

Date: June 12, 2021
SE/2021-22/12

To,

The National Stock Exchange India Ltd. Listing Department Exchange Plaza Bandra Kurla Complex Bandra (East) Mumbai 400 051 Scrip Code: CARERATING	The General Manager Corporate Relation Department BSE Limited Phiroza Jeejeebhoy Towers 14 th Floor, Dalal Street Mumbai 400 001 Scrip Code: 534804
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Dear Sir/ Madam,

Sub: OUTCOME OF THE BOARD MEETING OF CARE RATINGS LIMITED HELD ON JUNE 12, 2021.

As per the requirement of Regulation 30 and Para A of Part A of Schedule III of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations), kindly note that the Board of Directors of Care Ratings Limited ('the Company') at its meeting held on Saturday, June 12, 2021 have inter alia:

1. Considered and approved Audited Standalone and Consolidated Financial Results for the quarter and financial year ended March 31, 2021. Copy of the financial results together with the Auditor's Report submitted by M/s. Khimji Kunverji & Co., Chartered Accountants, (ICAI FRN – 105146W), Statutory Auditors, have been enclosed;

In compliance with the provisions of Regulation 33(3)(d) of SEBI LODR Regulations, please note that M/s. Khimji Kunverji & Co., Chartered Accountants, Statutory Auditors, have issued their Audit Reports with unmodified opinion on the Standalone and Consolidated Financial Results of the Company for the year ended March 31, 2021.

2. Recommended, subject to the approval of shareholders, a final dividend of Rs. 6.00/- (Rupees Six only) per equity share of face value of Rs. 10/- (Rupees Ten only) each for the Financial Year 2020-21;



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3. Considered and approved the re-constitution of Nomination & Remuneration Committee with immediate effect as under:

Sr No.	Name of Committee Member	Designation
1.	Ms. Sonal Gunvant Desai (Non-Executive & Independent Director)	Chairman
2.	Mr. Najib Shah (Non-Executive & Independent Director)	Member
3.	Mr. V. Chandrasekaran (Non-Executive & Non-independent Director)	Member

4. Considered and approved the appointment of Ms. Nehal Shah as the Company Secretary & Compliance Officer with effect from June 12, 2021, based on the recommendation of Nomination and Remuneration Committee. Mr. Haresh Swaminathan has stepped down as an Interim Compliance Officer with effect from June 12, 2021.

Brief profile including the terms of appointment of Ms. Nehal Shah has been annexed as '**Annexure-A**'.

5. Considered and approved the appointment of Mr. Jinesh Shah as the Chief Financial Officer of the Company with effect from June 12, 2021, based on the recommendation of Nomination and Remuneration Committee. Brief profile including his terms of appointment has been annexed as '**Annexure-B**'.
6. Considered the appointment of M/s B S R & Co. LLP, Chartered Accountants, (Firm Registration No. 101248W/W-100022) as the Statutory Auditors of the Company for a period of five years, based on the recommendation of Audit Committee, and which is subject to approval of shareholders. Brief profile including the terms of appointment of the Statutory Auditors has been annexed as '**Annexure-C**'.
7. Considered and noted the incorporation of Association of Indian Rating Agencies, where the Company has proposed to invest upto a sum of Rs. 52,500/- (Rupees Fifty Two Thousand Five Hundred only). Details of investment has been annexed as '**Annexure-D**'.



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8. Further, pursuant to the requirement under the Regulation 30(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following Key Managerial Personnel (KMP's) of the Company are authorized to determine materiality of an event or information and make disclosures to stock exchange(s):

Sr No.	Name of Key Managerial Personnel	Designation
1.	Mr. Ajay Mahajan	Managing Director & CEO
2.	Ms. Nehal Shah	Company Secretary & Compliance Officer
3.	Mr. Jinesh Shah	Chief Financial Officer

A single point of contact of the KMP's for the above purpose is as below:

Ms. Nehal Shah - Company Secretary & Compliance Officer

Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road,
Off Eastern Express Highway, Sion (East), Mumbai,
Maharashtra 400022

Email-id: Nehal.Shah@careratings.com

Contact details: +91-022- 6754 3456

The meeting of the Board of Directors of the Company commenced at 1.45 p.m. and concluded at 6.20 p.m.

The above information is also being made available on the Company's website i.e. www.careratings.com.

Please take note of the above.

Thanking you,

Yours faithfully,

For CARE Ratings Limited

Ajay Mahajan

**Ajay Mahajan
Managing Director & CEO**



Encl: As Above.

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ANNEXURE-A

Details of appointment of Ms. Nehal Shah as the Company Secretary & Compliance Officer (Key Managerial Personnel) of the Company

S. No.	Particulars	Information
1.	Reasons for appointment	Ms. Nehal Shah is appointed as the Company Secretary & Compliance Officer in view of resignation of Mr. Navin Kumar Jain.
2.	Date & Terms of appointment	<p>Date of Appointment: Appointment is effective from June 12, 2021.</p> <p>Terms of Appointment: As recommended by the Nomination & Remuneration Committee and agreed by the Board of Directors.</p>
3.	Brief Profile	<p>Ms. Nehal Shah is an accomplished professional with extensive experience of 17 years in the areas of Secretarial, Regulatory Compliance, Legal, Audit, AML and Governance Matter and Strategic Planning.</p> <p>Ms. Nehal has joined CARE from YES Asset Management (India) Limited Mumbai (An Asset Management Arm of YES Bank) where she worked as a Head - Compliance, Legal & Company Secretary. Prior to this, she also worked in local and global organizations like Deutsche Bank Group, Fidelity India, Aditya Birla Group.</p> <p>Ms. Nehal holds a bachelor's degree in Commerce from Mumbai University, Associate Company Secretary (ACS) from Institute of Company Secretaries of India, LLB from Mumbai University, Post-Graduation in Securities Laws from Government Law College, Mumbai.</p>
4.	Disclosure of relationships between directors/KMP	Ms. Nehal Shah is not related to any of the Directors or Key Managerial Personnel of the Company.



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ANNEXURE-B

Details of appointment of Mr. Jinesh Shah as the Chief Financial Officer (CFO) & Key Managerial Personnel of the Company

S. No.	Particulars	Information
1.	Reasons for appointment	Mr. Jinesh Shah has been appointed as Chief Financial Officer (CFO) & Key Managerial Personnel in view of resignation of Mr. Bharat Adnani.
2.	Date & Terms of appointment	<p>Date of Appointment: Appointment is effective from June 12, 2021.</p> <p>Terms of Appointment: As recommended by the Nomination & Remuneration Committee and agreed by the Board of Directors</p>
3.	Brief Profile	<p>Mr. Jinesh is an accomplished professional with extensive experience of 20 years in the areas of Financial Management, Corporate Accounting, IFRS, Compliances, Budgets, and Tax Operations.</p> <p>He joins CARE from India Ratings and Research Private Limited where he worked as a Head – Finance, and Accounts. Jinesh also worked in organizations like Bramha Group of Companies, Hypo Real Estate Capital India Pvt Limited, ICICI Bank Limited, and Cornelius and Davar</p> <p>Mr. Jinesh holds a Bachelor's Degree in Commerce from Mumbai University, Chartered Accountant from Institute of Chartered Accountants of India, and IFRS from Institute of Chartered Accountants of India.</p>
4.	Disclosure of relationships between directors/KMP	Mr. Jinesh Shah is not related to any of the Directors or Key Managerial Personnel of the Company.



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ANNEXURE-C

Details of appointment of M/s B S R & Co. LLP, Chartered Accountants, (Firm Registration No. 101248W/W-100022) as the Statutory Auditors of the Company

S. No.	Particulars	Information
1.	Reasons for appointment	<p>M/s. Khimji Kunverji & Co LLP Chartered Accountants, Statutory Auditors (existing Auditor) hold office until the conclusion of the ensuing Annual General Meeting.</p> <p>On conclusion of term of the existing Auditor, the Company shall be required appoint new Auditor as per the requirements of Section 139 of the Companies Act, 2013.</p> <p>Accordingly, based on the recommendation of the Audit Committee and subject to approval of the shareholders, it is proposed to appoint M/s. B S R & Co. LLP, Chartered Accountants (New Auditor) as the Statutory Auditors of the Company.</p>
2.	Date & Terms of appointment	<p>They shall hold term for a period of 5 years from the conclusion of ensuing Annual General Meeting upto the conclusion of 33rd Annual General Meeting.</p> <p>Terms of appointment including remuneration payable to the auditors shall be decided by the Board of Directors in consultation with the Audit Committee, from time to time.</p>
3.	Brief Profile	<p>B S R & Co. ('the firm') was constituted on 27 March 1990 having firm registration no. as 101248W. It was converted into limited liability partnership i.e. B S R & Co. LLP on 14 October 2013 thereby having a new firm registration no. 101248W/W-100022. The registered office of the firm is at 14th Floor, Central B Wing and North C Wing, NESCO IT Park 4, NESCO Center, Western Express Highway, Goregaon (East), Mumbai - 400063.</p> <p>B S R & Co. LLP is a member entity of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India. The other entities which are part of the B S R & Affiliates include B S R & Associates LLP, B S R & Company, B S R and Co, B S R and Associates, B S R and Company, B S R & Co and B B S R & Co.</p>



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		B S R & Co. LLP is registered in Mumbai, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur and Kochi.
4.	Disclosure of relationships between directors/KMP	Not applicable



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ANNEXURE-D

Details of Investment in Association of Indian Rating Agencies (Non-profit Organization)

S. No.	Particulars	Information
1.	Name of the target entity, details in brief such as size, turnover etc.	<p>Name: Association of Indian Rating Agencies (CIN: U85300MH2021NPL360500)</p> <p>Details: It is a newly formed Non-profit Organization (NPO entity) with an Authorized Share Capital of Rs. 500,000/- and a paid-up capital of Rs. 105,000/-.</p>
2.	<p>Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired?</p> <p>If yes, nature of interest and details thereof and whether the same is done at “arms length”</p>	<p>Mr. Ajay Mahajan (MD & CEO) is the first Chairman of NPO entity. His Chairmanship shall be by rotation amongst the members of NPO entity.</p> <p>Apart from above, none of the Directors, Promoters of Key Managerial Personnel are interested in the NPO entity.</p>
3.	Industry to which the entity being acquired belongs	NPO entity is an association of the Rating Agencies
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	<p>The Company is a Credit Rating Agency (CRA) registered with SEBI. Last two years have been difficult and turbulent for the CRA industry. The industry has taken, along with regulators, several steps to enhance the standards of ratings, its disclosures standards and processes.</p> <p>However, the absence of a representative body in the industry has proved detrimental to confidence building amongst all stakeholders. Hence, NPO entity has been incorporated by few CRA’s to meet the below minimum objectives, amongst others:</p> <ol style="list-style-type: none"> 1. To interact with SEBI and to represent to SEBI on all matters concerning the rating industry. 2. To represent to the Government of India and its Ministries and Departments, RBI and other bodies on all matters relating to the rating industry. 3. To disseminate information on rating industry and to undertake studies and research directly and/or in association with other bodies.



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		<p>4. To develop and maintain cooperative efforts that promote interaction and exchange of ideas, information, knowledge and skills among credit rating agencies in India and that would enhance their capabilities and their role of providing reliable market information.</p> <p>5. To undertake activities aimed at promoting the adoption of best practices and common standards that ensure high quality and comparability of credit ratings across agencies, following the highest norms of ethics and professional conduct.</p>
5.	Brief details of any governmental or regulatory approvals required for the acquisition	<p>NPO entity has been incorporated on receipt of Certificate of Incorporation from the Registrar of Companies, Maharashtra, Mumbai.</p> <p>There is no further regulatory approval required for acquisition of shares of NPO entity.</p>
6.	Indicative time period for completion of the acquisition	The Company will be allotted Equity Shares on payment of share application money and shall subsequently receive Share Certificate(s).
7.	Nature of consideration - whether cash consideration or share swap and details of the same	Payment will be made by cash
8.	Cost of acquisition or the price at which the shares are acquired	Acquisition amount shall be based on nominal value of shares i.e. Rs. 10/- each
9.	percentage of shareholding / control acquired and / or number of shares acquired	<p>5,250 Equity Shares i.e 50% of initial shareholding of the NPO entity is proposed.</p> <p>The above ratio of no. of Equity Shares and/or percentage shall decline once other Credit Rating Companies become members of the NPO entity.</p>
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	NPO entity was incorporated on May 15, 2021 in India with a view to conduct activities as described in Point 4.

For CARE Ratings Limited

Ajay Mahajan

Ajay Mahajan
Managing Director & CEO



CARE Ratings Ltd.

CARE Ratings Limited

CIN: L4790MH10993PLC070491
 Regd. Office: 4th Floor, Godrej Colonnade, Senapati Bapat Road, Off Eastern Express Highway, Sion (East), Mumbai – 400022
 Website: www.careratings.com | Email: investor.relations@careratings.com



Statement of Consolidated Audited Financial Results for the year ended March 31, 2021

Sl.	Particulars	Quarter ended			Year ended	
		December 31, 2020		March 31, 2020	March 31, 2021	March 31, 2020
		Audited	Unaudited	Audited	Audited	Audited
I	Revenue from Operations	7,958.65	5,560.19	6,597.41	24,844.69	24,364.03
II	Other Income	566.61	811.86	743.40	3,129.36	3,146.76
III	TOTAL INCOME (I + II)	8,525.26	6,372.05	7,340.81	27,974.05	27,510.79
IV	EXPENSES					
	Employee Benefits Expense	3,487.78	3,008.31	2,768.50	11,986.14	10,927.37
	Depreciation and Amortisation Expense	173.11	203.22	201.15	780.22	776.79
	Finance cost	4.65	17.68	21.73	61.75	92.75
	Other Expenses	1,415.96	725.69	2,312.96	3,281.24	5,304.62
	TOTAL EXPENSES (IV)	5,081.50	3,954.90	5,304.34	16,109.35	17,101.53
V	Profit before Exceptional Items and Tax (III)-(IV)	3,443.76	2,417.15	2,036.47	11,864.70	10,409.26
VI	Exceptional Items	-	-	-	-	-
VII	Profit before Tax Expenses (V - VI)	3,443.76	2,417.15	2,036.47	11,864.70	10,409.26
VIII	Tax Expenses:					
	Current Tax	598.37	427.66	526.22	2,427.42	2,213.86
	Deferred Tax	196.66	95.58	(38.34)	340.71	(132.90)
	Adjustment of Tax of Earlier Years	-	-	(19.66)	-	(19.66)
	Total Tax Expense	795.03	523.24	468.22	2,768.13	2,061.30
IX	Net Profit for the period (VII - VIII)	2,648.73	1,893.91	1,568.25	9,096.57	8,347.96
	Profit for the period attributable to:					
	Non-Controlling interest	41.56	30.57	39.82	144.99	110.95
	Owners of the Parent	2,607.17	1,863.34	1,528.43	8,951.58	8,237.01
X	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit & Loss	169.16	(2.02)	130.01	290.46	(103.36)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(42.76)	0.59	(32.47)	(73.10)	26.26
	B (i) Items that will be reclassified to profit & Loss	(4.95)	19.56	(10.48)	(1.19)	(11.93)
	(ii) Income tax relating to items that will be reclassified to profit or loss	1.25	(4.92)	2.64	0.30	3.00
	Other Comprehensive Income for the period	122.70	13.21	89.70	216.47	(86.03)
	Other Comprehensive Income for the period attributable to:					
	Non-Controlling interest	(0.81)	3.23	(1.73)	(0.20)	(1.96)
	Owners of the Parent	123.51	9.98	91.43	216.67	(84.07)
XI	Total Comprehensive Income for the period (IX + X)	2,771.43	1,907.12	1,657.95	9,313.04	8,261.93
	Total Comprehensive Income for the period attributable to:					
	Non-Controlling interest	40.75	33.80	38.09	144.80	108.98
	Owners of the Parent	2,730.68	1,873.32	1,619.86	9,168.24	8,152.95
	Paid up Equity Share Capital (Face Value ₹ 10 per share)	2,946.12	2,946.12	2,946.12	2,946.12	2,946.12
	Other Equity	-	-	-	55,935.97	50,380.27
	Earnings Per Equity Share (Face Value ₹ 10 each) (Not Annualised)					
	Basic (₹)	8.85	6.32	5.19	30.38	27.96
	Diluted (₹)	8.75	6.31	5.19	30.33	27.96

Ajay Mahajan



Statement of Assets & Liabilities (Consolidated)

(₹ in Lakhs)

SN.	Particulars	As at	
		March 31, 2021	March 31, 2020
		(Audited)	(Audited)
A	ASSETS		
1	Non Current Assets		
	Property Plant and Equipment	7,021.24	7,356.58
	Right of use assets	657.42	1,074.99
	Capital Work in Progress	-	-
	Goodwill on consolidation	795.03	795.03
	Other Intangible Assets	33.09	84.25
	Intangible Assets under Development	315.07	51.87
	Financial Assets		
	Investments (Non Current)	3,430.92	22,610.32
	Loans	119.23	177.22
	Other Non Current Financial Assets	8.64	7.74
	Deferred Tax Assets (Net)	121.92	98.12
	Other Non-Current Assets	8.28	20.17
	Total Non-Current Assets	12,510.84	32,276.29
2	Current Assets		
	Financial Assets		
	Investments (Current)	20,454.61	11,285.46
	Trade Receivables	2,135.57	4,089.38
	Cash and Cash Equivalents	1,178.57	699.47
	Bank Balances other than Cash and Cash Equivalents	27,127.18	10,757.86
	Loans	102.48	70.07
	Other Financial Assets	801.59	332.20
	Contract Assets	1,272.21	867.94
	Current Tax Asset (Net)	1,143.81	1,221.54
	Other Current Assets	450.37	302.20
	Total Current Assets	54,666.39	29,626.12
	Total Assets	67,177.23	61,902.41
B	EQUITY AND LIABILITIES		
I	EQUITY		
	Equity Share Capital	2,946.12	2,946.12
	Other Equity	55,935.96	50,380.27
	Non-controlling Interest	421.79	324.63
II	LIABILITIES		
1	Non-Current Liabilities		
	Financial Liabilities		
	Other Non-Current Financial Liabilities	448.10	830.80
	Provisions	1,086.82	829.09
	Deferred Tax Liabilities (Net)	1,049.54	609.49
	Total Equity and Non-current Liabilities	61,888.33	55,920.40
2	Current Liabilities		
	Financial Liabilities		
	Total Outstanding Dues of micro and Small enterprises	4.30	6.05
	Total Outstanding Dues of other than micro and Small enterprises	271.40	149.73
	Other Current Financial Liabilities	1,381.51	1,039.94
	Contract Liabilities	2,077.94	2,868.21
	Other Current Liabilities	1,131.26	1,443.02
	Provisions	408.63	450.39
	Current Tax Liability (Net)	13.86	24.67
	Total Current Liabilities	5,288.90	5,982.01
	Total Equity and Liabilities (I & II)	67,177.23	61,902.41



Statement Cash Flow (Consolidated)

(Rs. in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flows from Operating Activities		
Profit before tax	11,864.70	10,409.26
Adjustments for		
Income from investments	(1,672.05)	(1,278.51)
Notional Income on Fair Value of Security Deposits	(20.08)	(11.28)
Unrealized Gain on Fair Valuation of Investments through Profit and Loss	(1,323.54)	(1,761.97)
Provision for Doubtful Debts	(924.94)	769.24
Bad Debts written off	460.75	262.01
Loss/(Gain) on Sale of Fixed Assets	5.76	10.03
ESOP Expense	356.91	534.51
Amortization of Premium	17.04	17.08
Finance cost on Lease Liabilities	61.75	92.75
Depreciation	798.79	776.79
Operating Profit before working capital changes	9,625.09	9,819.91
Movements in working capital		
Decrease/(Increase) in Trade Receivables	2,542.35	(394.72)
Decrease/(Increase) in Non Financial Assets	(155.87)	60.21
Decrease/(Increase) in Financial Assets	(388.92)	(442.08)
(Decrease)/Increase in Non Financial Liabilities	(844.35)	109.10
(Decrease)/Increase in Financial Liabilities	174.31	808.02
Decrease/(Increase) in Other Liabilities	(37.83)	231.75
Total Movements in working capital	1,289.69	372.28
Taxes paid	(2,297.41)	(3,451.87)
Net cash from operating activities	8,617.37	6,740.32
Cash flows from Investing Activities		
Income from investments	1,672.05	1,278.51
Investment in Fixed Deposits	(16,361.54)	(9,720.67)
Sale of fixed assets	27.06	22.20
Purchase of fixed assets	(448.98)	(457.91)
Purchase of investments	(3,350.00)	(2,700.00)
Redemption / Sale of investments	14,659.59	14,250.63
Net cash from investing activities	(3,801.82)	2,672.76
Cash flows from Financing Activities		
Dividend and Dividend Tax paid	(3,977.27)	(10,333.50)
Repayment of Lease Liability	(297.46)	(269.53)
Payment of Interest on Lease Liability	(61.72)	(92.74)
Net cash used in financing activities	(4,336.45)	(10,695.77)
Effects of Unrealised Exchange gain on Cash & Cash Equivalents	-	-
Net increase / (decrease) in cash and cash equivalents	479.10	(1,282.69)
Cash And Cash Equivalents At The Beginning	699.47	1,982.16
Cash And Cash Equivalents At The End	1,178.57	699.47
Cash and cash equivalents comprise of:		
Cash on hand	0.80	1.19
Cheques in hand	-	-
Other Bank balances		
On Current Account	527.83	289.37
Deposit Accounts	649.68	407.79
Prepaid Cards	0.26	1.12
Total	1,178.57	699.47



Ajay Mahajan



SN	Particulars	Standalone				
		Quarter Ended		Year ended		
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
	Audited	Unaudited	Audited	Audited	Audited	
I	Revenue from Operations	6,871.84	4,650.65	5,766.71	21,966.45	21,910.23
II	Other Income	609.69	832.45	721.92	3,211.57	3,133.60
III	TOTAL INCOME (I + II)	7,481.53	5,483.10	6,488.63	25,178.02	25,043.83
IV	EXPENSES					
	Employee Benefits Expense	3,036.60	2,606.36	2,385.25	10,323.88	9,669.54
	Depreciation and Amortisation Expense	171.43	178.39	176.90	708.90	690.75
	Finance cost	12.50	13.61	16.91	56.68	73.87
	Other Expenses	1,304.96	579.44	2,091.50	2,815.47	4,584.98
	TOTAL EXPENSES (IV)	4,525.49	3,377.80	4,670.56	13,904.93	15,019.14
V	Profit before Exceptional Items and Tax (III)-(IV)	2,956.04	2,105.30	1,818.07	11,273.09	10,024.69
VI	Exceptional Items	-	-	-	-	-
VII	Profit before Tax Expenses (V - VI)	2,956.04	2,105.30	1,818.07	11,273.09	10,024.69
VIII	Tax Expenses:					
	Current Tax	568.57	405.24	461.30	2,318.45	2,100.00
	Deferred Tax	178.53	118.80	(18.44)	371.93	(105.83)
	Adjustment of Tax of Earlier Years	-	-	(19.66)	-	(19.66)
	Total Tax Expense	747.10	524.04	423.20	2,690.38	1,974.51
IX	Net Profit for the period (VII - VIII)	2,208.94	1,581.26	1,394.87	8,582.71	8,050.18
X	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit & Loss	144.33	1.29	139.50	272.74	(93.87)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(36.32)	(0.32)	(35.11)	(68.64)	23.62
	B (i) Items that will be reclassified to profit & Loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Other Comprehensive Income for the period	108.01	0.97	104.39	204.10	(70.25)
XI	Total Comprehensive Income for the period (IX + X)	2,316.95	1,582.23	1,499.26	8,786.81	7,979.93
	Paid up Equity Share Capital (Face Value ₹ 10 per share)	2,946.12	2,946.12	2,946.12	2,946.12	2,946.12
	Other Equity				55,381.51	50,211.98
	Earnings Per Equity Share (Face Value ₹ 10 each) (Not Annualised)					
	Basic (₹)	7.50	5.37	4.73	29.13	27.32
	Diluted (₹)	7.41	5.35	4.73	29.08	27.32

Ajay Mahajan



Statement of Assets & Liabilities (Standalone)

(₹ in Lakhs)

SN.	Particulars	Standalone	
		As at	As at
		March 31, 2021 (Audited)	March 31, 2020 (Audited)
A	ASSETS		
1	Non Current Assets		
	Property Plant and Equipment	6,965.62	7,283.40
	Right of use assets	588.52	862.71
	Intangible Assets	80.68	117.05
	Intangible Assets under development	374.04	34.14
	Financial Assets	-	-
	Investments (Non Current)	6,032.49	25,154.16
	Loans	507.16	554.94
	Other Financial Assets	8.64	7.74
	Other Non-Current Assets	8.28	29.92
	Total Non-Current Assets	14,565.43	34,044.06
2	Current Assets		
	Financial Assets		
	Investments (Current)	20,454.61	10,785.84
	Trade Receivables	1,668.52	3,601.74
	Cash and Cash Equivalents	587.05	392.70
	Bank Balances other than Cash and Cash Equivalents	25,602.88	9,726.51
	Loans	97.12	63.72
	Other Financial Assets	803.95	356.14
	Contract Assets	25.09	30.14
	Current Tax Asset (Net)	932.27	1,090.21
	Other Current Assets	388.33	222.62
	Total Current Assets	50,559.82	26,269.62
	Total Assets	65,125.25	60,313.68
B	EQUITY AND LIABILITIES		
I	EQUITY		
	Equity Share Capital	2,946.12	2,946.12
	Other Equity	55,381.51	50,211.98
II	LIABILITIES		
1	Non-Current Liabilities		
	Financial Liabilities		
	Other Non-Current Financial Liabilities	403.18	648.90
	Provisions	1,003.48	764.84
	Deferred Tax Liabilities (Net)	1,049.54	608.97
	Total Equity and Non-current Liabilities	60,783.83	55,180.81
2	Current Liabilities		
	Financial Liabilities		
	Total Outstanding Dues of micro and Small enterprises	4.30	6.05
	Total Outstanding Dues of other than micro and Small enterprises	139.88	62.49
	Other Current Financial Liabilities	1,337.74	972.96
	Contract Liabilities	1,601.07	2,430.48
	Other Current Liabilities	907.70	1,229.21
	Provisions	350.73	431.68
	Total Current Liabilities	4,341.42	5,132.87
	Total Equity and Liabilities	65,125.25	60,313.68

Ajay Mahajan



Statement Cash Flow (Standalone)

(Amount Rs.)

Particulars	For the Year ended	For the Year ended
	March 31, 2021	March 31, 2020
Cash flows from Operating Activities		
Profit before tax	11,273.09	10,024.69
Adjustments for		
Income from investments	(1,662.82)	(1,210.42)
Notional Income on Fair Value of Security Deposits	(10.08)	(9.98)
Unrealized Gain on Fair Valuation of Investments through Profit and Loss	(1,380.09)	(1,819.47)
Provision for Compensated Absence	-	-
Provision for Gratuity	-	-
Provision for Leave Travel Allowance	-	-
Provision for Bad Debts	(934.69)	712.19
Bad Debts written off	460.17	237.38
Loss/(Gain) on Sale of Fixed Assets	5.76	10.03
ESOP Expense	356.91	534.51
Amortisation of bonds	17.04	17.09
Finance cost on Lease Liabilities	56.68	73.87
Depreciation	708.90	690.75
Operating Profit before working capital changes	8,890.87	9,260.64
Movements in working capital		
Decrease/(Increase) in Financial Assets	2,433.58	(368.90)
Decrease/(Increase) in Other Assets	7.26	30.83
Decrease/(Increase) in Contract Assets	5.04	38.56
Decrease/(Increase) in Other Current Assets	(165.71)	23.67
Decrease/(Increase) in Financial Liabilities	194.70	(76.44)
Decrease/(Increase) in Contract Liabilities	(829.41)	736.48
Decrease/(Increase) in Other Liabilities & Provisions	(163.82)	268.23
Total Movements in working capital	1,481.64	652.43
Taxes paid	(2,091.86)	(3,344.41)
Net cash from operating activities	8,280.65	6,568.66
Cash flows from Investing Activities		
Income from investments	1,662.82	1,210.42
Investment in Fixed Deposits	(15,876.37)	(9,506.07)
Sale of fixed assets	27.06	22.20
Purchase of fixed assets & capital advances	(438.60)	(385.80)
Loan to subsidiary	-	(300.00)
Purchase of investments	(3,350.00)	(2,700.00)
Redemption of investments	14,159.98	14,252.54
Net cash from investing activities	(3,815.11)	2,593.28
Cash flows from Financing Activities		
Dividend and Dividend Tax paid	(3,977.27)	(10,299.95)
Repayment of Lease Liability	(237.24)	(228.05)
Payment of Interest on Lease Liability	(56.68)	(73.87)
Net cash from financing activities	(4,271.19)	(10,601.87)
Net increase / (decrease) in cash and cash equivalents	194.35	(1,439.93)
Cash And Cash Equivalents at The Beginning	392.70	1,832.63
Cash And Cash Equivalents at The End	587.05	392.70
Cash and cash equivalents comprise of:		
Cash on hand	0.69	1.01
Cheques in hand	-	-
Other Bank balances		
On Current Account	286.45	106.10
Deposit Accounts	299.91	285.59
Total	587.05	392.70



Ajay Mahajan



Notes:-

- 1 The above results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors of the Company at its meeting held on June 12, 2021 and have been subjected to limited review by the statutory auditors of the Company.
- 2 The Board of Directors of the Company have declared Final dividend of ₹6/- per share having a nominal value of ₹ 10 each.
- 3 The consolidated financial results include results of CARE Ratings Limited and its subsidiaries namely CARE Risk Solutions Private Limited, CARE Advisory Research and Training Limited, CARE Ratings (Africa) Private Limited and CARE Ratings Nepal Limited.
- 4 The accompanying financial results have been prepared as per the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
- 5 Based on legal advice, on the outcome of adjudication proceedings initiated by SEBI, during the quarter under review, pertaining to certain Credit ratings assigned by the Company to its clients, the Company has filed appeals with SAT.
- 6 The financial results have been prepared in accordance with the applicable accounting standards, as modified under the Companies (Indian Accounting Standards) Rules, 2015 and as specified in section 133 of the Companies Act.
- 7 The Company has granted 5,37,908 options on September 01, 2017, to the eligible employees as the Company's Employees Stock Option Scheme (ESOS) 2017.
- 8 The Company has granted 5,00,000 options on October 13, 2020 and 3,22,000 options on December 01, 2020 to the eligible employees as the Company's Employees Stock Option Scheme (ESOS) 2020 duly approved by shareholders in AGM and Nomination and Remuneration Committee. As per Ind AS 102 - Share Based Payment, total cost of ESOS 2020 will be charged over vesting period, accordingly the Employee Benefit Expenses includes ESOP charge under respective periods as under:

Particulars	(₹ in Lakhs)				
	Quarter Ended			Year ended	Year ended
	March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
	Audited	Unaudited	Audited	Audited	Audited
ESOP Charge	226.86	130.06	-	356.91	534.51

Ajay Mahajan



8 Segment information based on Consolidated Financial results of the Group is as follows:

(₹ in Lakhs)

Particulars	Quarter Ended			Year ended	Year ended
	March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
	Audited	Unaudited	Audited	Audited	Audited
a Segment Revenue					
Ratings and related services	7,107.87	4,832.78	5,986.99	22,820.20	22,602.50
Others	737.02	723.89	620.60	2,148.71	1,881.70
Total Segmental Revenue	7,844.89	5,556.67	6,607.59	24,968.91	24,484.20
Less: Inter Segment Revenue	113.77	3.52	(10.18)	(124.23)	(120.17)
Total Revenue from Operations (Net)	7,958.66	5,560.19	6,597.41	24,844.68	24,364.03
b Segment Results (Profit before Finance Costs and Tax)					
Ratings and related services	2,521.94	1,382.70	1,275.92	8,664.49	7,394.93
Others	359.87	240.28	38.88	132.60	(39.68)
Total Segment Result	2,881.81	1,622.98	1,314.80	8,797.09	7,355.25
Less: Finance Costs	4.65	17.68	21.73	61.75	92.75
Add: Other Un-allocable Income - net	566.61	811.86	743.40	3,129.36	3,146.76
Profit before Tax	3,443.77	2,417.16	2,036.47	11,864.70	10,409.26

(₹ in Lakhs)

Particulars	As on	As on	As on	As on	As on
	March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
c Segment Assets					
Ratings and related services	39,503.41	34,751.88	25,066.75	39,503.41	25,066.75
Others	2,993.26	2,703.22	2,144.85	2,993.26	2,144.85
Unallocated Assets	24,680.56	27,967.80	34,690.81	24,680.56	34,690.81
Total	67,177.23	65,422.90	61,902.41	67,177.23	61,902.41
d Segment Liabilities					
Ratings and related services	7,021.50	7,436.07	7,537.25	7,021.50	7,537.25
Others	851.86	792.03	714.14	851.86	714.14
Unallocated	-	-	-	-	-
Total	7,873.36	8,228.10	8,251.39	7,873.36	8,251.39
e Capital Employed					
Ratings and related services	32,481.91	27,315.81	17,529.50	32,481.91	17,529.50
Others	2,141.40	1,911.19	1,430.71	2,141.40	1,430.71
Unallocated	24,680.56	27,967.80	34,690.81	24,680.56	34,690.81
Total	59,303.87	57,194.80	53,651.02	59,303.87	53,651.02

Ajay Mahajan



- 9 The Company has assessed the impact of COVID-19 pandemic on its financial statements based on the internal and external information up to the date of approval of these financial statements and the Company expects to recover the carrying amounts of its investments, intangible assets, trade receivables & other assets. The Company will continue to closely monitor the future economic conditions and assess its impact on its financial statements. Considering that most of the recoveries from debtors pertaining to FY21 have been made, the Company has not made any special provision on account of trade receivables except for what is provided for in the normal course of its business. Considering the Company's nature of business, management does not anticipate any serious challenges/ significant impact on continuity of its business.
- 10 The figure for 3 months ended March 31, 2021, December 31, 2020 and March 31, 2020 are arrived at as a difference between year to date figures of that financial year and the published figure for previous reporting period of the same financial year
- 11 Previous year's/period's figures have been regrouped / rearranged wherever necessary to conform to the figures of the current period.

For and behalf of the Board of Directors
CARE Ratings Limited

Ajay Mahajan

Ajay Mahajan
Managing Director & CEO
DIN: 05108777
Mumbai, June 12, 2021



Independent Auditors' Report

To the Board of Directors of
CARE Ratings Limited

Opinion

1. We have audited the consolidated annual financial results of **CARE Ratings Limited** ('the Company') and its subsidiaries (the Company and its subsidiaries together referred to as ('the Group')) for the year ended 31 March 2021 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors on separate financial statements of the subsidiaries as aforesaid, these consolidated annual financial results:
 - (i) include the annual financial results of the following entities

Name of the Entity	Relationship
CARE Risk Solutions Private Limited	Wholly Owned Subsidiary
CARE Advisory Research and Training Limited	Wholly Owned Subsidiary
CARE Ratings (Africa) Private Limited	Subsidiary
CARE Ratings (Nepal) Limited	Subsidiary

- (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (iii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2021.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder; and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (b) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Annual Financial Results.



Emphasis of Matter

4. Attention is drawn to Note 9 of the Annual Financial Results which describes the impacts of COVID-19 Pandemic on the financial results as also on business operations of the Group, assessment thereof by the management of the Holding Company based on its internal, external and macro factors, involving certain estimation uncertainties. Our opinion is not modified in respect of this matter.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

5. These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

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

The respective Company's Management and the Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

6. Our objectives are to obtain reasonable assurance about whether the Consolidated Annual Financial Results, 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Annual Financial Results. Our audit process in accordance with the SAs is narrated in detail in Annexure 1 to this report.

Other Matter

7. We did not audit the financial results of CARE Risk Solutions Private Limited and CARE Advisory Research & Training Limited, subsidiaries whose financial results reflect total assets of Rs. 2,994.30 Lakh as at March 31, 2021, total revenues of Rs. 749.07 Lakh and Rs. 2,193.10 Lakh, total net profit after tax of Rs. 205.46 Lakh and Rs. 191.50 Lakh, total comprehensive income of Rs. 223.86 Lakh and Rs. 204.76 Lakh for the quarter and year ended on that date respectively, and net cash outflow of Rs. 103.24 Lakh for the year ended on that date, as considered in the



Consolidated Annual Financial Results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Annual Financial Results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of provisions of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

8. We did not audit the financial results of CARE Ratings (Africa) Private Limited and CARE Ratings (Nepal) Limited, subsidiary companies incorporated in Mauritius & Nepal respectively whose financial results reflect total assets of Rs. 1,493.09 Lakh as at March 31, 2021, total revenues of Rs. 250.14 Lakh and Rs. 931.53 Lakh, total net profit after tax of Rs. 115.04 Lakh and Rs. 395.04 Lakh, total comprehensive income of Rs. 115.04 Lakh and Rs. 395.04 Lakh for the quarter and year ended on that date respectively, and net cash inflows of Rs. 347.67 Lakh for the year ended on that date, as considered in the Consolidated Annual Financial Results. These financial results have been audited by the other auditors as per the requirements of the applicable reporting standards of those countries and have been converted as per the requirements of Ind AS by the management of the Holding Company. Our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of provisions of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the Consolidated Annual Financial Results, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

9. In view of the restricted movements and partial lockdown imposed by the authorities to prevent the spread of COVID-19 Pandemic, the audit finalisation processes were carried out from remote locations i.e. other than the Office of the Holding Company, where the books of accounts and other records are kept, based on the data/details made available and based on financial information/records remitted by the management through digital medium. Being constrained, we resorted to and relied upon the results of the related alternate audit procedures to obtain sufficient and appropriate audit evidence for the significant matters in course of our audit. Our report is not modified in respect of this matter.
10. The consolidated annual financial results include the results for the quarter ended 31 March 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **Khimji Kunverji & Co LLP**

Chartered Accountants

FRN: 105146W/W-100621

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Hasmukh B Dedhia
Partner
Membership no. 033494

UDIN: 21033494AAAII1264
Place: Mumbai
Date: June 12, 2021

Annexure 1
(referred to in paragraph 6 of Independent Auditors' Report)

As part of our audit in accordance with SAs we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Annual Financial Results, whether due to fraud or error, to design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system 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 and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Consolidated Annual Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Annual Financial Results, including the disclosures, and whether the Consolidated Annual Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- 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. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
- We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.



Independent Auditors' Report

To the Board of Directors of
CARE Ratings Limited

Opinion

1. We have audited the accompanying standalone annual financial results of CARE Ratings Limited (hereinafter referred to as the "Company") for the year ended March 31, 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended March 31, 2021.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Emphasis of Matter

3. Attention is drawn to Note 9 of the Annual financial results which describes the impacts of COVID-19 Pandemic on the financial results as also on business operations of the Company, assessment thereof by the management of the Company based on its internal, external and macro factors, involving certain estimation uncertainties. Our opinion is not modified in respect of this matter.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

4. These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Annual Financial Results that give a true and fair view of the state of affairs, profit and other comprehensive income, and other information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Management and the Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

5. Our objectives are to obtain reasonable assurance about whether the Standalone Annual Financial Results, 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 SAs 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 Standalone Annual Financial Results. Our audit process in accordance with the SAs is narrated in detail in Annexure 1 to this report.

Other Matter

6. In view of the restricted movements and partial lockdown imposed by the authorities to prevent the spread of COVID-19 Pandemic, the audit finalization processes were carried out from remote locations i.e. other than the Office of the Company, where the books of accounts and other records are kept, based on the data/details made available and based on financial information/records remitted by the management through digital medium. Being constrained, we resorted to and relied upon the results of the related alternate audit procedures to obtain sufficient and appropriate audit evidence for the significant matters in course of our audit. Our report is not modified in respect of this matter.
7. The standalone annual financial results include the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **Khimji Kunverji & Co LLP**

Chartered Accountants

FRN: 105146W/W-100621

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Hasmukh B Dedhia
Partner
Membership no. 033494

UDIN: 21033494AAAAIH6591
Place: Mumbai
Date: June 12, 2021

Annexure 1
(referred to in paragraph 5 of Independent Auditors' Report)

As part of our audit in accordance with SAs we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Annual Financial Results, whether due to fraud or error, to design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 in the Standalone Annual financial Results made by the Management and Board of Directors
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Standalone Annual Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Annual Financial Results, including the disclosures, and whether the Standalone Annual Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- 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. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

