

NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting of the members of CRISIL Risk and Infrastructure Solutions Limited will be held on Monday, May 23, 2022 at 3:00 p.m. 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, May 5, 2020 and December 14, 2021 (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 2022. 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 22nd Annual General Meeting through Video Conferencing and other audio visual means (OAVM) (hereinafter referred to as “VC/OAVM”).

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

Ordinary Business:

1. Adoption of Financial Statements

To receive, consider and adopt the audited financial statements of the Company for the year ended December 31, 2021, together with the Report of the Board of Directors and Auditors thereon.

2. Re-appointment of Mr. Anupam Kaura

To appoint director in place of Mr. Anupam Kaura (Director Identification Number 07790067), who retires by rotation and, being eligible, seeks re-appointment.

3. Re-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 and is hereby re-appointed as statutory auditors of the Company, for the second term of 5 years, i.e. from the conclusion of this 22nd Annual General Meeting until the conclusion of 27th 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:

4. Appointment of Ms. Priti Arora 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. Priti Arora (DIN 09421072), who was appointed as an Additional Director of the Company with effect from December 6, 2021 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 her 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.”

By order of the Board,
For CRISIL Risk and Infrastructure Solutions Limited

Sd/-
Namrata Koteekar
Company Secretary
(ACS 56777)

Mumbai, April 26, 2022

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/91318863205?pwd=MUhteG4wWmR5TFdSa2tnK2JibjQ5dz09>

Meeting ID: 913 1886 3205

Password: 4130839780

- 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 namrata.kotenkar@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

6. 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 Namrata.kotenkar@crisil.com up to the date of this Annual General Meeting i.e. May 23, 2022.
7. 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 Namrata.kotenkar@crisil.com up to the date of this Annual General Meeting i.e. May 23, 2022.
8. Pursuant to Secretarial Standard-2, the following information is furnished about the Directors proposed to be appointed / re-appointed:

Brief Profile of Directors

Mr. Anupam Kaura

Anupam Kaura joined CRISIL Limited as President, Human Resources. He has over 20 years of HR leadership and business partnership experience, of which 16 years have been in Banking, Insurance and ITES HR.

Prior to joining CRISIL, Mr. Kaura served as Head of HR Advisory and Products at IDFC Bank. He was instrumental in driving the build-out of all businesses and functions for IDFC Bank - Consumer and Rural Retail Banking, SME, Wholesale Banking, Risk, Operations & Technology, and Functions aggregating 3500 employees, across 56 locations across India. He has also worked with Citibank N.A., AXA Business Services and PwC in various HR roles.

Mr. Kaura holds a Masters Degree in Personnel Management & Industrial Relations from Tata Institute of Social Sciences, Mumbai.

Mr. Kaura is a Director in CRISIL subsidiaries – CRISIL Irevna Information Technology (Hangzhou) Co. Ltd., CRISIL Irevna Argentina S.A., CRISIL Irevna US LLC, Greenwich Associates LLC, CRISIL Irevna Poland Sp. Zo.o., and Pragmatix Services Private Limited.

Mr. Kaura will not be paid any remuneration. He holds 10 shares in the Company as a nominee of CRISIL Limited and is not related to any Director or Key Managerial Personnel of the Company in any way. Mr. Kaura has attended 4 meetings out of 5 held during the year 2021.

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

Mr. Priti Arora

Priti Arora is the Chief Strategy Officer and Business Head, Global Analytical Centre (GAC), CRISIL. In her professional career of over 17 years, she has built and led large and high-performing global teams, provided value-creating solutions to global clients. She currently leads a 900-strong team that supports S&P Global Ratings Services by enhancing workflow efficiency, undertaking a range of activities that require specialised knowledge and capabilities. In her Strategy role, she is also responsible for facilitating the overall strategic direction and enterprise led initiatives in the company. She also leads the 'Innovation Lab' agenda and responsible for M&A within CRISIL. She also chairs the Diversity and Inclusion platform at CRISIL, 'Winspiration'.

Priti has grown the scale and diversity in the range of services offered by GAC. Priti's team supports analysis on 2600 companies, 800 financial institutions, 6000 public entity issuances and 80

sovereigns rated by S&P Global Ratings. Priti has helped focus on strategic long-term objectives such as developing new areas of support, generate greater cost efficiencies and talent development.

Before moving to GAC in 2008, Priti led CRISIL Global Research & Analytics' Credit offshoring operations supporting global investment banks. Prior to that, she was a part of the CRISIL's Ratings team and has been the lead analyst on several high-profile Indian credits across the consumer durables, fertilisers, trading, and IT/media sectors. She also spent a year in CRISIL Ratings' Centre of Excellence (COE) where she was responsible for developing new products, refining CRISIL's credit rating criteria, and assessing ratings performance.

Priti is an Economics Honors graduate and completed her MBA degree as a gold medalist from International Management Institute.

Ms. Arora is a Director in CRISIL's subsidiary- Pragmatix Services Private Limited.

Ms. Arora will not be paid any remuneration. 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. Arora has attended all meetings of the Board held so far during her tenure i.e. the meeting held on December 13, 2021.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Ms. Arora, 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, the following explanatory statement sets out all material facts relating to the business mentioned in the accompanying Notice:

Item No.3: Re-appointment of Statutory Auditors of the Company

In accordance with the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors Rules, 2014), M/s. Walker Chandiook & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), were appointed as the statutory auditor of the Company, at the 17th Annual General Meeting held on March 10, 2017 to hold office for a period of 5 years from the conclusion of the 17th AGM till the conclusion of the 22th AGM. Accordingly, their present term gets completed on the conclusion of this AGM. M/s. Walker Chandiook & Co LLP is eligible for re-appointment for a further period of five years. The Board of Directors at its meeting held on April 26, 2022, approved the re-appointment of M/s. Walker Chandiook & Co LLP, Chartered Accountants as the Statutory Auditors of the Company to hold office for the second term of five consecutive years from conclusion of this AGM until conclusion of the 27th AGM of the Company. The re-appointment is subject to approval of the shareholders of the Company.

M/s. Walker Chandiook & Co LLP having presence in 13 cities in India with 53 partners and 1,543 + partners and staff, it is ranked fourth in India based on number of companies audited according to the survey of Prime Database released in January 2022. The firm has audit experience across the banking and financial services sector as well as other corporates.

The audit team deployed a strong team of senior audit professionals for CRISIL audits over the last audit term and supported well during the holding company's significant change management processes. Overall, the current statutory auditors have good global presence, relevant experience with listed entities of similar scale, single global audit approach, and sector specialist experience.

M/s. Walker Chandiook & Co LLP, have informed the Company that their appointment, if made, would be within the limits prescribed under Section 141 of the Companies Act, 2013. M/s. Walker Chandiook & Co LLP, have also furnished a declaration confirming their independence in terms of Section 141 and declared that they have not taken up any prohibited non-audit assignments for the Company. M/s. Walker Chandiook & Co LLP have provided confirmation that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board of ICAI'.

Considering the past performance, experience and expertise of M/s. Walker Chandiook & Co LLP, it is proposed to re- appoint M/s. Walker Chandiook & Co LLP as Statutory Auditors of the Company for a further period of 5 continuous years i.e. from the conclusion of this 22nd Annual General Meeting till the conclusion of 27th Annual General Meeting of the Company.

None of the Directors of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 3 of the notice.

The Board of Directors recommends the Resolution at Item No. 3 as an Ordinary Resolution for the approval by the Members

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

Ms. Priti Arora has been appointed as an Additional Director of the Company under Section 161(1) of the Companies Act, 2013 effective from December 6, 2021 holds office up to the date of this Annual General Meeting, and is eligible for appointment as Director as provided under Article 129 of the 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. Priti Arora for the office of Director. A brief resume of Ms. Priti Arora 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. Priti Arora as a Director. None of the Directors of the Company or their relatives, except Ms. Priti Arora, 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.

By order of the Board,
For CRISIL Risk and Infrastructure Solutions Limited

Sd/-
Namrata Kotenkar
Company Secretary
(ACS 56777)
Mumbai, April 26, 2022

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]



सत्यमेव जयते

Annual Return (other than OPCs and Small Companies)

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

Global Location Number (GLN) of the company

* Permanent Account Number (PAN) of the company

(ii) (a) Name of the company

(b) Registered office address

(c) *e-mail ID of the company

(d) *Telephone number with STD code

(e) Website

(iii) Date of Incorporation

(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

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	J	Information and communication	J7	Data processing, hosting and related activities; web portal	100

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	CRISIL LIMITED	L67120MH1987PLC042363	Holding	100

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	60,000,000	49,999,970	49,999,970	49,999,970
Total amount of equity shares (in Rupees)	60,000,000	49,999,970	49,999,970	49,999,970

Number of classes

1

Class of Shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Number of equity shares	60,000,000	49,999,970	49,999,970	49,999,970
Nominal value per share (in rupees)	1	1	1	1
Total amount of equity shares (in rupees)	60,000,000	49,999,970	49,999,970	49,999,970

(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
	Physical	DEMAT	Total			
Equity shares						
At the beginning of the year	0	49,999,970	49999970	49,999,970	49,999,970	

Increase during the year	0	0	0	0	0	0
i. Public Issues	0	0	0	0	0	0
ii. Rights issue	0	0	0	0	0	0
iii. Bonus issue	0	0	0	0	0	0
iv. Private Placement/ Preferential allotment	0	0	0	0	0	0
v. ESOPs	0	0	0	0	0	0
vi. Sweat equity shares allotted	0	0	0	0	0	0
vii. Conversion of Preference share	0	0	0	0	0	0
viii. Conversion of Debentures	0	0	0	0	0	0
ix. GDRs/ADRs	0	0	0	0	0	0
x. Others, specify <input type="text"/>						
Decrease during the year	0	0	0	0	0	0
i. Buy-back of shares	0	0	0	0	0	0
ii. Shares forfeited	0	0	0	0	0	0
iii. Reduction of share capital	0	0	0	0	0	0
iv. Others, specify <input type="text"/>						
At the end of the year	0	49,999,970	49999970	49,999,970	49,999,970	
Preference shares						
At the beginning of the year	0	0	0	0	0	
Increase during the year	0	0	0	0	0	0
i. Issues of shares	0	0	0	0	0	0
ii. Re-issue of forfeited shares	0	0	0	0	0	0
iii. Others, specify <input type="text"/>						
Decrease during the year	0	0	0	0	0	0
i. Redemption of shares	0	0	0	0	0	0

ii. Shares forfeited	0	0	0	0	0	0
iii. Reduction of share capital	0	0	0	0	0	0
iv. Others, specify						
<input type="text"/>						
At the end of the year	0	0	0	0	0	

ISIN of the equity shares of the company

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

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) * Debentures (Outstanding as at the end of financial year)

Particulars	Number of units	Nominal value per unit	Total value
Non-convertible debentures	0	0	0
Partly convertible debentures	0	0	0
Fully convertible debentures	0	0	0

Particulars	Number of units	Nominal value per unit	Total value
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

1,019,584,000

(ii) Net worth of the Company

654,295,000

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	0	
	(ii) Non-resident Indian (NRI)	0	0	0	
	(iii) Foreign national (other than NRI)	0	0	0	
2.	Government				
	(i) Central Government	0	0	0	
	(ii) State Government	0	0	0	
	(iii) Government companies	0	0	0	

3.	Insurance companies	0	0	0	
4.	Banks	0	0	0	
5.	Financial institutions	0	0	0	
6.	Foreign institutional investors	0	0	0	
7.	Mutual funds	0	0	0	
8.	Venture capital	0	0	0	
9.	Body corporate (not mentioned above)	49,999,970	100	0	
10.	Others	0	0	0	
	Total	49,999,970	100	0	0

Total number of shareholders (promoters)

7

(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	0	
	(ii) Non-resident Indian (NRI)	0	0	0	
	(iii) Foreign national (other than NRI)	0	0	0	
2.	Government				
	(i) Central Government	0	0	0	
	(ii) State Government	0	0	0	
	(iii) Government companies	0	0	0	
3.	Insurance companies	0	0	0	
4.	Banks	0	0	0	
5.	Financial institutions	0	0	0	
6.	Foreign institutional investors	0	0	0	
7.	Mutual funds	0	0	0	

8.	Venture capital	0	0	0	
9.	Body corporate (not mentioned above)	0	0	0	
10.	Others	0	0	0	
	Total	0	0	0	0

Total number of shareholders (other than promoters)

0

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

7

**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	7	7
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)
ANUPAM KAURA	07790067	Director	10	
SANJAY CHAKRAVAR ⁺	05246624	Director	0	
PRITI ARORA	09421072	Additional director	0	

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

2

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)
AMISH MEHTA	00046254	Director	06/12/2021	Cessation
PRITI ARORA	09421072	Additional director	06/12/2021	Appointment

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
Annual General Meeting	18/03/2021	7	6	99.99

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	28/01/2021	3	3	100
2	18/05/2021	3	2	66.67

S. No.	Date of meeting	Total Number of directors associated as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
3	17/08/2021	3	3	100
4	22/10/2021	3	2	66.67
5	13/12/2021	3	3	100

C. COMMITTEE MEETINGS

Number of meetings held

1

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	Corporate Soc	28/01/2021	3	3	100

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	ANUPAM KAL	5	4	80	1	
2	SANJAY CHA	5	5	100	1	1	100	
3	PRITI ARORA	1	1	100	0	0	0	

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

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

ASHITA KAUL

Whether associate or fellow

Associate Fellow

Certificate of practice number

6529

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. ...

8

dated

04/02/2020

(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:

1. 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.
2. 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

05246624

To be digitally signed by

Company Secretary

Company secretary in practice

Membership number

56777

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 Attachment(s), if any

Attach
Attach
Attach
Attach

List of attachments

List of Shareholders.pdf MGT 8 CRIS_2021_clean.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 RISK AND INFRASTRUCTURE SOLUTIONS LIMITED**List of shareholders as on December 31, 2021**

Sr No	Name of Shareholder	No. of equity shares held (face value Rs.1 each)
1	CRISIL Limited	4,99,99,900
2	Gurpreet Chhatwal (As a nominee of CRISIL)	20
3	Amish Mehta (As a nominee of CRISIL)	10
4	Pawan Agarwal (As a nominee of CRISIL)	10
5	Anupam Kaura (As a nominee of CRISIL)	10
6	Subodh Rai (As a nominee of CRISIL)	10
7	Venkatesh Viswanathan (As a nominee of CRISIL)	10
TOTAL		4,99,99,970

CRISIL Risk & Infrastructure Solutions Limited

(A subsidiary of CRISIL Limited)

Corporate Identity Number: U72100MH2000PLC128108

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 Risk and Infrastructure Solutions 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 December 31, 2021. 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 following registers:
 - a) Register of Directors and KMP and their shareholding;
 - b) Register of Members;
 - c) Register of contract with related party and contracts and Bodies etc. in which directors are interested.
 - d) Register of Beneficial owners holding significant beneficial interest.
 - 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;
 - 4. The Board of Directors duly met five times on January 28, 2021, May 18, 2021, August 17, 2021, October 22, 2021 and December 13, 2021 as stated in the annual return in respect of which meetings, proper notices were given and the proceedings including the circular resolutions, have been properly recorded in the Minute Book/registers maintained for the purpose and the same have been signed;

No Extra Ordinary General meeting was held during the period under review;

The Annual General Meeting was held on March 18, 2021 for the year ended December 31 ,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;

One CSR committee meeting was held on January 28, 2021;

- 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 entered into contracts/arrangements with related parties as specified in section 188 of the Act which are at arm's length and in ordinary course of business;
8. The Company has not done any issue or allotment or transmission or buy back of securities/redemption of preference shares or debentures/ alteration or reduction of share capital/ conversion of shares/ securities and issue of security certificates in all instances;
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 declaration/ payment of dividend; transfer of unpaid/ unclaimed dividend/other amounts as applicable to the Investor Education and Protection Fund in accordance with section 125 of the Act: Not applicable;
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; during the year under review below changes in board has taken place:
 - a) Change in designation of Mr. Sanjay Chakravarti (DIN: 05246624) as a Director of the Company as on March 18, 2021.
 - b) Cessation of Mr. Amish Pramodrai Mehta (DIN: 00046254) as a Director of the Company with effect from December 6, 2021.
 - c) Appointment of Ms. Priti Arora (DIN: 09421072) as an Additional director of the Company with effect from December 06, 2021;
13. The Company has duly appointed M/s. Walker Chandiook & Co. LLP, Chartered Accountants, as the Auditor of the Company as per the provisions of Section 139 of the Act;
14. No approvals were required from Central Government, Regional Director, Registrar or such other authorities except approval by NCLT for Scheme of Arrangement between CRISIL Risk and Infrastructure Solutions Limited ('CRISIL Risk' or 'First Transferor Company' or 'the Company') and Pragmatix Services Private Limited ('Pragmatix' or 'Second Transferor Company') with CRISIL Limited ('CRISIL' or 'Transferee Company') and their respective Shareholders, prescribed under the various provisions of the Act during period under review;
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 except from its subsidiary companies and not created/ modified/ satisfied any charges in that respect;

17. The Company has not made any loans and investments or guarantees given or providing of 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:

UDIN:

**For Ashita Kaul & Associates
Practising Company Secretaries**

Sd/-

**Proprietor
FCS 6988/ CP 6529**

Walker Chandiook & Co LLP

11th Floor, Tower II,
One International Center,
S B Marg, Prabhadevi (W),
Mumbai - 400013
Maharashtra, India
T +91 22 6626 2699
F +91 22 6626 2601

Independent Auditor's Report

To the Members of CRISIL Risk and Infrastructure Solutions Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **CRISIL Risk and Infrastructure Solutions Limited** ('the Company'), which comprise the Balance Sheet as at **31 December 2021**, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, 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 December 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the relevant 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.

Emphasis of Matter

4. We draw attention to the matter stated in Note 44 of the accompanying financial statements which describes that the Board of Directors of the Company has approved the amalgamation of the Company with CRISIL Limited as a going concern in its meeting held on 13 December 2021. The Company has already filed necessary applications to the National Company Law Tribunal (NCLT) on 27 December 2021 and awaiting for required regulatory approvals. Our opinion is not modified in respect of this matter.



CRISIL Risk and Infrastructure Solutions Limited
Independent Auditor's Report on the Audit of the Financial Statements

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

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's 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.

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 for the Financial Statements

6. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these 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.
7. In preparing the financial statements, Board of Directors are 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 Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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;



CRISIL Risk and Infrastructure Solutions Limited
Independent Auditor's Report on the Audit of the Financial Statements

- 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;
 - 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; and
 - 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 year. 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 December 2021 from being appointed as a director in terms of section 164(2) of the Act;



CRISIL Risk and Infrastructure Solutions Limited
Independent Auditor's Report on the Audit of the Financial Statements

- f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 December 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 28 January 2022 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, as detailed in note 31 (A2) to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 December 2021;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 December 2021;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 December 2021; 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 Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Sd/-

Manish Gujral
Partner
Membership No:105117

UDIN:22105117AAAAAH8377

Place: Mumbai
Date: 28 January 2022

CRISIL Risk and Infrastructure Solutions 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 Risk and Infrastructure Solutions Limited on the financial statements for the year ended 31 December 2021

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 has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipments.
- (b) The Company has a regular program of physical verification of its property, plant, and equipment under which property, plant, and equipment are verified in a phased manner over a period of (two) 2 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant, and equipment were verified during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not hold any immovable property (in the nature of 'property, plant and equipment'). Accordingly, the provisions of clause 3(i) (c) 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 year-end for a period of more than six months from the date they become payable.



Annexure I (Contd)

- (b) There are no dues in respect of duty of customs and duty of excise that have not been deposited with the appropriate authorities on account of any dispute. The dues outstanding in respect of income-tax, service tax and goods and service tax on account of any dispute, are as follows:

Statement of disputed dues

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	5.33	-	AY 2005-06	Commissioner of Income Tax [CIT] (Appeals)
		35.68	-	AY 2006-07	CIT (Appeals)
		68.85	-	AY 2008-09	Assessing Officer
		57.94	-	AY 2010-11	Assessing Officer
		105.14	-	AY 2011-12	CIT (Appeals)
		20.93	-	AY 2012-13	CIT (Appeals)
		7.19	-	AY 2013-14	CIT (Appeals)
Finance Act 1994	Service tax	86.60	-	FY 2008-09	Assistant of Service Tax Division-III, Mumbai
		9.88	9.88	FY 2016-17	Commissioner of Central Excise (Appeals)
		15.77	15.77	FY 2013-14 to FY 2016-17	The Deputy Commissioner, CGST & C. EX, Division III, Navi Mumbai Commissionerate

- (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 year. 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 year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.



CRISIL Risk and Infrastructure Solutions Limited
Independent Auditor's Report on the Audit of the Financial Statements

Annexure I (Contd)

- (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, the provisions of Clause 3(xi) of the Order are not applicable.
- (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 an audit committee under Section 177 of the Act.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or 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.

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

Sd/-

Manish Gujral
Partner
Membership No:105117

UDIN:22105117AAAAAH8377

Place: Mumbai
Date: 28 January 2022

CRISIL Risk and Infrastructure Solutions 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 Risk and Infrastructure Solutions Limited on the financial statements for the year ended 31 December 2021

Independent Auditor's Report on the internal financial controls with reference to the 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 Risk and Infrastructure Solutions Limited** ('the Company') as at and for the year ended **31 December 2021**, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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

3. Our responsibility is to express an opinion on the 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. 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



Annexure II (Contd)

necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 December 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Sd/-

Manish Gujral
Partner
Membership No:105117

UDIN:22105117AAAAAH8377

Place: Mumbai
Date: 28 January 2022

Balance Sheet as at December 31, 2021

Particulars	Notes	As at December 31, 2021	As at December 31, 2020
Assets			
1. Non-current assets			
(a) Property, plant and equipment	3A	112.47	81.26
(b) Right of use asset	3B	-	768.10
(c) Intangible assets	4	117.11	293.73
(d) Intangible assets under development		66.62	59.73
(e) Financial assets			
i. Loans	5	-	44.76
ii. Other financial assets	6	34.99	46.11
(f) Deferred tax assets (net)	7	649.12	565.14
(g) Tax assets	8	2,021.02	2,922.74
(h) Other non current assets	9	5.16	8.06
		3,006.49	4,789.63
2. Current assets			
(a) Financial assets			
i. Trade receivables	10	3,741.29	3,488.70
ii. Cash and cash equivalents	11	444.24	247.02
iii. Other bank balances	12	212.06	203.09
iv. Loans	13	143.63	243.42
v. Other financial assets	14	319.29	122.44
(b) Other current assets	15	2,883.92	1,834.34
		7,744.43	6,139.01
Total Assets		10,750.92	10,928.64
Equity and liabilities			
1. Equity			
(a) Equity share capital	16	500.00	500.00
(b) Other equity	17	6,042.95	5,325.37
		6,542.95	5,825.37
2. Non-current liabilities			
(a) Financial liabilities			
i. Other financial liabilities	18	116.58	630.35
(b) Provisions	19	453.33	110.46
		569.91	740.81
3. Current liabilities			
(a) Financial liabilities			
i. Borrowings	20	-	500.00
ii. Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises; and	21	8.35	0.87
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	21	1,914.91	1,440.61
iii. Other financial liabilities	22	519.36	751.30
(b) Provisions	23	192.19	553.90
(c) Other current liabilities	24	1,003.25	1,115.78
		3,638.06	4,362.46
Total Equity and Liabilities		10,750.92	10,928.64
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 Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
CRISIL Risk and Infrastructure Solutions Limited

Sd/-
Manish Gujral
Partner
Membership No.: 105117



Place: Mumbai
Date: January 28, 2022

Sd/-
Sanjay Chakravarti
Director
DIN - 05246624
Place: Mumbai

Sd/-
Anupam Kaura
Director
DIN - 07790067
Place: Mumbai

Sd/-
Namrata Kotenkar
Company Secretary
Place: Mumbai

Date: January 28, 2022



CRISIL Risk and Infrastructure Solutions Limited
Statement of Profit and Loss for the year ended December 31, 2021

(Rupees in lakhs)

Particulars	Notes	Year ended December 31, 2021	Year ended December 31, 2020
Income			
Revenue from operations	25	10,195.84	9,354.93
Other income	26	226.24	172.48
Total		10,422.08	9,527.41
Expenses			
Employee benefits expenses	27	5,058.87	4,690.90
Finance cost	28	57.40	141.34
Depreciation and amortisation expenses	3A,3B,4	337.29	448.13
Other expenses	29	3,941.69	3,697.56
Total		9,395.25	8,977.93
Profit before tax		1,026.83	549.48
Tax expense			
Current tax	7	392.23	(17.14)
Deferred tax		(83.70)	185.58
Total tax expense		308.53	168.44
Profit after tax for the year		718.30	381.04
Other comprehensive income / (expense) (OCI)			
A. Items that will not be reclassified to profit or loss:			
Remeasurements of the defined benefit plans		(12.81)	(12.28)
Tax effect on above		3.56	3.42
B. Items that will be reclassified to profit or loss:			
The effective portion of gains and loss on hedging instruments in a cash flow hedge		13.81	27.03
Tax effect on above		(3.84)	(7.52)
Total comprehensive income for the year		719.02	391.69
Earnings per share : Nominal value of Rupees 1 per share			
Basic & Diluted	39	1.44	0.76
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 Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sd/-
Manish Gujral
Partner
Membership No.: 105117



Place: Mumbai
Date: January 28, 2022

For and on behalf of the Board of Directors of
CRISIL Risk and Infrastructure Solutions Limited

Sd/-
Sanjay Chakravarti
Director
DIN - 05246624
Place: Mumbai

Sd/-
Anupam Kaura
Director
DIN - 07790067
Place: Mumbai

Sd/-
Namrata Kotenkar
Company Secretary
Place: Mumbai

Date: January 28, 2022



CRISIL Risk and Infrastructure Solutions Limited
Cash Flow Statement for the year ended December 31, 2021

(Rupees in lakhs)

Particulars	Year ended December 31, 2021	Year ended December 31, 2020
A. Cash flow from operating activities :		
Profit before tax	1,026.83	549.48
Adjustments for :		
Depreciation and amortisation expenses	337.29	448.13
Unrealised foreign exchange (gain) / loss	(6.44)	0.61
Profit on sale of property, plant and equipment	(1.96)	(2.98)
Provision for doubtful debts / bad debts	194.89	169.77
Provision for earnest money deposit	9.97	12.39
Interest income on fixed deposits	(109.18)	(14.10)
Interest expense	39.82	65.59
Interest on lease liability	17.58	75.75
Interest income on financial assets carried at amortised cost	(1.98)	(3.67)
Waiver of lease payment	(72.64)	(13.51)
	1,434.18	1,287.45
Movements in working capital :		
- (Increase)/decrease in trade receivables	(441.04)	(1,237.13)
- (Increase)/decrease in non current loans	46.74	0.76
- (Increase)/decrease in other non current assets	2.90	(7.70)
- (Increase)/decrease in other current financial assets	(212.40)	(21.90)
- (Increase)/decrease in current loans	89.82	(40.55)
- (Increase)/decrease in other current assets	(1,049.58)	391.00
- Increase/(decrease) in trade payables	481.78	203.76
- Increase/(decrease) in provisions	7.65	112.32
- Increase/(decrease) in other financial liabilities	100.44	(23.67)
- Increase/(decrease) in other current liabilities	(112.53)	177.45
Cash generated from / (used) in operations	347.96	841.79
- Taxes paid	(509.49)	532.47
Net cash generated from operating activities - (A)	857.45	309.32
B. Cash flow from investing activities :		
Purchase of property, plant and equipment and intangible assets (including movement of intangible assets under development and capital advance)	(90.57)	(117.96)
Proceeds from sale of property, plant and equipment	2.44	3.32
Bank deposits placed	4.70	(36.95)
Interest on fixed deposits received	108.37	13.37
Net cash used in investing activities - (B)	24.94	(138.22)
C. Cash flow from financing activities :		
(Repayment of) / proceeds from short term borrowings	(500.00)	191.48
Interest on loan	(57.07)	(48.96)
Interest on Lease Liability	(17.58)	(75.75)
Principle Repayment of Lease Liability	(110.52)	(156.73)
Net cash used in financing activities - (C)	(685.17)	(89.96)
Net increase in cash and cash equivalents (A+B+C)	197.22	81.14
Cash and cash equivalents - Opening balance	247.02	165.88
Cash and Cash Equivalents - Closing balance	444.24	247.02
Net increase in cash and cash equivalents	197.22	81.14
Components of cash and cash equivalents (Refer note 11)		
With banks on current account	279.24	247.02
Deposits with original maturity of less than three months	165.00	-
Total	444.24	247.02

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 Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

sd/-
Mañish Gujral
Partner
Membership No.: 105117



Place: Mumbai
Date: January 28, 2022

For and on behalf of the Board of Directors of
CRISIL Risk and Infrastructure Solutions Limited

Sd/-
Sanjay Chakravarti
Director
DIN - 05246624
Place: Mumbai

Sd/-
Namrata Kotenkar
Company Secretary
Place: Mumbai

Date: January 28, 2022

Sd/-
Anupam Kaura
Director
DIN - 07790067
Place: Mumbai



CRISIL Risk and Infrastructure Solutions Limited
Statement of Changes in Equity for the year ended December 31, 2021

(Rupees in lakhs)		
Equity share capital		
Balance as at January 1, 2021	Changes in equity share capital during the year (Refer Note 16)	Balance as at December 31, 2021
500.00	-	500.00

(Rupees in lakhs)		
Balance as at January 1, 2020	Changes in equity share capital during the year (Refer Note 16)	Balance as at December 31, 2020
500.00	-	500.00

(Rupees in lakhs)				
Particulars	Reserves & surplus	Items of OCI	Others	Total
	Retained earnings	Hedge reserve	Other deemed equity	
Balance as at January 1, 2021	5,095.09	22.91	207.37	5,325.37
Profit for the year	718.30	-	-	718.30
Other comprehensive income / (expense)	9.25	(9.97)	-	(0.72)
Balance as at December 31, 2021	5,822.64	12.94	207.37	6,042.95

(Rupees in lakhs)				
Particulars	Reserves & surplus	Items of OCI	Others	Total
	Retained earnings	Hedge reserve	Other deemed equity	
Balance as at January 1, 2020	4,744.87	3.40	207.37	4,955.64
Profit for the year	381.04	-	-	381.04
Other comprehensive income / (expense)	(8.86)	19.51	-	10.65
Transitional impact on implementation of Ind AS 116 'leases'	(21.96)	-	-	(21.96)
Balance as at December 31, 2020	5,095.09	22.91	207.37	5,325.37

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 Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

**For and on behalf of the Board of Directors of
CRISIL Risk and Infrastructure Solutions Limited**

Sd/-
Manish Gujral
Partner
Membership No.: 105117



Sd/-
Sanjay Chakravarti
Director
DIN - 05246624
Place: Mumbai

sd/-
Anupam Kaura
Director
DIN - 07790067
Place: Mumbai

Sd/-
Namrata Kotenkar
Company Secretary
Place: Mumbai



Place: Mumbai
Date: January 28, 2022

Date: January 28, 2022

CRISIL Risk and Infrastructure Solutions Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2021.

1. Corporate information

CRISIL Risk and Infrastructure Solutions Limited (CIN U72100MH2000PLC128108) is a public limited company, domiciled in India. The registered office of the Company is located at CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400076. The Company is engaged in providing infrastructure advisory and risk solutions.

Infrastructure Advisory is a leading advisor to regulators and governments, multilateral agencies, investors, and large public and private sector firms. Risk Solutions provides a comprehensive range of risk management tools, analytics and solutions to financial institutions, banks, and corporates.

These financial statements for the year ended December 31, 2021, were approved by the Board of Directors on January 28, 2022.

2. Summary of significant accounting policies

2.1 Statement of compliance

These financial statements for the current year 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.

The Company has prepared the financial statements to comply in all material respects with the mandatory accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

2.2 Basis of preparation

The 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 Use of estimates and judgments

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

Estimates and assumptions are required in particular for:

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

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

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

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

- **Valuation of taxes on income**

Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Uncertain tax position is with regards to items of expense or transaction that may be challenged by tax authorities. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under note 2.17.



• **Provisions**

Provision is 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 a reliable estimate can be made. Provisions (excluding retirement obligations and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

• **Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

2.4 Property, plant and equipment

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

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

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

2.5 Intangibles

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

2.6 Depreciation / amortization

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

Assets	Estimated Useful Life
Furniture and fixtures	10 Years
Office equipments	3 to 10 Years
Computers	3 Years
Vehicles	3 Years
Software	1 to 3 Years

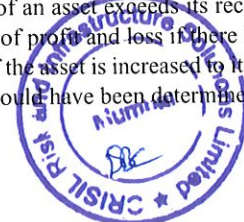
The estimated useful lives of PPE and intangible assets as well as depreciation and amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern, if any.

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

2.7 Impairment

a) Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is 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) has no impairment loss been recognized 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:

- a) Financial assets that are measured at amortized cost e.g., loans, deposits, and bank balance.
- b) 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.

2.8 Leases

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

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

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

a) Where the Company is a lessee

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

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

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

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

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

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

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



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

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

b) Company as a lessor

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases. The Company recognises lease payments received under operating leases as income over the lease term on a straight line basis.

2.9 Share capital

Ordinary shares are classified as equity.

2.10 Fair value of financial instruments

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

2.11 Financial instruments

Initial recognition 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)

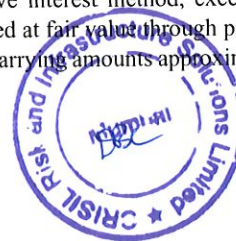
A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified 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.



b) Derivative financial instruments

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

The Company uses hedging instruments that are governed by the policies of the Company.

Hedge Accounting

The Company uses foreign currency forward and options contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles. These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognized directly in OCI and accumulated under the hedging cash flow hedge reserve, net of applicable deferred income taxes and the ineffective portion is recognized immediately to the statement of profit and loss. Amounts accumulated under the hedging cash flow hedge reserve are reclassified to the statement of profit and loss in the same period during which the forecasted transaction affects the statement of profit and loss. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognized under the hedging cash flow hedge reserve is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognized under the hedging cash flow hedge reserve is immediately transferred to the statement of profit and loss.

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.

2.12 Provision, contingent liabilities and contingent assets:

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

Contingent liabilities are disclosed in the Notes for:

- (1) possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- (2) 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 not recognized in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

2.13 Cash and cash equivalents

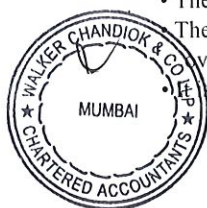
Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.14 Revenue recognition

Effective January 1, 2019, the Company had applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of retrospectively applying this standard is recognised at the date of initial application (i.e. January 1, 2019). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. On account of adoption of Ind AS 115, accrued revenue (contract asset) as at December 31, 2020 has been considered as non-financial asset and accordingly classified under other current assets. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognized only if following conditions are satisfied:

- The performance obligations have been met;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- It is probable that the economic benefit associated with the transaction will flow to the Company; and



- It can be reliably measured, and it is reasonable to expect ultimate collection

Revenue recognition is based on the terms and conditions as per the contracts entered into / understanding with the customers. All revenues from services, as rendered, are recognized when persuasive evidence of an arrangement exists, the sale price is fixed or determinable and collectability is reasonably assured and are reported net of sales incentives, discounts based on the terms of the contract and applicable indirect taxes.

Income from operations comprises of income from infrastructure advisory and risk management services. Revenue from infrastructure advisory services and risk management services are recognized in accordance with percentage completion method. Percentage of completion in case of infrastructure advisory is determined based on the project cost incurred to date as a percentage of total estimated project cost required to complete the project. Revenue from risk management services comprise of revenue from sale of software and annual maintenance contracts. Revenue from sale of software licenses are recognized upon delivery of these licenses which constitute transfer of all risks and rewards. Revenue from consultancy services and sale of software which involves customization are recognized over execution period. Revenue from annual maintenance are recognized on a time proportion basis. Provision for estimated losses, if any, on uncompleted contracts are recorded in the year in which such losses become certain based on the current estimates.

Amounts received or billed in advance of services performed are recorded as unearned revenue.

Accrued revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms and is net of estimated allowance for uncertainties and provision for estimated losses.

Use of significant judgements in revenue recognition

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

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

Contract fulfilment costs are generally expensed as incurred except for certain software license costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of license whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Interest income

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

Dividend income

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

Profit/(loss) on sale of current investments

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

Grant income

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

2.15 Retirement and other employee benefits

Short term employee benefits

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



Defined benefit plans

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

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

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

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

Defined contribution plans

Retirement benefits in the form of Provident Fund is a defined contribution plan and is charged to the Statement of Profit and Loss for each period of service rendered by the employees. Excess or short of contribution is recognized as an asset or liability in the financial statement. There are no other obligations other than the contribution payable to the respective authorities.

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

2.16 Foreign currency transactions

Foreign currency transactions

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

Exchange difference

Exchange gains and losses arising on settlement of foreign currency denominated monetary assets and liabilities are recognized in the statement of profit and loss.

2.17 Taxes on income

Income tax expense comprises current and deferred tax. It is recognized in 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



CRISIL Risk and Infrastructure Solutions Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2021.

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

2.18 Segment reporting policies

The 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.

The analysis of geographical segment is based on the area in which there are major customers of the Company.

2.19 Earnings per share

Earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

2.20 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.

2.21 Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from financial year April 1, 2021. The amendments will be applicable for the Company w.e.f. January 1, 2022.



CRISIL Risk and Infrastructure Solutions Limited
 Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2021
 3A. Property, plant and equipment

Particulars	Carrying value				Accumulated depreciation		Net block		
	As at January 1, 2021	Additions	Deductions	As at December 31, 2021	As at January 1, 2021	For the year	Deductions	Up to December 31, 2021	As at December 31, 2021
Tangible assets									
Furniture & Fixtures	0.81	-	-	0.81	0.13	0.08	-	0.21	0.60
Office equipments	6.67	-	0.53	6.14	5.56	0.39	0.53	5.42	0.72
Computers	233.86	83.68	39.55	277.99	157.49	48.42	39.07	166.84	111.15
Vehicles	47.54	-	-	47.54	44.44	3.10	-	47.54	-
Total tangible assets	288.88	83.68	40.08	332.48	207.62	51.99	39.60	220.01	112.47

Particulars	Carrying value				Accumulated depreciation		Net block		
	As at January 1, 2020	Additions	Deductions	As at December 31, 2020	As at January 1, 2020	For the year	Deductions	Up to December 31, 2020	As at December 31, 2020
Tangible assets									
Furniture & Fixtures	0.81	-	-	0.81	0.05	0.08	-	0.13	0.68
Office equipments	6.96	-	0.29	6.67	4.82	1.03	0.29	5.56	1.11
Computers	183.03	58.20	7.37	233.86	133.84	31.02	7.37	157.49	76.37
Vehicles	58.91	-	11.37	47.54	35.57	19.90	11.03	44.44	3.10
Total tangible assets	249.71	58.20	19.03	288.88	174.28	52.03	18.69	207.62	81.26

3B. Right of use asset

Particulars	Carrying value		Accumulated depreciation		Net block			
	As at January 1, 2021	Additions	Deductions	As at December 31, 2021	As at January 1, 2020	For the year	Up to December 31, 2021	As at December 31, 2021
Tangible assets								
Building (Refer note 2.8)	987.57	-	987.57	-	219.47	108.67	328.14	-
Total tangible assets	987.57	-	987.57	-	219.47	108.67	328.14	-

Particulars	Carrying value		Accumulated depreciation		Net block			
	As at January 1, 2020	Additions	Deductions	As at December 31, 2020	As at January 1, 2020	For the year	Up to December 31, 2020	As at December 31, 2020
Tangible assets								
Building (Refer note 2.8)	987.57	-	-	987.57	-	219.47	-	768.10
Total tangible assets	987.57	-	-	987.57	-	219.47	-	768.10

4. Intangible assets

Particulars	Carrying value		Accumulated amortization		Net block			
	As at January 1, 2021	Additions	Deductions	As at December 31, 2021	As at January 1, 2021	For the year	Up to December 31, 2021	As at December 31, 2021
Intangible assets								
Software	840.05	-	-	840.05	546.32	176.63	-	722.95
Total intangible assets	840.05	-	-	840.05	546.32	176.63	-	117.11

Particulars	Carrying value		Accumulated amortization		Net block			
	As at January 1, 2020	Additions	Deductions	As at December 31, 2020	As at January 1, 2020	For the year	Up to December 31, 2020	As at December 31, 2020
Intangible assets								
Software	840.05	-	-	840.05	369.69	176.63	-	546.32
Total intangible assets	840.05	-	-	840.05	369.69	176.63	-	293.73



(Rupees in lakhs)

5. Loans	As at December 31, 2021	As at December 31, 2020
Non-current		
<u>Unsecured, considered good, unless otherwise stated</u>		
Security deposits	-	44.40
Earnest money and other deposits	-	0.36
Total	-	44.76

(Rupees in lakhs)

6. Other financial assets	As at December 31, 2021	As at December 31, 2020
Non-current		
<u>Unsecured, considered good, unless otherwise stated</u>		
Accrued interest on fixed deposits	3.08	0.53
Deposits with original maturity for more than 12 months (Deposit includes fixed deposits with banks Rupees 25.75 lakhs (Rupees 43.92 lakhs as at December 31, 2020) marked as lien for performance guarantees issued by banks on behalf of the Company)	31.91	45.58
Total	34.99	46.11

(Rupees in lakhs)

7. Income tax	Year ended December 31, 2021	Year ended December 31, 2020
Current tax expense	392.23	(17.14)
Deferred tax charge / (credit)	(83.70)	185.58
Total income tax expense recognised in the year	308.53	168.44

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

(Rupees in lakhs)

Particulars	Year ended December 31, 2021	Year ended December 31, 2020
Profit before tax	1,026.83	549.48
Enacted income tax rate in India	27.82%	27.82%
Computed expected tax expense	285.66	152.87
Effect of:		
Expenses that are not deductible in determining taxable profit	(1.23)	1.84
Tax expense of prior years	22.10	-
Others	2.00	13.73
Total income tax expense recognised in the statement of profit and loss	308.53	168.44

The tax year for the Company being the year ending March 31, 2022, the tax expense for the year is the aggregate of the provision made for the three months ended March 31, 2021, and the provisions for the nine months upto December 31, 2021. The tax provision for the nine months has been arrived at using the effect tax rate for the period April 1, 2021 to March 31, 2022. The applicable Indian statutory income tax rates for fiscal year ended March 31, 2021 and March 31, 2022 is 27.82%.



CRISIL Risk and Infrastructure Solutions Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2021

Deferred tax

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

(Rupees in lakhs)

As at December 31, 2021

Particulars	Opening balance as at January 1, 2021	Recognised in profit and loss	Recognised in other comprehensive income	Retained earnings	Closing balance as at December 31, 2021
Deferred tax liability on:					
Forward contracts	8.83	-	(3.84)	-	4.99
Gross deferred tax liability	8.83	-	(3.84)	-	4.99
Deferred tax asset on:					
Deferred revenue	-	-	-	-	-
Provision for compensated absences	146.99	(4.41)	-	-	142.58
Provision for bonus and commission	35.15	19.66	-	-	54.81
Provision for gratuity	37.84	(3.10)	(3.56)	-	31.18
Provision for bad and doubtful debt and earnest money and other deposits	277.35	49.61	-	-	326.97
Property, plant and equipment and intangibles	28.02	25.76	-	-	53.77
Disallowance under section 40(a) of the Income Tax Act, 1961 and others	31.71	4.62	-	-	36.33
Right to use Asset	16.91	(8.44)	-	-	8.47
Unabsorbed depreciation	-	-	-	-	-
Unabsorbed loss	-	-	-	-	-
Gross deferred tax assets	573.97	83.70	(3.56)	-	654.11
MAT credit entitlement	-	-	-	-	-
Net deferred tax assets	565.15	83.70	0.28	-	649.12

(Rupees in lakhs)

As at December 31, 2020

Particulars	Opening balance as at January 1, 2020	Recognised in profit and loss	Recognised in other comprehensive	Retained earnings	Closing balance as at December 31, 2020
Deferred tax liability on:					
Forward contracts	1.31	-	7.52	-	8.83
Gross deferred tax liability	1.31	-	7.52	-	8.83
Deferred tax asset on					
Provision for compensated absences	123.21	23.78	-	-	146.99
Provision for bonus and commission	23.10	12.06	-	-	35.15
Provision for gratuity	26.96	7.46	3.42	-	37.84
Provision for doubtful debts, earnest money and other deposit	287.97	(10.62)	-	-	277.35
Deferred revenue	28.23	(0.21)	-	-	28.01627
Property, plant and equipment and intangibles	49.66	(17.96)	-	-	31.71
Disallowance under section 40(a) of the Income Tax Act, 1961 and others	-	8.44	-	8.47	16.91
Unabsorbed depreciation	66.70	(66.70)	-	-	-
Brought forward losses	8.21	(8.21)	-	-	-
Gross deferred tax assets	614.03	(51.95)	3.42	8.47	573.97
MAT credit entitlement	133.63	(133.63)	-	-	-
Net deferred tax assets	746.35	(185.58)	(4.10)	8.47	565.14

(Rupees in lakhs)

8. Tax assets	As at December 31, 2021	As at December 31, 2020
Non current		
Advance taxes paid (net of provision for taxation Rupees 3,707.82 lakhs in December 31, 2021 and December 31, 2020 Rupees 3,315.59 lakhs)	2,021.02	2,922.74
Total	2,021.02	2,922.74



CRISIL Risk and Infrastructure Solutions Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2021

(Rupees in lakhs)

9. Other non current assests	As at December 31, 2021	As at December 31, 2020
Non current assets		
Prepaid expenses	5.16	8.06
Total	5.16	8.06

(Rupees in lakhs)

10. Trade receivables	As at December 31, 2021	As at December 31, 2020
Current		
<u>Unsecured, considered good, unless otherwise stated</u>		
Unsecured, considered good (Refer note 34)	3,741.29	3,488.70
Considered doubtful	1,356.03	1,187.66
Less : Allowance for doubtful trade receivables	(1,356.03)	(1,187.66)
Total	3,741.29	3,488.70

10.1 Trade receivables are non-interest bearing and are generally on credit terms of 30 days

(Rupees in lakhs)

10.2 Trade receivables	As at December 31, 2021	As at December 31, 2020
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	3,741.29	3,488.70
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired - unsecured	1,356.03	1,187.66

(Rupees in lakhs)

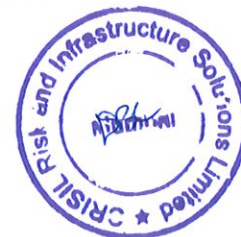
11. Cash and cash equivalents	As at December 31, 2021	As at December 31, 2020
Balances with banks:		
On current accounts	279.24	247.02
Deposits with original maturity of less than three months	165.00	-
Total	444.24	247.02

(Rupees in lakhs)

12. Other bank balances	As at December 31, 2021	As at December 31, 2020
Deposits with original maturity more than 3 months and less than 12 months (Deposit includes fixed deposits with banks Rupees 189.41 lakhs (Rupees 109.18 lakhs as on December 31, 2020) marked as lien for guarantees issued by banks on behalf of the Company)	212.06	203.09
Total	212.06	203.09

(Rupees in lakhs)

13. Loans	As at December 31, 2021	As at December 31, 2020
Unsecured, considered good, unless otherwise stated		
Loans to employees	7.59	11.96
Earnest money and other deposits - considered good	136.04	231.46
- Considered doubtful	63.48	53.51
	199.52	284.97
Less : Provision for doubtful earnest money and other deposits	(63.48)	(53.51)
	136.04	231.46
Total	143.63	243.42



CRISIL Risk and Infrastructure Solutions Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2021

(Rupees in lakhs)

13.1 Loans	As at December 31, 2021	As at December 31, 2020
Loans considered good - secured	-	-
Loans receivables considered good - unsecured	143.63	243.42
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	63.48	53.51

(Rupees in lakhs)

14. Other financial assets	As at December 31, 2021	As at December 31, 2020
Current		
Accrued interest on fixed deposits	7.57	9.31
Forward contract receivables (Refer note 38)	17.93	31.74
Receivable from related parties (Refer note 34)	240.65	49.28
Others	53.14	32.11
Total	319.29	122.44

(Rupees in lakhs)

15. Other current assets	As at December 31, 2021	As at December 31, 2020
Current		
Prepaid expenses	77.53	37.16
Accrued revenue (Refer note 15.1)	2,580.23	1,622.76
Balance with government authorities	147.72	115.75
Advance to suppliers and employees	78.44	58.67
Total	2,883.92	1,834.34

15.1 The balance lying in 'Accrued revenue' as at December 31, 2020 is fully recognised as revenue during the current year.

(Rupees in lakhs)

16. Equity share capital	As at December 31, 2021	As at December 31, 2020
Authorised capital: 6,00,00,000 equity shares of Rupees 1 each (6,00,00,000 equity shares of Rupees 1 each as on December 31, 2020)	600.00	600.00
Issued, subscribed and paid up: 4,99,99,970 equity shares (4,99,99,970 equity shares of Rupees 1 each as on December 31, 2020) of Rupees 1 each fully paid up.	500.00	500.00
Total	500.00	500.00

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

Equity shares

Particulars	As at December 31, 2021	
	Rupees in lakhs	Nos.
At the beginning of the year (face value of Rupees 1 per share)	500.00	4,99,99,970
Outstanding at the end of the year	500.00	4,99,99,970
Particulars	As at December 31, 2020	
	Rupees in lakhs	Nos.
At the beginning of the year (face value of Rupees 1 per share)	500.00	4,99,99,970
Outstanding at the end of the year	500.00	4,99,99,970



CRISIL Risk and Infrastructure Solutions Limited**Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2021****(b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of Rupees 1 per share. Each holder of equity shares is entitled to one vote per share.

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

(c) Shares held by holding company

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

(Rupees in lakhs)

Particulars	As at December 31, 2021	As at December 31, 2020
4,99,99,970 equity shares of Rupees 1 are held by CRISIL Limited, Holding Company and its nominees (4,99,99,970 of Rupees 1 each as on December 31, 2020)	500.00	500.00

(d) The Company has neither issued shares for consideration other than cash or bonus shares nor there has been any buy back of shares during the five years immediately preceding December 31, 2021

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

Name of the shareholder	As at December 31, 2021	
	% holding in the class	Nos.
Equity shares of Rupees 1 each fully paid CRISIL Limited, Holding Company and its nominees	100%	4,99,99,970
Name of the shareholder	As at December 31, 2020	
	% holding in the class	Nos.
Equity shares of Rupees 1 each fully paid CRISIL Limited, Holding Company and its nominees	100%	4,99,99,970

(f) 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. The Company actively monitors its portfolio and has a policy in place for investing surplus funds. Appropriate limits and controls are in place to ensure that investments are made as per policy. The Company has an overdraft facility with bank to support any temporary funding requirements. The Company has arrangements with the holding Company to support any temporary funding requirements.

(Rupees in lakhs)

Particulars	As at December 31, 2021	As at December 31, 2020
Total debt	-	500.00
Total equity plus total debt	500.00	1,000.00
Total debt to equity ratio (gearing ratio)	-	0.50

17. Explanation of reserves:**a) Retained earnings**

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

b) Other comprehensive income (OCI)

Other comprehensive income includes hedge reserve and actuarial gains and losses form part of remeasurement of net defined benefit liability/ assets.

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



CRISIL Risk and Infrastructure Solutions Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2021

(Rupees in lakhs)

18. Other financial liabilities	As at December 31, 2021	As at December 31, 2020
Non-current		
Employee related payable	116.58	59.75
Leased liability (Refer note 35)	-	570.60
Total	116.58	630.35

(Rupees in lakhs)

19. Provisions	As at December 31, 2021	As at December 31, 2020
Non-current		
Gratuity (Refer note 36)	133.00	110.46
Compensated absences (Refer note 37)	320.33	-
Total	453.33	110.46

(Rupees in lakhs)

20. Borrowings	As at December 31, 2021	As at December 31, 2020
Loan from related party (Refer note 34)	-	500.00
Total	-	500.00

20.1 The Company had taken an unsecured loan from its holding company amounting to Rupees 450 lakhs during the year ended December 31, 2021 which was repaid during the year ended December 31, 2021 and was bearing an interest rate of 12.50% per annum (Refer note 34).

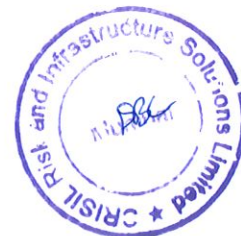
(Rupees in lakhs)

21. Trade payables	As at December 31, 2021	As at December 31, 2020
Current		
Total outstanding dues of micro and small enterprises	8.35	0.87
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,914.91	1,440.61
Total	1,923.26	1,441.48

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

(Rupees in lakhs)

Particulars	As at December 31, 2021	As at December 31, 2020
-Principal amount remaining unpaid	8.35	0.87
-Interest due thereon as at year end	-	-
-Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
-Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
-Interest accrued and remaining unpaid as at year end	-	-
-Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-



CRISIL Risk and Infrastructure Solutions Limited**Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2021**

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

(Rupees in lakhs)

22. Other financial liabilities	As at December 31, 2021	As at December 31, 2020
Current		
Employee related payable	519.36	475.75
Interest accrued and due	-	17.25
Lease Liability	-	258.30
Total	519.36	751.30

(Rupees in lakhs)

23. Provisions	As at December 31, 2021	As at December 31, 2020
Current		
Gratuity (Refer note 36)	-	25.55
Compensated absences (Refer note 37)	192.19	528.35
Total	192.19	553.90

(Rupees in lakhs)

24. Other current liabilities	As at December 31, 2021	As at December 31, 2020
Current		
Statutory liabilities	335.83	322.37
Unearned revenue (Refer note 24.1)	667.42	793.41
Total	1,003.25	1,115.78

24.1 The balance lying in 'Unearned revenue' as at December 31, 2020 is fully recognised as revenue during the current year.



CRISIL Risk and Infrastructure Solutions Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2021

(Rupees in lakhs)

25. Revenue from operations	Year ended December 31, 2021	Year ended December 31, 2020
Income from advisory services	7,604.97	6,539.96
Income from risk management services	2,590.87	2,814.97
Total	10,195.84	9,354.93

Disaggregated revenue information

The Company disaggregates revenue from contracts with customers by geographical market . (Refer note 33)

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

(Rupees in lakhs)

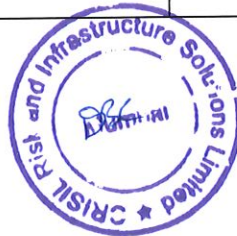
26. Other income	Year ended December 31, 2021	Year ended December 31, 2020
Interest income on fixed deposits	109.18	14.10
Interest income on financial assets carried at amortised cost	1.98	3.67
Foreign exchange gain (net)	40.46	31.89
Profit on sale of fixed assets (net)	1.96	2.98
Grant income (Refer note 42)	-	102.91
Miscellaneous income	72.66	16.93
Total	226.24	172.48

(Rupees in lakhs)

27. Employee benefits expenses	Year ended December 31, 2021	Year ended December 31, 2020
Salaries, wages and bonus	4,083.24	3,711.38
Share based payment to employees (Refer note 41)	6.20	12.96
Contribution to provident and other funds (Refer note 37)	169.71	158.75
Contribution to gratuity funds (Refer note 36)	66.40	51.03
Staff training and welfare expenses	77.16	79.24
Allocation of common overhead expenses	656.16	677.54
Total	5,058.87	4,690.90

(Rupees in lakhs)

28. Finance cost	Year ended December 31, 2021	Year ended December 31, 2020
Interest expense on bank overdraft	0.01	25.68
Interest on loan from related party	39.81	39.91
Interest on Lease Liability (Refer note 35)	17.58	75.75
Total	57.40	141.34



CRISIL Risk and Infrastructure Solutions Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2021

(Rupees in lakhs)

29. Other expenses	Year ended December 31, 2021	Year ended December 31, 2020
Printing and stationery	3.92	10.15
Conveyance and travelling	160.84	177.49
Data subscription	6.27	32.20
Remuneration to non-whole time directors	-	4.30
Business promotion and advertisement	1.38	14.73
Professional fees	2,617.24	2,319.67
Software maintenance expenses	27.38	23.49
Software purchase expenses	78.16	18.50
Provision for doubtful debt / bad debts	194.89	169.77
Provision for earnest money deposit	9.97	12.39
Auditors' remuneration (Refer note 32)	8.71	6.79
Recruitment expenses	4.80	3.15
Corporate social responsibility (CSR) expenses (Refer note 40)	4.00	6.00
Donation	0.14	0.59
Repairs and maintenance - Buildings	30.43	53.15
Repairs and maintenance - Others	28.96	50.15
Electricity	11.85	17.16
Communication expenses	104.12	91.13
Insurance	4.33	5.86
Rent (Refer note 35)	240.34	180.21
Rates and taxes	0.15	0.08
Miscellaneous expenses	58.18	19.00
Allocation of common overhead expenses	345.63	481.60
Total	3,941.69	3,697.56



30 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 30.4. The main types of risks are market risk (foreign currency exchange rate risk and price risk), business and credit risks and liquidity risk. The Company has in place a robust risk management policy with overall governance and oversight from the Audit Committee and Board of Directors. Risk assessment is conducted periodically and the Company has a mechanism to identify, assess, mitigate and monitor various risks to key business objectives.

The policies for managing specific risk are summarized below:

30.1 Market risk

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

Foreign currency exchange rate risk

The Company's exposure to market risk includes changes in foreign exchange rates. Most of the Company's transactions are carried out in INR. Exposures to currency exchange rates arise from the Company's overseas operations, which are primarily denominated in US dollars (USD), EURO and Pounds Sterling (GBP). As of December 31, 2021 and December 31, 2020, the Company has entered into foreign exchange forward contracts to hedge the effect of adverse fluctuations in foreign currency exchange rates. The details in respect of the outstanding foreign exchange forward contracts are given.

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

Particulars	As at December 31, 2021		As at December 31, 2021	
	(Foreign Currency in '000)		(Rupees in lakhs)	
	Financial Assets	Financial Liabilities	Financial Assets	Financial Liabilities
USD	459.70	459.57	343.21	343.11
GBP	-	-	-	-
EURO	60.45	37.03	51.05	31.27
Others	-	8.25	-	4.45

Particulars	As at December 31, 2020		As at December 31, 2020	
	(Foreign Currency in '000)		(Rupees in lakhs)	
	Financial Assets	Financial Liabilities	Financial Assets	Financial Liabilities
USD	1,419.53	38.31	1,042.35	28.13
GBP	17.92	-	17.76	-
EURO	202.71	-	182.31	-
Others	0.00	-	0.00	-

For the year ended December 31, 2021, every 5% increase/decrease of the respective foreign currencies compared to functional currency of the Company would impact operating margins by (+/-) Rupees 0.77 lakhs (+/- 0.06%). For the year ended December 31, 2020, operating margins would increase/decrease by (+/-) Rupees 60.71 lakhs (+/- 6.28%). Exposure to foreign currency exchange rate vary during the year depending upon the volume of overseas transactions. None the less, the analysis above is considered to be representative of the Company's exposure to currency risk.

Price risk

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



30.2 Liquidity risk

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

Liquidity risk management

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

The short term treasury position of the Company is given below:

(Rupees in lakhs)

Particulars	As at December 31, 2021	As at December 31, 2020
Trade receivables	3,741.29	3,488.70
Cash and cash equivalents	444.24	247.02
Other bank balances	212.06	203.09
Loans	143.63	243.42
Other financial assets	319.29	122.44
Total	4,860.51	4,304.67

Financial liabilities maturing within one year:

(Rupees in lakhs)

Particulars	As at December 31, 2021	As at December 31, 2020
Borrowings	-	500.00
Trade payables	1,923.26	1,441.48
Others financial liabilities	519.36	751.30
Total	2,442.62	2,692.78

30.3 Business and Credit risks

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

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

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

(Rupees in lakhs)

Receivables	As at December 31, 2021	As at December 31, 2020
<= 6 months	3,349.10	3,253.45
> 6 months but <= 1 year	566.24	519.66
> 1 year	1,181.98	903.25
Provision for doubtful receivables	(1,356.03)	(1,187.66)



30.4 Financial instruments

The carrying value and fair value of financial instruments by categories as at December 31, 2021 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
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory			
Assets								
Cash and cash equivalents	444.24	-	-	-	-	-	444.24	444.24
Other bank balances	212.06	-	-	-	-	-	212.06	212.06
Trade receivables	3,741.29	-	-	-	-	-	3,741.29	3,741.29
Loans	143.63	-	-	-	-	-	143.63	143.63
Other financial assets	336.35	-	-	-	-	17.93	354.28	354.28
Total	4,877.57	-	-	-	-	17.93	4,895.50	4,895.50
Liabilities								
Borrowings	-	-	-	-	-	-	-	-
Trade payables	1,923.26	-	-	-	-	-	1,923.26	1,923.26
Other financial liabilities	635.94	-	-	-	-	-	635.94	635.94
Total	2,559.20	-	-	-	-	-	2,559.20	2,559.20

The carrying value and fair value of financial instruments by categories as at December 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
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory			
Assets								
Cash and cash equivalents	247.02	-	-	-	-	-	247.02	247.02
Other bank balances	203.09	-	-	-	-	-	203.09	203.09
Trade receivables	3,488.70	-	-	-	-	-	3,488.70	3,488.70
Loans	288.17	-	-	-	-	-	288.17	288.17
Other financial assets	136.81	-	-	-	-	31.74	168.55	168.55
Total	4,363.79	-	-	-	-	31.74	4,395.53	4,395.53
Liabilities								
Borrowings	500.00	-	-	-	-	-	500.00	500.00
Trade payables	1,441.48	-	-	-	-	-	1,441.48	1,441.48
Other financial liabilities	1,639.95	-	-	-	-	-	1,639.95	1,639.95
Total	3,581.43	-	-	-	-	-	3,581.43	3,581.44

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).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value

(Rupees in lakhs)

Particulars	As at December 31, 2021			As at December 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value:						
Forward contracts receivable	-	17.93	-	-	31.74	-



31 Details of contingent liabilities and capital commitments are as under :

(Rupees in lakhs)

Particulars	As at December 31, 2021	As at December 31, 2020
Contingent liabilities		
1. Bank guarantees issued on behalf of the Company during the normal course of business	1,346.19	1,421.69
2. Disputed income tax & service tax demand:		
(i) Pending before appellate authorities in respect of which the Company is in appeal	455.22	344.49
(ii) Decided in Company's favour by appellate authorities and department is in further appeal	68.85	68.85
Management believes that the ultimate outcome of above matters will not have a material adverse impact on its financial position, results of operations and cash flows.		
3. Provident fund		
Based on the judgement by the Honorable Supreme Court dated 28 February 2019, past provident fund liability, is not determinable at present, in view of uncertainty on the applicability of the judgement to the Company with respect to timing and the components of its compensation structure. In absence of further clarification, the Company has been legally advised to await further developments in this matter to reasonably assess the implications on its financial statements, if any.		
	1,870.26	1,835.03

32 Auditors remuneration includes

(Rupees in lakhs)

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Audit fees	5.30	5.50
Tax audit fees	1.50	0.50
In any other matter:		
Certification work	1.39	0.30
Out of pocket expenses	0.52	0.49
Total	8.71	6.79

33 Segment Reporting

The Company is engaged in the business of providing risk solutions and advisory services. The following table shows the distribution of the Company's revenue and total assets by geographical market (secondary segment):

(Rupees in lakhs)

Particulars	Revenue Year ended December 31, 2021	Revenue Year ended December 31, 2020	Total Assets As at December 31, 2021	Total Assets As at December 31, 2020
India	7,238.28	6,088.40	6,879.81	6,177.47
Europe	256.29	567.11	111.49	144.36
North America	593.55	372.87	348.96	73.05
Rest of the world	2,107.72	2,326.55	740.52	1,045.68
Total	10,195.84	9,354.93	8,080.78	7,440.76

Total asset for the purpose of geographical segment does not include deferred tax asset and tax asset.



34.1 List of related parties

Parties	Relationship
<u>Related parties where control exists</u>	
CRISIL Limited	Holding Company
S&P Global Inc.	Ultimate Holding Company
<u>Other Related parties #</u>	
S&P Global Market Intelligence LLC.	Fellow Subsidiary
S&P Global UK Limited	Fellow Subsidiary
Pragmatix Services Private Limited	Fellow Subsidiary
CRISIL Ratings Limited	Fellow Subsidiary
CRISIL Foundation	Trust controlled by CRISIL Limited
<u>Key managerial personnel (KMP)</u>	
Mr. M.B.N. Rao	Director (till August 4, 2020)
Mr. Anupam Kaura	Director
Mr. Sanjay Chakravarti	Director
Mr. Amish Mehta	Director (till December 6, 2021)
Mr. Priti Arora	Additional Director (w.e.f December 6, 2021)
Mr. Ravinder Singhanian	Alternate Director
Mr. Hires Dhakan	Company Secretary (till February 5, 2020)
Mr. Namrata Kotenkar	Company Secretary (from February 5, 2020)

to the extent where transactions have taken place.

34.2 Related party disclosure

(Rupees in lakhs)

Name of the related party	Nature of transaction / outstanding balances	December 31, 2021	December 31, 2020
CRISIL Limited	Professional fees incurred	5.75	0.32
	Professional services rendered by CRISIL	13.31	-
	Reimbursement of expense paid on Company's behalf	653.25	400.04
	Share of overhead expenses incurred on Company's behalf	1,001.79	1,127.48
	Reimbursement of expense paid - ESOP	6.20	12.96
	Transfer of employee related liability	36.02	10.75
	Transfer of fund from CRISIL	13.49	-
	Sale of property, plant and equipment	-	0.57
	Purchase of property, plant and equipment	3.70	-
	Interest charge on loan taken	39.81	39.91
	Loan repaid	950.00	300.00
	Loan taken	450.00	750.00
	Interest on loan payable	-	17.25
	Loan payable	-	500.00
Amount payable (net)	300.98	453.83	
S&P Global UK Limited	Professional service rendered	-	26.45
S&P Global Market Intelligence LLC	Professional service rendered	331.28	418.44
	Subscription fee paid	40.25	23.82
	Amount receivable	-	78.71
M.B.N. Rao	Sitting fee and comission	-	4.30
Pragmatix Services Private Limited	Reimbursement of expense paid	2.61	4.92
	Expenses recovered	220.67	253.61
	Reimbursement of resource cost from PSPL	364.15	-
	Amount payable	19.01	0.05
	Amount receivable	240.65	49.28
CRISIL Ratings Limited	Reimbursement of expenses	2.00	-
	Amount payable	2.00	-
CRISIL Foundation	Corporate social responsibility expenses	4.00	6.00



35 Operating lease

The Company had taken certain office premises on non cancelable operating lease basis. Some of these agreements have a price escalation clause. Details as regards payments and future commitments are as under :

(Rupees in lakhs)

Particulars	Year ended 31 December 2021	Year ended 31 December 2020
Opening balance	828.90	-
Additions (transitional impact on adoption of Ind AS 116)	-	999.15
Add: Interest recognised during the year	17.58	75.75
Less: Payment made	128.10	232.49
Less: Waiver of Lease payment	-	13.51
Less: Deletion	718.38	-
Closing balance	-	828.90

35.1 The table below provides details regarding the contractual maturities of lease liabilities as at 31 December 2021 on an undiscounted basis

(Rupees in lakhs)

Particulars	As at December 31, 2021
<u>Future minimum lease payments :</u>	
Not later than one year	-
Later than one year and not later than five years	-
More than five years	-
Total	-

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

Rental expense recorded for short term leases was Rupees 240.34 lakhs for the year ended December 31, 2021 and Rupees 180.21 lakhs for the year ended December 31, 2020

Effective January 1, 2020, the Company has adopted Ind AS 116, Leases and has recognised interest on lease liability of Rupees 17.58 lakhs for the year ended December 31, 2021 and Rupees 75.75 lakhs for the year year ended December 31, 2020 under finance costs.

The aggregate depreciation on ROU assets has been included under depreciation expense in the Statement of Profit and Loss.(Refer note 3B)

36 Gratuity and other post employment benefits plans

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

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Statement of Profit and Loss:

Net employee benefit expense (recognised in Personnel expenses and other comprehensive income)

Particulars	December 31, 2021 Rupees in lakhs	December 31, 2020 Rupees in lakhs
Current service cost	50.09	46.70
Interest cost on defined benefit obligation	6.66	5.69
Re-mesurement actuarial (gain) /loss recognised in OCI	12.81	12.28
Adjustments	9.65	(1.36)
Net gratuity benefit expense	79.21	63.31
Assumptions		
Interest rate	5.70%	7.30%
Salary increase	10% for First 4 years starting 2022 7% thereafter	10% for First 4 years starting 2021 7% thereafter

Balance Sheet:

Details of provision for gratuity benefit

Particulars	As at December 31, 2021 Rupees in lakhs	As at December 31, 2020 Rupees in lakhs
Present value of funded obligations	378.70	378.03
Fair value of plan assets	(245.70)	(242.02)
Net liability / asset	133.00	136.01



CRISIL Risk and Infrastructure Solutions Limited
Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2021

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

Particulars	As at December 31, 2021 Rupees in lakhs	As at December 31, 2020 Rupees in lakhs
Opening defined benefit obligation	378.03	334.32
Current service cost	50.09	46.70
Interest cost	22.00	20.98
Past service cost - plan amendments	-	-
Acquisitions (credit)/ cost	(13.06)	(0.01)
Adjustments	-	-
Actuarial (gain)/loss - experience recognised in OCI	2.07	(6.41)
Actuarial (gain)/loss - financial assumptions recognised in OCI	(8.28)	34.30
Benefits paid	(52.15)	(51.85)
Closing defined benefit obligation	378.70	378.03

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

Particulars	As at December 31, 2021 Rupees in lakhs	As at December 31, 2020 Rupees in lakhs
Opening fair value of plan assets	242.01	237.42
Interest income on plan assets	15.34	15.29
Contribution by employer	33.89	25.55
Return on plan assets greater / (lesser) than discount rate recognised in OCI	6.60	15.61
Benefits paid	(52.15)	(51.85)
Closing fair value of plan assets	245.70	242.01

Expected benefit payments for the year ending

Particulars	Rupees in lakhs
December 31, 2021	35.90
December 31, 2022	39.25
December 31, 2023	55.97
December 31, 2024	56.50
December 31, 2025	53.88
December 31, 2025 to December 31, 2030	297.87

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

Particulars	Year Ended December 31, 2021	Year Ended December 31, 2020
Investment with insurer	100%	100%

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

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

Particulars	Year Ended December 31, 2021	Year Ended December 31, 2020
Discount rate	6.20%	6.80%
Estimated rate of return on plan assets	7.00%	7.00%
Expected employee turnover		
Service years	Rates	Rates
Service < 5	20.00%	20.00%
Service => 5	10.00%	10.00%
Expected employer's contribution next year (Rupees In lakhs)	33.89	25.55

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

Particulars	Year Ended December 31, 2021	Year Ended December 31, 2020
Government securities	80.69%	80.69%
Fixed deposits, debentures and bonds	13.27%	13.27%
Others	6.04%	6.04%
Total	100.00%	100.00%



CRISIL Risk and Infrastructure Solutions Limited
Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2021

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

Discount rate	Rupees in lakhs
Effect on DBO due to 0.5% increase in Discount rate	(12.91)
Effect on DBO due to 0.5% decrease in Discount rate	13.74

Salary escalation rate	Rupees in lakhs
Effect on DBO due to 0.5% increase in Salary escalation rate	10.20
Effect on DBO due to 0.5% decrease in Salary escalation rate	(10.02)

37 Other Benefits

The Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	Year Ended December 31, 2021 Rupees in lakhs	Year Ended December 31, 2020 Rupees in lakhs
Contribution to provident and other fund	169.71	158.75

The expenses for compensated absences have been recognised in the same manner as gratuity and a provision of Rupees 512.52 lakhs has been made as at December 31, 2021 (Rupees 528.35 lakhs as at December 31, 2020).



38 Derivative financial instruments and hedging activity

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

As at December 31, 2021

Type of Hedge	Currency	Number of contracts	Nominal value (Foreign currency in lakhs)	Carrying amount of hedging instrument (Rupees in lakhs)	Maturity date	Weighted average strike price/rate	Changes in fair value of hedging instrument (Rupees in lakhs)	Change in the hedging item used as the basis for recognising hedge effectiveness (Rupees in lakhs)
Cash flow hedge								
i) Foreign exchange forward contracts	USD	24	14.67	1,134.88	Jan-22 to Dec-22	77.36	17.93	(17.93)

As at December 31, 2020

Type of Hedge	Currency	Number of contracts	Nominal value (Foreign currency in lakhs)	Carrying amount of hedging instrument (Rupees in lakhs)	Maturity date	Weighted average strike price/rate	Changes in fair value of hedging instrument (Rupees in lakhs)	Change in the hedging item used as the basis for recognising hedge effectiveness (Rupees in lakhs)
Cash flow hedge								
i) Foreign exchange forward contracts	USD	19	13.71	1,058.39	Jan-21 to Dec-21	77.20	31.74	(31.74)

Movement in cash flow hedging reserve

(Rupees in lakhs)

Particulars	Foreign exchange forward contract
As at January 1, 2020	3.40
Add: Changes in fair value of effective portion of outstanding forecasted cash flow hedge	(1.35)
Less: Amounts reclassified to profit or loss	4.23
Less: Tax relating to above (net)	(0.80)
As at January 1, 2021	22.91
effective portion of outstanding	46.79
Less: Amounts reclassified to profit or loss	(60.59)
Less: Tax relating to above (net)	3.84
As at December 31, 2021	12.94

39 Earning per share

Particulars	Year Ended December 31, 2021	Year Ended December 31, 2020
Net profit/(loss) after tax attributable to equity shareholders (Rupees in lakhs)	1.44	0.76
Weighted average number of shares outstanding during the year	4,99,99,970	4,99,99,970
Basic and diluted earning per share (Amount in Rupees)	0.00	0.00
Nominal value per equity share (Amount in Rupees)	1.00	1.00

40 Corporate Social Responsibility

Corporate Social Responsibility (CSR) expenses for the year ended December 31, 2021 Rupees 4 lakhs (Rupees 6 lakhs for the year ended December 31, 2020) includes spend on various CSR schemes as prescribed under Section 135 of the Companies Act, 2013. The CSR amount based on limits prescribed under the Companies Act, 2013 for the year was Rupees 3.71 lakhs (Rupees 3.62 lakhs for the year ended December 31, 2020). Key CSR activities were "education and women empowerment – financial capability building" and "conservation of environment".

- 41 Shared based payments to employee represents the Employee stock options granted by the holding Company to the employees of the Company.
- 42 During the year, the Company received export benefits amounting to Rupees Nil (Rupees 102.91 lakhs for the year ended December 31, 2020) lakhs in the form of duty free saleable scrips under the Service Export Scheme (SEIS) from the government authorities and the same has been accounted for as grant income under "Other income" in the financial statements.
- 43 The Company has considered internal and external information and has performed sensitivity analyses based on current estimates, in assessing the recoverability of receivables, unbilled revenues, intangible assets, other financial assets (including cash liquidity), and the profitability of the Company. Whilst the situation continues to be extremely dynamic, at present the Company does not see any material impact on the above. However, the actual impact of the pandemic on the Company's financial performance may differ from what is estimated, and the Company continues to monitor changes to future economic conditions.
- 44 The management of the Company has approved arrangement for amalgamation of the Company ("Transferor Company") as a going concern with the CRISIL Limited (the "Transferee Company") in its meeting held on December 13, 2021. Following the closing of the aforesaid filings and obtaining necessary approvals from various regulatory authorities, the amalgamated entity will continue its operations under the name of "CRISIL Limited". The Company has already filed necessary applications to the National Company Law Tribunal (NCLT) on December 27, 2021 for the underlying scheme and awaiting required regulatory approvals.



CRISIL Risk and Infrastructure Solutions Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended December 31, 2021

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

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

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

Sd/-
Manish Gujral
Partner
Membership No.: 105117



For and on behalf of the Board of Directors of
CRISIL Risk and Infrastructure Solutions Limited

Sd/-
Sanjay Chakravarti
Director
DIN - 05246624
Place: Mumbai

Sd/-
Anupam Kaura
Director
DIN - 07790067
Place: Mumbai

Sd/-
Namrata Koteekar
Company Secretary
Place: Mumbai



Place: Mumbai
Date: January 28, 2022

Date: January 28, 2022