as at December 31, 2023	-	73,113,605

Segment-wise results

The Company has identified two business segments, in line with the Indian Accounting Standard on Operating Segment (Ind AS-108), comprising: (i) Ratings services, and (ii) Research, Analytics and Solutions. The audited financial results of these segments are provided as part of the financial statements.

Review of operations

Ratings services

Highlights

- Announced 1,200+ new bank loan ratings (BLRs); has total active ratings outstanding for ~7,000 companies
- Strengthened leadership position in the corporate bond market, backed by preference for quality ratings among both investors and issuers
- Maintained sharp focus on analytical rigour, ensuring best-in-class quality of ratings
- Launched a series of high-profile outreach initiatives during the year that were extensively covered by the media and well appreciated by stakeholders

payment of final dividend of ₹ 28 per equity share of face value of ₹ 1 each for the financial year under review. During the year, the Company paid three interim dividends — first interim dividend of ₹ 7, second interim dividend of ₹ 8 and third interim dividend of ₹ 11 per equity share. Hence, total dividend will be ₹ 54 per share in 2023 vis-à-vis total dividend of ₹ 48 per share in the previous financial year.

Increase in issued, subscribed and paid-up equity share capital

During the financial year, the Company issued and allotted 49,561 equity shares to eligible employees on exercise of options granted under the employee stock option plan of the Company. Hence, at the end of the year, CRISIL's issued, subscribed and paid-up capital was 73,113,605 equity shares of ₹ 1 each.

The ratings industry sustained its growth momentum in 2023, backed by (i) increase in on-year bond market issuances, albeit which turned somewhat sluggish during the second half and (ii) a steady growth in bank credit.

With easing bond yields and inflation, corporate bond issuances surged over 90% on-year in the first half of the year, supporting growth in the bond rating segment. Growth in the first half was also supported by a large one-time issuance from a leading housing finance company, before its merger with a bank. However, the second half saw a decline in bond issuances with increasing geopolitical uncertainties and the consequent hardening of bond yields. Overall, 2023 still saw a healthy over 25% on-year growth in the rated bond quantum.

Further, bank credit grew 15.6% in 2023. The retail credit at 17.7% and services credit growth (including credit to financial services sector) at 19.6%, supported growth of the BLR segment. However, credit growth to large corporates (at 6.5%) tapered, especially in the second half of the year. Reflecting the credit growth, the new and enhanced BLR quantum across credit rating agencies (CRAs) saw an on-year increase of over 25% in 2023. The number of companies with

new BLRs also rose, albeit at relatively modest pace of 6%, across the industry.

The securitisation volume picked up in 2023 as compared to the previous year with rise in investor appetite backed by the continuing normalisation of collections – which had suffered due to Covid-19 related disruptions – for non-banking financial companies across different asset classes.

Other segments, such as ratings for security receipts, saw a pick-up in growth momentum, driven by the expanding assets under management of asset reconstruction companies; similarly, demand for the monitoring agency offering surged with increase in the number of companies raising equity from the primary market in 2023.

In this backdrop, CRISIL Ratings logged a healthy revenue growth of 17% on-year in 2023.

Amid an evolving macroeconomic environment, CRISIL Ratings continues to strengthen its leading position in the corporate bond market, driven by investors' preference for best-in-class ratings.

Despite greater competitive intensity in the BLR market, CRISIL Ratings was able to sustain its market share in terms of new rated companies during the year. We witnessed increasing preference by Indian banks for CRAs, focused on quality of ratings, for loan exposures of their borrowers. CRISIL Ratings published more than 1,200 new BLRs in 2023.

On the analytical front, we continued to demonstrate strong quality with solid performance of ratings as reflected in the globally tracked metrics such as default rates and stability rates. We continued to strengthen our early warning mechanism through the Corporate Credit Health Framework. We proactively identified sectors which are impacted by macroeconomic developments and prioritising of rating reviews across vulnerable sectors and companies. These initiatives have helped CRISIL Ratings to maintain its high quality of ratings. The year 2023 saw an overhang of geopolitical and macro uncertainties presented credit challenges. The consequent decline in the global economic growth rate also presented credit challenges in 2023. Domestically, we saw borrowing costs rise for India Inc, even as domestic-focused businesses continued to perform well, especially compared to export-focused ones. Deleveraged balance sheets also supported credit profiles.

A key development in the regulatory space was SEBI publishing an operational or master circular in 2023, primarily consolidating its past circulars for CRAs and restricting the scope of regulations on listed securities.

On the franchise dimension, CRISIL Ratings continued to drive thought leadership in the industry by providing cutting-edge insights, hosting web conferences on new age and trending topics and engaging with industry leaders through panel discussions. Our opinion pieces received extensive coverage from premier print and digital media.

We conducted our first edition of 'Infrastructure Summit—Revving Roads and Renewables' to further deepen our engagement with key stakeholders of these sectors. We also hosted our annual flagship seminar on the NBFC sector under the theme—'NBFCs: Growth back in the limelight'. Both the events included presentations by experts from CRISIL Ratings and panel discussions involving several industry leaders, who shared their insights and perspectives.

In order to deepen our engagement with the existing as well as prospective clients located in Tier 2 regions, we hosted Ratings Regional Conclaves, to present our views on relevant industry trends and have close discussions with clients. This outreach activity witnessed encouraging responses from clients, investors and bankers.

Other well-received franchise activities during the year included webinars on renewables energy, infrastructure investment trusts / real estate investment trusts, roads, cement, steel, natural gas, speciality chemicals, power, and real estate.

Global Analytical Center (GAC) continued to drive surveillance support across the analytical practices of S&P Ratings, and partnered on data and technology transformation programs.

Research, Analytics and Solutions

CRISIL MI&A

Research

Highlights

- Introduced eight new sub-category-level benchmarks under CRISIL AIF benchmarks during the year
- The Association of Portfolio Managers in India (APMI) approved CRISIL as an empanelled fixed income index provider and valuation agency for portfolio managers
- Launched CRISIL Polling Platform for an automated polling process for fixed income securities valuation

Our flagship Industry Research business saw good traction during the year, with higher offtake for thematic research. Release of updated CRISIL AIF benchmarks, including sub-categories, gained traction and acceptance among market participants.



Our offerings in the new emerging space facilitated data-backed decision-making for a wide range of stakeholders. We also saw immense interest in thought leadership and franchise-building activities at banks. We are leveraging our wide sectoral knowledge to support such requirements.

Consulting

Highlights

- Increased share of business from international markets
- Built a strong order book with several large mandate wins across sectors
- Maintained strong senior-level connect with policymakers, multilaterals and investors

We saw strong traction in 2023, especially in urban infrastructure and transport sectors. We supported governments, multilateral institutions and investors in sectors such as roads, renewables and urban infrastructure, helping them finalise frameworks and roadmaps, and achieve financial closures.

The business was able to garner wallet share in international geographies and maintained its leadership position with multilateral and bilateral agencies. In the domestic market, we saw significant interest in our sustainability-related solutions.

Sustainability and climate change continue to draw attention from clients worldwide. The acquisition of Bridge To India effective October 2023, with its positioning and expertise in the space, will strengthen our bouquet of offerings spanning sustainability services and decarbonisation.

Risk Solutions, Data and Analytics

Highlights

- Credit + ICON, which serves as an integrated credit rating and spreading solution, gained significant traction and continues to be a market leader in India
- Saw good momentum and partnered with clients to support them in regulatory compliance
- Solution integrated with data, gaining good traction on credit monitoring and automation

Our SME Assessments business demonstrated growth throughout the year, driven by corporates fulfilling social sector mandates and demand in the real estate sector.

International Business

CRISIL GR&RS

Highlights

- Expanded the client base with 29 new logos
- Won the Chartis RiskTech100® 2024 Award in the Model Validation category for the second consecutive year
- Strengthened franchise initiatives through thought leadership and marquee events

The business witnessed pressure on discretionary spend by global clients due to uncertain macro-economic outlook.

Focus on liquidity risks and regulatory pressures have prompted banks to reinforce their risk monitoring practices and review their risk control and assurance frameworks.

The business saw traction in buy-side segment and lending solutions for banks.

The Risk Solutions business added large new clients, and renewed engagements and expanded opportunities with existing clients. During the year, GR&RS made progress in fulfilling mandates resulting from banks' increasing investment in regulatory compliance and reporting programmes, model validation, stress testing, quantitative technology initiatives.

Both bulge-bracket and regional clients reduced offshore support in traditional sell-side research, as banks strive to enforce cost discipline amid a decline in deal volumes.

CRISIL GBA

Highlights

- Acquired Peter Lee, the Australian research and consulting firm in February 2023 thus expanding our presence in Australia-New Zealand region
- Onboarded 23 new clients
- Expanded client engagement using Q² Client Intelligence platform
- Conducted multiple executive/senior-level meetings, engaging with heads of global markets, investment banking and transaction banking divisions

The business saw momentum in corporate and investment banking (CIB), driven by the emphasis on client engagement and product innovation.

The foundational elements of our digital platform are currently being implemented, creating a robust foundation for improved scalability and efficiency in all data and analytics processes.

The business retained the coveted SSAE16 SOC2 Type II certification, which is a testimony of the stringent controls and measures deployed for data and IP protection.

Collaboration with S&P Global

The association with S&P Global helps blend local and global perspectives in shaping CRISIL's strategy and governance systems. Representatives from S&P Global bring value to the CRISIL Board through global insights on governance, risk and controls, and experience in leading large businesses. CRISIL also gains opportunities to leverage the S&P Global brand through referrals and partnerships in the international market.

Regular interface between the two management teams leads to knowledge sharing and cross-fertilisation of ideas. At the same time, commercial opportunities are pursued on an arm's length basis following review and recommendations by the CRISIL Audit Committee comprising mainly Independent Directors. S&P's largest collaboration with CRISIL has been in the financial services support to S&P Global Ratings and other teams that started almost two decades ago. It has been attested to by a majority vote from CRISIL's minority (non-promoter) shareholders in 2014.

CRISIL Ratings and CRISIL MI&A

- CRISIL contributed macro-economic view point to S&P's Look Forward publication titled 'India's Moment', focused on opportunities, risks and potential for India to strengthen its claim to be a true global superpower in the next 10 years
- S&P Global Market Intelligence's credit scorecards are hosted and automated on CRISIL's ICON platform
- S&P participated in CRISIL's flagship event, 'India Outlook Seminar'. Dr Paul Gruenwald, Global Chief Economist at S&P Global Ratings, represented S&P and shared his insightful perspective on the global economy within the Indian context

CRISIL GR&RS

- Ongoing collaborations include a referral agreement between S&P Global, a joint go-to-market strategy, and development of risk and sustainability solutions
- Support Trucost and S&P Global Sustainable1 for ESG assessments

CRISIL GBA

- A referral agreement with Market Intelligence, which represents several data and analytics products
- Leveraged S&P's expertise in index construction to enhance Commercial Loan Analytics offerings

Human Resources

Diversity, equity and inclusion

CRISIL is committed to building an enabling environment that values the contributions of its employees and provides them opportunities to grow.

In this context, CRISIL has been committed to its diversity, equity and inclusion (DEI) agenda since its inception. We have expanded our knowledge and practices to create an equitable and inclusive workplace for all our employees.

We used the recommendations of the DEI taskforce from last year to enhance inclusion at CRISIL. One such key initiative that led to employees knowing their colleagues better was Eskalera. It is an online learning platform designed to cultivate a more productive and inclusive work culture through upskilling, human connection and actionable data, and is available for all on-roll employees. It sensitises all learners on aspects of self-identity, vulnerability, impact of exclusion, inclusion and psychological safety. Targeted modules for people managers are also available.

We continued to focus on leadership development of diverse groups, incorporating inclusion as a key theme in our flagship development programmes. We also participated in external programmes to bring in an outside-in perspective, particularly in the context of building a leadership pipeline, understanding global best practices and providing best-in-class development opportunities to our people. Initiatives related to speed mentoring, workshops on enhancing intercultural competency and celebration of events related to various dimensions of diversity, were implemented with a significant impact. Encouraged by CRISIL's DEI efforts, especially those aimed at fostering a sense of allyship towards the LGBTQIA+ community, a few employees openly embraced their authentic selves with respect to their sexual orientation.

Our metrics on representation, hiring, growth and retention of diverse groups continued to improve this year. We recognised the importance of accessibility, sensitisation and leadership commitment in this journey, and formulated a DEI strategy to align with CRISIL's future growth plans and talent agenda. DEI



continues to be a part of our mandatory courses, encompassing policies and related practices, equal opportunity, and health and safety. These are designed for both new hires (to enhance awareness) and existing employees (as refresher modules).

Additionally, a buddy programme for new mothers was formalised this year.

Learning and Development

As we seek to grow in the future, we recognise that our people are our key differentiator, and we continue to invest in their professional development.

Various interventions across target groups were launched through the year. At the leadership level, our marquee programme, Leadership Excellence and Accelerated Development, concluded for the first batch of employees. The programme has recently been launched for the second batch.

One of the key focus areas this year was people manager enablement, with the objective of equipping them with leadership skills such as self-awareness, strategic thinking, team development and productivity improvement. In addition, digital learning platforms were made available to employees on a demand basis for self-paced learning. Further, specific learning programmes were curated and delivered based on business requirements. We also launched the CRISIL Essential Tech chapter this year, as well as self-paced courses of Essential Tech. Some cutting-edge technology offerings have been made available to employees. All the above initiatives enable learning and development to enhance operational efficiency and future readiness.

Talent Management and Succession Planning

Being a people-centric organisation, leadership development and succession planning are key strategic areas for the Company. As such, there is a strong focus on talent management and succession planning to create a robust talent pipeline for CXOs, their direct and skip-level reports, and other critical roles.

Our talent reviews include an exhaustive exercise of identifying high-potential employees, successors for key positions and working on leadership development for key talent.

The entire senior leadership team, along with our Managing Director and CEO, is involved in talent reviews, in close partnership with HR.

This not only helps develop leaders internally, but also opens up wider career opportunities, facilitates role changes, and enhances engagement and retention.

Directors

Members of the Company's Board of Directors are eminent persons of proven competence and integrity. Besides global experience, strong financial acumen, strategic astuteness and leadership qualities, they have a significant degree of commitment to the Company. They devote adequate time to meetings and preparation. In terms of requirement of Listing Regulations, 2015, the Board has identified core skills, expertise and competencies of the Directors in the context of the Company's business for effective functioning and how the current Board of Directors is fulfilling the required skills and competences. This is detailed at length in the Corporate Governance Report.

The Board meets at regular intervals to discuss and decide on the Company/ business policy and strategy, apart from other Board businesses. The Board exhibits strong operational oversight with regular business presentations at meetings. An annual planner of topics to be discussed at the Board meeting is pre-approved by the Directors. The Board/ Committee meetings are pre-scheduled and an annual calendar of the meetings is circulated to the Directors well in advance to help them plan their schedules and ensure meaningful participation. Only in the case of special and urgent business, should the need arise, is the Board's approval taken by passing resolutions through circulation, as permitted by the law, which are confirmed in the subsequent Board meeting. The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed to enable the Directors to make informed decisions. The Company follows a two-day schedule for its quarterly Committee and Board meetings, which offers greater discussion time for Board matters.

In 2023, the Board met five times — on February 16, April 18, July 17, September 12 and November 7. The maximum interval between two meetings did not exceed 120 days.

The Company's Nomination and Remuneration Policy formulated under Section 178(3) of the Companies Act, 2013, covers roles, responsibilities, criteria and procedures towards key aspects of Board governance, including the size and composition of the Board, criteria for directorship, terms and removal, succession planning, evaluation framework, and ongoing training and education of Board members. The Policy lays down detailed guidelines for remuneration of the Board, Managing Director and employees, and covers fixed and variable components and long-term reward options, including Employee Stock Option Schemes. It includes the scope and

terms of reference of the Nomination and Remuneration Committee. The Policy is available at <https://www.crisil.com/en/home/investors/corporate-governance.html>. During the year, modifications were made to the Policy to provide clarity on certain provisions.

Directorship changes

Retirement

Ms Vinita Bali, Independent Director, retired as a member of the Board of Directors on account of completion of her tenure, effective February 13, 2024. Your Directors placed on record their sincere appreciation for Ms Bali's invaluable support, advice and guidance to the Company and its Management during her tenure, which was immensely valuable to build and drive resilient growth and performance of the Company.

Resignation

Mr Ewout Steenberg, Non-Executive Director, resigned as Director and Chairman with effect from the close of business hours on February 16, 2024, on account of his resignation from S&P Global Inc. Your Directors placed on record their sincere appreciation for the strong support, astute stewardship, constructive inputs and thoughtful guidance provided by Mr Steenberg to the Company and its Management, as Chairman of the Board, and for helping set the strategy of the Company and charting its roadmap for the future, which was immensely valuable to drive the growth and performance of the Company.

Appointments

Mr Girish Ganesan was appointed as an Additional Director (Non-Executive) with effect from April 19, 2023. Mr Ganesan is Senior Vice President, People, at S&P Global, where he is a member of multiple Executive Committees and leads the Global Human Resources function across 8,000 employees, 30+ countries, and multiple divisions of S&P Global, including Global Ratings, ESG/Sustainable 1, Digital Technology Services, Legal, Government Affairs & Security, and Global Risk Assurance. The members of the Company, by way of a resolution passed through Postal Ballot dated June 8, 2023, approved the appointment of Mr Girish Ganesan as a Non-Executive Director, liable to retire by rotation.

Ms Nishi Vasudeva was appointed as an Additional Director (Independent, Non-Executive) with effect from January 27, 2024, for a period of five years subject to approval of the shareholders at the ensuing Annual General Meeting. Ms Vasudeva is a business leader with extensive management and advisory experience. She is the first woman Chairman & Managing Director of Hindustan Petroleum Corporation Limited (HPCL), a blue chip Maharatna Company in India. During her career of almost four decades in the oil and gas

sector, she has worked across diverse business domains that include marketing, corporate planning & strategy, business transformation, enterprise resource planning and information systems.

The Board at its meeting held on February 16, 2024, appointed Mr Saugata Saha as an Additional Director (Non-Executive) with effect from February 17, 2024, subject to approval of the shareholders at the ensuing Annual General Meeting. Mr Saugata Saha is President of S&P Global Commodity Insights and a member of S&P Global's Executive Committee. In his prior roles at the S&P, he was the Chief Financial Officer of two of S&P Global's technology-driven, data, benchmarks, and analytics divisions, S&P Global Market Intelligence and S&P Global Platts.

Mr Yann Le Pallec, Non-Executive Director on the Board, was appointed as Chairman of the Board with effect from February 17, 2024.

The Company received notices under Section 160 of the Companies Act, 2013, from a member signifying her intention to propose the candidatures of Ms Vasudeva and Mr Saha to the office of Directors.

Retiring by rotation

In accordance with the Articles of Association of the Company and provisions of the Companies Act, 2013, Mr Yann Le Pallec retires by rotation, and being eligible, has sought re-appointment.

Brief profiles of Mr Yann Le Pallec, Ms Nishi Vasudeva and Mr Saugata Saha have been given in the notice convening the Annual General Meeting.

Board independence

Our definition of 'independence' of Directors is derived from Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 149(6) of the Companies Act, 2013. Based on the confirmation/ disclosures received from the Directors, and on the evaluation of the independence of Directors during the Board evaluation process and assessing the veracity of disclosures, the following Non-Executive Directors are Independent:

- a) Mr Girish Paranjpe
- b) Ms Shyamala Gopinath
- c) Mr Amar Raj Bindra
- d) Ms Nishi Vasudeva

In the opinion of the Board, the Independent Directors fulfil the conditions specified under the Companies Act, 2013, the rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. They are independent of the



Management and are persons of high integrity, expertise and experience. Further, in terms of Section 150 of the Companies Act, 2013, read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (IICA) and have passed the proficiency test, if applicable to them.

Committees of the Board

The Board has five Committees:

- Audit Committee
- Corporate Social Responsibility (CSR) Committee
- Risk Management Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee

Details of all the Committees, along with their charters, composition and meetings held during the year, are provided in the Report on Corporate Governance, as part of this Annual Report.

Annual evaluation by the Board

During the year, the Board carried out an annual evaluation of its performance as well as of the working of its Committees and individual Directors, including the Chairman of the Board. This exercise was carried out through a structured questionnaire prepared separately for the Board, Committees, Chairman and individual Directors. The Chairman's performance evaluation was carried out by Independent Directors at a separate meeting.

The parameters assessed included various aspects of the Board's functioning, such as effectiveness, information flow between Board members and the Management, quality and transparency of Board discussions, Board dynamics, Board composition and understanding of roles and responsibilities, succession and evaluation, and possession of required experience and expertise by Board members, among other matters.

The performance of the Committees was evaluated on the basis of their effectiveness in carrying out their respective mandates.

Peer assessment of Directors, based on parameters such as participation in and contribution to Board deliberations, keeping oneself abreast of organisational matters, trends, knowledge and understanding of relevant areas, among other matters, was reviewed by the Board for individual feedback.

During 2023, the Company actioned feedback emerging from the Board evaluation process conducted in 2022, relating to operational improvements of the meeting process, matters of talent strategy and stakeholder interaction.

Compliance monitoring framework

The Company has a comprehensive framework for monitoring compliances with applicable laws and internal policies. Compliance reviews take place at multiple levels, as follows:

- First line of defence: Business and corporate functions ensure implementation of laws at the primary level through checks and controls in their operational processes
- Compliance Reporting tool: Compliances are further mapped into the Compliance Reporting tool and affirmed at regular frequencies by compliance owners, to generate Compliance Reports, which are submitted to the Board on a quarterly basis
- The compliance monitoring framework is periodically subject to audits by internal auditors as per the internal audit plan
- The Stakeholders' Relationship Committee of the Company reviews instances of policy violations and breaches on a quarterly basis

Risk Management Policy and internal control adequacy

The Board has adopted policies and procedures for governance and for orderly and efficient conduct of its business, including adherence to the Company's policies, safeguard of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial disclosures. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations.

Significant audit observations and follow-up actions thereon are reported to the Audit Committee. For ensuring independence of the audits, internal auditors report directly to the Audit Committee. Both internal and statutory auditors have exclusive executive sessions with the Audit Committee periodically. In addition, during the year, management performed a review of key controls impacting financial reporting, at entity as well as operating levels, and submitted its report to the Audit Committee and the Board.

Risk assessments are conducted periodically, and the Company has a mechanism to identify, assess, mitigate and monitor various risks to key business objectives. Mitigation plans for key risks identified by the businesses and functions

are implemented and reviewed periodically. CRISIL has a balanced approach to risk management, mitigating risks to an acceptable level to protect our reputation and brand, while supporting the achievement of operational and strategic goals and objectives.

In addition to key strategic and operational risks, data security, cyber security, disruption from emerging technologies and people risk were primary focus areas during 2023. The challenging macroeconomic environment and volatile geopolitical situation can impact or elongate our decision-making process of our clients, making it as key monitorable topic for our international business in 2024. We continuously monitor the economic impact of geopolitical and macroeconomic challenges and take appropriate actions.

Cyberattack incidents globally continue to increase in number and sophistication, especially in the current hybrid working environment. Several new age tools and advanced security controls are being deployed to enhance information and cyber security posture. In addition, during the year an enhanced level of awareness was imparted to all employees to remain vigilant against pertinent themes of information and cyber security.

The emergence of large language models (LLMs) brings several knowledge work categories, presently manual in nature, potentially within the scope of generative artificial intelligence (AI). As part of our LLM strategy, we have identified focus areas for evaluation.

Our Diversity, Equity, and Inclusion (DEI) philosophy has established a vibrant workplace that enriches employee experience. We benchmark our compensation on an ongoing basis to ensure our employees are fairly paid, in line with market trends.

Additionally, the Company continued monitoring top risks on its risk register, which are discussed in greater detail in the Management Discussion and Analysis Report.

Directors' responsibility statement

The Directors hereby confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same
- ii. They have selected such accounting policies and applied them consistently, and made judgements and estimates that are reasonable and prudent, so as to give a true and

fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period

- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities
- iv. They have prepared the annual accounts on a going-concern basis
- v. They have laid down internal financial controls for the Company which are adequate and operating effectively
- vi. They have devised proper systems to ensure compliance with the provisions of all the applicable laws, and such systems are adequate and operating effectively

Particulars regarding conservation of energy, technology absorption, and foreign exchange earnings and outgo

Foreign exchange earnings and outgo during the year under review are as follows:

	(₹ crore)	
Total foreign exchange earnings and outgo*	For the year ended December 31, 2023	For the year ended December 31, 2022
Foreign exchange earnings	1,347.65	1,013.96
Foreign exchange outgo	265.32	277.91

* on a standalone basis

The Company does not own any manufacturing facility, and hence, our processes are not energy-intensive. Therefore, particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts) Rules, 2014, are not applicable.

However, we endeavour to support the environment by adopting environment-friendly practices in our office premises and have rolled out a policy that is aimed at improving the environmental performance of CRISIL. Our efforts in this direction centre around making efficient use of natural resources, eliminating waste and promoting recycling of resources.

Initiatives taken in the area of environment protection in 2023 are mentioned in the CRISIL ESG Report 2023, available



at <https://www.crisil.com/en/home/investors/financial-information/sustainability-report.html>.

Corporate Social Responsibility

The Company has constituted a CSR Committee in accordance with Section 135 of the Companies Act, 2013. The role of the Committee is to review the CSR Policy and approve activities to be undertaken by the Company towards CSR.

The CSR Policy of the Company is available at <https://www.crisil.com/en/home/investors/corporate-governance.html>, and details about initiatives taken by the Company during the year under review have been appended as **Annexure I** to this report. During the year, modifications were made to the Policy, detailing roles and responsibilities and to align it with industry best practices.

The Chief Financial Officer (CFO) has certified that the funds disbursed for CSR have been used for the purpose and in the manner approved by the Board for financial year 2023.

Vigil mechanism

The Company has established a vigil mechanism for Directors and employees to report genuine concerns, the details of which have been given in the Corporate Governance Report annexed to the Annual Report.

Significant developments

Acquisitions

Peter Lee Associates Pty Limited

On March 17, 2023, CRISIL Irevna Australia Pty Ltd, a wholly owned subsidiary of CRISIL Limited, completed the acquisition of 100% of the equity share capital of Peter Lee Associates Pty Limited (PLA), and consequently, PLA has become a wholly owned subsidiary of the Company.

PLA is an Australian research and consulting firm providing benchmarking research programmes to the financial services sector. The acquisition is intended to 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.

Bridge to India Energy Private Limited

On September 30, 2023, CRISIL Limited completed the acquisition of 100% of the equity share capital of Bridge to India Energy Private Limited (B2I), and consequently, B2I has become a wholly owned subsidiary of CRISIL Limited.

B2I is a renewable energy consulting and knowledge services provider to financial and corporate clients in India. The acquisition will augment CRISIL's existing offerings and bolster its market positioning in the renewable energy space.

Incorporation of subsidiaries

CRISIL ESG Ratings & Analytics Limited

SEBI (Credit Rating Agencies) (Amendment) Regulations, 2023, requires obtaining a separate certificate of registration by any ESG ratings service provider. Consequently, a step-down subsidiary of CRISIL Limited in the name of CRISIL ESG Ratings & Analytics Limited (CERA) was incorporated on September 26, 2023, to take over the Company's existing ESG scores business. CERA has applied for a license to operate as ESG rating provider (ERP).

CRISIL Irevna Information Technology Colombia S.A.S

On October 24, 2023, a step-down subsidiary of CRISIL Limited in the name of CRISIL Irevna Information Technology Colombia S.A.S was incorporated in Colombia to provide research and analytics services to clients.

Closure of Greenwich Associates Canada, ULC, and merger of Greenwich Associates LLC with CRISIL Irevna US LLC

In order to reduce administrative and operational expenses and streamline the CRISIL group structure, Greenwich Associates Canada, ULC, has been closed with effect from July 31, 2023.

Further, two wholly owned US-based subsidiaries, namely Greenwich Associates LLC and CRISIL Irevna US LLC, were merged with effect from April 1, 2023.

Subsidiaries

As at December 31, 2023, the Company had 3 Indian and 13 overseas, wholly owned subsidiaries.

In accordance with Section 129(3) of the Companies Act, 2013, CRISIL has prepared a consolidated financial statement of the Company and all its subsidiaries, which is a part of the Annual Report. A statement containing salient features of the financial statements of the subsidiaries and highlights of their performance are included in the Annual Report.

The Company has no associate companies within the purview of Section 2(6) of the Companies Act, 2013.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company containing its standalone and consolidated financial statements has been uploaded on the

website, www.crisil.com. Further, as per the fourth proviso of the said Section, accounts of all subsidiaries as at December 31, 2023, have also been uploaded on www.crisil.com. Shareholders interested in obtaining a copy of the accounts of the subsidiaries may write to us at the Company's registered office or email to investors@crisil.com.

The Company has also obtained a certificate from the statutory auditors, certifying that the Company is in compliance with FEMA Regulations with respect to downstream investments.

Particulars of contracts or arrangements with related parties referred to in Section 188(1)

A significant quantum of Related Party Transactions undertaken by the Company is with subsidiaries engaged in the product delivery of CRISIL's businesses and business development activities. The Company's Global Analytical Centre (GAC) has been providing analytical support to entities related to the Company's ultimate holding company, S&P Global Inc. (hereinafter referred to as "S&P Group Entities"), as part of a master services agreement, which was approved by a majority vote from CRISIL's minority shareholders, without the participation of S&P, through a resolution passed by postal ballot on December 15, 2014. In recent times, CRISIL and its subsidiaries have expanded their scope of services to support S&P Group Entities in various non-financial analytical streams beyond credit ratings, such as ESG assessments and consulting, model validation, counter-party risk assessments, data operations and technology support, which are provided by other divisions of CRISIL and/or its subsidiaries (other than GAC division). It is therefore proposed to expand the scope, coverage and limit of the existing related party approval obtained from the members as of December 15, 2014, at the ensuing Annual General Meeting of the Company.

The Audit Committee pre-approves all Related Party Transactions. The details of such transactions undertaken during a particular quarter are placed at the meeting of the Audit Committee held in the succeeding quarter.

All contracts/ arrangements/ transactions with related parties that were executed in 2023 were in the ordinary course of business and on an arm's length basis. During the year, there were no Related Party Transactions that were materially significant or could have a potential conflict with the interests of the Company at large.

All Related Party Transactions are mentioned in the notes to the accounts. The particulars of material contracts or arrangements with related parties referred to in Section 188(1) are given in a prescribed Form AOC-2 as **Annexure II**.

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Related Party Transactions Policy, which has been uploaded on the Company's website, <https://www.crisil.com/en/home/investors/corporate-governance.html>. The Company has developed an operating procedures manual for the identification and monitoring of Related Party Transactions.

Particulars of loans, guarantees or investments under Section 186

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, are provided in the notes to financial statements.

Auditors' report

M/s Walker Chandio & Co LLP (an affiliate of Grant Thornton network) is the statutory auditor of the Company. Its report is a part of the Annual Report.

M/s Walker Chandio & Co LLP is undergoing its second term of five years as the statutory auditor of the Company, i.e., from the conclusion of the 35th Annual General Meeting held on April 22, 2022, until the conclusion of the 40th Annual General Meeting. Consequent to the amendments to the Companies Act, 2013, ratification of appointment of the statutory auditor at every Annual General Meeting is no longer required.

Comments on auditors' report

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s Walker Chandio & Co LLP, statutory auditors, in its audit report. The statutory auditor also did not report any incident of fraud to the Audit Committee of the Company in the year under review.

Secretarial audit report

The Board appointed M/s Makarand M. Joshi & Co., Practising Company Secretaries, to conduct the secretarial audit. The report is appended as **Annexure III**. There were no qualifications, reservations or adverse remarks or disclaimers made by M/s Makarand M. Joshi & Co., Practising Company Secretaries, in its secretarial audit report.

Also, CRISIL Ratings Limited, a material subsidiary of the Company, undertakes secretarial audit every year under Section 204 of the Companies Act, 2013. The secretarial audit of CRISIL Ratings Limited for the Financial Year 2023 was carried out pursuant to Section 204 of the Companies Act, 2013, and was conducted by M/s. MMJB & Associates LLP, Practising Company Secretaries. The report did not contain



any qualification, reservation or adverse remark or disclaimer. The secretarial audit report of CRISIL Ratings Limited forms a part of the Annual Report as per requirements of the Listing Regulations.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to the Annual Report.

Corporate governance

The Company is committed to maintaining the highest standards of corporate governance and adhering to the corporate governance requirements set out by SEBI. The Report on Corporate Governance, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is part of the Annual Report. A certificate from the auditors of the Company confirming compliance with the conditions of corporate governance, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is also published in the Annual Report.

Particulars of remuneration

Disclosures with respect to the remuneration of Directors and employees, as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, have been appended as **Annexure IV** to this report.

In accordance with the provisions of Section 197(12) of the Companies Act, 2013, and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of every employee covered under the said rule are available at the registered office of the Company during working hours for a period of 21 days before the Annual General Meeting and will be made available to any shareholder on request, and are also available on the Company's website.

Employee Stock Option Schemes

The Company has three Employee Stock Option Schemes (ESOSs). ESOS – 2011 was approved by shareholders vide a special resolution passed through postal ballot on February 4, 2011. ESOS – 2012 was approved by shareholders vide a special resolution passed through postal ballot on April 10, 2012. ESOS – 2014 was approved by shareholders vide a special resolution passed through postal ballot on April 3,

2014, and amended by a special resolution of shareholders at the 30th Annual General Meeting held on April 20, 2017.

The ESOS schemes of the Company are in compliance with SEBI regulations. As per Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, read with SEBI circular no. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015, details of the ESOS are uploaded on the Company's website, <https://www.crisil.com/en/home/investors/financial-information/annual-report.html>.

The Company has received a certificate from M/s Makarand M. Joshi & Co., Practising Company Secretaries, that ESOS – 2011, ESOS – 2012 and ESOS – 2014 have been implemented in accordance with SEBI regulations and resolutions passed by members in the general meetings. The certificate will be placed at the ensuing Annual General Meeting for inspection by members.

Annual Return

The complete Annual Return (Form MGT-7) is available on the Company's website, <https://www.crisil.com/en/home/investors/financial-information/annual-report.html>.

Financial Year

The Company follows the calendar year as the financial year in terms of a special approval obtained from the Company Law Board in 2015.

CEO and CFO certification

A certificate from Mr Amish Mehta, Managing Director & CEO, and Mr Sanjay Chakravarti, CFO, pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year under review was placed before the Board of Directors of the Company at its meeting held on February 16, 2024.

Statutory disclosures

Directors state that there being no transactions with respect to the following items during the financial year under review, no disclosure or reporting is required with respect to:

1. Deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013, and Companies (Acceptance of Deposits) Rules, 2014
2. Issue of equity shares with differential rights as to dividend, voting or otherwise

3. Receipt of any remuneration or commission by the Managing Director/Whole-time Director of the Company from any of its subsidiaries
4. Significant or material orders passed by the regulators or courts or tribunals that impact the going concern status and the Company's operations in the future
5. Buyback of shares
6. Maintenance of cost records as per sub-section (1) of Section 148 of the Companies Act, 2013
7. Application or proceedings made under the Indian Bankruptcy Code 2016
8. Agreements subsisting as at the date of the notification of clause 5A of part A of para A of Schedule III, of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015

Acknowledgements

The Board of Directors wish to thank the employees of CRISIL for their exemplary dedication and excellence displayed in

conducting all operations. The Board also wishes to place on record its sincere appreciation of the faith reposed in the professional integrity of CRISIL by customers and investors who have patronised its services. The Board acknowledges the splendid support provided by market intermediaries as well. The affiliation with S&P Global has been a source of great strength. The Board of Directors also wish to place on record its gratitude for the faith reposed in CRISIL by the shareholders, SEBI, RBI, the Government of India, and the state governments. In conclusion, the role played by the media in highlighting the good work done by CRISIL is deeply appreciated.

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

Ewout Steenbergen
Chairman
(DIN: 07956962)

Mumbai, February 16, 2024



Annexure I to the Directors' Report

Annual Report on Corporate Social Responsibility Activities as prescribed under Section 135 of the Companies Act, 2013, and Companies (Corporate Social Responsibility Policy) Rules, 2014

1. Brief outline on CSR Policy of the Company:

The CSR Policy lays down the following activities to be carried out by the Company:

- Strengthen the financial capabilities of socially and economically underprivileged communities.
- Conservation of the environment by focusing on relevant programmes in the vicinity of CRISIL offices so that employees get directly involved in CSR initiatives.
- Employee participation in financial literacy/ promoting education and environment conservation, as well as allowing employees to undertake projects of their choice, with small budget allocations reviewed by a Management Committee, provided that the projects were also covered under Schedule VII to the Companies Act, 2013, as amended, from time to time.
- Contribute to, undertake, or support any other short-term causes/initiatives (up to two years) covered under Schedule VII to the Companies Act, 2013, up to an allocation not exceeding 10% of the CSR budget in any given financial year. The contribution may be made directly or indirectly, through various agencies, whether government or semi-government or private (non-government) organisations. The CSR Committee may, under special circumstances with reasonable justification, enhance the allocation for such short-term causes/initiatives to meet pertinent community needs.

Besides the focused thematic intervention mentioned above, CRISIL in alignment with the Company's corporate philosophy, may consider and undertake other activities as mentioned under Schedule VII of section 135 of the Companies Act 2013.

The following projects have been undertaken by the Company in 2023: Mein Pragati (Assam) — Phase III Expansion/Exit, Livelihoods (in Assam) - Phase II, GramShakti — Phase II, and CRISIL Re (Environment).

The CSR Policy is available on the Company's website, <https://www.crisil.com/en/home/investors/corporate-governance.html>

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Vinita Bali*	Chairperson/ Independent Director	2	2
2	Girish Paranjpe	Member/ Independent Director	2	2
3	Amish Mehta	Member/ Managing Director	2	2

3. Web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company:

- Composition of CSR Committee: <https://www.crisil.com/en/home/about-us/board-committees.html>
- CSR Policy: <https://www.crisil.com/en/home/investors/corporate-governance.html>
- CSR projects approved by the Board: <https://www.crisil.com/en/home/crisil-foundation.html>

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

- Mein Pragati (Rajasthan) — Phase III Baseline conducted by Deloitte Touche Tohmatsu India LLP

*Ms Vinita Bali's tenure as Independent Director ended on February 13, 2024. Ms Nishi Vasudeva, who joined the CRISIL Board as Independent Director w.e.f. January 27, 2024, is the current Chairperson of the Committee

- Mein Pragati (Assam) — Phase III Baseline conducted by Price Waterhouse Chartered Accountants LLP

These reports are available on the Company's website: <https://www.crisil.com/en/home/crisil-foundation/publications.html>

5. (a) **Average net profit of the Company as per sub-section (5) of Section 135:** ₹ 246.84 crore
 (b) **Two percent of average net profit of the Company as per sub-section (5) of Section 135:** ₹ 4.94 crore
 (c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** ₹ 0.008 crore¹
 (d) **Amount required to be set-off for the financial year, if any:** NIL
 (e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** ₹ 4.95 crore
6. (a) **Amount spent on CSR projects (both ongoing and other than ongoing projects):** ₹ 4.55 crore
 (b) **Amount spent in Administrative Overheads:** ₹ 0.23 crore
 (c) **Amount spent on Impact Assessment, if applicable:** ₹ 0.17 crore
 (d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹ 4.95 crore
 (e) **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135			Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135	
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
4.95 crore	NA	NA	NA	NA	NA

- (f) **Excess amount for set-off, if any:**

Sl. No.	Particular	Amount (in ₹ crore)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	4.94
(ii)	Total amount spent for the Financial Year	4.95
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.01
(iv)	Surplus interest arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0.008
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

7. **Details of Unspent CSR amount for the preceding three Financial Years:**

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (In ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹ crore)	Date of transfer		
1	FY 2021	NIL	NIL	NIL	NIL	-	NIL	-
2	FY 2022	NIL	NIL	NIL	NIL	-	NIL	-
3	FY 2023	NIL	NIL	NIL	NIL	-	NIL	-
	TOTAL	NIL	NIL	NIL	NIL	-	NIL	-

¹ Surplus interest income on CSR grant disbursed to implementing NGO partners has been fully deployed under the approved CSR projects and Utilization certificates availed for the same.



8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

If yes, enter the number of capital assets created/ acquired: NA

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NA

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
				NA			

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub- section (5) of section 135: NA

For CRISIL Limited

Amish Mehta
Managing Director
& Chief Executive Officer
(DIN: 00046254)

For and on behalf of the Corporate Social
Responsibility Committee of CRISIL Limited

Vinita Bali
Chairperson
Corporate Social Responsibility Committee
(DIN: 00032940)

Mumbai, February 09, 2024

Annexure II to the Directors' Report

Form No. AOC - 2

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

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

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

Sl no.	Name of related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient features of contracts/ arrangements/ transaction, including value, if any	Justification for entering into such contracts/ arrangements/ transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which special resolution was passed in general meeting as required under first proviso to Section 188
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	

Not applicable

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

Sl no.	Name of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient features of contracts/ arrangements/ transactions, including value, if any	Justification for entering into such contracts/ arrangements/ transactions	Date(s) of approval by the Board/ Audit Committee	Amount paid as advances if any	Date on which special resolution was passed in general meeting u/s 188(1)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1	S&P Global Inc. and its subsidiaries (SPGI) (Fellow Subsidiaries)	Global Analytical Center	Ongoing subject to renewal as per contractual terms	Support SPGI and its group in their global operations, consideration of around ₹ 280.42 crore p.a.	Services rendered by CRISIL are at arm's length pricing (ALP) and in the ordinary course of business. CRISIL maintains appropriate documentation to support ALP with SPGI and its group Companies	October 21, 2022	Nil	December 15, 2014*
2	CRISIL Irevna UK Limited (100% Subsidiary)	Global Research and Risk Solutions (GR&RS)	Ongoing subject to renewal as per contractual terms	CRISIL invoices CRISIL Irevna UK for GR&RS services which Irevna UK has recovered from external clients. The pricing is after considering appropriate remuneration to Irevna UK to meet its functional obligation (Amount invoiced by CRISIL to CRISIL Irevna UK Limited is ₹ 112.45 crore p.a.)	Services rendered by CRISIL are at arm's length pricing (ALP) and in the ordinary course of business. CRISIL maintains appropriate documentation to support ALP with CRISIL Irevna UK	October 21, 2022	Nil	Not applicable



Sl no.	Name of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient features of contracts/ arrangements/ transactions, including value, if any	Justification for entering into such contracts/ arrangements/ transactions	Date(s) of approval by the Board/ Audit Committee	Amount paid as advances if any	Date on which special resolution was passed in general meeting u/s 188(1)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
3	CRISIL Irevna US LLC (100% Subsidiary)	Global Research and Risk Solutions (GR&RS)	Ongoing subject to renewal as per contractual terms	CRISIL Irevna US to provide support services in the form of billing support, onsite delivery supervision and other business development activities to CRISIL at cost plus agreed markup. (Amount invoiced by CRISIL Irevna US to CRISIL Limited is ₹ 134.57 crore p.a.)	Services rendered by CRISIL are at arm's length pricing (ALP) and in the ordinary course of business. CRISIL maintains appropriate documentation to support ALP with CRISIL Irevna US	October 21, 2022 & November 6, 2023	Nil	Not Applicable

* CRISIL has been S&P's trusted partner and has been providing support services to S&P entities since 2003 (i.e. prior to CRISIL becoming a subsidiary of S&P). Approval for this transaction was sought through a shareholders postal ballot conducted in December 2014. This resolution was voted upon by the minority shareholders, without participation of S&P. Services provided by CRISIL are at arm's length pricing and in the ordinary course of business.

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

Ewout Steenberg
Chairman

(DIN: 07956962)

Mumbai, February 16, 2024

Annexure III to the Directors' Report

Form No. MR.3

Secretarial Audit Report

For the Financial Year Ended December 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
 The Members,
CRISIL Limited
 CRISIL House, Central Avenue,
 Hiranandani Business Park,
 Powai, Mumbai-400076

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CRISIL Limited (hereinafter called 'the Company').

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on December 31, 2023 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on December 31, 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment **(External Commercial Borrowings are not applicable to the Company during the Audit Period)**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**



- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. **(Not Applicable to the Company during the Audit Period)**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. ("Listing Regulations")

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records including Internal audit report in pursuance thereof on test-check basis, the Company has complied with the Securities and Exchange Board of India (Research Analysts) Regulations, 2014.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards made there.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were

sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period, the Company has

1. Allotted 4,280 equity shares of face value of ₹ 1 each under CRISIL Employee Stock Option Scheme 2011 and allotted 45,281 equity shares of face value of ₹ 1 each under CRISIL Employee Stock Option Scheme 2014.
2. Acquired 100% of the equity share capital of Bridge To India Energy Private Limited and has become a WOS of the Company w.e.f. September 30, 2023.
3. Approved transfer of its ESG Scores business as a going concern on a slump sale basis by way of a business transfer agreement (BTA), to CRISIL ESG Ratings & Analytics Limited (a step-down subsidiary of CRISIL Ratings Limited and a WOS of the Company, incorporated on September 26, 2023), to carry out the business of ESG ratings provider (ERP).

**For Makarand M. Joshi & Co.
Company Secretaries**

**Makarand M. Joshi
Partner
FCS: 5533
CP: 3662**

Date: February 16, 2024
Place: Mumbai

PR: 640/2019
UDIN: F005533E003441451

Annexure IV to the Directors' Report

Disclosures pursuant to Section 197(12) of the Companies Act, 2013, and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. **The ratio of remuneration of each Director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, CFO, CEO, Company Secretary or Manager, if any, in the financial year:**

Sl. No.	Name of the Director	Ratio of the remuneration to the median remuneration of employees~	% increase in remuneration
a.	Mr John L Berisford, Chairman, Non-Executive Director ⁽¹⁾	NA*	NA*
b.	Mr Ewout Steenbergen, Chairman, Non-Executive Director ⁽²⁾	NA*	NA*
c.	Mr Yann Le Pallec, Chairman, Non-Executive Director ⁽³⁾	NA*	NA*
d.	Ms Vinita Bali, Independent Director ⁽⁴⁾	3.93	5.67
e.	Ms Nishi Vasudeva ⁽⁵⁾	NA	NA
f.	Mr Girish Paranjpe, Independent Director	4.06	6.44
g.	Ms Shyamala Gopinath, Independent Director	3.74	4.95
h.	Mr Amar Raj Bindra, Independent Director	3.83	6.65
i.	Mr Girish Ganesan, Non-Executive Director ⁽⁶⁾	NA*	NA*
j.	Mr Saugata Saha, Non-Executive Director ⁽⁷⁾	NA*	NA*
k.	Mr Amish Mehta, MD & CEO ⁽⁸⁾	69.81	4.12
l.	Mr Sanjay Chakravarti, CFO	NA	25.78
m.	Ms Minal Bhosale, Company Secretary	NA	21.46

*Since April 2015, S&P Global has waived sitting fees and commission payable to its nominees

- Mr John L Berisford retired as Non-Executive Director and Chairman with effect from April 18, 2023
- Mr Ewout Steenbergen was appointed as Chairman with effect from April 18, 2023, and resigned as Non-Executive Director and Chairman with effect from the close of business hours on February 16, 2024
- Mr Yann Le Pallec, Non-Executive Director, was appointed as Chairman with effect from February 17, 2024
- Ms Vinita Bali retired as Independent Director with effect from February 13, 2024
- Ms Nishi Vasudeva was appointed as Additional Director (Independent, Non-Executive) with effect from January 27, 2024
- Mr Girish Ganesan was appointed as Non-Executive Director with effect from April 19, 2023
- Mr Saugata Saha was appointed as Additional Director (Non-Executive) with effect from February 17, 2024
- Remuneration increase covers impact of perquisite value of ESOS exercised during 2023. Excluding ESOS perquisite value, the ratio of remuneration to median is 58.74

2. **The % increase in median remuneration of employees in the financial year~:** Median pay increased 3.85 % in 2023 compared with 2022.
3. **The number of permanent employees on the rolls of the Company:** 4,673
4. **Average percentile increase already made in salaries of employees, other than the managerial personnel, in the last financial year and its comparison with the percentile increase in the managerial remuneration, and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration~:** Average increase in remuneration for 2023 over 2022 was 12%. The managerial remuneration to KMPs has increased by 9.16%.
5. **Affirmation that the remuneration is as per the Remuneration Policy of the Company:** Yes

~ The information provided is for India-based employees only.