

NOTICE

NOTICE is hereby given that the First Annual General Meeting of the members of CRISIL Ratings Limited will be held on a shorter notice on Wednesday, December 23, 2020 at 3.30 pm through Video Conferencing (VC) and or other audio visual means (OAVM), without the in-person presence of shareholders to transact the following business:

In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) by way of circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 (hereinafter referred to as “Circular”) permitted companies to hold their general meetings through video conferencing (VC) or other audio visual means (OAVM) for the year 2020. In keeping with government advisories on Covid-19 and considering the current extra-ordinary circumstances, which are not conducive to a safe conduct of the AGM with physical attendance of stakeholders, the Board of Directors has approved conduct of the 1st Annual General Meeting through Video Conferencing and other audio visual means (OAVM) (hereinafter referred to as “VC/OAVM”)

Ordinary Business:

1. Adoption of Financial Statements

To receive, consider and adopt the audited financial statements of the Company for the year ended March 31, 2020, together with the Report of the Board of Directors and Auditors thereon.

2. Appointment of Statutory Auditors of the Company

To consider, and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any modification, variation or re-enactment thereof, as may be applicable and pursuant to the recommendations of the Board of Directors, M/s. Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), be appointed as the statutory auditors of the Company, to hold office from the conclusion of this 1st Annual General Meeting until the conclusion of the 6th Annual General Meeting and that the Board of Directors of the Company be and are hereby authorised to fix their remuneration for the said period and permit reimbursement of actual out of pocket expenses, as may be incurred in the performance of their duties.”

Special Business:

3. Appointment of Mr. Gurpreet Chhatwal as Director of the Company, liable to retire by rotation and approval of the terms and conditions of appointment of Mr. Gurpreet Chhatwal as Managing Director

To consider, and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 of the Companies Act, 2013 and the rules made thereunder and the Articles of Association of the Company, Mr. Gurpreet Chhatwal, having Director identification number 08740541 and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 signifying the intention to propose the candidature of Mr. Gurpreet Chhatwal as a Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation, with effect from May 8, 2020.

RESOLVED FURTHER THAT pursuant to the provisions of section 196, 197 and other applicable provisions of the Companies Act, 2013 read with schedule V thereof and the Articles of Association of the Company, approval of the shareholders be and is hereby accorded to the appointment of Mr. Gurpreet Chhatwal as the Managing Director of the Company for a period of five years, with effect from May 8, 2020, on the terms and conditions specified hereunder, provided that the compensation enlisted herein is paid from the Effective date of the transfer of Ratings business to the Company :

- (a) Nature of Duties: Mr. Gurpreet Chhatwal shall carry out such duties as may be entrusted to him subject to the supervision and control of the Board from time to time.
- (b) Base Pay: Mr Gurpreet Chhatwal shall be entitled to receive a minimum salary of Rs. 203.86 lakh per year, subject to such annual increments, as may be decided by the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee or any other Committee constituted by it from time to time. The base pay includes salary, allowances, reimbursements and retirement benefits. He would be allowed to fix various components of salary within the overall limit as stated above and also to avail / encash the benefits in accordance with the schemes and rules of the Company for its staff as applicable from time to time.
- (c) Variable Pay: Mr. Gurpreet Chhatwal shall be entitled, in each year, to variable pay at a percentage of Base Pay based on the level of performance which will be decided by the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee or any other Committee constituted by it from time to time.
- (d) Perquisites: In addition to the remuneration, Mr. Chhatwal would also be eligible to perquisites in the form Group Mediclaim Insurance, Group Term Life Insurance, and Group Personal Accident Insurance Policy and leave encashment as per Company rules.

(e) Other benefits: Mr. Gurpreet Chhatwal would be eligible to benefits under any Long Term Incentive Plan, CRISIL Limited's Employee Stock Option Plan, excess contribution and other benefits in accordance with the schemes and rules of the Company for its staff as applicable from time to time.

(f) Other terms and conditions: Perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

(g) Termination: The employment may be terminated by either party giving to the other party two months' notice.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to payout the increments and variable pay as mentioned aforesaid and further alter and vary the terms and conditions of appointment and/ or remuneration, in accordance with the Company's remuneration policy in alignment with group compensation philosophy, framework and policies applicable for CRISIL and subsidiaries and subject to the same not exceeding the limits specified under section 197, read with schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT where in any financial year, during the currency of tenure of Mr. Gurpreet Chhatwal as Managing Director, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Gurpreet Chhatwal, the above remuneration by way of base pay, variable pay, stock options, perquisites, allowances and other benefits as a minimum remuneration, after complying with the limits and obtaining necessary approvals as specified in Schedule V of the Act, or such other limits as may be prescribed by Central Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be necessary for obtaining any approvals - statutory, contractual, or otherwise in relation to the above and to do all the acts, deeds, matters and things which are necessary, proper, expedient and incidental for giving effect to this resolution."

4. Appointment of Ms. Holly Kulka as a Non-Executive Director, liable to retire by rotation

To consider, and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

"RESOLVED THAT Ms. Holly Kulka (DIN 08812990), who was appointed as an Additional Director of the Company with effect from August 5, 2020 by the Board of Directors of the Company pursuant to Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing

his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be necessary for obtaining any approvals - statutory, contractual, or otherwise in relation to the above and to do all the acts, deeds, matters and things which are necessary, proper, expedient and incidental for giving effect to this resolution.”

5. Appointment of James Weimken as a Non-Executive Director, liable to retire by rotation

To consider, and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

“RESOLVED THAT Mr. James Weimken (DIN 08888361), who was appointed as an Additional Director of the Company with effect from December 22, 2020 by the Board of Directors of the Company pursuant to Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be necessary for obtaining any approvals - statutory, contractual, or otherwise in relation to the above and to do all the acts, deeds, matters and things which are necessary, proper, expedient and incidental for giving effect to this resolution.”

6. Appointment of Mr. MBN Rao as an Independent Director of the Company

To consider, and if thought fit, to pass the following resolution, with or without modification(s), as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. MBN Rao (DIN 00287260), a Non-Executive Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from August 5, 2020, up to August 4, 2025.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be necessary for obtaining any approvals - statutory, contractual, or otherwise in relation to the above and to do all the acts, deeds, matters and things which are necessary, proper, expedient and incidental for giving effect to this resolution.”

7. Appointment of Mr. Diwakar Gupta as an Independent Director of the Company

To consider, and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Diwakar Gupta (DIN 01274552), a Non-Executive Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from September 1, 2020, up to August 31, 2025.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be necessary for obtaining any approvals - statutory, contractual, or otherwise in relation to the above and to do all the acts, deeds, matters and things which are necessary, proper, expedient and incidental for giving effect to this resolution.”

8. Remuneration to Directors other than the Managing /Whole-Time Directors

To consider, and if thought fit, to pass the following resolution, with or without modification(s), as an Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, consent of the members of the Company be and is hereby accorded to the Company, for payment of remuneration by way of commission to its Directors (whether existing or future) other than the Managing/Whole-time Directors, collectively up to 0.40% of the net profits of the Company every year, computed in the manner referred to in Section 198 of the Companies Act, 2013, in such proportion/ manner and to such extent as may be determined by the Board of Directors of the Company.

RESOLVED FURTHER THAT such remuneration paid to its Directors (whether existing or future) other than the Managing/ Whole-time Directors will be in addition to the payment of sitting fees and reimbursement of expenses, if any, to the Directors for attending the meetings of the Board of Directors or Committees thereof.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be necessary for obtaining any approvals - statutory, contractual, or otherwise in relation to the above and to do all the acts, deeds, matters and things which are necessary, proper, expedient and incidental for giving effect to this resolution.”

9. Granting Borrowing Powers under Section 180 of the Companies Act, 2013

To consider, and if thought fit, to pass the following resolution, with or without modification(s), as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereof) and any rules and regulations made thereunder, the consent of the members of the Company be and is hereby accorded by way of special resolution, to the Board of Directors of the Company ("Board") for borrowing from time to time, as it may think fit, any sum or sums of money in any currency on such terms and conditions as the Board may deem fit, by way of loans, issuance of bonds, notes, debentures or other securities whether convertible into equity/ preference shares or not, from banks, financial or other institution(s), investors, mutual fund(s), or any other persons, up to an aggregate amount of Rupees 30 crores (Thirty Crores) notwithstanding that the monies to be borrowed, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign and execute all such deeds, documents and instruments as may be necessary, expedient and incidental thereto to give effect to this resolution."

By order of the Board,
For CRISIL Ratings Limited

Sd/-

Hiresh Dhakan
Company Secretary
(ACS 24568)

Mumbai, December 22, 2020

NOTES:

FOR JOINING THE AGM THROUGH VC/OAVM:

1. The detailed procedure for participating in the AGM through VC/OAVM is as under:
 - i. Members will be provided with a facility to attend the AGM through Audio-visual means.
 - ii. The Meeting shall be conducted over zoom for which members would require to login to their Zoom Accounts and enter the below credentials.

Meeting URL: <https://crisil.zoom.us/j/93907250033>

Meeting ID: 939 0725 0033

Password: 3623703767

- iii. Members can participate in the AGM through smart phone/laptop, however, for better experience and smooth participation, members are advised to join through a laptop connected through broadband. Please note that members connecting from mobile devices or tablets or through laptops etc connected via mobile hotspot, may experience audio/video loss due to network fluctuation. It is therefore recommended to use a stable Wi-Fi or LAN connection.
 - iv. For convenience of the members and proper conduct of AGM, members can login and join the AGM 15 minutes before the time scheduled for the AGM. Access will be open throughout the proceedings of AGM as well.
 - v. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
 - vi. Members who need assistance before or during the AGM with use of technology, may contact our IT team at helpdeskcentral@crisil.com
2. Corporate Members are requested to send a scanned copy of a duly certified Board Resolution authorising their representative(s) to the Company, at hiresh.dhakan@crisil.com for participating at the AGM.
3. As physical attendance of the members is dispensed with by law for VC/OAVM facilitated AGMs, the facility of appointment of proxies by members will not be available for the Meeting.
4. Since the AGM will be held through VC/OAVM means, the Route Map is not annexed in this Notice. The Registered Office of the Company will be deemed to be the venue of the AGM

VOTING INSTRUCTIONS

5. All members shall convey their votes by show of hands to the aforesaid resolutions as and when they are taken up at the Annual General Meeting

GENERAL INSTRUCTIONS

7. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection at the request of shareholders for which an email has to be send to hiresh.dhakan@crisil.com up to the date of this Annual General Meeting i.e. 23 December, 2020.
8. The Statement setting out the details relating to the Special Business to be transacted at the Annual General Meeting pursuant to Section 102 of the Companies Act is annexed hereto. All the documents referred to in the Notice and Explanatory Statement will be available for inspection by the Members. For this purpose an email has to be send to hiresh.dhakan@crisil.com up to the date of this Annual General Meeting i.e. 23 December , 2020.
9. Pursuant to Secretarial Standard-2, the following information is furnished about the Directors proposed to be appointed / re-appointed:

Brief Profile of Directors

1. Mr. Gurpreet Chhatwal

Mr. Gurpreet Chhatwal (age 47 years) has over 25 years' experience in the financial sector. He joined CRISIL in 1999 and has experience in setting up and managing large teams in India and globally, setting up and growing key businesses (BLR and R&A practices) and has spearheaded the innovation agenda at CRISIL Ratings.

Mr. Chhatwal leads the Ratings business. He is responsible for analytical execution, managing client relationships, enhancing CRISIL Ratings's franchise through thought leadership and outreach. He is also responsible for spearheading the innovation agenda at CRISIL Ratings, while continuing to focus on raising the rating standards at an industry level. Prior to this, he set up the Risk and Analytics (R&A) practice globally for CRISIL Global Research and Analytics (GR&A) that now provides risk modelling, model validation, stress testing and regulatory support to global clients. Mr. Chhatwal has held various positions with CRISIL's ratings business, across the analytical and the business development teams, and has played a key role in its growth over the years.

He joined CRISIL as an analyst in the ratings division and led ratings assignments for large clients in various sectors. From 2008 to 2012, Mr. Chhatwal led the Bank Loan Ratings

(BLR) business – he was part of the team that set up CRISIL’s BLR business and reached a milestone of over 10,000 outstanding ratings by April 2012.

Mr. Chhatwal has also been a part of CRISIL’s Global Analytical Centre and worked with S&P Global, New York.

Mr. Gurpreet Chhatwal holds a postgraduate diploma in management from the Indian Institute of Management, Lucknow, and an engineering degree from PEC University of Technology, Chandigarh.

Mr. Chhatwal is a member of the Corporate Social Responsibility Committee of CRISIL Ratings Limited. He is not a director of any other Indian company.

The terms and conditions of appointment of Mr. Chhatwal along with details of remuneration sought to be paid to him upon appointment is stated in the resolution at item no. 3 of the Notice, read with explanatory statement thereto. He does not hold any shares in the Company and is not related to any Director or Key Managerial Personnel of the Company in any way.

2. Ms. Holly Kulka:

Ms. Holly Kulka (age 57 years) is Global Chief Risk and Compliance Officer for S&P Global Ratings. Based in New York, she leads our globally integrated risk and compliance teams, including the criteria and model validation groups. Ms Kulka’s group works with senior leadership to ensure compliance with all relevant laws and regulations, as well as with internal policies and industry best practices. She is a member of S&P Global Ratings’ Executive Committee.

Previously, Ms. Kulka served as Executive Vice President, Deputy General Counsel for Intercontinental Exchange Inc., which acquired NYSE Euronext. As a member of the executive leadership team, she was responsible for regulatory strategy, litigation, investigations, antitrust, insurance, privacy and human resource legal matters. Before that, she was a partner at the law firm of Heller Ehrman LLP, representing and advising companies and individuals in state and federal commercial and regulatory investigations, corporate governance questions and litigations through trial. Earlier in her career, Ms. Kulka was a federal prosecutor.

Ms. Kulka holds a J.D. from the University of Chicago Law School and a B.A. from Williams College. She is admitted to the bars in New York, New Jersey, California and Washington, D.C.

Ms. Kulka is a member of the Nomination & Remuneration Committee of the Company and the Ratings Sub-Committee of the Board. She is not a director of any other Indian company.

She does not hold any share in the Company and is not related to any Director or Key Managerial Personnel of the Company in any way. Ms. Kulka will not be paid any

remuneration other than sitting fee for attending meetings of the Board and Committees thereof of which she is a member/Chairman or commission which may be approved by the Board of Directors and/or the Nomination and Remuneration Committee of the Board.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Ms. Holly Kulka, is in any way, interested or concerned in this Resolution.

3. Mr. MBN Rao:

Mr. M.B.N. Rao (Age 72 years), former Chairman and Managing Director of Canara Bank and Indian Bank, has graduated with a B.Sc degree in Agriculture. He is an Associate of the Chartered Institute of Bankers, London and Fellow of the Indian Institute of Banking and Finance. He is a member of the Singapore Institute of Management and has done his Diploma in Computer Studies from University of Cambridge and National Computing Center, London.

Mr. M.B.N. Rao has extensive in-depth knowledge and over 38 years of varied experience in Banking and Finance, Economics, Foreign Exchange, Money and Capital Markets, Risk Management, Treasury and Funds Management, Asset and Liability Management, Internal Control, Inspection & Audit, Vigilance, Taxation and Administration etc. Mr. M.B.N. Rao held Chairmanship of various banking organizations and Directorship in reputed companies. During his tenure, he has received a number of awards from Indian Bank and Canara Bank including a number of commendations. He was a Director of General Insurance Corporation of India and Founder Chairman of Canara HSBC Oriental Bank of India Insurance Company.

The details of Mr. Rao's directorships and Committee memberships is as follows:

Sr. No.	Name of the Company	Directorships and Committee memberships
1	TAJ GVK Hotels & Resorts Ltd.	Audit Committee (Member)
2	Nuziveedu Seeds Limited	Audit Committee (Member)
3	Mumbai International Airport Limited	Audit Committee (Chairman)
4	Navi Mumbai International Airport Pvt Ltd	Audit Committee (Member)
5	K G Denim Limited	Audit Committee (Member)
6	The Ramco Cements Limited	Audit Committee (Member)
7	Apollo Health and Lifestyle Limited	Audit Committee (Member)
8	Apollo Hospitals Enterprises Limited	Audit Committee (Member)
9	CRISIL Ratings Limited	Corporate Social Responsibility (Chairman)
10	CRISIL Ratings Limited	Nomination and Remuneration Committee (Chairman)

11	CRISIL Ratings Limited	Ratings Sub-Committee of the Board (Member)
----	------------------------	--

He does not hold any share in the Company and is not related to any Director or Key Managerial Personnel of the Company in any way. Mr. Rao will not be paid any remuneration other than sitting fee for attending meetings of the Board and Committees thereof of which he is a member/Chairman or commission which may be approved by the Board of Directors and/or the Nomination and Remuneration Committee of the Board.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr. MBN Rao, is in any way, interested or concerned in this Resolution.

Further, in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Companies Act, 2013 and the rules made thereunder and that the proposed director is independent of the management.

4. Mr. Diwakar Gupta:

Mr Diwakar Gupta (age 67 years) is a seasoned and highly respected banking and financial services professional with over 46 years of experience in this field.

Mr. Gupta was Managing Director and Chief Financial Officer of the State Bank of India, where he was responsible for setting strategies and direction alongside other members of the State Bank's Central Management Committee. He joined the State Bank of India in 1974 and held several positions at its various units and subsidiaries. From August 2015 to August, 2020 Mr. Gupta was Asian Development Bank's (ADB) Vice-President for Private Sector and Cofinancing Operations. In this role, Mr. Gupta had oversight over ADB's assistance to private sector projects with a clear development impact but limited access to capital. Mr. Gupta has also worked as Independent Director on the boards of various business councils, financial services companies and other private organizations in India.

Mr. Gupta holds a Master of Science degree in Physics from the University of Delhi, and a Bachelor of Science degree in Physics (with Honors) from St. Stephen's College in Delhi.

Mr. Gupta is the Chairman of the Ratings Sub-Committee of the Board and a member of the Nomination and Remuneration Committee and the Corporate Social Responsibility Committee of CRISIL Ratings Limited. He is not a director of any other Indian company.

He does not hold any share in the Company and is not related to any Director or Key Managerial Personnel of the Company in any way. Mr. Gupta will not be paid any remuneration other than sitting fee for attending meetings of the Board and Committees thereof of which he is a member/Chairman or commission which may be approved by the Board of Directors and/or the Nomination and Remuneration Committee of the Board.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr. Diwakar Gupta, is in any way, interested or concerned in this Resolution.

Further, in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Companies Act, 2013 and the rules made thereunder and that the proposed director is independent of the management.

5. Mr. James Wiemken:

Mr. James M. Wiemken (age 50 years) is Global Head of Analytic Risk for S&P Global Ratings. Based in New York, he has responsibility for the validation of methodologies (including Criteria and models) and review of ratings across the Ratings organization. He chairs the Criteria and Model Governance Committee, which reviews and approves criteria and models in advance of consideration for board approval.

Mr Wiemken joined Standard & Poor's in 1997 and has held lead regional practices in both U.S. public finance and European structured finance. Previously, he was a member of S&P Global Ratings' Analytics Policy Board and the global criteria officer for international public finance and U.S. public finance ratings, based in London. Following that assignment, Mr. Wiemken was Global Practice Leader for Structured Finance Ratings and then went on to run the Methodologies group responsible for developing and maintaining criteria and models before assuming his current position.

Before joining S&P Global, Mr. Wiemken was a regional economist at the Federal Reserve Bank of Richmond, specializing in state and local economic analysis. Specific research interests included estimating the effects of North American Free Trade Agreement and studying unintended incentives and consequences in banking legislation.

Mr. Wiemken holds a bachelor of arts degree in Economics and French from Millikin University and a master of business administration degree from Yale University.

He is a member of the Ratings Sub-Committee of the Board of CRISIL Ratings Limited. He is not a director of any other Indian company.

Mr. Wiemken does not hold any share in the Company and is not related to any Director or Key Managerial Personnel of the Company in any way. He will not be paid any remuneration other than sitting fee for attending meetings of the Board and Committees thereof of which he is a member/Chairman or commission which may be approved by the Board of Directors and/or the Nomination and Remuneration Committee of the Board.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr. James Wiemken, is in any way, interested or concerned in this Resolution.

Explanatory Statement

(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the special business mentioned in the accompanying Notice:

Item No. 3: Appointment of Mr. Gurpreet Chhatwal as Director of the Company, liable to retire by rotation and approval of the terms and conditions of appointment of Mr. Gurpreet Chhatwal as Managing Director

The Board of Directors at its meeting held on April 29, 2020, approved the appointment of Mr. Gurpreet Chhatwal as an additional Director of the Company with effect from May 8, 2020 and the Managing Director of the Company for a period of 5 years with effect from the same date on terms and conditions specified in the resolution at Item no. 3 of the Notice. His remuneration and appointment fixed in accordance with section 196, 197 and schedule V of the Companies Act, 2013, which is effective from the effective date of transfer of the Ratings business, is subject to the approval of members.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying its intention to propose the candidature of Mr. Gurpreet Chhatwal for the office of Director. A brief resume of Mr. Gurpreet Chhatwal and other details, as required to be given pursuant to Secretarial Standard - 2, has been given elsewhere in this Notice.

The terms and conditions of his appointment are specified in the resolution at Item no. 3 of the Notice. Mr. Chhatwal satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under subsection (3) of Section 196 of the Act for being eligible for this appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The Board considers it in the interest of the Company to appoint Mr. Gurpreet Chhatwal as the Managing Director of the Company and accordingly, recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

Item No. 4: Appointment of Ms. Holly Kulka as a Non-Executive Director, liable to retire by rotation

Ms. Holly Kulka has been appointed as an Additional Director of the Company under Section 161(1) of the Companies Act, 2013 effective August 5, 2020 holds office up to the date of this Annual General Meeting, and is eligible for appointment as Director as provided under Articles of Association of the Company.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying its intention to propose the candidature of Ms. Holly Kulka for the office of Director. A brief resume of Ms. Holly Kulka and other details, as required to be given pursuant to Secretarial Standard - 2, has been given elsewhere in this Notice.

The Board of Directors considers it in the interest of the Company to appoint Ms. Holly Kulka as a Director. None of the Directors of the Company or their relatives, except Ms. Holly Kulka, is in any way, interested or concerned in this resolution. The Board recommends the resolution set forth in item No. 4 of the notice for approval of the members.

Item No. 5: Appointment of Mr. James Weimken as a Non-Executive Director, liable to retire by rotation

Mr. James Weimken has been appointed as an Additional Director of the Company under Section 161(1) of the Companies Act, 2013 effective December 22, 2020 holds office up to the date of this Annual General Meeting, and is eligible for appointment as Director as provided under Articles of Association of the Company.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying its intention to propose the candidature of Mr. James Weimken for the office of Director. A brief resume of Mr. Weimken and other details, as required to be given pursuant to Secretarial Standard - 2, has been given elsewhere in this Notice.

The Board of Directors considers it in the interest of the Company to appoint Mr. James Weimken as a Director. None of the Directors of the Company or their relatives, except Mr. James Weimken, is in any way, interested or concerned in this resolution. The Board recommends the resolution set forth in item No. 5 of the notice for approval of the members.

Item No. 6: Appointment of Mr. MBN Rao as an Independent Director of the Company

The Board of Directors of the Company, pursuant to the recommendations of the Nomination and Remuneration Committee, has appointed Mr. MBN Rao (DIN: 00287260) on August 5, 2020, as an Additional Director (Independent and Non-Executive) on the Board of Directors of the Company, in terms of Section 161 of the Companies Act, 2013. Mr. Rao holds office up to the date of this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013. The Company has received notice in writing from a Member under Section 160 of the Act, proposing his candidature for the office of Director of the Company.

Brief profile of Mr. MBN Rao and his other directorships has been included in this Notice. The Company has received a declaration from Mr Rao stating that he meets with the criteria of independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013. Mr. Rao will not be paid any remuneration other than sitting fee for attending meetings of the Board and Committees thereof of which he is a member/ Chairperson or commission which may be approved by the Board of Directors and/or the Nomination and Remuneration Committee of the Board. He does not hold any share in the Company and is not related to any Director or Key Managerial Personnel of the Company in any way.

After taking into consideration Mr Rao's skills, vast experience and deep knowledge of the financial service industry and banking sector and his contribution over the years as Director of

CRISIL Risk and Infrastructure Solutions Limited, the Board believes that Mr Rao's association as an Independent Director on the Board of Directors of the Company would be of immense benefit to the Company. The Board recommends the appointment of Mr. Rao as an Independent Director of the Company from August 5, 2020 upto August 4, 2025, even though he will attain the prescribed age of seventy years during his tenure.

In accordance with the provisions of Section 196(3) of the Companies Act, 2013 appointment of Independent Director, who has attained the age of seventy years requires approval of the Members by way of a Special Resolution at the Annual General Meeting. Accordingly, the approval of the Members of the Company is being sought by way of a Special Resolution.

Copy of the draft letter of appointment of Mr. Rao is available for inspection at the Registered office of the Company and will also be available for inspection at the Annual General Meeting of the Company. The Board of Directors considers it in the interest of the Company to appoint Mr. Rao as an Independent Director.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr. Rao, is in any way, interested or concerned in this resolution. The Board recommends the resolution set forth in item No. 6 of the notice for approval of the members.

Item No. 7: Appointment of Mr. Diwakar Gupta as an Independent Director of the Company

The Board of Directors of the Company, pursuant to the recommendations of the Nomination and Remuneration Committee, has appointed Mr. Diwakar Gupta (DIN: 01274552) on September 1, 2020, as an Additional Director (Independent and Non-Executive) on the Board of Directors of the Company, in terms of Section 161 of the Companies Act, 2013. Mr. Diwakar Gupta holds office up to the date of this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013. The Company has received notice in writing from a Member under Section 160 of the Act, proposing his candidature for the office of Director of the Company.

Brief profile of Mr. Gupta and his other directorships has been included in this Notice. The Company has received a declaration from Mr. Gupta stating that he meets with the criteria of independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013. Mr. Diwakar Gupta will not be paid any remuneration other than sitting fee for attending meetings of the Board and Committees thereof of which he is a member/ Chairperson or commission which may be approved by the Board of Directors and/or the Nomination and Remuneration Committee of the Board. He does not hold any share in the Company and is not related to any Director or Key Managerial Personnel of the Company in any way.

Copy of the draft letter of appointment of Mr. Diwakar Gupta is available for inspection at the Registered office of the Company and will also be available for inspection at the Annual General Meeting of the Company. The Board of Directors considers it in the interest of the Company to appoint Mr. Diwakar Gupta as an Independent Director.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr. Diwakar Gupta, is in any way, interested or concerned in this resolution. The Board recommends the resolution set forth in item No. 7 of the notice for approval of the members.

Item No. 8: Remuneration to Directors other than the Managing /Whole-Time Directors

With the objective of attracting and retaining professionals with expertise and high competence on the Board and its various Committees and in the context of the increasing demand over the time of the independent and professional Directors for various matters relating to the Company, it is necessary to adequately compensate the Board members for their contributions.

The resolution at item No. 8 seeks to obtain the shareholder approval for payment of commission to Directors (whether existing or future) other than Managing/Whole-time Directors. The commission would not exceed collectively, 0.40% of the net profits of the Company every year, computed in the manner referred to in Section 198 of the Companies Act, 2013. This would be in addition to the payment of sitting fees and reimbursement of expenses, if any, for attending the meetings of the Board of Directors or Committees thereof. The actual payment each year, would be to such an extent as may be determined by the Board of Directors of the Company.

Except for the Non-Executive and Independent Directors and their relatives, none of the other Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at item No. 8 of the notice. The Board recommends the resolution set forth in item No. 8 of the notice for approval of the members.

Item No. 9: Granting borrowing powers under section 180 of the Companies Act, 2013

The Board of Directors of a Company shall not, except with the consent of Company by Special Resolution borrow money together with the money already borrowed, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), exceeding the aggregate of the paid up capital and its free reserves as per the provisions of Section 180(1)(c) of the Companies Act, 2013 ("the Act") and its rules thereunder.

It is therefore, necessary for the members to pass a Special Resolution under Section 180 of the Companies Act, 2013, as set out at Item No. 9 of the Notice, to enable the Board of Directors to borrow money upto Rs. 30 Crores (Rupees thirty Crores).

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the resolution set out at item No. 9 of the notice. The Board recommends the resolution set forth in item No. 9 of the notice for approval of the members.

By order of the Board,
For CRISIL Ratings Limited

Sd/-

Hiresh Dhakan
Company Secretary
(ACS 24568)

Mumbai, December 22, 2020

CRISIL Ratings Limited

1st Annual Report
2019 - 2020

Board of Directors:

Mr. Gurpreet Chhatwal	-	Managing Director
Ms. Holly Kulka	-	Director
Mr. Diwakar Gupta	-	Director
Mr. MBN Rao	-	Director
Mr. James Weimken	-	Director

Auditors:

Walker Chandiook & Co. LLP,
Chartered Accountants

Bankers:

ICICI Bank Limited

Registered Office:

CRISIL House, Central Avenue
Hiranandani Business Park
Powai, Mumbai 400 076

Directors' Report

To the Members,

The Directors are pleased to present the First Annual Report of CRISIL Ratings Limited, along with the audited accounts for the year ended March 31, 2020.

INCORPORATION

SEBI vide Notifications dated May 30, 2018 and September 19, 2018, notified the SEBI (Credit Rating Agencies)(Amendment) Regulations, 2018 (CRA Regulations) pursuant to which it mandated credit rating agencies to segregate their ratings and non-ratings businesses into separate entities. CRISIL Limited, the Company's holding company, pioneered the ratings industry in India, being India's first rating agency. Over the years, it expanded into research and other businesses apart from ratings business. Pursuant to the change of regulations, CRISIL Limited decided to segregate its ratings business into a wholly-owned subsidiary. Accordingly, CRISIL Ratings Limited (a subsidiary of CRISIL Limited) was formed to meet the requirements of CRA Regulations on June 3, 2019.

A scheme of arrangement in terms of Section 230 to 232 of the Companies Act, 2013 was filed with the National Company Law Tribunal for segregation of the businesses. The Scheme was approved on June 8, 2020. Further, CRISIL Ratings Limited (the Transferee Company under the Scheme) Company had applied to SEBI for the final approval for transfer of the Ratings license from CRISIL to the Company. An application to RBI for the grant of accreditation to CRL as an External Credit Assessment Institution for carrying out bank loan ratings was also submitted. The Company has received the approval from SEBI for issue of Credit Rating Agency license in the name of the Company on 4th December 2020. Approval from RBI for accreditation as an External Credit Assessment Institution is awaited. The NCLT Scheme will become effective upon receipt of the aforesaid approval from RBI.

The consideration for transfer of business was the Net Asset Value of the Ratings business as on the Appointed Date of Rs 51.70 crores, payable in lumpsum in cash upon the Scheme becoming effective.

FINANCIAL SUMMARY

Pending approval from RBI, the NCLT Scheme and the segregation of Ratings business is not yet effective.

A summary of the Company's financial performance for 2019- 2020 is as follows :

Particulars	(Rupees in Lacs)
	Year ended March 31, 2020
Total Income for the year	0.62
Profit / (Loss) before depreciation	(31.23)
Depreciation	-
Profit / (Loss) before Tax	(31.23)
Provision for tax	-
Profit / (Loss) After Tax	(31.23)

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. 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 requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis.

The Company has received an approval from the Regional Director Mumbai to follow January to December period as its Financial year vide order dated November 11, 2020 and accordingly the second financial year of the Company will be a period from 1st April 2020 upto 31st December 2020.

COMMENCEMENT OF OPERATIONS

The Company had received approval for commencement of business on October 31, 2019.

However, approval from RBI for accreditation as an External Credit Assessment Institution on is awaited. The NCLT Scheme will become effective upon receipt of the aforesaid approval from RBI. The Company will commence its operations post the NCLT Scheme becoming effective.

TRANSFER TO RESERVES

There is no transfer to reserves during the year.

DIVIDEND

The Directors do not recommend payment of dividend for the year ended March 31, 2020.

SHAREHOLDING

The Company is a wholly-owned subsidiary of CRISIL Limited. The Company does not have any subsidiary companies, joint ventures or associate companies.

MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business.

The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Mumbai, except during the period of the COVID epidemic, when meetings were held virtually as permitted under the circulars issued by the Ministry of Company Affairs. The Agenda of the Board meetings is circulated at least seven days prior to the date of the meeting. The Agenda for the Board meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. The Board met five times in financial year 2019-20 viz., on June 17, 2019, June 25, 2019, October 10, 2019, January 24, 2020 and March 4, 2020. The gap between Board meetings did not exceed 120 days.

KEY MANAGERIAL PERSONNEL UNDER COMPANIES ACT

Mr. Gurpreet Chhatwal was appointed as the Managing Director of the Company with effect from May 8, 2020. Mr. Venkatesh Viswanathan was appointed as the Chief Financial Officer and Mr. Hiresh Dhakan was appointed as the Company Secretary with effect from April 29, 2020.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

PARTICULARS OF REMUNERATION

In accordance with the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of every employee covered under the said rule are required to be mentioned Director's Report. However, there were no employees in the Company as on March 31, 2020, since the business was not transferred on the given date. Accordingly, section 197 will not be applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

Your 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 judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss 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 devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

SECRETARIAL AUDIT REPORT

The Board has appointed M/s Makarand M. Joshi & Co., Practising Company Secretaries, to conduct the secretarial audit, and their report is appended as Annexure II.

COMMENTS ON AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by Walker Chandiook & Co. LLP, Statutory Auditors, in their report. The statutory auditors have not reported any incident of fraud in the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not provided any loans and guarantees or made any investments pursuant to Section 186 of the Companies Act, 2013 during the financial year.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1)

All the contracts or arrangements with related parties as defined under the Companies Act, 2013 are in ordinary course of business and at arms' length basis, and are hence not falling within the purview of section 188(1) of the Act. The Ratings business is in the process of transfer from CRISIL Limited to CRISIL Ratings Limited pursuant to the NCLT Scheme with necessary approvals of Board and shareholders. The transfer will be effective upon receipt of RBI approval. The details of all the related party transactions are placed before the Board on quarterly basis for its review. The particulars of contracts or arrangements with related parties, as prescribed in Form AOC-2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013 is appended as Annexure I.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL

The Hon'ble National Company Law Tribunal, Mumbai Bench, vide its Order dated June 8, 2020, has sanctioned the Scheme of Arrangement.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There is no material change affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

The Company on March 31, 2020 increased its paid-up share capital by Rs. 25 crores by issue of shares through Rights Issue to the existing shareholders and by Rs. 1 crore by issue of shares through Rights Issue in May 2020. This exercise was done in view of the requirements of the SEBI CRA Regulations, which required the Credit Rating Agency registered with the Securities and Exchange Board of India to have a minimum paid-up share capital of Rs. 25 crores.

Further, as indicated elsewhere, the NCLT Scheme for transfer of Ratings business was approved on June 8, 2020 by the NCLT. The Company has received the CRA license from SEBI as on 4th December 2020. The Scheme will be effective post RBI approval.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars regarding foreign exchange earnings and outgo appear as separate items in the notes to the Accounts. Since the Company does not own any manufacturing facility, the

other particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts) Rules, 2014 are not applicable.

RISK MANAGEMENT POLICY

Until the Effective Date, the Ratings business will be managed by CRISIL, which has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. .

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCE CONTROLS

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory Auditors and certified by Management.

DIRECTORS

In accordance with the Articles of Association of the Company and the provisions of the Companies Act, 2013, Mr. Amish Mehta, Mr. Sanjay Chakravarti and Mr Anupam Kaura were appointed as the first Directors of the Company with effect from June 03, 2020. The first directors so appointed have resigned and vacated their offices with effect from August 6, 2020 and in place of them, the Company now has a five member Board. The Board comprises a mix of Independent, Non-Executive and Executive Directors, to meet the requirements of applicable regulations as well as provide necessary governance and oversight over the business of the entity.

Accordingly, Mr. Gurpreet Singh Chhatwal was appointed as the Managing Director of the Company with effect from May 8, 2020. Mr. Chhatwal was initially deputed from CRISIL to CRISIL Ratings to hold the position of Managing Director. Upon the transfer of the Ratings business, Mr Chhatwal has become a whole-time employee of the Company and will be entitled to remuneration from the Effective Date, subject to shareholder's approval at the forthcoming Annual General Meeting of his appointment resolution.

Ms. Holly Kulka and Mr. James Wiemken were appointed as Additional Directors (Non-executive) with effect from August 5, 2020 and December 22, 2020 respectively. Mr. MBN Rao and Mr. Diwakar Gupta were appointed as Additional Directors (Independent) with effect from August 5, 2020 and September 1, 2020 respectively.

The Company has received a notice under Section 160 of the Companies Act, 2013, from a member signifying his intention to propose the candidature of Ms. Holly Kulka, Mr. James Wiemken, Mr. MBN Rao and Mr. Diwakar Gupta to the office of ordinary Directors. Accordingly, at the Annual General Meeting held on December 23, 2020, their appointment is proposed to be approved by the shareholders.

COMMITTEES OF THE BOARD

The Board has constituted the below given committees with effect from September 22, 2020

- Corporate Social Responsibility Committee
- Ratings Sub-Committee
- Nomination and Remuneration Committee

DEPOSITS

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

ANNUAL RETURN

The complete Annual Return is available on the Company's website: <https://www.crisil.com/en/home/investors.html>

FINANCIAL YEAR

The Company follows the calendar year as the financial year in terms of a special approval obtained from the Central Government on November 11, 2020.

MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as per sub-section (1) of Section 148 of the Companies Act, 2013.

POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has a 'Policy on redressal of Sexual Harassment' and a 'Policy on redressal of Workplace Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act").

There were no employees on the rolls of the Company as on 31st March 2020 and no complaints were filed under the POSH Act.

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 the same:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise
2. Receipt of any remuneration or commission by the Managing Director/Whole-time Director of the Company from any of its subsidiaries
3. Buyback of shares

ACKNOWLEDGEMENTS

The Board of Directors also wishes to place on record its gratitude for the faith reposed in CRISIL Ratings by the shareholders, Securities and Exchange Board of India the Reserve Bank of India and other government authorities.

For and on behalf of the Board of
Directors

Sd/-

Holly Kulka
Chairperson
(DIN 0008812990)

Date: December 22, 2020
Place:

ANNEXURE I 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 the related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto

- 1. Details of Contracts or arrangements or transactions not at arm's length basis: NIL**
- 2. Details of material contracts or arrangements or transactions at arm's length basis: NIL**

For and on behalf of the Board of Directors

Sd/-

Holly Kulka
Chairperson
(DIN 0008812990)

Date: December 22, 2020

Place:

FORM NO. MR.3

SECRETARIAL AUDIT REPORTFor The Financial Year Ended 31st March, 2020

[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 Ratings Limited
Crisil House, Central Avenue
Hiranandani Business Park,
Powai Mumbai Mumbai 400076

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 (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 subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 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; **(Not Applicable to the Company)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(Not Applicable to the Company)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment. **(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'):-
- (vi) (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 with regard to disclosures there under applicable to the extent of the investment made by the Company in Listed Companies. **(Not Applicable to the Company)**
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as applicable in respect of its investment in Listed Companies. **(Not Applicable to the Company)**
- (c) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; **(Not Applicable to the Company)**
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable to the Company during the Audit Period)**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not Applicable to the Company)**
- (h) 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; **(Not applicable to the Company during the Audit Period)**
- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)** and
- (j) The Securities and Exchange Board of India (Buyback 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) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. **(Not Applicable to the Company during the Audit Period)**

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

We further report that, there are no specific laws applicable to the company in the period under review.

We further report that the Board of Directors of the Company is duly constituted as required under the Act. There were no changes in the composition of the Board of Directors that took place during the period under review.

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

**For MMJB and Associates LLP
Practising Company Secretaries**

Sd/-

**Saurabh Agarwal
Designated Partner
FCS No:F9290
CP. No:20907
UDIN: F009290B001318961**

Place: Mumbai
Date: 26/11/2020

FORM NO. MGT-7

[Pursuant to sub-Section(1) of section 92 of the Companies Act, 2013 and sub-rule (1) of rule 11of the Companies (Management and Administration) Rules, 2014]



Annual Return

Form language English Hindi

Refer the instruction kit for filing the form.

I. REGISTRATION AND OTHER DETAILS

(i) * Corporate Identification Number (CIN) of the company

U67100MH2019PLC326247

Pre-fill

Global Location Number (GLN) of the company

* Permanent Account Number (PAN) of the company

(ii) (a) Name of the company

CRISIL RATINGS LIMITED

(b) Registered office address

CRISIL HOUSE, CENTRAL AVENUE
HIRANANDANI BUSINESS PARK, POWAI
MUMBAI
Mumbai City
Maharashtra
400076

(c) *e-mail ID of the company

minal.bhosale@crisil.com

(d) *Telephone number with STD code

+912233423000

(e) Website

(iii) Date of Incorporation

03/06/2019

(iv)	Type of the Company	Category of the Company	Sub-category of the Company
	Public Company	Company limited by shares	Indian Non-Government company

(v) Whether company is having share capital

Yes No

(vi) *Whether shares listed on recognized Stock Exchange(s)

Yes No

(b) CIN of the Registrar and Transfer Agent

Pre-fill

Name of the Registrar and Transfer Agent

Registered office address of the Registrar and Transfer Agents

(vii) *Financial year From date (DD/MM/YYYY) To date (DD/MM/YYYY)

(viii) *Whether Annual general meeting (AGM) held Yes No

(a) If yes, date of AGM

(b) Due date of AGM

(c) Whether any extension for AGM granted Yes No

(f) Specify the reasons for not holding the same

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

*Number of business activities

S.No	Main Activity group code	Description of Main Activity group	Business Activity Code	Description of Business Activity	% of turnover of the company
1					

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

*No. of Companies for which information is to be given

S.No	Name of the company	CIN / FCRN	Holding/ Subsidiary/Associate/ Joint Venture	% of shares held
1				

IV. SHARE CAPITAL, DEBENTURES AND OTHER SECURITIES OF THE COMPANY

(i) *SHARE CAPITAL

(a) Equity share capital

Particulars	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Total number of equity shares	300,000,000	251,000,000	251,000,000	251,000,000
Total amount of equity shares (in Rupees)	300,000,000	251,000,000	251,000,000	251,000,000

Number of classes

1

Class of Shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
EQUITY				
Number of equity shares	300,000,000	251,000,000	251,000,000	251,000,000
Nominal value per share (in rupees)	1	1	1	1
Total amount of equity shares (in rupees)	300,000,000	251,000,000	251,000,000	251,000,000

(b) Preference share capital

Particulars	Authorised capital	Issued capital	Subscribed capital	Paid-up capital
Total number of preference shares	0	0	0	0
Total amount of preference shares (in rupees)	0	0	0	0

Number of classes

0

Class of shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Number of preference shares				
Nominal value per share (in rupees)				
Total amount of preference shares (in rupees)				

(c) Unclassified share capital

Particulars	Authorised Capital
Total amount of unclassified shares	0

(d) Break-up of paid-up share capital

Class of shares	Number of shares	Total nominal amount	Total Paid-up amount	Total premium
Equity shares				
At the beginning of the year	1,000,000	1,000,000	1,000,000	

Increase during the year	250,000,000	250,000,000	250,000,000	0
i. Public Issues	0	0	0	
ii. Rights issue	250,000,000	250,000,000	250,000,000	0
iii. Bonus issue	0	0	0	
iv. Private Placement/ Preferential allotment	0	0	0	0
v. ESOPs	0	0	0	0
vi. Sweat equity shares allotted	0	0	0	0
vii. Conversion of Preference share	0	0	0	0
viii. Conversion of Debentures	0	0	0	0
ix. GDRs/ADRs	0	0	0	0
x. Others, specify	0	0	0	
NONE				
Decrease during the year	0	0	0	0
i. Buy-back of shares	0	0	0	0
ii. Shares forfeited	0	0	0	0
iii. Reduction of share capital	0	0	0	0
iv. Others, specify				
At the end of the year	251,000,000	251,000,000	251,000,000	
Preference shares				
At the beginning of the year	0	0	0	
Increase during the year	0	0	0	0
i. Issues of shares	0	0	0	0
ii. Re-issue of forfeited shares	0	0	0	0
iii. Others, specify				
Decrease during the year	0	0	0	0
i. Redemption of shares	0	0	0	0

ii. Shares forfeited	0	0	0	0
iii. Reduction of share capital	0	0	0	0
iv. Others, specify				
At the end of the year	0	0	0	

(ii) Details of stock split/consolidation during the year (for each class of shares)

0

Class of shares		(i)	(ii)	(iii)
Before split / Consolidation	Number of shares			
	Face value per share			
After split / Consolidation	Number of shares			
	Face value per share			

(iii) Details of shares/Debentures Transfers since closure date of last financial year (or in the case of the first return at any time since the incorporation of the company) *

Nil

[Details being provided in a CD/Digital Media]

Yes

No

Not Applicable

Separate sheet attached for details of transfers

Yes

No

Note: In case list of transfer exceeds 10, option for submission as a separate sheet attachment or submission in a CD/Digital Media may be shown.

Date of the previous annual general meeting	<input type="text"/>		
Date of registration of transfer (Date Month Year)	<input type="text"/>		
Type of transfer	<input type="text"/>	1 - Equity, 2- Preference Shares, 3 - Debentures, 4 - Stock	
Number of Shares/ Debentures/ Units Transferred	<input type="text"/>	Amount per Share/ Debenture/Unit (in Rs.)	<input type="text"/>
Ledger Folio of Transferor	<input type="text"/>		

Transferor's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name

Ledger Folio of Transferee	<input type="text"/>
----------------------------	----------------------

Transferee's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name

Date of registration of transfer (Date Month Year)	<input type="text"/>
--	----------------------

Type of transfer	<input type="text"/>	1 - Equity, 2- Preference Shares,3 - Debentures, 4 - Stock
------------------	----------------------	--

Number of Shares/ Debentures/ Units Transferred	<input type="text"/>	Amount per Share/ Debenture/Unit (in Rs.)	<input type="text"/>
--	----------------------	--	----------------------

Ledger Folio of Transferor	<input type="text"/>
----------------------------	----------------------

Transferor's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name

Ledger Folio of Transferee	<input type="text"/>
----------------------------	----------------------

Transferee's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name

(iv) *Indebtedness including debentures (Outstanding as at the end of financial year)

Particulars	Number of units	Nominal value per unit	Total value
Non-convertible debentures	0		0
Partly convertible debentures	0		0
Fully convertible debentures	0		0
Secured Loans (including interest outstanding/accrued but not due for payment) excluding deposits			0
Unsecured Loans (including interest outstanding/accrued but not due for payment) excluding deposits			0
Deposit			0
Total			0

Details of debentures

Class of debentures	Outstanding as at the beginning of the year	Increase during the year	Decrease during the year	Outstanding as at the end of the year
Non-convertible debentures	0	0	0	0
Partly convertible debentures	0	0	0	0
Fully convertible debentures	0	0	0	0

(v) Securities (other than shares and debentures)

0

Type of Securities	Number of Securities	Nominal Value of each Unit	Total Nominal Value	Paid up Value of each Unit	Total Paid up Value
Total					

V. *Turnover and net worth of the company (as defined in the Companies Act, 2013)

(i) Turnover

0

(ii) Net worth of the Company

247,815,000

VI. (a) *SHARE HOLDING PATTERN - Promoters

S. No.	Category	Equity	Preference
--------	----------	--------	------------

		Number of shares	Percentage	Number of shares	Percentage
1.	Individual/Hindu Undivided Family				
	(i) Indian	0		0	
	(ii) Non-resident Indian (NRI)	0		0	
	(iii) Foreign national (other than NRI)	0		0	
2.	Government				
	(i) Central Government	0		0	
	(ii) State Government	0		0	
	(iii) Government companies	0		0	
3.	Insurance companies	0		0	
4.	Banks	0		0	
5.	Financial institutions	0		0	
6.	Foreign institutional investors	0		0	
7.	Mutual funds	0		0	
8.	Venture capital	0		0	
9.	Body corporate (not mentioned above)	0		0	
10.	Others	0		0	
	Total	0	0	0	0

Total number of shareholders (promoters)

0

(b) *SHARE HOLDING PATTERN - Public/Other than promoters

S. No.	Category	Equity		Preference	
		Number of shares	Percentage	Number of shares	Percentage
1.	Individual/Hindu Undivided Family				
	(i) Indian	0		0	
	(ii) Non-resident Indian (NRI)	0		0	
	(iii) Foreign national (other than NRI)	0		0	

2.	Government				
	(i) Central Government	0		0	
	(ii) State Government	0		0	
	(iii) Government companies	0		0	
3.	Insurance companies	0		0	
4.	Banks	0		0	
5.	Financial institutions	0		0	
6.	Foreign institutional investors	0		0	
7.	Mutual funds	0		0	
8.	Venture capital	0		0	
9.	Body corporate (not mentioned above)	0		0	
10.	Others	0		0	
	Total	0	0	0	0

Total number of shareholders (other than promoters)

0

**Total number of shareholders (Promoters+Public/
Other than promoters)**

0

**VII. *NUMBER OF PROMOTERS, MEMBERS, DEBENTURE HOLDERS
(Details, Promoters, Members (other than promoters), Debenture holders)**

Details	At the beginning of the year	At the end of the year
Promoters	0	0
Members (other than promoters)	0	0
Debenture holders	0	0

VIII. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(A) *Composition of Board of Directors

Category	Number of directors at the beginning of the year		Number of directors at the end of the year		Percentage of shares held by directors as at the end of year	
	Executive	Non-executive	Executive	Non-executive	Executive	Non-executive

A. Promoter	0	0	0	0	0	0
B. Non-Promoter	0	3	0	3	0	0
(i) Non-Independent	0	3	0	3	0	0
(ii) Independent	0	0	0	0	0	0
C. Nominee Directors representing	0	0	0	0	0	0
(i) Banks & FIs	0	0	0	0	0	0
(ii) Investing institutions	0	0	0	0	0	0
(iii) Government	0	0	0	0	0	0
(iv) Small share holders	0	0	0	0	0	0
(v) Others	0	0	0	0	0	0
Total	0	3	0	3	0	0

Number of Directors and Key managerial personnel (who is not director) as on the financial year end date

3

(B) (i) *Details of directors and Key managerial personnel as on the closure of financial year

Name	DIN/PAN	Designation	Number of equity share(s) held	Date of cessation (after closure of financial year : If any)
MR. AMISH MEHTA	00046254	Director	0	06/08/2020
MR. SANJAY CHAKRA	05246624	Director	0	06/08/2020
MR. ANUPAM KAURA	07790067	Director	0	06/08/2020

(ii) Particulars of change in director(s) and Key managerial personnel during the year

0

Name	DIN/PAN	Designation at the beginning / during the financial year	Date of appointment/ change in designation/ cessation	Nature of change (Appointment/ Change in designation/ Cessation)

IX. MEETINGS OF MEMBERS/CLASS OF MEMBERS/BOARD/COMMITTEES OF THE BOARD OF DIRECTORS

A. MEMBERS/CLASS /REQUISITIONED/NCLT/COURT CONVENED MEETINGS

Number of meetings held

1

Type of meeting	Date of meeting	Total Number of Members entitled to attend meeting	Attendance	
			Number of members attended	% of total shareholding
NCLT Convened Meeting	12/02/2020	7	7	100

B. BOARD MEETINGS

*Number of meetings held

5

S. No.	Date of meeting	Total Number of directors associated as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
1	17/06/2019	3	2	66.67
2	25/06/2019	3	2	66.67
3	10/10/2019	3	3	100
4	01/01/2020	3	3	100
5	04/03/2020	3	2	66.67

C. COMMITTEE MEETINGS

Number of meetings held

0

S. No.	Type of meeting	Date of meeting	Total Number of Members as on the date of the meeting	Attendance	
				Number of members attended	% of attendance
1					

D. *ATTENDANCE OF DIRECTORS

S. No.	Name of the director	Board Meetings			Committee Meetings			Whether attended AGM held on (Y/N/NA)
		Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	
1	MR. AMISH M	5	4	80				
2	MR. SANJAY	5	4	80				
3	MR. ANUPAM	5	4	80				

X. *REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Nil

Number of Managing Director, Whole-time Directors and/or Manager whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat equity	Others	Total Amount
1							0
	Total						

Number of CEO, CFO and Company secretary whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat equity	Others	Total Amount
1							0
	Total						

Number of other directors whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat equity	Others	Total Amount
1							0
	Total						

XI. MATTERS RELATED TO CERTIFICATION OF COMPLIANCES AND DISCLOSURES

* A. Whether the company has made compliances and disclosures in respect of applicable provisions of the Companies Act, 2013 during the year Yes No

B. If No, give reasons/observations

XII. PENALTY AND PUNISHMENT - DETAILS THEREOF

(A) DETAILS OF PENALTIES / PUNISHMENT IMPOSED ON COMPANY/DIRECTORS /OFFICERS Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order	Name of the Act and section under which penalised / punished	Details of penalty/ punishment	Details of appeal (if any) including present status

(B) DETAILS OF COMPOUNDING OF OFFENCES Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order	Name of the Act and section under which offence committed	Particulars of offence	Amount of compounding (in Rupees)

XIII. Whether complete list of shareholders, debenture holders has been enclosed as an attachment

Yes No

XIV. COMPLIANCE OF SUB-SECTION (2) OF SECTION 92, IN CASE OF LISTED COMPANIES

In case of a listed company or a company having paid up share capital of Ten Crore rupees or more or turnover of Fifty Crore rupees or more, details of company secretary in whole time practice certifying the annual return in Form MGT-8.

Name

Whether associate or fellow Associate Fellow

Certificate of practice number

I/We certify that:

- (a) The return states the facts, as they stood on the date of the closure of the financial year aforesaid correctly and adequately.
 (b) Unless otherwise expressly stated to the contrary elsewhere in this Return, the Company has complied with all the provisions of the Act during the financial year.

Declaration

I am Authorised by the Board of Directors of the company vide resolution no. ... dated

(DD/MM/YYYY) to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I further declare that:

- Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the company.
- All the required attachments have been completely and legibly attached to this form.

Note: Attention is also drawn to the provisions of Section 447, section 448 and 449 of the Companies Act, 2013 which provide for punishment for fraud, punishment for false statement and punishment for false evidence respectively.

To be digitally signed by

Director

DIN of the director

To be digitally signed by

- Company Secretary
- Company secretary in practice

Membership number

Certificate of practice number

Attachments

1. List of share holders, debenture holders
2. Approval letter for extension of AGM;
3. Copy of MGT-8;
4. Optional Attachement(s), if any

Attach
Attach
Attach
Attach

List of attachments

List of shareholders.pdf MGT 8 CRISIL RATINGS 31032020.pdf

Remove attachment

Modify

Check Form

Prescrutiny

Submit

This eForm has been taken on file maintained by the Registrar of Companies through electronic mode and on the basis of statement of correctness given by the company

CRISIL RATINGS LIMITED**List of shareholders as on March 31, 2020**

Sr No	Name of Shareholder	No. of equity shares held (face value Re 1 each)
1	CRISIL Limited	25,09,99,940
2	Amish Mehta (as a nominee of CRISIL Limited)	10
3	Sanjay Chakravarti (as a nominee of CRISIL Limited)	10
4	Anupam Kaura (as a nominee of CRISIL Limited)	10
5	Venkatesh Viswanathan (as a nominee of CRISIL Limited)	10
6	Minal Bhosale (as a nominee of CRISIL Limited)	10
7	Hiresh Dhakan (as a nominee of CRISIL Limited)	10
TOTAL		25,10,00,000

CRISIL Ratings Limited

Corporate Identity Number: U67100MH2019PLC326247

Form No. MGT-8

[Pursuant to section 92(2) of the Companies Act, 2013 and rule 11(2) of Companies (Management and Administration) Rules, 2014]

CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE

We have examined the registers, records and books and papers of CRISIL RATINGS LIMITED (the Company) as required to be maintained under the Companies Act, 2013 (the Act) and the rules made thereunder for the financial year ended on 31st March, 2020. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that:

- A. the Annual Return states the facts as at the close of the aforesaid financial year correctly and adequately.
- B. during the aforesaid financial year the Company has complied with provisions of the Act & Rules made there under in respect of:
 - 1. The status of the Company is active;
 - 2. The Company has maintained the registers/records & made entries therein within the time prescribed therefore;
 - 3. The Company has duly filed the forms and returns as stated in the annual return, with the Registrar of Companies, Regional Director, ~~Central Government~~, the Tribunal, ~~Court~~ or other authorities within the prescribed time, except with few instances of filings with additional fees with Registrar of Companies;
 - 4. The Board of Directors duly met five times on 17th June,2019, 25th June,2019, 10th October,2019, 24th January,2020 and 04th March, 2020 as stated in the annual return, after giving due notice(s) to the board of directors of the company and the resolutions including circular resolution, if any, passed thereat were duly recorded in the Minutes Book maintained for the purpose and the same have been signed;

The Extra Ordinary General Meeting of equity shareholders conveyed by NCLT, Mumbai Bench was held on 12th February,2020 for the year ended 31st March,2020 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose and the same have been signed;

- 5. Closure of Register of Members / Security holders, as the case may be;
- 6. The Company has not provided any advances/loans to its directors and/or persons or firms or companies referred in section 185 of the Act;
- 7. The Company has not entered into any contracts/arrangements with related parties as specified in section 188 of the Act;
- 8. The Company has issued and allotted 250,000,000 equity shares of Rs. 1 each on right issue basis to its existing shareholder on 31.03.2020 and issued share certificates, however there are no instance of

transfer or transmission or buy back of securities/redemption of preference shares or debentures/
alteration or reduction of share capital/ conversion of shares/ securities;

9. There were no transactions necessitating the Company keeping in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act;
10. The Company has not declared nor paid any dividend; the company is not require to transfer amount of unpaid/ unclaimed dividend/other amounts as applicable have been transferred to the Investor Education and Protection Fund in accordance with section 125 of the Act;
11. The Company has duly signed the audited financial statement as per the provisions of Section 134 of the Act and Report of Directors is as per sub - sections (3), (4) and (5) thereof;
12. The Board of directors of the Company is duly constituted; disclosures of the Directors are recorded in the minutes and no remuneration is paid to them;
13. The Company has duly appointed M/s. Walker Chandiok & Co. LLP, Chartered Accountants, as the first statutory auditor of the Company as per the provisions of Section 139 of the Act;
14. The Company has obtained approvals from Regional Director, Registrar or such other authorities prescribed under the various provisions of the Act;
15. The Company has not accepted any public deposits;
16. The Company has not made any borrowings from its directors, members, public financial institutions, banks and others and creation/ modification/ satisfaction of charges in that respect, wherever applicable;
17. The Company has not given loans and made investments or provided guarantees or securities to other bodies corporate or persons falling under the provisions of section 186 of the Act;
18. The Company has not altered any provisions of Memorandum of Association and Articles of Association.

Place: Thane
Date: 17.12.2020
UDIN: F006988B001531181

For Ashita Kaul & Associates
Practising Company Secretaries

Sd/-

Proprietor
FCS 6988/ CP 6529

Walker Chandniok & Co LLP

11th floor, Tower II,
One International Center,
SB Marg, Prabhadevi (W)
Mumbai – 400 013
India

T +91 22 6626 2699

F +91 22 6626 2601

Independent Auditor's Report

To the Members of CRISIL Ratings Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **CRISIL Ratings Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the period from 3 June 2019 to 31 March 2020, and 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, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31 March 2020, and its loss (including other comprehensive income), its cash flows and the changes in equity for the period from 3 June 2019 to 31 March 2020.

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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

CRISIL Ratings Limited Independent Auditor's Report on the Audit of the Financial Statements

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the 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 financial statements.
9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the 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 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.

CRISIL Ratings Limited Independent Auditor's Report on the Audit of the Financial Statements

- Conclude on the appropriateness of management's 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 Company's ability 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 Company 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.
10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the period from 3 June 2019 to 31 March 2020. Accordingly, reporting under section 197(16) of the Act is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
13. Further to our comments in Annexure I, as required by Section 143(3) of the Act, based on our audit 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 accompanying financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2020 in conjunction with our audit of the financial statements of the Company for the period from 3 June 2019 to 31 March 2020 and our report dated 22 December 2020 as per Annexure II expressed an unmodified opinion; and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2020;

CRISIL Ratings Limited
Independent Auditor's Report on the Audit of the Financial Statements

- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the period from 3 June 2019 to 31 March 2020; and
- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these financial statements. Hence reporting under this clause is not applicable.

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

Sd/-

Khushroo B. Panthaky
Partner
Membership No:042423

UDIN:20042423AAAAJT3550

Place: Mumbai
Date: 22 December 2020

CRISIL Ratings Limited
Independent Auditor's Report on the Audit of the Financial Statements

Annexure I to the Independent Auditor's Report of even date to the members of CRISIL Ratings Limited, on the financial statements for the period from 3 June 2019 to 31 March 2020

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company does not have any property, plant and equipment. Accordingly, the provisions of clause 3(i) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the period-end for a period of more than six months from the date they become payable.
 - (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and goods and service tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture holders during the period. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the period. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, provisions of clause 3(xi) of the Order are not applicable.

CRISIL Ratings Limited
Independent Auditor's Report on the Audit of the Financial Statements

Annexure I (Contd)

- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the period from 3 June 2019 to 31 March 2020, the Company has made private placement of shares. In respect of the same, in our opinion, the Company has complied with the requirement of Section 42 of the Act and the Rules framed thereunder. Further, the amounts raised as above have not been utilized by the Company. During the period from 3 June 2019 to 31 March 2020, the Company did not make preferential allotment / private placement of fully / partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Sd/-

Khushroo B. Panthaky

Partner

Membership No:042423

UDIN:20042423AAAAJT3550

Place: Mumbai

Date: 22 December 2020

**CRISIL Ratings Limited
Independent Auditor's Report on the Audit of the Financial Statements**

Annexure II to the Independent Auditor's Report of even date to the members of CRISIL Ratings Limited on the financial statements for the period from 3 June 2019 to 31 March 2020

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 financial statements of CRISIL Ratings Limited ("the Company") as at and for the period from 3 June 2019 to 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

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

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the 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.

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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 Company's internal financial controls with reference to financial statements.

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.

Annexure II (Contd)

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 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 Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2020, based the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Sd/-

Khushroo B. Panthaky
Partner
Membership No:042423

UDIN:20042423AAAAJT3550

Place: Mumbai
Date: 22 December 2020

CRISIL Ratings Limited
Balance Sheet as at March 31, 2020

(Rupees in lakhs)

Particulars	Notes	As at March 31, 2020
ASSETS		
1. Non-current assets		
(a) Deferred tax assets (net)	3	0.35
2. Current assets		
(a) Financial assets		
i. Cash and cash equivalents	4	2,510.00
ii. Others financial assets	5	0.62
TOTAL ASSETS		2,510.97
EQUITY AND LIABILITIES		
1. Equity		
(a) Equity share capital	6	2,510.00
(b) Other equity		(30.88)
2. Current liabilities		
(a) Financial liabilities		
i. Trade payables		
- total outstanding dues of micro enterprises and small enterprises; and		-
- total outstanding dues of creditors other than micro enterprises and small enterprises	7	31.85
TOTAL EQUITY AND LIABILITIES		2,510.97
Summary of significant accounting policies	2	

The accompanying notes form an integral part of the financial statements.

This is the Balance Sheet referred to
in our audit report of even date.

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

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

Sd/-

Khushroo B. Panthaky
Partner
Membership No.: 42423

Sd/-

Gurpreet Singh Chhatwal
Managing Director
[DIN: 08740541]

Sd/-

Diwakar Gupta
Director
[DIN: 01274552]

Sd/-

Venkatesh Viswanathan
Chief Financial Officer

Sd/-

Hiresh Dhakan
Company Secretary

Date: December 22, 2020
Place: Mumbai

Date: December 22, 2020
Place: Mumbai

CRISIL Ratings Limited
Statement of Profit and Loss for the period from June 3, 2019 to March 31, 2020

(Rupees in lakhs)

Particulars	Notes	Period from June 3, 2019 to March 31, 2020
Income		
Revenue from operations		-
Other income	8	0.62
Total		0.62
Expenses		
Other expenses	9	31.85
Total		31.85
Loss before tax		(31.23)
Tax expense		
Current tax	3	-
Deferred tax		(0.35)
Total tax expense		(0.35)
Loss after tax for the period		(30.88)
Other comprehensive expense/ (income) (OCI)		-
Total comprehensive loss for the period		(30.88)
Earnings per share : Nominal value of Rupee 1 per share		
Basic	12	(1.69)
Diluted		(1.69)
Summary of significant accounting policies	2	

The accompanying notes form an integral part of the financial statements.

This is the Statement of Profit and Loss referred to
in our audit report of even date.

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

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

Sd/-
Khushroo B. Panthaky
Partner
Membership No.: 42423

Sd/-
Gurpreet Singh Chhatwal
Managing Director
[DIN: 08740541]

Sd/-
Diwakar Gupta
Director
[DIN: 01274552]

Sd/-
Venkatesh Viswanathan
Chief Financial Officer

Sd/-
Hiresh Dhakan
Company Secretary

Date: December 22, 2020
Place: Mumbai

Date: December 22, 2020
Place: Mumbai

CRISIL Ratings Limited

Cash Flow Statement for the period from June 3, 2019 to March 31, 2020

(Rupees in lakhs)

Particulars	Period from June 3, 2019 to March 31, 2020
A. Cash flow from operating activities:	
Loss before tax	(31.23)
Adjustments for :	
Interest income	(0.62)
Operating loss before working capital changes	(31.85)
Movements in working capital	
- Increase in trade payables	31.85
Cash generated from operations	-
- Taxes paid	-
Net cash generated from operating activities - (A)	-
B. Cash flow from investing activities :	
Net cash used in investing activities - (B)	-
C. Cash flow from financing activities:	
Proceeds from issuance of equity share capital	2,510.00
Net cash generated from financing activities - (C)	2,510.00
Net increase in cash and cash equivalents (A+B+C)	2,510.00
Cash and cash equivalents - opening balance	-
Cash and cash equivalents - closing balance	2,510.00
Net increase in cash and cash equivalents	2,510.00
Components of cash and cash equivalents (Refer note 4)	
Balances with banks on current account	10.00
Deposits with original maturity of less than three months	2,500.00
Total	2,510.00

The accompanying notes form an integral part of the financial statements.

This is the Cash Flow Statement referred to in our audit report of even date.

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

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

Sd/-
Khushroo B. Panthaky
Partner
Membership No.: 42423

Sd-
Gurpreet Singh Chhatwal
Managing Director
[DIN: 08740541]

Sd--
Diwakar Gupta
Director
[DIN: 01274552]

Sd-
Venkatesh Viswanathan
Chief Financial Officer

Sd-
Hiresh Dhakan
Company Secretary

Date: December 22, 2020
Place: Mumbai

Date: December 22, 2020
Place: Mumbai

CRISIL Ratings Limited
Statement of Changes in Equity for the period from June 3, 2019 to March 31, 2020

1. Equity share capital		(Rupees in lakhs)
Balance as at June 3, 2019	Changes in equity share capital during the period (Refer note 6)	Balance as at March 31, 2020
-	2,510.00	2,510.00

2. Other equity			(Rupees in lakhs)
Particulars	Reserves & Surplus	Total	
	Retained earnings		
Balance as at June 3, 2019	-	-	
Loss for the period	(30.88)	(30.88)	
Balance as at March 31, 2020	(30.88)	(30.88)	

The accompanying notes form an integral part of the financial statements.

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

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

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

Sd/-
Khushroo B. Panthaky
Partner
Membership No.: 42423

Sd/-
Gurpreet Singh Chhatwal
Managing Director
[DIN: 08740541]

Sd/-
Diwakar Gupta
Director
[DIN: 01274552]

Sd/-
Venkatesh Viswanathan
Chief Financial Officer

Sd/-
Hiresh Dhakan
Company Secretary

Date: December 22, 2020
Place: Mumbai

Date: December 22, 2020
Place: Mumbai

CRISIL Ratings Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the period from June 3, 2019 to March 31, 2020

1 Corporate information

CRISIL Ratings Limited ("the Company") [CIN : U67100MH2019PLC326247] The Company was incorporated on June 3, 2019 and is a subsidiary of CRISIL Limited, holding Company. The Company will provide ratings services and serve lenders, investors, issuers, market intermediaries and regulators by covering manufacturing companies, banks, NBFCs, PSUs, financial institutions, state governments, urban local bodies, and mutual funds. Issuers and borrowers leverage our ratings for enhancing their access to funding, widening range of funding alternatives, and optimising cost of funds

The Company 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.

These financial statements for the period from June 3, 2019 to March 31, 2020 were approved by the Board of Directors on December 22, 2020

CRISIL Limited, the Holding Company, directly owns 100 % as on March 31, 2020 of the Company's equity share capital (Refer note 6).

2 Summary of significant accounting policies

2.1 Statement of compliance

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

Functional and presentation currency

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

2.2 Basis of preparation

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

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of assets and liabilities.

2.3 Impairment

a) Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized 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 amortization or depreciation) had no impairment loss been recognised for the asset in the prior years. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) net selling price and its value in use.

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

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

b) Impairment of financial assets

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

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

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

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.

2.4 Share capital

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

CRISIL Ratings Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the period from June 3, 2019 to March 31, 2020

2.5 Fair value of financial instruments

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

2.6 Financial Instruments

Initial recognition and measurement

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

Subsequent measurement

a) Non-derivative financial instruments

(i) Financial assets carried at amortized cost

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

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

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

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

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

(iv) Financial liabilities

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

Derecognition of financial instruments

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

2.7 Provision, contingent liabilities and contingent assets:

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

Contingent liabilities are disclosed for:

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

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

2.8 Cash and cash equivalents

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

2.9 Segment reporting policies

The Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes.

CRISIL Ratings Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the period from June 3, 2019 to March 31, 2020

2.10 Taxes on Income

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

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

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

Deferred tax

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

Deferred tax assets are recognized 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 realized; such reductions are reversed when the probability of future taxable profits improves.

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

Deferred tax assets and liabilities are offset only if:

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

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

2.11 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 period. The weighted average number of equity shares outstanding during the period is adjusted for events such as buy back, employee stock option scheme, etc. that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

2.12 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 Ratings Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the period from June 3, 2019 to March 31, 2020

(Rupees in lakhs)

3. Income tax	Period from June 3, 2019 to March 31, 2020
Current tax	-
Deferred tax	(0.35)
Total income tax expense recognised in current period	(0.35)

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

(Rupees in lakhs)

Particulars	Period from June 3, 2019 to March 31, 2020
Loss before tax	(31.23)
Enacted income tax rate in India	25.17%
Computed expected tax expense	(7.86)
Effect of:	
Expenses that are not deductible in determining taxable profit	7.51
Total income tax expense recognised in the statement of profit and loss	(0.35)

The applicable Indian statutory income tax rate for fiscal year ended 31 March 2020 was 25.17% .

Deferred tax

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

As at March 31, 2020

(Rupees in lakhs)

Particulars	Opening Balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset				
On unabsorbed losses	-	0.35	-	0.35
Gross deferred tax asset	-	0.35	-	0.35
Net deferred tax asset	-	0.35	-	0.35

The Company has elected to opt for the new tax regime announced by the Government of India and avail of the benefit of section 115BAA of the Income Tax Act. This provides for concessional tax rate of 22% plus applicable surcharge and cess (totalling 25.17%). The applicable Indian statutory income tax rate for fiscal period ended March 31, 2020 was 25.17 %

(Rupees in lakhs)

4. Cash and cash equivalents	As at March 31, 2020
Current	
Balances with banks:	
On current accounts	10.00
Deposits with original maturity of less than three months	2,500.00
Total	2,510.00

(Rupees in lakhs)

5. Other financial assets	As at March 31, 2020
Interest accrued on fixed deposits	0.62
Total	0.62

(Rupees in lakhs)

6. Equity share capital	As at March 31, 2020
Authorised share capital:	
300,000,000 equity shares of Rupee 1 each	3,000.00
Issued, subscribed and paid up:	
251,000,000 Equity shares of Rupee 1 each fully paid up	2,510.00
Total	2,510.00

CRISIL Ratings Limited**Summary of significant accounting policies and other explanatory information to the financial statements as at and for the period from June 3, 2019 to March 31, 2020****(a) Issue of share capital**

On June 3, 2019, the Company has issued 1,000,000 equity shares at a face value of Rupee 1 each and on March 31, 2020, the Company has issued 250,000,000 equity shares at a face value of Rupee 1 each to CRISIL Limited, the Holding Company.

(b) Subsequent issue of share capital

On May 20, 2020, the Company has issued 10,000,000 equity shares at a face value of Rupee 1 each to CRISIL Limited, the Holding Company.

(c) Reconciliation of shares outstanding at the beginning and at the end of the period*Equity shares*

Particulars	As at March 31, 2020	
	Rupees in lakhs	Nos.
At the beginning of the period	-	-
Add : Issued during the period (face value of Rupee 1 per share)	2,510.00	251,000,000
Outstanding at the end of the period	2,510.00	251,000,000

(d) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of Rupee 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

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.

(e) Shares held by Holding Company

Out of equity shares issued by the Company, shares held by its Holding Company are as below:

Particulars	(Rupees in lakhs)
	As at March 31, 2020
CRISIL Limited	2,510.00
Total	2,510.00

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

Name of the shareholder	As at March 31, 2020	
	% holding in the class	No. of shares
Equity shares of Rupee 1 each fully paid CRISIL Limited	100.00%	251,000,000

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.

(g) The Company, being its first year of incorporation, has not issued any bonus shares, issued any shares for consideration other than cash and nor has there been any buy back of shares during the period since incorporation.

(h) Capital management

The Company is predominantly equity financed and continues to maintain adequate amount of liquidity to meet strategic and growth objectives. The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to its stakeholders. The Company has ensured a balance between earning adequate returns on treasury asset and need to cover financial and business risk.

6.1 Explanation of reserves**a) Retained earnings**

Retained earnings represent the cumulative profits / loss of the Company.

7. Trade payables	(Rupees in lakhs)
	As at March 31, 2020
Current	
Total outstanding dues of micro enterprises and small enterprises (as per intimation received from suppliers) (Refer note 7.1)	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 11)	31.85
Total	31.85

CRISIL Ratings Limited**Summary of significant accounting policies and other explanatory information to the financial statements as at and for the period from June 3, 2019 to March 31, 2020****7.1 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 is provided as under****(Rupees in lakhs)**

Particulars	As at March 31, 2020
-The principal amount and the interest due thereon remaining unpaid to any supplier at the end of accounting period.	-
-The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during accounting period.	-
-The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-
-The amount of interest accrued and remaining unpaid at the end of accounting period; and	-
-Interest accrued and remaining unpaid as at period end	-
-The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-

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

(Rupees in lakhs)

8. Other income	Period from June 3, 2019 to March 31, 2020
Interest income	0.62
Total	0.62

(Rupees in lakhs)

9. Other expenses	Period from June 3, 2019 to March 31, 2020
Registration and listing fees	29.85
Auditors' remuneration (Refer note 14)	2.00
Total	31.85

10. Financial Instruments**10.1 Financial risk management**

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in Note 10.2. The Company has in place a robust risk management policy with overall governance and oversight from Board of Directors. Risk assessment is conducted periodically and the Company has a mechanism to identify, assess, mitigate and monitor various risks to key business objectives. The Company has not identified any risk with respect to financial asset and liabilities as on March 31, 2020.

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

(Rupees in lakhs)

Particulars	Amortized cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI	Derivative instruments in hedging relationship	Total carrying value	Total fair value
Assets						
Cash and cash equivalents	2,510.00	-	-	-	2,510.00	2,510.00
Other financial assets	0.62	-	-	-	0.62	0.62
Total	2,510.62	-	-	-	2,510.62	2,510.62
Liabilities						
Trade payables	31.85	-	-	-	31.85	31.85
Total	31.85	-	-	-	31.85	31.85

10.2 Fair value hierarchy

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

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

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).

(Rupees in lakhs)

Particulars	As at March 31, 2020		
	Level 1	Level 2	Level 3
Financial assets measured at fair value:	-	-	-

CRISIL Ratings Limited**Summary of significant accounting policies and other explanatory information to the financial statements as at and for the period from June 3, 2019 to March 31, 2020****11. List of related parties**

Parties	Relationship
Related parties where control exists	
S&P Global Inc.	Ultimate Holding Company
CRISIL Limited	Holding Company
Key Managerial Personnel	
M.B.N. Rao	Independent Director (with effect from August 5, 2020)
Holly Kay Kulka	Non-Executive Director (with effect from August 5, 2020)
Diwakar Gupta	Independent Director (with effect from September 1, 2020)
Gurpreet Singh Chhatwal	Managing Director (with effect from May 8, 2020)
Amish Mehta	Director (from June 17, 2019 to August 6, 2020)
Anupam Kaura	Director (from June 17, 2019 to August 6, 2020)
Sanjay Chakravarti	Director (from June 17, 2019 to August 6, 2020)
Venkatesh Viswanathan *	Chief Financial Officer (with effect from April 29, 2020)
Hireesh Dhakan *	Company Secretary (with effect from April 29, 2020)

* Related parties as per Companies Act, 2013

Transactions with related parties**(Rupees in lakhs)**

Name of the related party	Nature of transaction / outstanding balances	Period from June 3, 2019 to March 31, 2020
CRISIL Limited	Share capital issued	2,510.00
	Reimbursement of expenses	31.85
	Amount payable	31.85

12. Earning Per Share

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

Particulars	Period from June 3, 2019 to March 31, 2020
Net profit/(loss) after tax attributable to equity shareholders (Rupees in lakhs)	(30.88)
Weighted average number of equity shares outstanding during the period	1,825,083
Basic earnings per share	(1.69)
Diluted earnings per share	(1.69)

13. Securities and Exchange Board of India (SEBI) notifications dated May 30, 2018 and September 19, 2018, under the SEBI (Credit Rating Agencies) Regulations, 1999, have mandated segregation of Ratings and Non-Ratings businesses of Credit Rating Agencies. Pursuant to, and in order to comply with these notifications, the Company, was incorporated on June 3, 2019, being a wholly owned subsidiary of CRISIL Limited. This transfer has been undertaken through a 'Scheme of arrangement in terms of Section 230 to 232 of the Companies Act, 2013' ('Scheme'). The Scheme has been sanctioned by the National Company Law Tribunal (NCLT) with appointed date as January 1, 2020. The Company has received approval from SEBI dated December 4, 2020 to act as a Credit Rating Agency. The Scheme will be effective on receipt of necessary approval from the Reserve Bank of India ('RBI').

14. Auditors' remuneration includes :**(Rupees in lakhs)**

Particulars	Period from June 3, 2019 to March 31, 2020
Statutory audit fees	2.00
Total	2.00

15. The Company has been incorporated in the current year and the management is in the process of implementing the proposed business plan and taking adequate steps to ensure a sustained business momentum. Accordingly, the financial statements have been prepared on a going concern basis.

CRISIL Ratings Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the period from June 3, 2019 to March 31, 2020

16. This being the first year incorporation of the Company, no comparative for the previous year has been given in the financial statements.

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

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

Sd/-

Khushroo B. Panthaky
Partner
Membership No.: 42423

Sd/-

Gurpreet Singh Chhatwal
Managing Director
[DIN: 08740541]

Sd/-

Diwakar Gupta
Director
[DIN: 01274552]

Sd/-

Venkatesh Viswanathan
Chief Financial Officer

Sd/-

Hiresh Dhakan
Company Secretary

Date: December 22, 2020
Place: Mumbai

Date: December 22, 2020
Place: Mumbai