

Date: November 02, 2015

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

Dear Sir,

Please find attached the Analyst presentation of the Unaudited Financial Results of Credit Analysis and Research Limited for the quarter and half year ended September 30, 2015.

We request you to kindly upload the same.

Thanking you,

Yours faithfully,
For Credit Analysis and Research Limited


Navin Kumar Jain
Company Secretary

Encl. : As above

Q2-FY16 and H1-FY16 Financial Results

D. R. Dogra
MD & CEO

Disclaimer

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, economic developments, and many other factors that could cause the company's actual results to differ materially from those contemplated by the relevant forward-looking statements. Credit Analysis and Research Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

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Financial & Business Performance

MCR/CDQI

Economic Backdrop

Highlights : Q2-FY16

- **Growth in Financial indicators**

- Highest ever Rating revenue of Rs 77.66 crore and Operating profit of Rs 54.77 crore
- Growth in operating income recorded 5.35% increase in Q2-FY16 over Q2-FY15
- Growth in rating income of 4.81% over Q2-FY15
- Fall in expenditure of 2.98%
- Operating profit margin improved to 70.01% from 67.44% in Q2-FY15
- EBITDA margin at 72.06% and PAT margin at 47.05% in Q2-FY16
- 758 new clients added during Q2-FY16

- **Business profile**

- Total Volume of debt rated recorded a significant increase of 13.7% to Rs 2.41 lakh cr in Q2-FY16 as against Rs 2.12 lakh cr in Q2-FY15.
- Total number of instruments rated were 1,845.

Highlights : H1-FY16

- **Strong financial performance continues....**
 - Growth in operating income of 8.33% over H1-FY15
 - Growth in rating income of 7.80% over H1-FY15
 - Increase in expenditure of 1.31%
 - Operating profit margin improved to 61.47% from 58.80% in H1-FY15
 - EBITDA margins at 64.52% and PAT margins at 41.99% in H1-FY16
 - 1,466 new clients added during H1-FY16
- **Business profile**
 - Total Volume of debt rated stood at Rs.5.06 lakh crore in H1-FY16 as against Rs. 4.51 lakh crore in H1-FY15.
 - Total number of instruments rated were 3,251 in H1FY16 against 2,740 in H1-FY15.

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Economic Backdrop

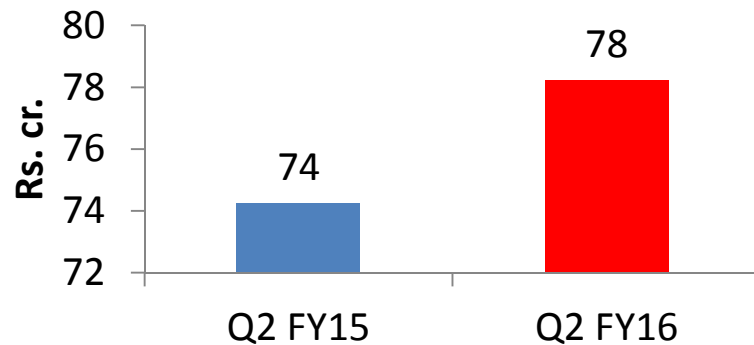
Financial Performance

Rs crore	Q2-FY15	Q2-FY16	Growth (%)	H1-FY15	H1-FY16	Growth (%)
Rating Revenue	74.09	77.66	4.81	116.51	125.59	7.80
Other operating Revenue	0.17	0.57	242.71	0.43	1.08	151.16
Total Revenue	74.26	78.23	5.35	116.94	126.67	8.33
Other Income	22.69	2.22	-90.19	37.52	5.15	-86.28
Total Income	96.95	80.45	-17.01	154.46	131.82	-14.66
Total Expenses	24.18	23.46	-2.98	48.18	48.81	1.31
EBITDA	74.03	57.97	-21.69	108.95	85.05	-21.94
Operating profit	50.08	54.77	9.37	68.76	77.86	13.24
PAT	52.41	37.85	-27.77	79.00	55.35	-29.94
EBITDA margin	76.36%	72.06%		70.50%	64.52%	
Operating Profit margin	67.44%	70.01%		58.80%	61.47%	
PAT Margin	54.06%	47.05%		51.14%	41.99%	

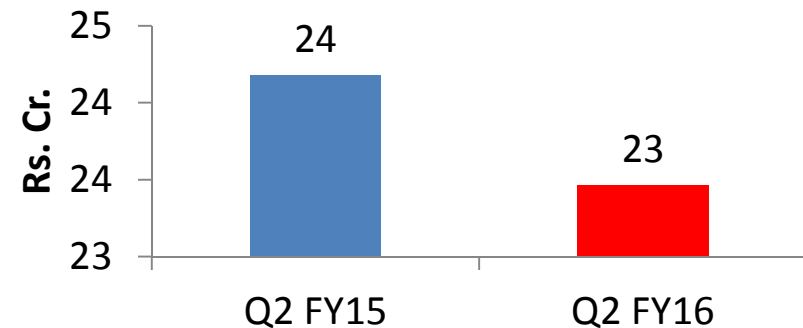
Financial Performance : Q2-FY16

Rs. crore

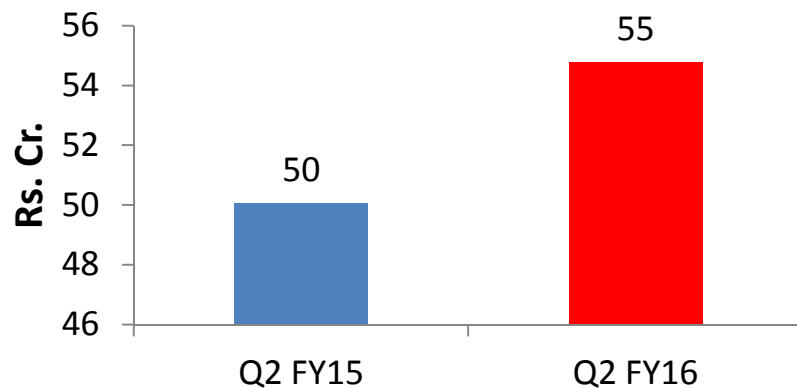
Total Revenue



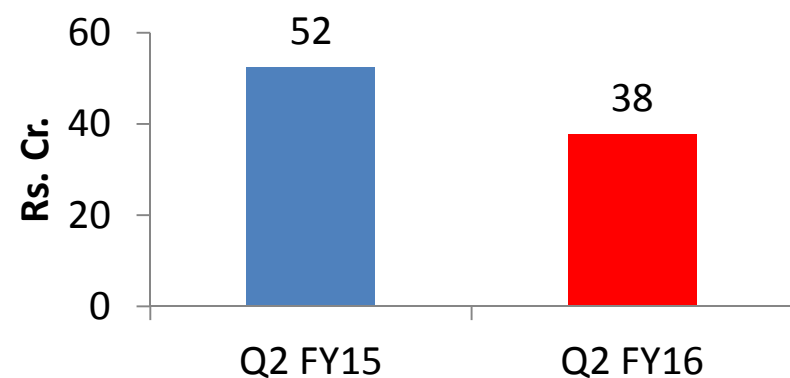
Total Expenditure



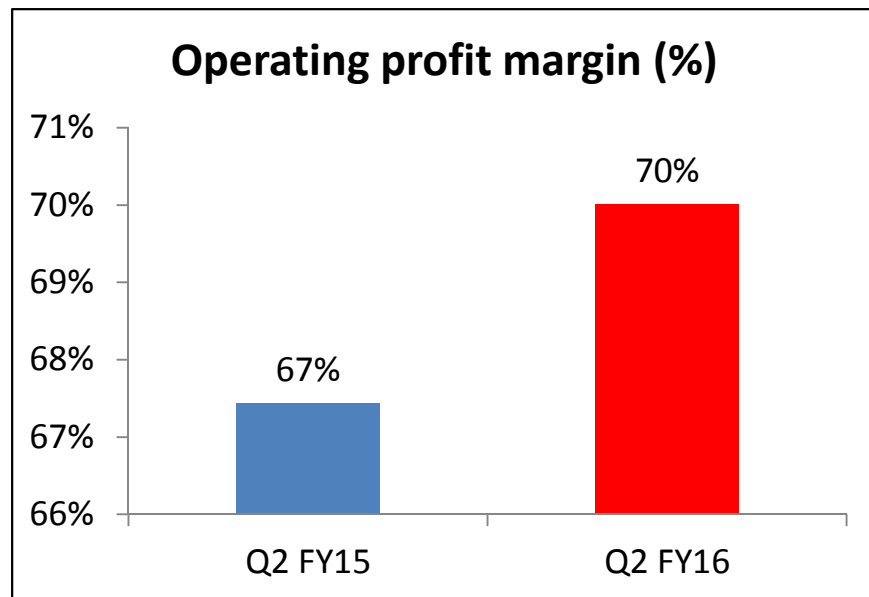
Operating Profit



PAT

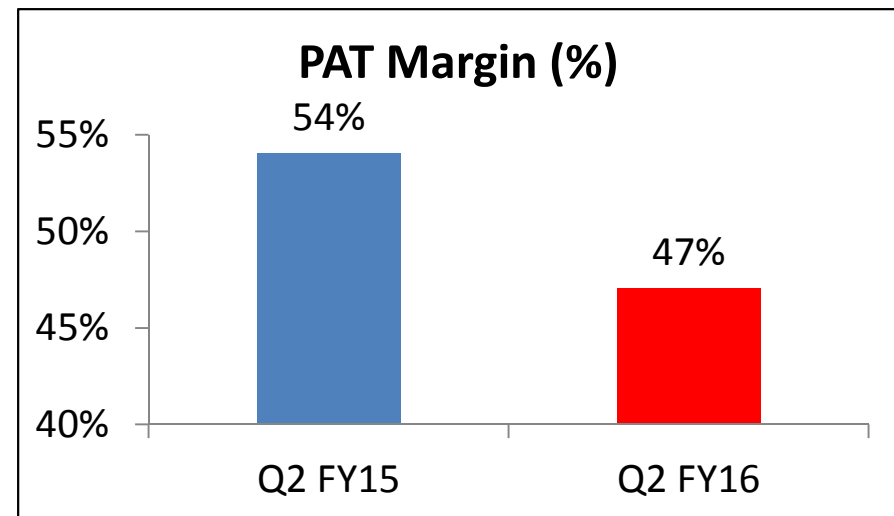


Financial Performance : Q2-FY16



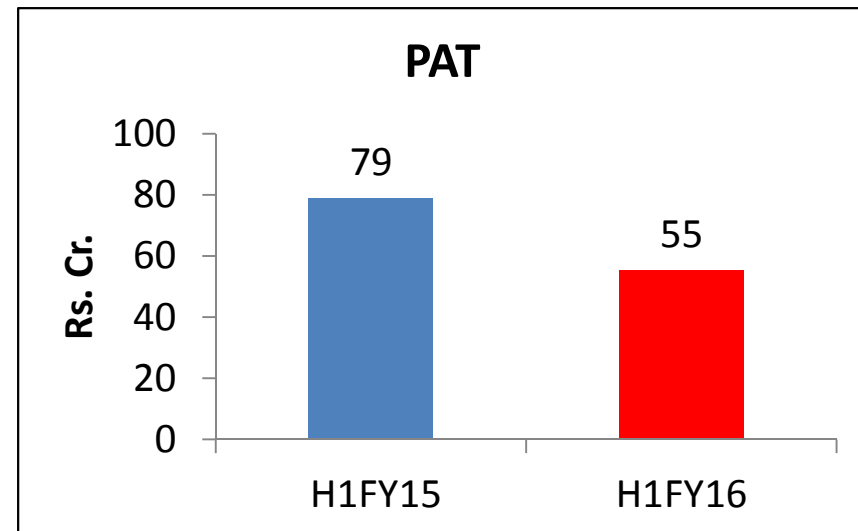
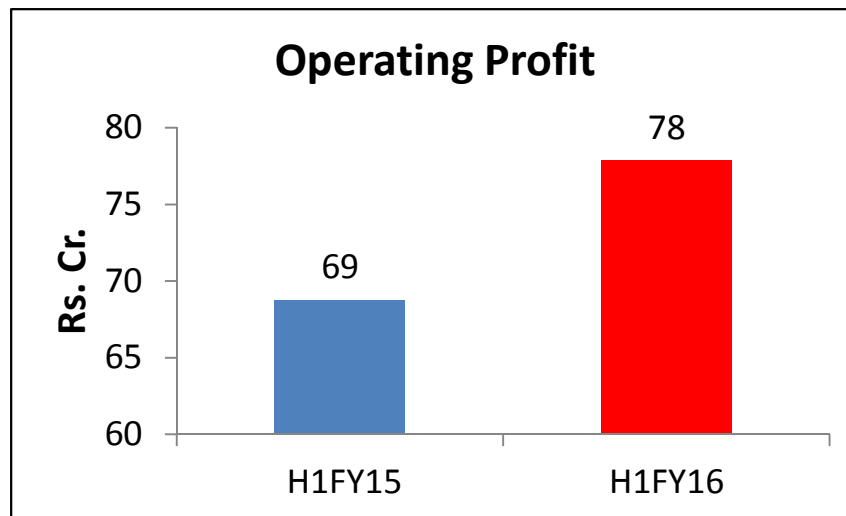
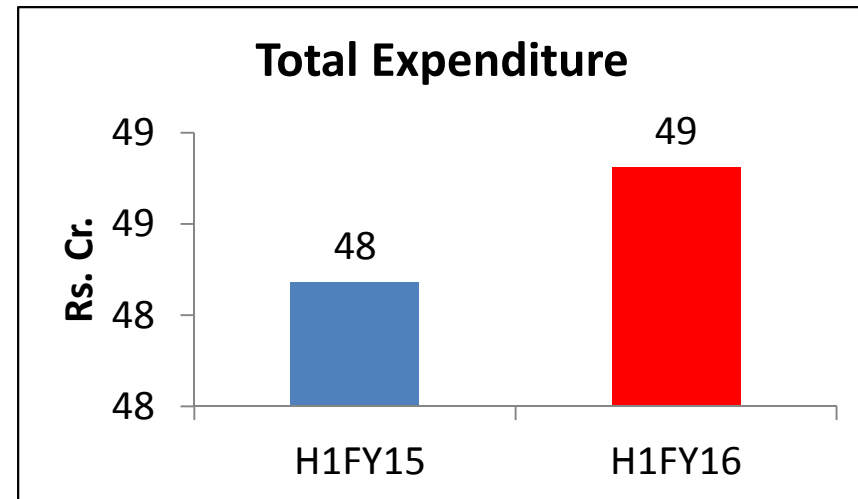
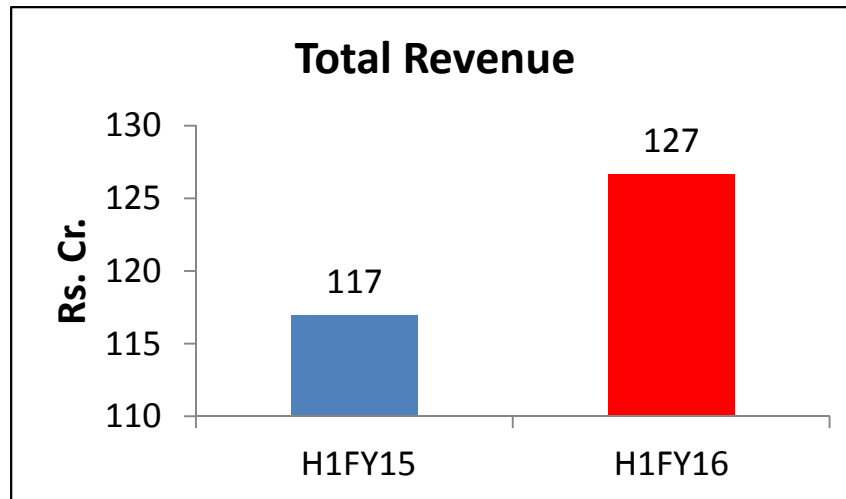
Q2-FY16 Operating profit margin increased to 70% mainly due to reduction in cost & increase in volume of new debt rated by 13.68%.

Q2-FY16 PAT margin stood at 47% reduced from 54% mainly due to lower investible surplus and also most investments in FMPs for a tenure of three years, income on which can be booked only on maturity.

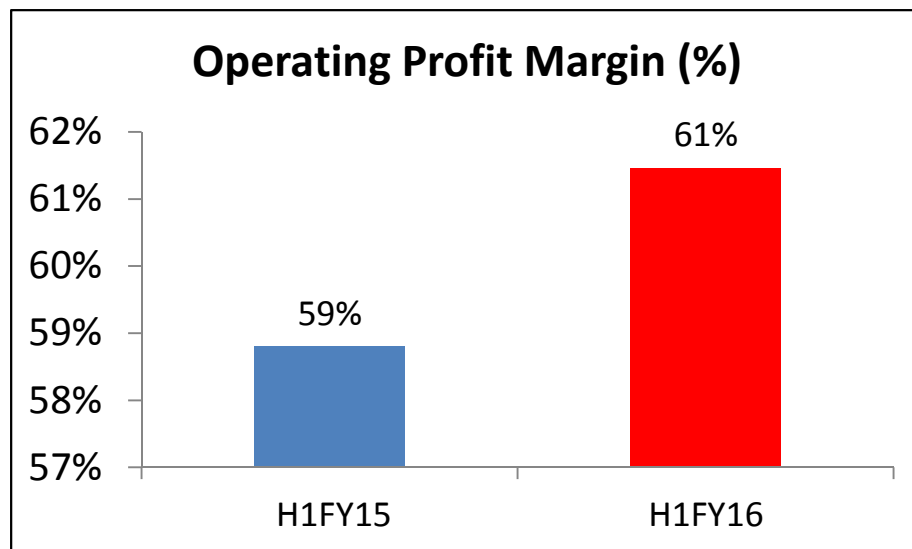


Financial Performance : H1-FY16

Rs. crore

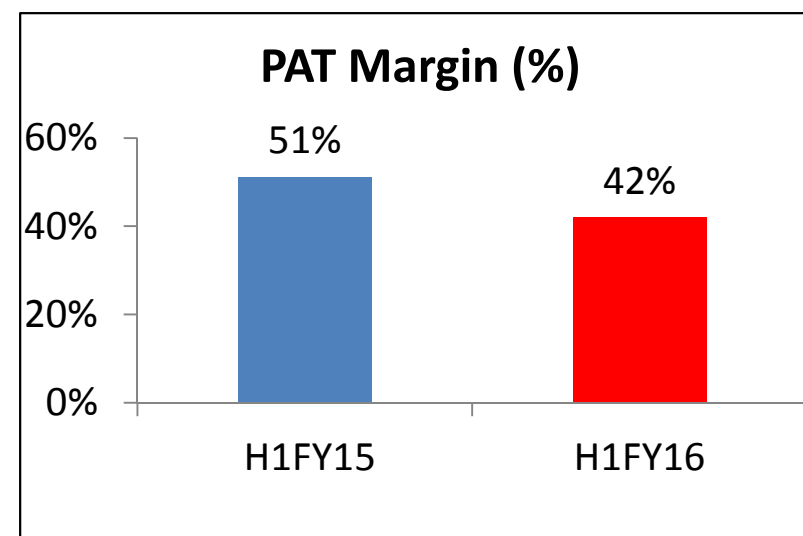


Financial Performance: H1-FY16

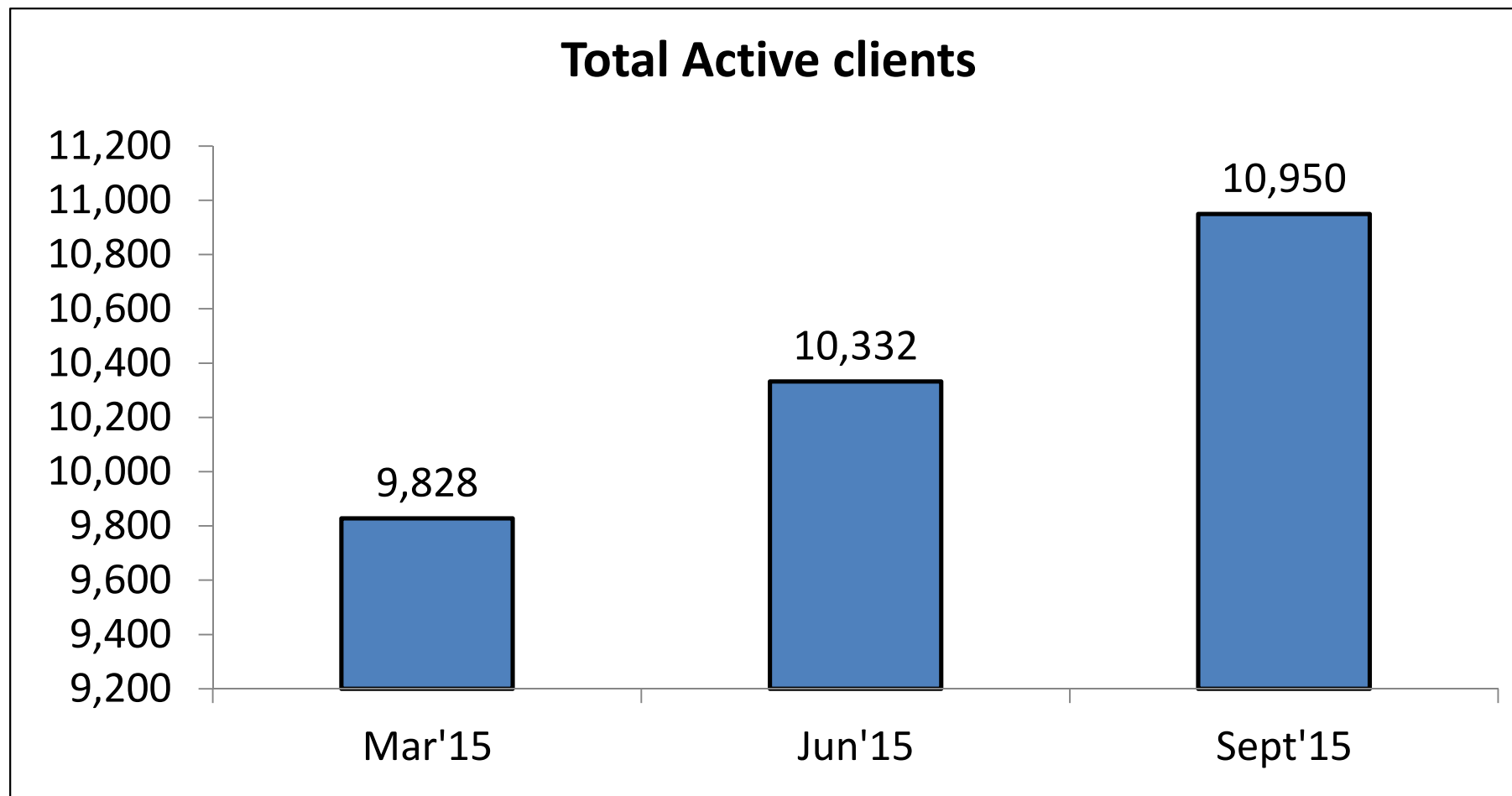


H1FY16 Operating profit margin increased to 61% mainly due to lower expenditure & increase in volume of new debt rated by 12.20%.

H1FY16 PAT margin reduced to 42% from 51% mainly due to lower investible surplus and also most investments in FMPs for a tenure of three years, income on which can be booked only on maturity.

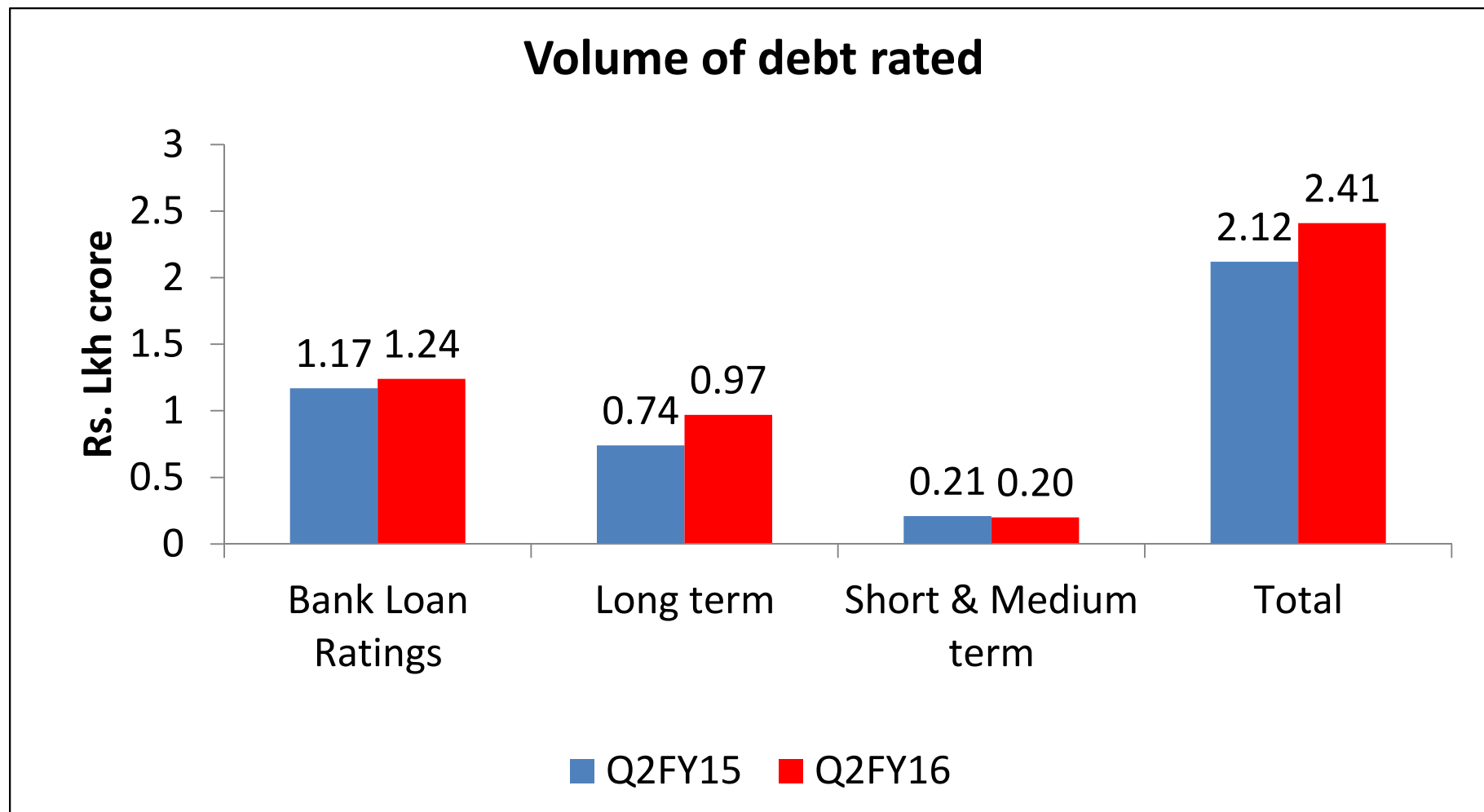


Business Performance

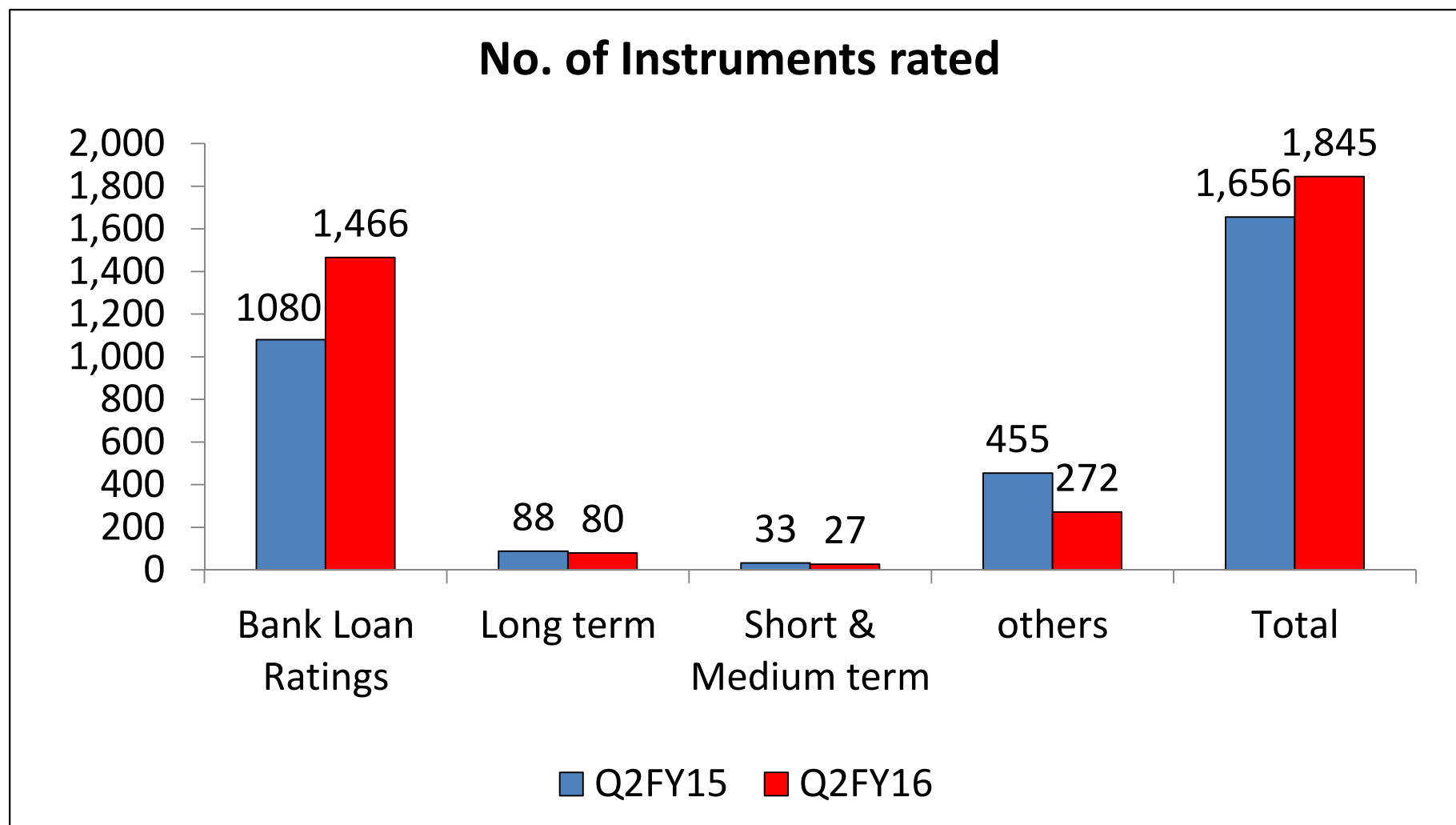


** end of period data*

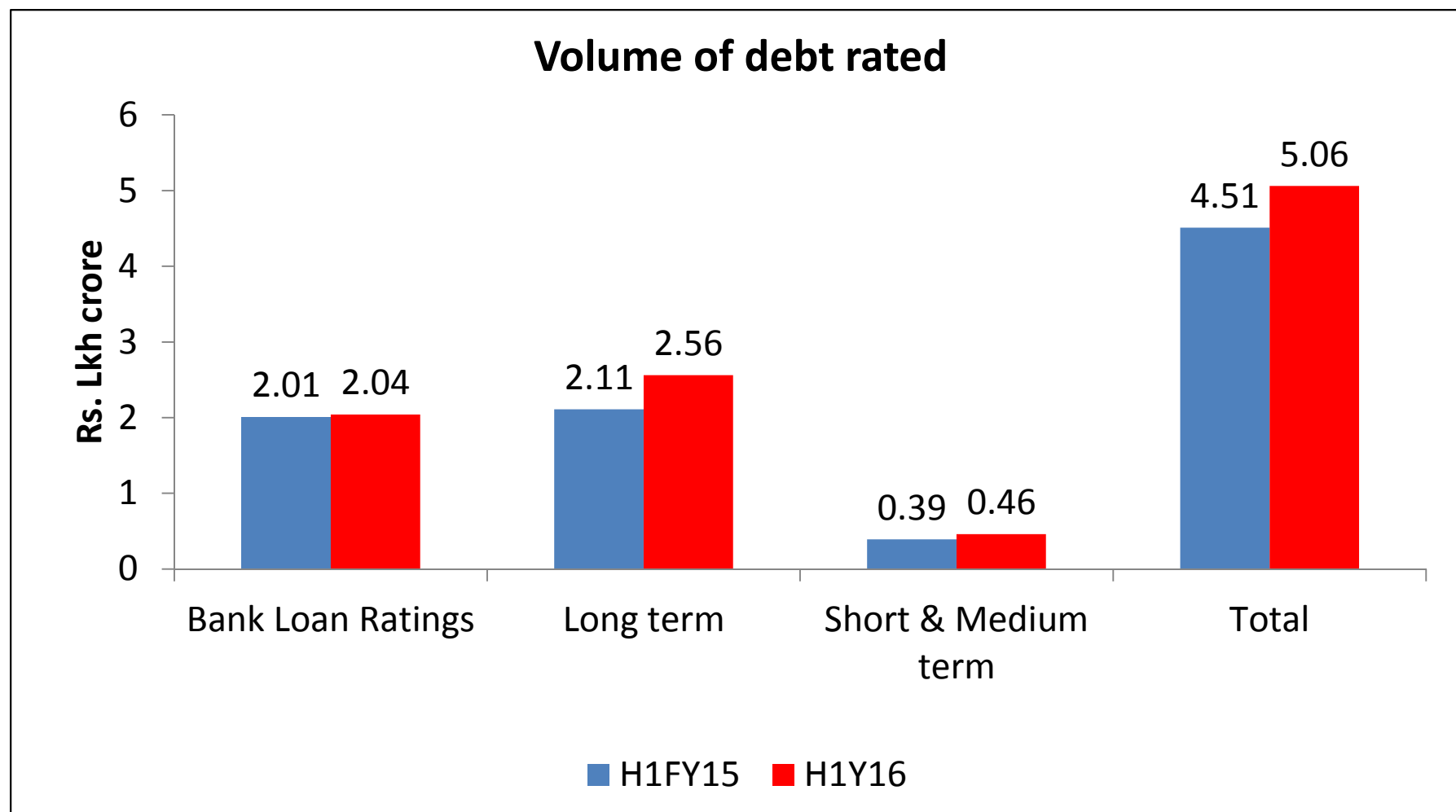
Business Performance: Q2-FY16



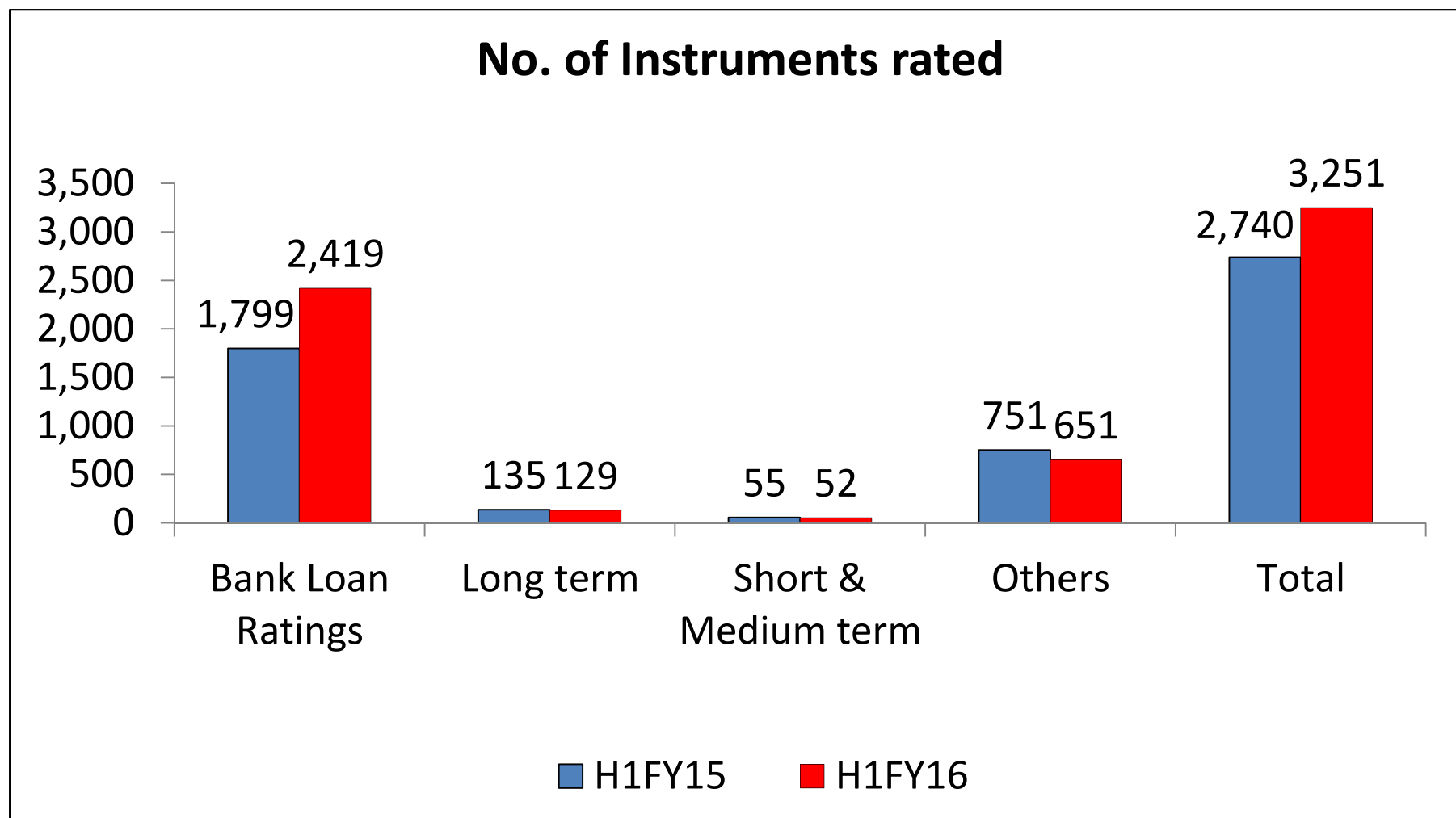
Business Performance: Q2-FY16



Business Performance: H1-FY16



Business Performance: H1-FY16



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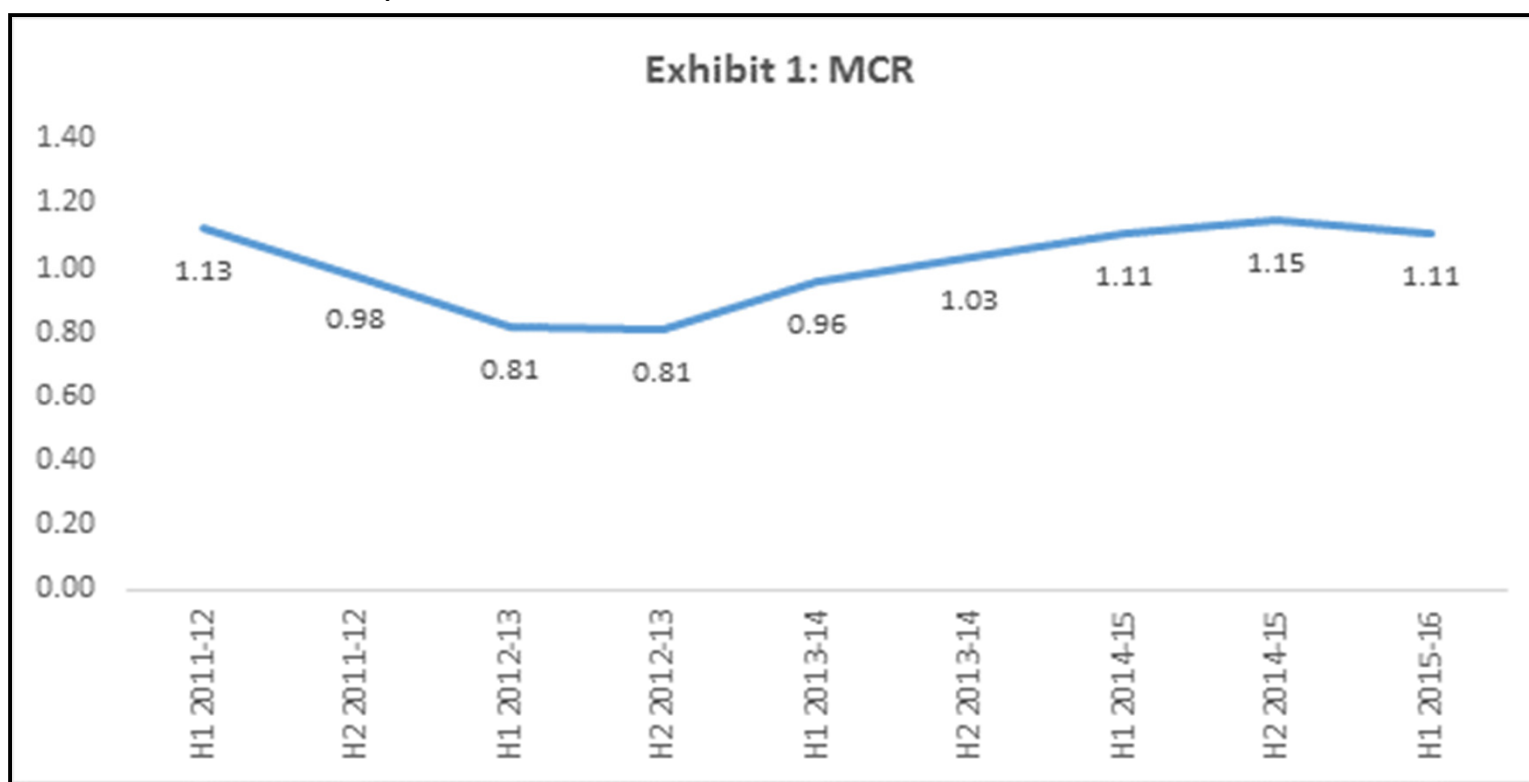
Financial & Business Performance

MCR/CDQI

Economic Backdrop

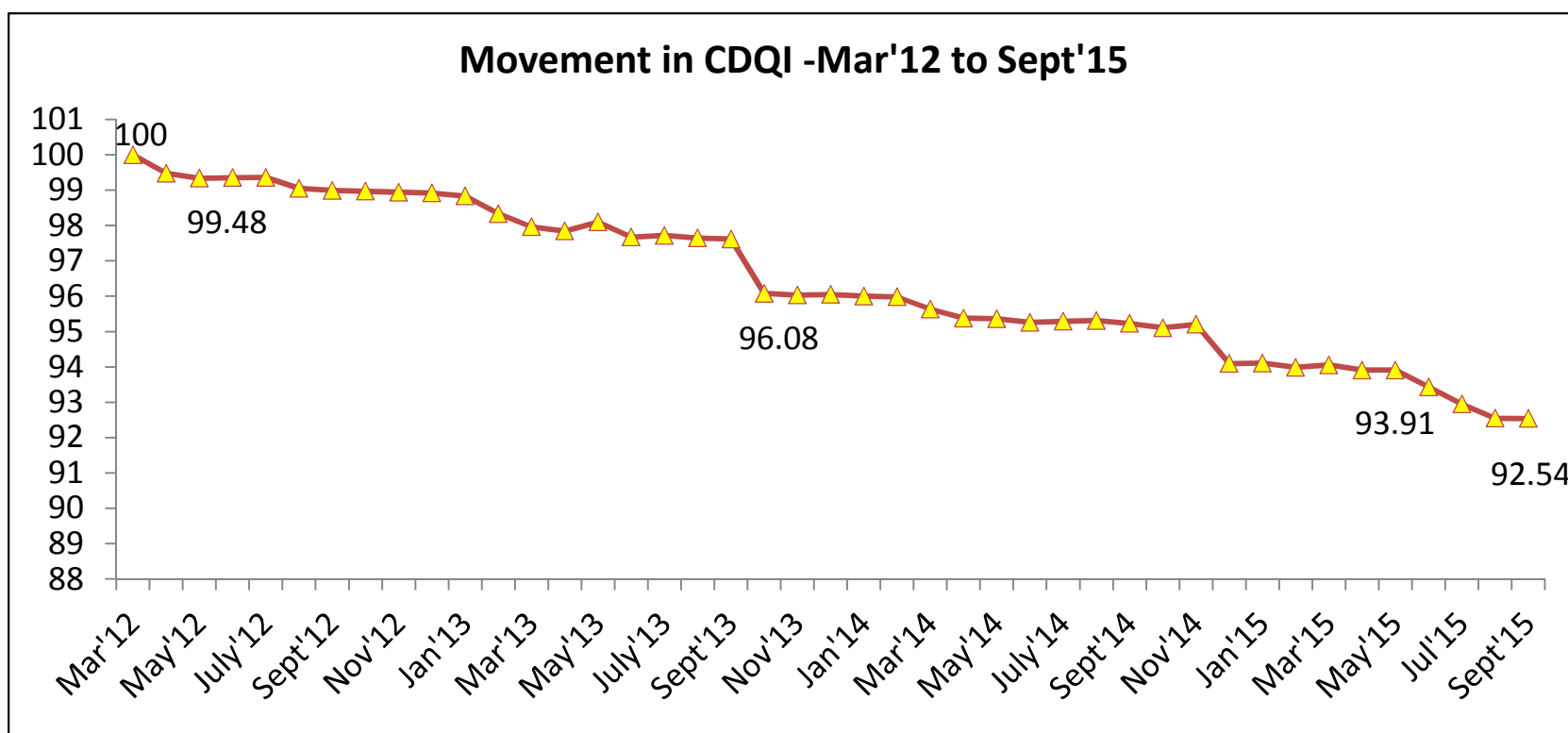
Ratings Movements

Credit quality of domestic rated firms/entities remained the same during the year H1-FY16 as indicated by the MCR. The Modified Credit Ratio (MCR) remained unchanged at 1.11 in H1-FY16 compared to H1-FY15.



CARE Ratings Debt Quality Index

The CDQI dropped by 0.48 points in July'15. However, the decline in the subsequent months moderated to 0.40 points and 0.01 point for Aug'15 and Sept'15 respectively. This downward movement in the index clearly indicates the deteriorating quality of debt over the past few months.



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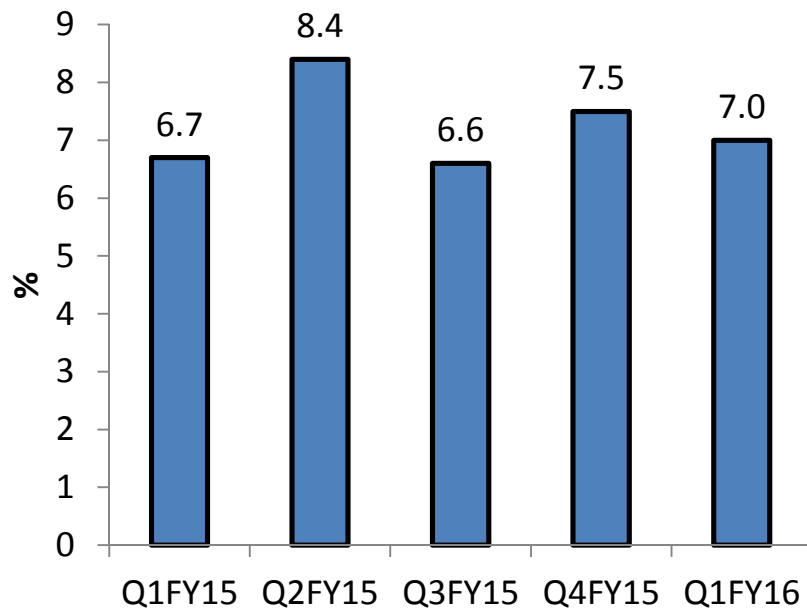
Financial & Business Performance

MCR/CDQI

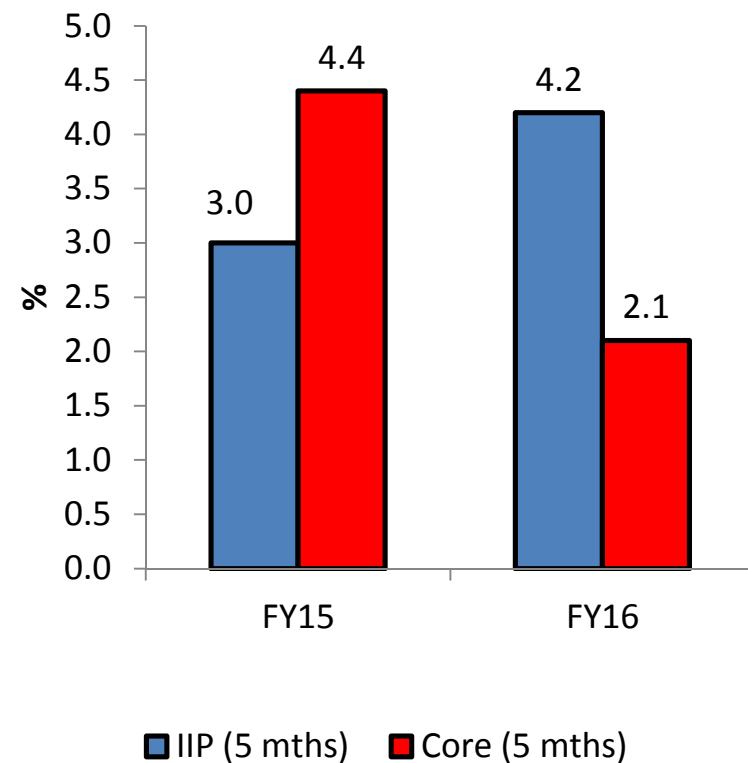
Economic Backdrop

Economic Backdrop

GDP growth expected at 7.5 -7.6%
for FY16 vis-a-vis 7.3% in FY15

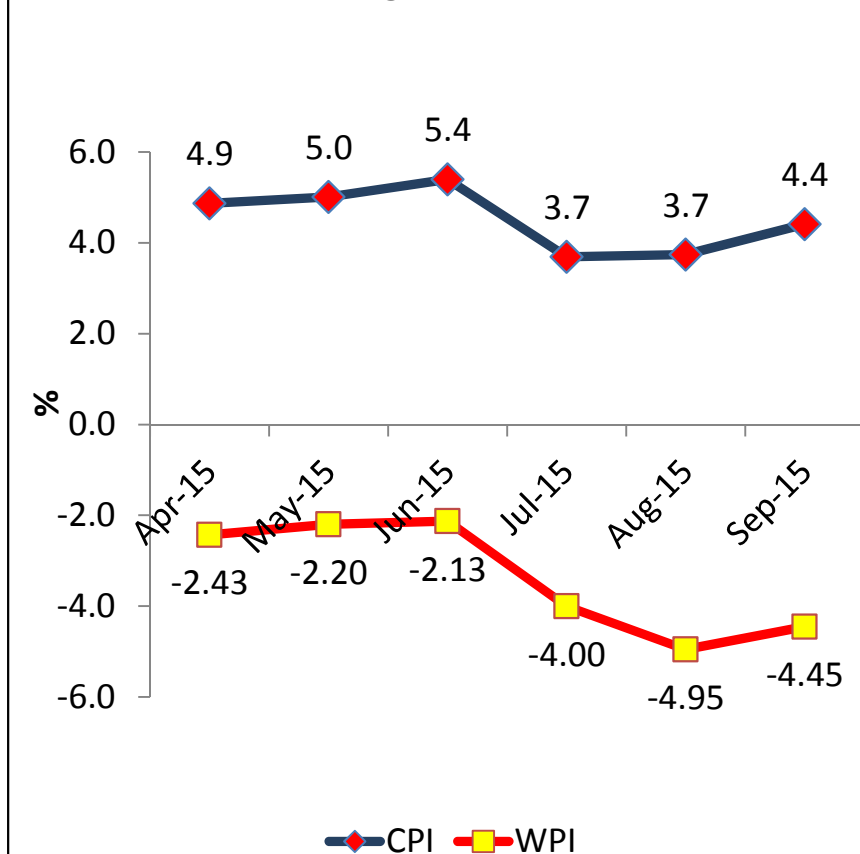


Reviving Industrial Growth (Apr-Aug'15)

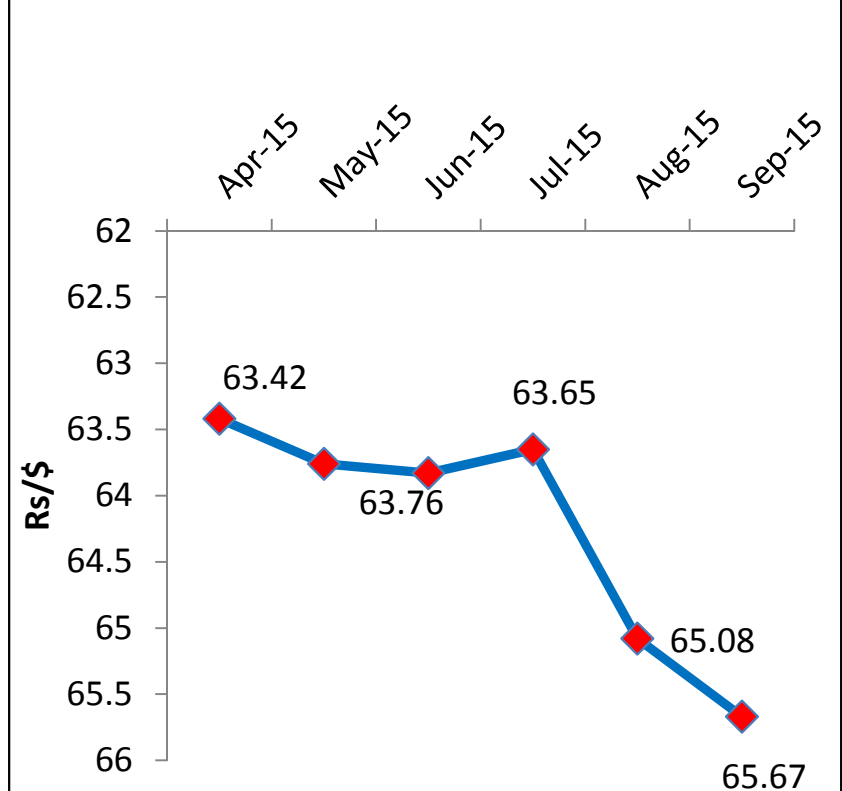


Economic Backdrop.... (contd.)

Easing Inflation

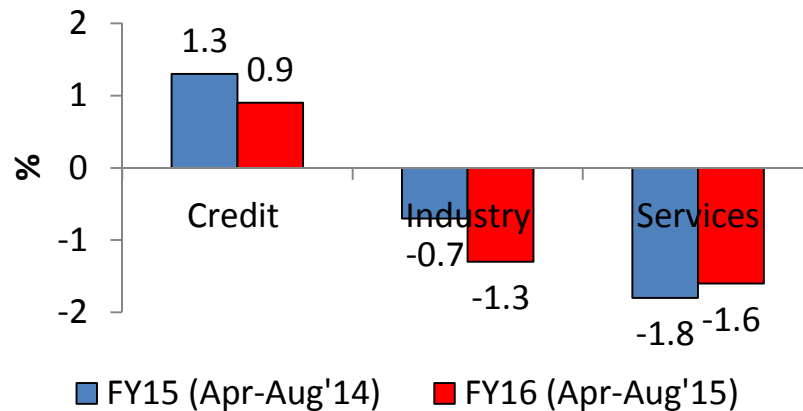


Depreciating exchange rate

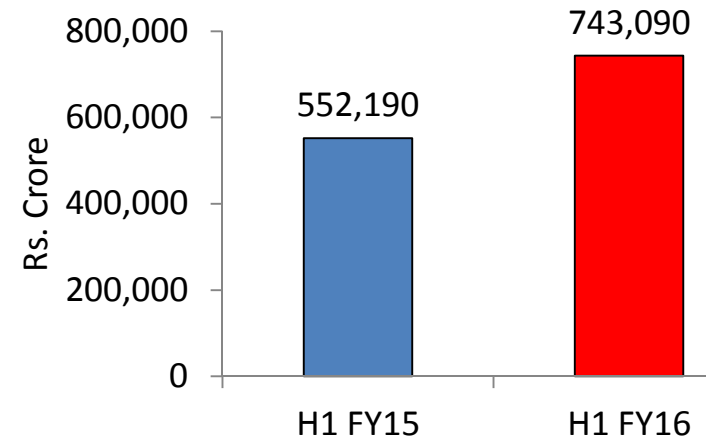


Economic Backdrop.... (contd.)

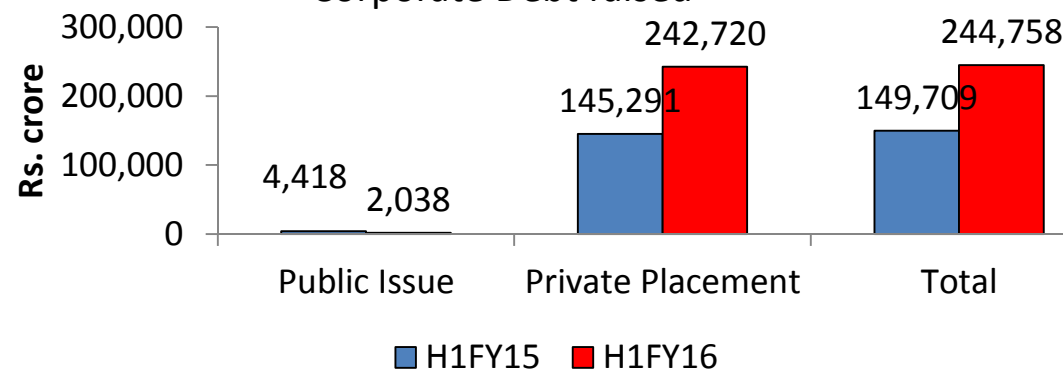
Lower growth in demand for credit



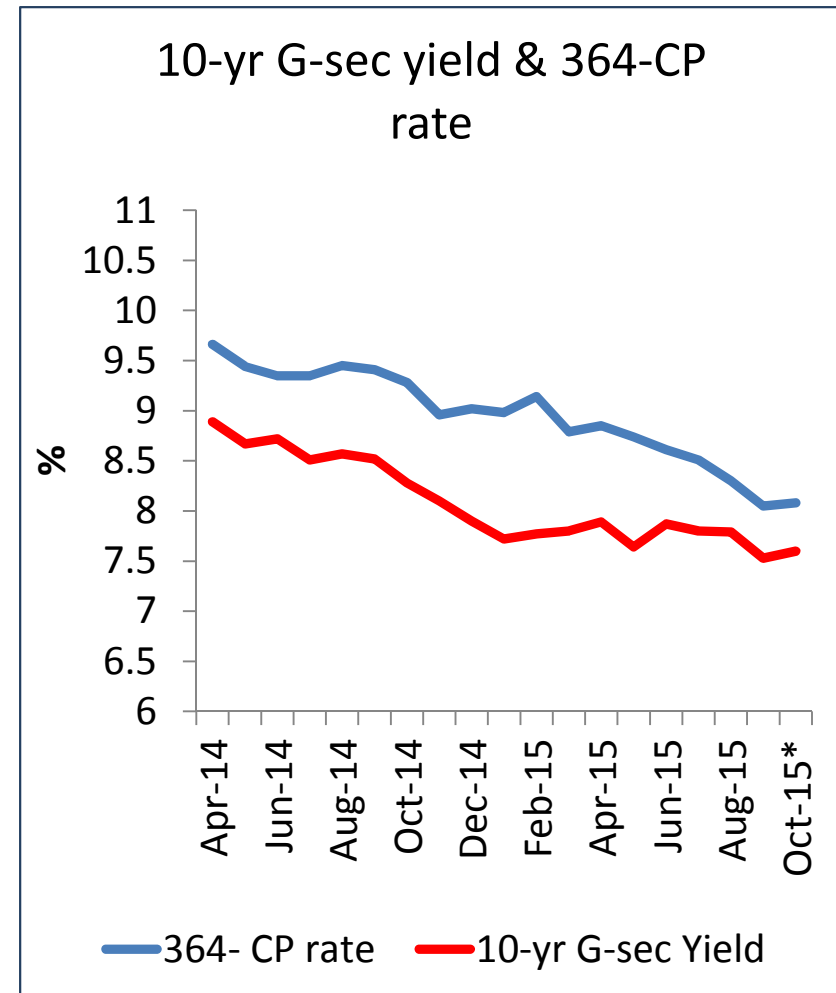
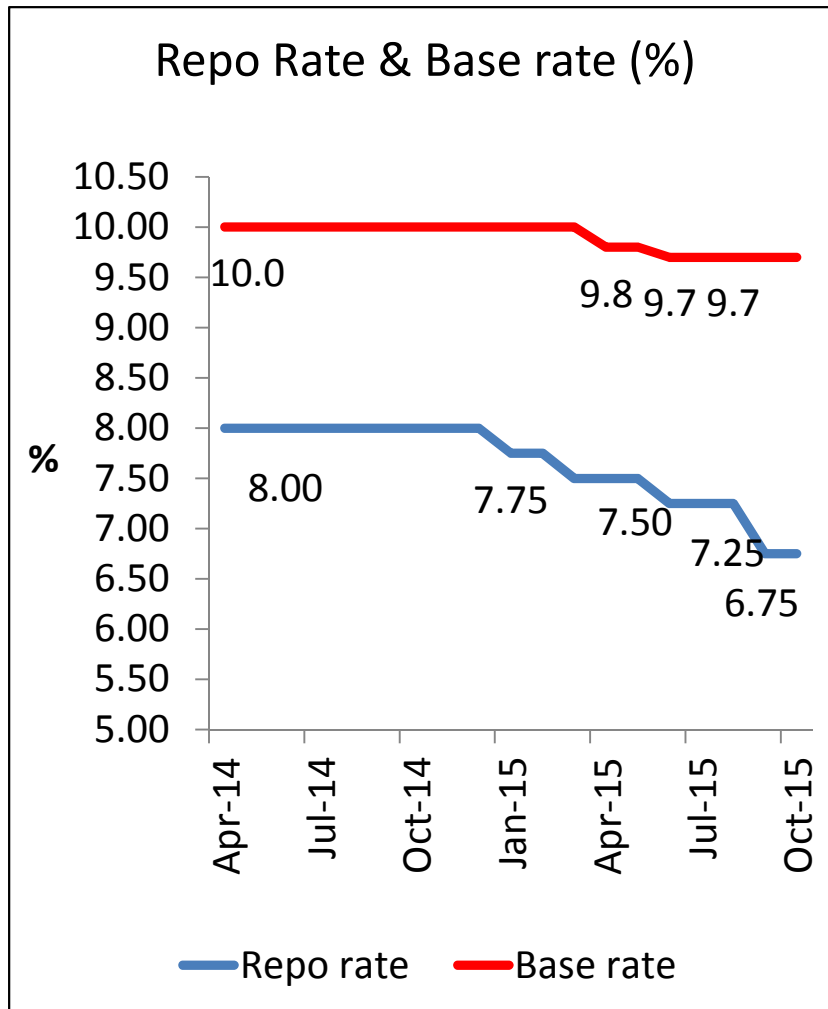
Increased CP Issuances



Corporate Debt raised



Economic Backdrop.... (contd.)



* As on 23rd Oct'15

Thank You