



Celebrating Two Decades of Analytical Excellence

DATE: AUGUST 10, 2013

To
The National Stock Exchange India Ltd.
Listing Department
Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051

Dear Sir,

Please find enclosed herewith the Unaudited Financial Results for the quarter ended June 30, 2013, Limited Review Report and the Press Release for Q1 FY14 of Credit Analysis and Research Limited as per the requirement of clause 41 of the Listing Agreement.

- 2) The Board have declared an Interim Dividend of Rs.6/- per equity share of Rs. 10/- each.
- 3) The Board has fixed Friday, August 23, 2013 as a Record Date for Interim Dividend. The Interim Dividend shall be payable to those members whose name appears:-
 - (a) As Beneficial Owners in the statement(s) furnished by the Depository(ies) as on the close of the business hours on Friday, August 23, 2013 in respect of the shares held in electronic form; and
 - (b) As Members in Register of Members of the Company as on the close of the business hours on Friday, August 23, 2013 after giving effect to all valid share transfers in physical form received on or before Friday, August 23, 2013, would be entitled to the said Interim Dividend.

Please take note of the above.

Thanking you,

Yours faithfully,
For Credit Analysis and Research limited


Navin Kumar Jain
Company Secretary

Encl. : As above

CREDIT ANALYSIS & RESEARCH LTD.

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022.

Tel.: 022 6754 3456; Fax: 022 6754 3457 | www.careratings.com

**Limited Review Report****The Board of Directors****Credit Analysis and Research Limited**

We have reviewed the accompanying statement of standalone unaudited financial results of Credit Analysis and Research Limited ('the Company') for the quarter ended June 30, 2013 ('the Statement'), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India (ICAI). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Without qualifying, we draw attention to note no 2 to the unaudited financial results stating that the information provided above for quarter ended June 30, 2012 are based on the financial records of the Company and has not been reviewed by the Statutory Auditor in accordance with Clause 41 of the Listing Agreement.

Based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the recognition and measurement principles of Accounting Standard 25 "Interim Financial Reporting" as notified by the Companies Accounting Standards Rules, 2006 (as amended) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement (to the extent applicable) including the manner in which it is to be disclosed, or that it contains any material misstatement.

For and on behalf of
Khimji Kunverji & Co
Chartered Accountants
Firm Registration No. 105146W


Gautam V Shah
Partner (F-117348)



Place: Mumbai
Date : August 10, 2013

Press Release of CARE Ratings' Unaudited Financial Results For Q1 FY14

Credit Analysis & Research Limited (CARE Ratings) announced its first quarter results for FY14 on Saturday 10th August, 2013. The results were approved by the Board of Directors earlier in the day. The Board of Directors have also declared interim dividend of Rs. 6 per share on face value of Rs.10 per equity share for the quarter ending June 30, 2013.

CARE's Performance

During Q1-FY14, total income of the company increased by 39.7% to Rs 50.29 crore from Rs 35.99 crore achieved during Q1-FY13. Total revenue from operations (rating and other revenue) increased by 26.0% from Rs 27.54 crore to Rs 34.69 crore. This has been achieved notwithstanding the challenging overall economic conditions where growth in bank credit moderated to 2.9% from 3.3% last year. While the RBI had lowered the repo rate by 25 bps this quarter, the base rates of banks remained virtually unchanged. Also industrial growth in the first 2 months was virtually flat at 0.1%. Therefore, the performance has to be viewed against a rather challenging macro-economic background.

The higher growth in rating income was a result of a sharp increase in the total volume of debt rated, which increased by 73.5% from Rs. 1.36 lakh crore in Q1-FY13 to Rs. 2.36 lakh crore in Q1-FY14. Being the first quarter of the year, business was driven more by initial rating assignments rather than surveillance. The growth in CARE's revenue was spearheaded by ratings. The number of bank facilities rated increased from 1,081 in Q1 FY13 to 1,203 in Q1 FY14 while the number of long term debt instruments in Q1-FY14 was 61 as against 57 in Q1-FY13. Also, the number of NSIC assignments and SME grading stood at 156.

The rating upgrade and downgrade data has shown some improvement in this quarter. The Modified Credit Ratio (defined as upgrades and reaffirmations to downgrades and reaffirmations) had improved from 0.79 in Q1 FY13 to 0.91 in Q1 FY14. It was between 0.80-0.83 in the other three quarters of FY13.



Press Release of CARE Ratings' Unaudited Financial Results For Q1 FY14

The other component of total income, 'other income' which also includes income from investments made in fixed maturity plans (FMPs) increased from Rs 8.45 crore in Q1 FY13 to Rs 15.61 crore in Q1 FY14.

Total expenditure increased by 31.1% from Rs 15.17 crore in Q1 FY13 to Rs 19.88 crore in Q1 FY14. Staff expenditure which comprises around 76.3% of the total expenses increased to Rs 15.16 crore from Rs 11.96 crore in Q1 FY13, a rise of 26.8%. The higher staff expenditure was on account of an increase in headcount from 509 as on June end 2012 to 578 as on June end 2013.

Profit indicators of the company had also shown a significant improvement. PBDT increased by 45.4% to Rs 30.93 crore from Rs 21.28 crore in Q1 FY13, while profit after tax (PAT) increased by 44.6% to Rs 24.30 crore as against 16.80 crore in Q1 last year. PBDT margins saw an increase from 59.1% on Q1 FY13 to 61.5% in Q1 FY14. PAT margins stood at 48.31%, which was higher than 46.68% in Q1 FY13.

For any other information please contact:

D.R. Dogra, MD & CEO

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Credit Analysis & REsearch Limited

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Off Eastern Express Highway, Sion (East), Mumbai – 400 022.

Website : www.careratings.com

Email: investor.relations@careratings.com

Part I : Statement of Standalone Unaudited Financial Results for the Quarter Ended June 30, 2013

Rs. in Lakh

	Particulars	Quarter ended June 30, 2013	Quarter ended March 31, 2013	Quarter ended June 30, 2012	Year ended March 31, 2013
		Unaudited	Unaudited	Unaudited	Audited
			(Refer Note 3)	(Refer Note 2)	
1	Income from operations				
	a) Net Income from operations	3,468.70	6,330.16	2,754.00	19,876.58
	b) Other Operating Income	-	-	-	-
	Total Income from operations	3,468.70	6,330.16	2,754.00	19,876.58
2	Expenditure				
	a) Employee Benefits Expense	1,516.35	1,555.14	1,195.71	5,065.40
	b) Depreciation	52.52	53.09	45.38	262.73
	c) Other Expenses	419.62	396.14	275.48	1,422.81
	Total Expenditure	1,988.49	2,004.37	1,516.57	6,750.94
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	1,480.21	4,325.79	1,237.43	13,125.64
4	Other Income	1,560.74	809.32	845.00	2,862.55
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	3,040.95	5,135.11	2,082.43	15,988.19
6	Finance Cost	-	-	-	-
7	Exceptional Items	-	-	-	-
8	Profit / (Loss) from ordinary activities before tax (5 - 6 - 7)	3,040.95	5,135.11	2,082.43	15,988.19
9	Tax Expense	611.06	1,574.22	402.45	4,655.21
10	Net Profit (+)/ Loss (-) from Ordinary Activities after tax (8-9)	2,429.89	3,560.89	1,679.98	11,332.98
11	Extraordinary items (net of tax expense)	-	-	-	-
12	Net Profit (+) / Loss(-) for the period (10-11)	2,429.89	3,560.89	1,679.98	11,332.98
13	Paid-up equity share capital (Face value : Rs. 10 per share)	2,855.28	2,855.28	2,855.28	2,855.28
14	Reserves excluding Revaluation Reserves	-	-	-	39,534.38
15	Basic / Diluted Earnings Per Share (EPS) of Rs.10/- each (not annualized)	8.51	12.47	5.88	39.69

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Part II: Selected Information

	Particulars	Quarter ended June 30, 2013 Unaudited	Quarter ended March 31, 2013 Unaudited	Quarter ended June 30, 2012 Unaudited	Year ended March 31, 2013 Audited
A	Particulars of Shareholding				
1	Public shareholding				
	-Number of shares	28,552,812	28,552,812	28,552,812	28,552,812
	-Percentage of shareholding	100%	100%	100%	100%
2	Promoters and Promoter Group Shareholding				
	a) Pledged / Encumbered				
	- Number of Shares	-	-	-	-
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
	- Percentage of Shares (as a % of the total share capital of the Company)	-	-	-	-
	b) Non - encumbered				
	- Number of Shares	-	-	-	-
	- Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	-	-	-	-
	- Percentage of Shares (as a % of the total share capital of the Company)	-	-	-	-

B - Investor Complaints	Pending at the beginning of the quarter	Received during the quarter	Disposed of during the quarter	Remaining unresolved at the end of the quarter
Total	60	49	109	NIL

Notes:

- The above results have been reviewed by the Audit Committee of the Board and taken on record at the meeting of the Board of Directors of the Company held on August 10, 2013.
The Statutory Auditor of the Company has carried out Limited Review as required under Clause 41 of Listing Agreement and the related report is being submitted to the concerned stock exchanges.
- The Company got listed on December 26, 2012, hence it was not required to publish quarterly results for the quarter ended June 30, 2012. The information provided above for quarter ended June 30, 2012 are based on the financial records of the Company and has not been reviewed by the Statutory Auditor in accordance with Clause 41 of the Listing Agreement.
- The figures for the quarter ended March 31, 2013 are the balancing figures between audited figures in respect of the full financial year and the unaudited year to date figures upto the third quarter of that financial year.
- The Board has declared interim dividend of Rs. 6 per share having nominal value of Rs. 10 per share.
- The Company primarily operates in single business and geographical segment, hence, no additional disclosures required to be given as per AS 17 - Segmental Reporting other than those already given in the financial results.
- 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
Credit Analysis & Research Limited


D R Dogra
Managing Director & Chief Executive Officer

Mumbai, August 10, 2013



