



ICRA

ICRA Limited

February 9, 2017

**Mr. Jeevan Noronha**  
Manager Listing Compliance  
Department of Corporate Services  
BSE Limited  
Floor 1, Phiroze Jeejeebhoy Tower  
Dalal Street, Mumbai – 400 001  
**Scrip Code: 532835**

**Mr. Hari K.**  
Vice-President  
National Stock Exchange of India  
Limited  
Exchange Plaza, Bandra Kurla Complex  
Bandra (E), Mumbai – 400 051  
**Symbol: ICRA**

**Sub:-Unaudited Financial Results – Outcome of the Board meeting dated February 9, 2017; commenced at 3:00 p.m. and concluded at 7:45 p.m.**

Dear Sirs,

Pursuant to Regulations 30, 33 and any other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), please find enclosed the unaudited Financial Results (Standalone & Consolidated) of ICRA Limited ("**the Company**") for the third quarter and nine months ended December 31, 2016, reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on February 9, 2017. A Press Release in this regard is also enclosed.

Please also find enclosed the Limited Review Reports submitted by M/s. B S R & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company.

Kindly take the above on record.

Regards,

Sincerely,

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

# B S R & Co. LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B  
DLF Cyber City, Phase - II  
Gurgaon - 122 002, India

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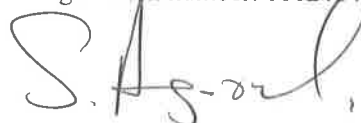
## Review Report to the Board of Directors of ICRA Limited

- 1 We have reviewed the accompanying Statement of Standalone Unaudited Financial Results ("the financial results") of ICRA Limited ("the Company") for the quarter and nine months ended December 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These financial results are the responsibility of the Company's management and has been approved by the Board of Directors on February 9, 2017. Our responsibility is to issue a report on these financial results, based on our review.
- 2 We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410- "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
- 3 Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying financial results, prepared in accordance with the applicable Accounting Standards as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which is to be disclosed, or that it contains any material misstatement.

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

Chartered Accountants

Registration number: 101248W/W-100022



**Shashank Agarwal**

Partner

Membership No.: 095109

Place: Gurgaon

Date: February 9, 2017



ICRA

## ICRA Limited

Corporate Identity Number (CIN): 174999DL1991PLC 042749  
Registered Office: 1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi- 110 001  
Telephone No.: +91-11-23357940-50; Fax No.: +91-11-23357014  
Website: www.icra.in, Email ID: investors@icraindia.com

## STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

(Rupees in lakhs, except per share data and if otherwise stated)

Sr. No.	Particulars	Quarter ended 31/12/2016	Quarter ended 30/09/2016	Quarter ended 31/12/2015	Nine months ended 31/12/2016	Nine months ended 31/12/2015	Year ended 31/03/2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	(a) Net sales/ income from operations	5,294.40	5,212.57	4,960.84	15,164.99	14,087.51	19,389.42
	(b) Other operating income	38.89	38.85	48.72	117.55	110.96	147.21
	Total income from operations (1a to 1b)	5,333.29	5,251.42	5,009.56	15,282.54	14,198.47	19,536.63
2	Expenses						
	(a) Employee benefits expense	2,665.95	2,238.37	2,136.26	7,042.99	6,260.45	8,332.60
	(b) Depreciation and amortisation expense	82.16	79.42	89.50	234.77	249.24	355.60
	(c) Other expenses	991.29	787.88	788.69	2,635.98	2,408.12	3,463.77
	Total expenses (2a to 2c)	3,739.40	3,105.67	3,014.45	9,913.74	8,917.81	12,151.97
3	Profit from operations before other income, finance costs and exceptional items (1-2)	1,593.89	2,145.75	1,995.11	5,368.80	5,280.66	7,384.66
4	Other income	769.04	660.45	381.86	2,798.66	1,963.31	2,369.31
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	2,362.93	2,806.20	2,376.97	8,167.46	7,243.97	9,753.97
6	Finance costs	-	-	-	-	-	-
7	Profit from ordinary activities after finance costs but before exceptional items (5+6)	2,362.93	2,806.20	2,376.97	8,167.46	7,243.97	9,753.97
8	Exceptional items (refer note 2)	681.29	-	-	681.29	(345.52)	(345.52)
9	Profit from ordinary activities before tax (7+8)	3,044.22	2,806.20	2,376.97	8,848.75	6,898.45	9,408.45
10	Tax expense	(925.77)	(891.42)	(824.15)	(2,520.96)	(2,374.92)	(3,261.90)
11	Net profit from ordinary activities after tax (9+10)	2,118.45	1,914.78	1,552.82	6,327.79	4,523.53	6,146.55
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net profit for the period (11+12)	2,118.45	1,914.78	1,552.82	6,327.79	4,523.53	6,146.55
14	Paid up equity share capital (Face value: Rs.10 per share)	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
15	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	39,836.19
16.i	Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised)						
	(a) Basic	21.51	19.44	15.80	64.28	46.02	62.53
	(b) Diluted	21.46	19.39	15.73	64.08	45.81	62.25
16.ii	Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised)						
	(a) Basic	21.51	19.44	15.80	64.28	46.02	62.53
	(b) Diluted	21.46	19.39	15.73	64.08	45.81	62.25

See accompanying notes to the standalone unaudited financial results

## Notes:

- The Company's business activity falls within a single primary business segment viz "Rating, research and other services".
- The Board of Directors of the Company at its meeting held on August 5, 2016 and the Members of the Company through Postal Ballot, on September 17, 2016, approved sale of the entire shareholding held by the Company in ICRA Techno Analytics Limited ("ICTEAS") (now known as "Nihilent Analytics Limited") to Nihilent Technologies Limited, for a consideration of Rs. 6.875 lakhs, comprising (i) payment of cash consideration of Rs. 3,200 lakhs, and (ii) unsecured, unrated, 10% interest bearing and unlisted non-convertible debentures, issued for the balance amount, to be redeemed after one year and fifteen days from the date of allotment i.e. October 7, 2016. The transaction got consummated on October 7, 2016. As a result, ICTEAS along with its subsidiaries ceased as subsidiaries of the Company. The profit on sale of ICTEAS shares amounting to Rs. 681.29 lakhs has been classified under 'Exceptional items'.
- The Board at its Meeting held on February 9, 2017 had, in accordance with the provisions of Section 68 of the Companies Act, 2013 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 ("Buy-back Regulations") approved the Buy-back of Equity Shares of the Company at a maximum price of Rs. 4,500 per equity share by utilizing an amount not exceeding Rs. 40 crores, through the Open Market route through Stock Exchanges.
- The above statement of standalone unaudited financial results were, subjected to limited review by the Statutory Auditors of the Company, reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 9, 2017. The review report of the Statutory Auditors is being filed with the BSE and National Stock Exchange. For more details on statement of standalone unaudited financial results, visit Investors section of our website at www.icra.in and Financial Results under Corporates section of www.nseindia.com and www.bseindia.com

By Order of the Board of Directors

  
Naresh Takkar  
Managing Director & Group C.E.O

(DIN: 00253288)

Place: Gurgaon

Date: February 9, 2017



# B S R & Co. LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B  
DLF Cyber City, Phase - II  
Gurgaon - 122 002, India

Telephone: + 91 124 2358 610  
Fax: + 91 124 2358 613

## Review Report to the Board of Directors of ICRA Limited

- 1 We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results ("the consolidated financial results") of ICRA Limited ("the Company") and its subsidiaries (collectively known as "the Group") for the quarter and nine months ended December 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated financial results are the responsibility of the Company's management and has been approved by the Board of Directors on February 9, 2017. Our responsibility is to issue a report on these consolidated financial results, based on our review.
- 2 We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410- "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the consolidated financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
- 3 Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying consolidated financial results, prepared in accordance with the applicable Accounting Standards as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which is to be disclosed, or that it contains any material misstatement.

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

Chartered Accountants

Registration number: 101248W/W-100022



**Shashank Agarwal**

Partner

Membership No.: 095109

Place: Gurgaon

Date: February 9, 2017



**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016**

(Rupees in lakhs, except per share data and if otherwise stated)

Sr. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Nine months ended	Nine months ended	Year ended
		31/12/2016	30/09/2016	31/12/2015	31/12/2016	31/12/2015	31/03/2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income from operations</b>						
	(a) Net sales/ income from operations	7,509.66	9,136.78	8,309.61	25,297.47	24,805.71	55,976.23
	(b) Other operating income	37.52	50.10	44.51	127.90	108.48	139.25
	<b>Total income from operations (1a to 1b)</b>	<b>7,547.18</b>	<b>9,206.88</b>	<b>8,353.55</b>	<b>25,425.37</b>	<b>24,914.19</b>	<b>56,115.48</b>
2	<b>Expenses</b>						
	(a) Employee benefits expense	4,066.26	4,342.56	4,096.29	12,616.00	11,842.37	15,886.76
	(b) Depreciation and amortisation expense	205.74	227.70	258.30	653.06	673.42	957.69
	(c) Other expenses	1,723.50	1,961.49	1,759.52	5,672.33	5,819.25	8,123.85
	<b>Total expenses (2a to 2c)</b>	<b>5,995.50</b>	<b>6,531.75</b>	<b>6,114.11</b>	<b>18,941.39</b>	<b>18,335.04</b>	<b>24,968.30</b>
3	<b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>1,551.68</b>	<b>2,675.13</b>	<b>2,639.44</b>	<b>6,483.98</b>	<b>6,579.15</b>	<b>9,147.18</b>
4	Other income	625.09	671.81	479.53	1,326.41	2,216.35	2,707.79
5	<b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>2,176.77</b>	<b>3,346.97</b>	<b>3,058.77</b>	<b>8,310.39</b>	<b>8,795.50</b>	<b>11,854.97</b>
6	Finance costs	-	-	-	-	(55.15)	(55.15)
7	<b>Profit from ordinary activities after finance costs but before exceptional items (5+6)</b>	<b>2,176.77</b>	<b>3,346.97</b>	<b>3,058.77</b>	<b>8,310.39</b>	<b>8,740.35</b>	<b>11,799.82</b>
8	Exceptional items	-	-	-	-	-	-
9	<b>Profit from ordinary activities before tax (7+8)</b>	<b>2,176.77</b>	<b>3,346.97</b>	<b>3,058.77</b>	<b>8,310.39</b>	<b>8,740.35</b>	<b>11,799.82</b>
10	Tax expense	(957.63)	(1,179.84)	(1,070.18)	(3,074.69)	(3,033.15)	(4,156.90)
11	<b>Net profit from ordinary activities after tax (9+10)</b>	<b>1,239.14</b>	<b>2,167.13</b>	<b>1,988.59</b>	<b>5,235.70</b>	<b>5,707.20</b>	<b>7,642.92</b>
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	<b>Net profit for the period (11+12)</b>	<b>1,239.14</b>	<b>2,167.13</b>	<b>1,988.59</b>	<b>5,235.70</b>	<b>5,707.20</b>	<b>7,642.92</b>
14	Minority interest	6.34	(1.27)	5.32	15.11	17.28	18.57
15	<b>Net profit after taxes and minority interest (13-14)</b>	<b>1,232.83</b>	<b>2,168.40</b>	<b>1,983.07</b>	<b>5,220.59</b>	<b>5,689.92</b>	<b>7,624.35</b>
16	Paid up equity share capital (Face value: Rs 10 per share)	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
17	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	46,623.77
18.i	Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised)						
	(a) Basic	12.51	22.02	20.17	53.03	57.89	77.56
	(b) Diluted	12.49	21.96	20.09	52.87	57.62	77.21
18.ii	Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised)						
	(a) Basic	12.51	22.02	20.17	53.03	57.89	77.56
	(b) Diluted	12.49	21.96	20.09	52.87	57.62	77.21

See accompanying notes to the consolidated unaudited financial results

**Notes:**

1 The consolidated unaudited financial results of ICRA Limited ("the Company") and its subsidiaries (collectively known as "the Group") are prepared in accordance with requirement of the Accounting Standard ("AS") 21 "Consolidated Financial Statements" specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Company (Accounting Standards) Rules, 2014

**2 Segment wise revenue, results, assets and liabilities:**

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Nine months ended	Nine months ended	Year ended
		31/12/2016	30/09/2016	31/12/2015	31/12/2016	31/12/2015	31/03/2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(i)	<b>Segment revenue:</b>						
	(a) Rating, research and other services	5,407.03	5,301.13	5,086.61	15,478.67	14,379.77	19,756.48
	(b) Consulting services	775.34	770.46	801.52	2,256.33	2,167.55	2,924.30
	(c) Outsourced and information services	1,257.08	1,200.02	1,105.98	3,640.62	3,057.84	4,203.59
	(d) Professional and I.T services etc.*	159.22	1,971.53	1,811.95	4,140.93	5,392.24	7,340.59
	<b>Total segment revenue</b>	<b>7,576.67</b>	<b>9,242.94</b>	<b>8,806.06</b>	<b>25,516.55</b>	<b>24,997.40</b>	<b>34,226.96</b>
	Less: Inter-segment revenue	(29.49)	(36.06)	(52.51)	(91.18)	(83.21)	(111.48)
	<b>Net sales/ Income from operations</b>	<b>7,547.18</b>	<b>9,206.88</b>	<b>8,753.55</b>	<b>25,425.37</b>	<b>24,914.19</b>	<b>34,115.48</b>
(ii)	<b>Segment results:</b>						
	(Profit before tax and interest from each segment)						
	(a) Rating, research and other services	1,983.55	2,103.05	2,084.05	5,766.27	5,287.19	7,359.44
	(b) Consulting services	(44.30)	12.41	70.02	(35.76)	160.30	161.06
	(c) Outsourced and information services	226.90	356.89	286.08	929.37	776.61	1,118.38
	(d) Professional and I.T services etc.*	(227.95)	202.78	199.39	220.42	355.05	508.10
	<b>Total segment results</b>	<b>1,948.00</b>	<b>2,675.13</b>	<b>2,639.44</b>	<b>6,880.30</b>	<b>6,579.15</b>	<b>9,147.18</b>
	Less: Finance costs	-	-	-	-	(55.15)	(55.15)
	Add: Unallocable income net of unallocable expenses	228.77	671.84	119.33	1,430.09	2,216.35	2,707.79
	<b>Profit before tax</b>	<b>2,176.77</b>	<b>3,346.97</b>	<b>3,058.77</b>	<b>8,310.39</b>	<b>8,740.35</b>	<b>11,799.82</b>
(iii)	<b>Segment assets:</b>						
	(a) Rating, research and other services	7,814.64	7,063.61	4,957.21	7,814.64	4,957.21	4,045.71
	(b) Consulting services	1,698.77	1,977.49	1,951.84	1,698.77	1,951.84	1,958.65
	(c) Outsourced and information services	3,097.26	3,955.09	2,881.85	3,097.26	2,881.85	2,968.69
	(d) Professional and I.T services etc.*	9.07	6,295.49	6,989.40	9.07	6,989.40	6,997.79
	(e) Unallocable	52,059.07	47,525.39	44,399.08	52,059.07	44,399.08	46,781.22
	<b>Total segment assets</b>	<b>64,679.71</b>	<b>66,797.07</b>	<b>61,159.38</b>	<b>64,679.71</b>	<b>61,159.38</b>	<b>62,730.06</b>
(iv)	<b>Segment liabilities:</b>						
	(a) Rating, research and other services	11,012.58	12,152.70	9,959.10	11,012.58	9,959.10	9,488.61
	(b) Consulting services	785.09	911.29	690.88	785.09	690.88	659.02
	(c) Outsourced and information services	876.86	691.69	704.57	876.86	704.57	696.65
	(d) Professional and I.T services etc.*	19.15	1,190.98	947.57	19.15	947.57	1,000.96
	(e) Unallocable	1,106.8	82.69	97.01	1,106.8	97.01	5,180.85
	<b>Total segment liabilities</b>	<b>12,762.36</b>	<b>15,062.35</b>	<b>12,399.13</b>	<b>12,762.36</b>	<b>12,399.13</b>	<b>15,026.10</b>

\* Refer Note 3





ICRA

ICRA Limited

Corporate Identity Number (CIN): L24999DL1991PLC042749  
 Registered Office: 1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi- 110 001  
 Telephone No.: +91-11-23357940-50; Fax No.: +91-11-23357014  
 Website: www.icra.in, Email ID: investor@icraindia.com

The Board of Directors of the Company at its meeting held on August 5, 2016 and the Members of the Company through Postal Ballot on September 17, 2016 approved sale of the entire shareholding held by the Company in ICRA Techno Analytics Limited ("ICTEAS") (now known as "Nihilent Analytics Limited") to Nihilent Technologies Limited for a consideration of Rs. 6,875 lakhs comprising (i) payment of cash consideration of Rs. 3,200 lakhs and (ii) unsecured, un-rated, 10% interest bearing and unlisted non-convertible debentures, issued for the balance amount, to be redeemed after one year and fifteen days from the date of allotment i.e. October 7, 2016. The transaction got consummated on October 7, 2016. As a result, ICTEAS along with its subsidiaries ceased as subsidiaries of the Company. The loss on sale of ICTEAS amounting to Rs. 99.40 lakhs has been classified under Other expenses.

The business of ICTEAS and its subsidiaries is considered as discontinuing operations till the period up to October 7, 2016, in the financial results. The required relevant information for these discontinuing operations for all periods presented is as below:

Particulars	Quarter ended	Quarter ended	Quarter ended	Nine months ended	Nine months ended	Year ended
	31/12/2016	30/09/2016	31/12/2015	31/12/2016	31/12/2015	31/03/2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total revenue (including other income)	124.16	1,966.89	1,818.77	4,149.89	5,316.18	7,195.32
Total expenditure (including depreciation)	354.09	1,750.58	1,605.10	3,872.46	5,021.57	6,806.18
Profit/(loss) before tax	(229.93)	216.31	215.67	277.43	491.61	689.14
Tax expense	86.76	(164.55)	(90.46)	(176.08)	(292.85)	(388.08)
Profit/(loss) after tax	(143.17)	51.76	125.21	101.35	198.76	301.06

The Board at its Meeting held on February 9, 2017 had, in accordance with the provisions of Section 68 of the Companies Act, 2013 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 ("Buy-back Regulations") approved the Buy-back of Equity Shares of the Company at a maximum price of Rs. 4,500 per equity share by utilizing an amount not exceeding Rs. 40 crores, through the Open Market route through Stock Exchanges.

Previous period figures have been regrouped/ reclassified wherever considered necessary.

The above statement of consolidated unaudited financial results were, subjected to limited review by the Statutory Auditors of the Company, reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 9, 2017. The review report of the Statutory Auditors is being filed with the BSE and National Stock Exchange. For more details on statement of consolidated unaudited financial results, visit Investors section of our website at www.icra.in and Financial Results under Corporates section of www.nscindia.com and www.bsindia.com.

By Order of the Board of Directors



Nagesh Lakkar

Managing Director & Group C.E.O  
 (DIN: 00253288)

Place : Gurgaon

Date : February 9, 2017



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**ICRA Limited's ("the Company") Board approves the unaudited financial results and buyback of its equity shares from open market through stock exchange**

**GURGAON, February 9, 2017:** The Board of Directors of the Company at its meeting held today approved the unaudited financial results of the Company (Standalone and Consolidated) for the third quarter and nine months ended December 31, 2016 and also approved buyback of its equity shares from open market through stock exchange.

**Standalone Financial Results**

For the quarter ended December 31, 2016, the Company's operating income was INR 53.33 Crore, as against INR 50.10 Crore in the corresponding quarter of the previous financial year, reflecting a growth of 6.4%, due to growth in debt market related ratings. The other income in the current quarter is higher than the corresponding quarter, mainly due to dividend from subsidiary and higher interest income.

PBT for the quarter was at INR 30.44 Crore, reflecting a growth of 28%, against the corresponding quarter of the previous financial year. PAT for the quarter was at INR 21.18 Crore, higher by 36% against the corresponding quarter.

In the current quarter, there were certain one time/additional expenses aggregating to INR 5.56 Crore, on account of special bonus, additional deferred incentives effective from 1<sup>st</sup> April 2016 and change in compensated absences policy.

For the nine months ended December 31, 2016, the Company's operating income was INR 152.82 Crore, as against INR 141.99 Crore in the corresponding period of the previous financial year, reflecting a growth of 7.6%.

PBT for nine months ended was INR 88.49 Crore, reflecting a growth of 28% over corresponding period of the previous financial year, mainly due to higher non operating income, including profit on sale of IT business.

The Board of Directors of the Company at its meeting held on August 5, 2016 and the Members of the Company through Postal Ballot, on September 17, 2016, approved sale of the entire shareholding held by the Company in ICRA Techno Analytics Limited ("ICTEAS") (now known as "Nihilent Analytics Limited") to Nihilent Technologies Limited, for a consideration of Rs. 68.75 Crores, comprising (i) payment of cash consideration of Rs. 32.00 Crore; and (ii) unsecured, unrated, 10% interest bearing and unlisted non-convertible debentures, issued for the balance amount, to be redeemed after one year and fifteen days from the date of allotment i.e. October 7, 2016. The transaction got consummated on October 7, 2016, and as a result, ICTEAS along with its subsidiaries ceased to be subsidiary of the Company.

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**Consolidated Financial Results**

For the quarter ended December 31, 2016, consolidated operating income was INR 75.47 Crore, as against INR 87.54 Crore in the corresponding quarter of the previous financial year. The sale of IT business during the current quarter, resulted into a decline in the operating income, as the revenues from this segment were recognised till October 7, 2016, being the transaction date.

Consolidated PBT in the current quarter was at INR 21.77 Crore, as against INR 30.59 Crore in the corresponding quarter, mainly due to sale of IT business and certain one-time additional expenses.

In the current quarter, there were certain one time/additional expenses aggregating to INR 8.43 Crore, on account of special bonus, additional deferred incentives effective from 1<sup>st</sup> April 2016, change in compensated absences policy, fixed assets impairment and additional provisioning due to termination of a specific contract.

For the nine months ended December 31, 2016, consolidated operating income was INR 254.25 Crore, as against INR 249.14 Crore in the corresponding quarter of the previous financial year, reflecting a nominal growth due to partial recognition of IT business revenues till the date of transaction. Other business segments have shown a growth of 9% on year-on-year basis.

**Buyback of equity shares from open market through stock exchange**

The Board of Directors of the Company in its meeting today have approved the buyback of its equity shares from open market through stock exchange, at a maximum price of INR 4,500 per equity share, for an amount not exceeding INR 40 Crore.

The buyback will help the Company effectively utilize its available surplus funds, which is in excess of the surplus amount needed to be retained by the Company for the future growth of the Company as envisaged by the Board. The buyback will enhance overall long term shareholders' value for continuing shareholders, without compromising on the future growth opportunities of the Company, as well as provide an exit opportunity to the public shareholders. This may lead to reduction in outstanding equity shares of the Company, improvement in 'earnings per share' and enhanced return on equity, assuming that the Company would earn similar profits as in the past.

**About ICRA Limited**

ICRA Limited was set up in 1991 as a full-service Credit Rating Agency by leading Indian financial/investment institutions, commercial banks and financial services companies as an independent and professional investment information and credit rating

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agency. Through its subsidiaries, ICRA offers consulting and outsourcing services. ICRA shares are listed on the BSE and the National Stock Exchange. ICRA is majority-held by Moody's Group, which has 50.06% equity ownership stake in the Company.

  
**Naresh Takkar**  
**Managing Director & Group CEO**

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