

Date: February 03, 2017

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

Dear Sir,

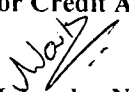
**OUTCOME OF THE BOARD MEETING HELD ON FEBRUARY 03, 2017**

1. Please find enclosed herewith the Unaudited Financial Results for the quarter and nine months ended December 31, 2016, Limited Review Report and the Press Release for quarter & nine months ended December 31, 2016 of Credit Analysis and Research Limited 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.
2. The Board of Directors have declared 3<sup>rd</sup> Interim Dividend of Rs. 6/- per equity share of Rs.10/- each for financial year 2016-2017 and has fixed Wednesday, February 15, 2017 as a Record Date for the 3<sup>rd</sup> Interim Dividend.
3. The Board of Directors on the recommendation of the Nomination and Remuneration Committee has appointed Mr. Mehul Pandya, Chief General Manager as Executive Director of the Company with effect from April 01, 2017 and designated him as Key Managerial Personnel (KMP) of the Company. Further, the Board of Directors designated Mr. Arun Kumar, Executive Director as the Key Managerial Personnel (KMP) of the Company with effect from February 03, 2017. Kindly note that the position of Executive Director is not a Board Level position.
4. The Board of Directors of the Company has proposed to change the name of the Company subject to the name availability on MCA.
5. The meeting of the Board of Directors of the Company commenced at 12.30 pm and concluded at 6.10 pm.

Please take note of the above.

Thanking you,

Yours faithfully,  
**For Credit Analysis and Research Limited**

  
**Mahendra Naik**  
Company Secretary

Encl.: As above

**CREDIT ANALYSIS & RESEARCH LTD.**

**CREDIT ANALYSIS & RESEARCH LIMITED**  
CIN-L67190MH1993PLC071691

Regd. Office: 4<sup>th</sup> Floor, Godrej Coliseum, Somaiya Hospital Road,  
Off Eastern Express Highway, Sion (East), Mumbai – 400 022.

Website : www.careratings.com

Email: investor\_relations@careratings.com



**Statement of Unaudited Financial Results for the Quarter and Nine Months Ended December 31, 2016**

Rs. in Lakhs

Sr. No.	Particulars	STANDALONE					
		3 months ended December 31, 2016	3 months ended September 30, 2016	3 months ended December 31, 2015	9 months ended December 31, 2016	9 months ended December 31, 2015	Year ended Mar 31, 2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income from Operations</b>						
	a) Net Income from Operations	6,594.84	8,100.07	6,293.40	20,409.70	18,950.71	26,474.24
	b) Other Operating Income	-	-	-	-	9.97	9.97
	<b>Total Income from Operations (Net)</b>	<b>6,594.84</b>	<b>8,100.07</b>	<b>6,293.40</b>	<b>20,409.70</b>	<b>18,960.68</b>	<b>26,484.21</b>
2	<b>Expenses</b>						
	a) Employee Benefits Expense	1,582.64	1,609.86	1,720.03	4,963.41	5,252.98	6,965.83
	b) Depreciation	76.00	76.65	94.21	238.07	298.08	389.04
	c) Other Expenses	582.16	506.06	542.75	1,505.77	1,687.01	2,307.70
	<b>Total Expenses</b>	<b>2,240.80</b>	<b>2,192.57</b>	<b>2,356.99</b>	<b>6,707.25</b>	<b>7,238.07</b>	<b>9,662.57</b>
3	<b>Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>4,354.04</b>	<b>5,907.50</b>	<b>3,936.41</b>	<b>13,702.45</b>	<b>11,722.61</b>	<b>16,821.64</b>
4	Other Income	1,629.57	569.62	99.21	2,448.28	614.12	860.30
5	<b>Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)</b>	<b>5,983.61</b>	<b>6,477.12</b>	<b>4,035.62</b>	<b>16,150.73</b>	<b>12,336.73</b>	<b>17,681.94</b>
6	Finance Cost	-	-	-	-	-	-
7	Exceptional Items	-	-	-	-	-	-
8	<b>Profit / (Loss) from ordinary activities before tax (5 - 6 - 7)</b>	<b>5,983.61</b>	<b>6,477.12</b>	<b>4,035.62</b>	<b>16,150.73</b>	<b>12,336.73</b>	<b>17,681.94</b>
9	Tax Expense	1,468.05	2,153.84	1,354.64	4,844.57	4,121.18	5,913.43
10	<b>Net Profit (+)/ Loss (-) from Ordinary Activities after tax (8±9)</b>	<b>4,515.56</b>	<b>4,323.28</b>	<b>2,680.98</b>	<b>11,306.16</b>	<b>8,215.55</b>	<b>11,768.51</b>
11	Extraordinary Items (net of tax expense)	-	-	-	-	-	-
12	<b>Net Profit (+) / Loss(-) for the period (10±11)</b>	<b>4,515.56</b>	<b>4,323.28</b>	<b>2,680.98</b>	<b>11,306.16</b>	<b>8,215.55</b>	<b>11,768.51</b>
13	Minority Interest	-	-	-	-	-	-
14	<b>Net Profit (+)/ Loss (-) after taxes, minority interest and share of profit (+) / (Loss (-) of associates (12±13)</b>	<b>4,515.56</b>	<b>4,323.28</b>	<b>2,680.98</b>	<b>11,306.16</b>	<b>8,215.55</b>	<b>11,768.51</b>
15	Paid-up Equity Share Capital (Face value : Rs. 10 per share)	2,944.04	2,944.04	2,899.91	2,944.04	2,899.91	2,940.11
16	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	37,884.80
17	Basic Earnings Per Share (EPS) of Rs.10/- each (not annualised)	15.34	14.69	9.25	38.43	28.33	40.49
18	Diluted Earnings Per Share (EPS) of Rs.10/- each (not annualised)	15.33	14.68	9.17	38.40	28.09	40.23

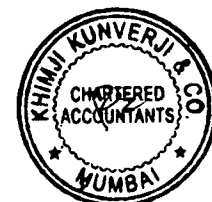
**Notes:**

- 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 February 03, 2017.
- The Board of Directors of the Company have proposed an interim dividend of Rs.6/- per share having a nominal value of Rs.10/- each.
- The Company has granted 500,000 options on January 01, 2014, to the eligible employees as per the Company's Employees Stock Option Scheme (ESOS) 2013. During the nine months ended December 31, 2016, eligible employees have exercised 39,258 options (Three months ended December 31, 2016: NIL) and accordingly the Company has allotted 39,258 equity shares of Rs.10 each at a premium of Rs. 607/- 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.
- The Company has been operating in Maldives based on licence issued by Capital Market Development Authority (CMDA), Maldives. The current licence issued by CMDA is expired on January 5, 2017. After a review of the past operations and future prospects in Maldives, the Company has decided not to renew its licence. This has already been notified to CMDA.
- 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

  
Rajesh Mokashi  
Managing Director & Chief Executive Officer

Mumbai, February 03, 2017





## Limited Review Report

Review Report to  
The Board of Directors  
**Credit Analysis & Research Limited**

We have reviewed the accompanying statement of standalone unaudited financial results of **Credit Analysis & Research Limited** ('the Company') for the quarter ended December 31, 2016, ('the Statement'). 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.

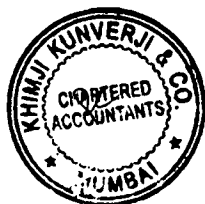
We have conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India (ICAI). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of the company's 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement prepared in accordance with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Khimji Kunverji & Co**  
Chartered Accountants  
Firm Registration No. 105146W

A handwritten signature in black ink, appearing to read 'Gautam V Shah'.

**Gautam V Shah**  
Partner (F-117348)



Mumbai  
February 03, 2017

**CREDIT ANALYSIS & RESEARCH LIMITED**

**Registered Office:** 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai 400 022  
Website : [www. careratings.com](http://www.careratings.com)  
Email: [investor.relations@careratings.com](mailto:investor.relations@careratings.com)  
CIN-L67190MH1993PLC071691

Mumbai, February 3<sup>rd</sup>, 2017

**Press Release for Q3 -FY17 and 9M-FY17 Results**

The Board of Directors has approved the Q3-FY17 and 9M-FY17 results in the Board Meeting held on Friday the 3<sup>rd</sup> of February 2017.

**Highlights for 9M-FY17**

- Rating income increases by 7.8%.
- Total expenses contracted by 7.3%.
- Operating profit up by 16.9%, Operating profit margin improves from 61.83% to 67.14%.
- EBITDA and PAT grow by 29.71% and 37.62%, respectively.
- EBITDA and PAT margins improve from 64.55% to 71.70% and 41.97% to 49.46% respectively.
- Addition of 2,646 new clients in the 9M period.
- Total number of active clients at 14,575 as of December 2016.
- 3<sup>rd</sup> Interim dividend of Rs. 6/- per share declared.

**Highlights for Q3-FY17**

- Rating income increases by 5.1%.
- Total expenses contracted by 4.9%.
- Operating profit up by 10.6%, Operating profit margin at 66.02% (62.55% last year).
- EBITDA and PAT grow by 46.7% and 68.4%, respectively.
- EBITDA and PAT margins improve from 64.60% to 73.68% and 41.94% to 54.90% respectively.
- Total volume of debt rated recorded an increase of 19.07% to Rs 2.74 lakh crore in Q3-FY17 as against Rs 2.30 lakh crore in Q3-FY16.
- Total number of instruments rated during Q3 FY17 stood at 2,361.
- Addition of 1,087 new clients during the quarter.

In the third quarter of FY17, economy was affected by demonetization which had a varied impact on various sectors including banking business. CARE Ratings has posted positive growth in rating income and other income which has resulted in higher growth in profit and an improvement in profit margins.

Total Income from operations increased by 16.77% from Rs.195.75 crore in 9M-FY16 to Rs.228.58 crore in 9M-FY17. Higher growth of 7.81% in rating income was on account of an increase in both the volume of fresh debt rated and surveillance exercises carried out during 9M-FY17. Total volume of new debt rated increased from Rs.7.37 lakh crore to Rs.9.43 lakh

crore with increases being witnessed in both the corporate debt and bank loans rating. Other income which is primarily investment income, increased by 298.66% from Rs. 6.14 crore in 9M-FY16 to Rs. 24.48 crore in 9M-FY17 mainly due to gains booked on maturity of certain investments made for a longer tenure.

Total expenses declined by 7.33% in 9M-FY17. The employee cost which accounts for around three quarter of the total cost, came down by 5.51% from Rs. 52.53 crore to Rs. 49.63 crore mainly due to charge for ESOP included 9M FY16.

Increase in income and decline in expenses led to an increase in EBITDA by 29.71%. While tax expense increased by 17.55%, profit after tax (PAT) witnessed increase of 37.62%. Consequently, the EBITDA margin improved from 64.55% to 71.70% while PAT margin increased from 41.97% to 49.46%. Basic EPS was at Rs.38.43 per share (Rs.28.33 per share in 9M FY16). The board has announced an interim dividend of Rs.6/- per share.

*Commenting on the results, Mr. Rajesh Mokashi, MD & CEO, said: 'This particular quarter has been challenging for the economy as a bold decision was taken towards demonetization. Operations of companies that were based on cash were affected as were banking operations. Against this background, CARE has done reasonably well in furthering business volumes. We are sanguine that as the economy moves towards normalcy the investment cycle as well as debt and credit markets will witness a revival.'*

**Contact:**

Rajesh Mokashi, MD & CEO                      022-67543456  
Chandresh M Shah, CFO                         022-67543456

**ABOUT US**

*Credit Analysis and Research Limited (CARE Ratings) is the second largest full service rating Company in India\*. CARE Ratings offers a wide range of rating and grading services across a diverse range of instruments and has 23 years of experience in the rating of debt instruments and related obligations covering wide range of sectors. The Company's list of clients includes banks and other financial institutions, private sector companies, central public sector undertakings, sub-sovereign entities, small and medium enterprises ("SMEs") and micro-finance institutions, among others. The Company also provides issuer ratings and corporate governance ratings and has rated innovative debt instruments, such as perpetual bonds. CARE Ratings is recognized for being knowledge based Company and has continued to work towards deepening the base. The company is part of a global venture, which is a JV with 4 other global CRAs, 'ARC Ratings' and has also a subsidiary CARE (Ratings) Africa Private Limited (CRAF) in Mauritius, CARE Advisory Research and Training Limited (CART) and CARE Kalypto Risk Solutions & Advisory Services Private Limited (CARE Kalypto) in Mumbai.*

*The Company has its registered office in Mumbai, and branches in Ahmedabad, Bengaluru, Chandigarh, Chennai, Coimbatore, Hyderabad, Jaipur, Kolkata, New Delhi, and Pune. The subsidiary CRAF has an office in Mauritius & CART and CARE Kalypto have offices in Mumbai.*

**\* In terms of rating income FY16**

