

Date: January 31, 2018

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

Dear Sir,

REVISED ANALYST PRESENTATION

Please find attached the revised Analyst presentation of the Unaudited Financial Results of CARE Ratings Limited (Formerly known as Credit Analysis and Research Limited) for Q3 & 9M FY 2018.

The changes are made at page no. 8 of the presentation in the graph of – “**Volume of Debt Rated**”

We request you to kindly upload the same.

Thanking you,

Yours faithfully,
For CARE Ratings Limited
(Formerly known as Credit Analysis and Research Limited)


Mahendra Naik
Company Secretary

Encl.: As above

9M-FY18 Financial Results

Rajesh Mokashi
MD & CEO

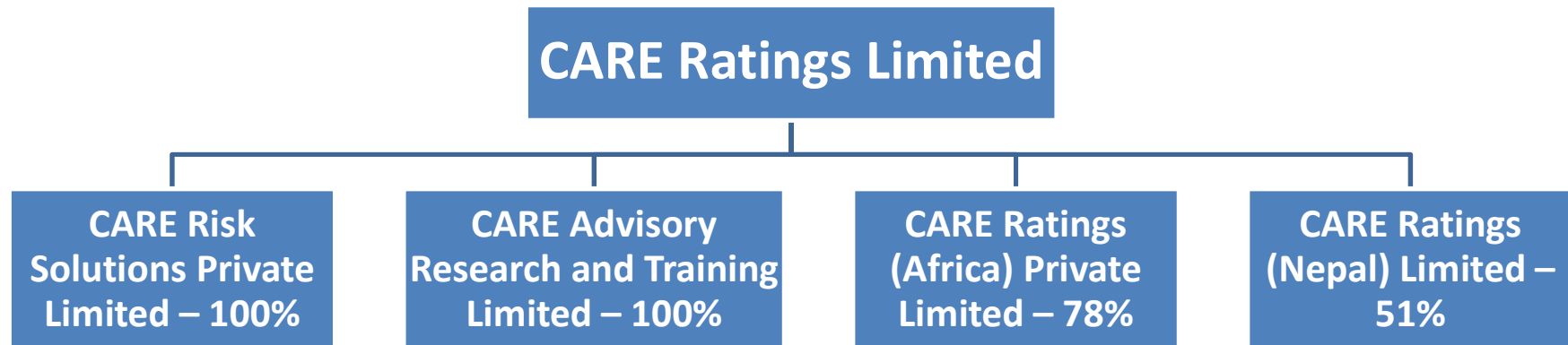
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CARE Ratings Group



Highlights: 9M-FY18

- **Growth in Financial Indicators**

- Growth in Rating income of 11.9% in 9M-FY18 over 9M-FY17
- Growth in expenditure of 16.5% (Excluding ESOP growth will be 12.4%)
- EBITDA margins at 69.2% and PAT margins at 49.5% in 9M-FY18
- 2,737 new clients added during 9M-FY18

- **Business Profile**

- Total volume of debt rated stood at Rs 10.40 lakh crore in 9M-FY18 as against Rs 9.44 lakh crore in 9M-FY17
- Total number of instruments rated were 6,696

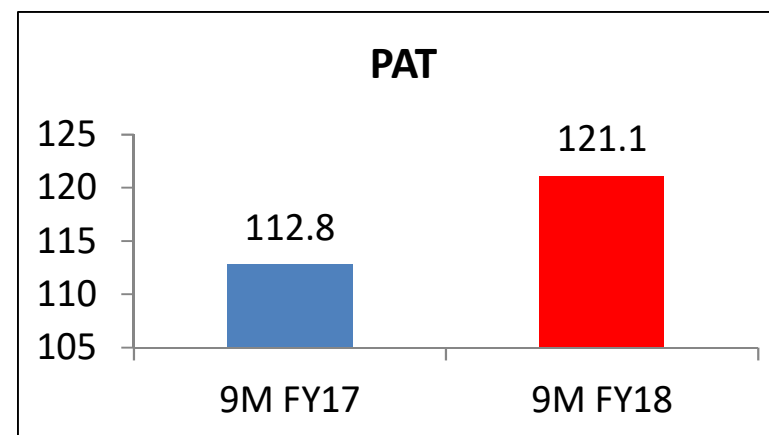
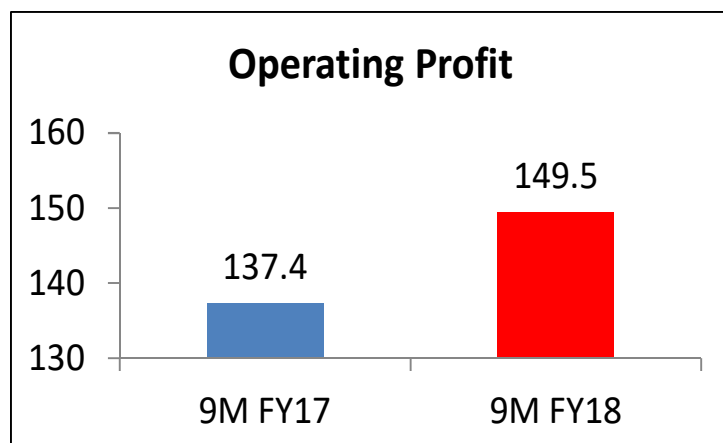
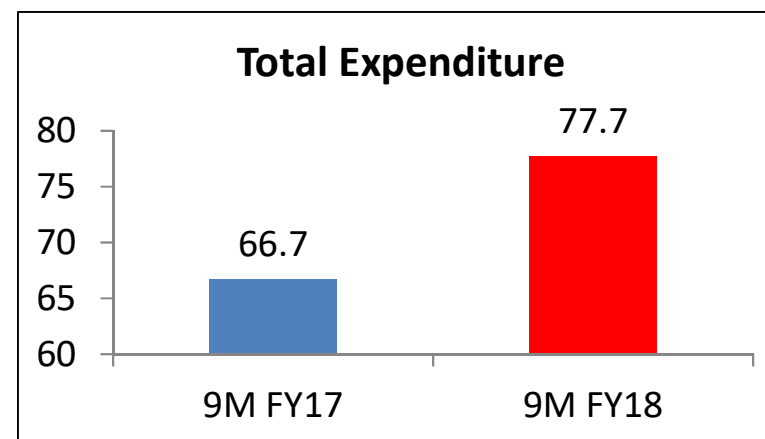
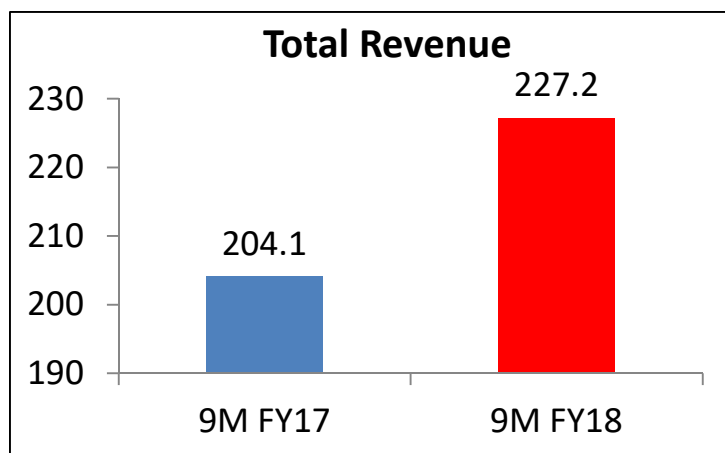
- **Dividend**

- 3rd Interim Dividend of Rs. 6/- per share declared by the Board

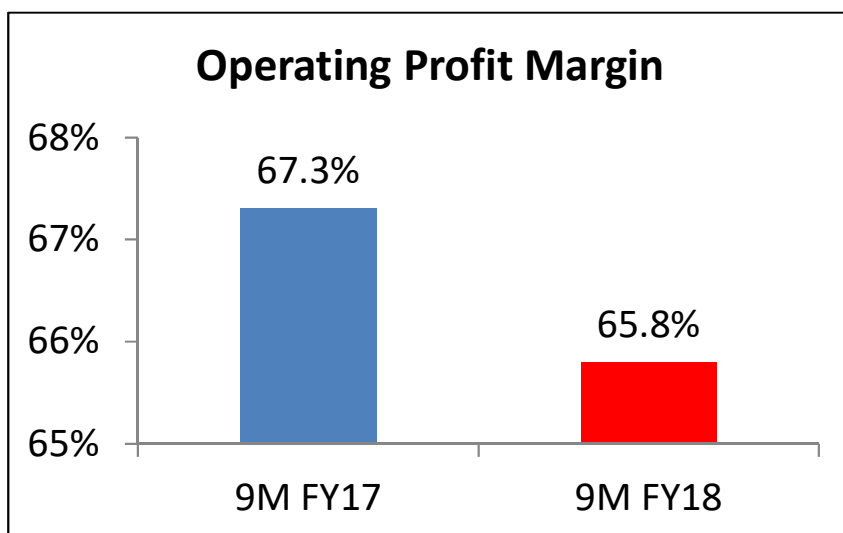
Financial Performance

Rs. Lakhs			
Particulars	Actual 9M FY18	Actual 9M FY17	% Change
<u>Income</u>			
Rating fees	22,697	20,270	12.0%
Research & Information	20	140	-85.7%
Investment / Other income	1,740	2,740	-36.5%
Expenditure	7,269	6,672	9.0%
Operating Profit(without ESOP)	15,448	13,738	12.4%
ESOP Charge	500		
Profit Before Tax	16,688	16,478	1.3%
Provision for Tax	4,575	5,196	-12.0%
Profit After Tax	12,112	11,282	7.4%
 Operating Profit margin(%) (without ESOP)	68.0%	67.3%	
Operating Profit margin(%)	65.8%	67.3%	
Profit Before Tax margin(%)	68.2%	71.2%	
Net Profit margin(%)	49.5%	48.7%	
Basic EPS (Rs. per share)	41.12	38.32	

Financial Performance:9M-FY18 (Rs cr)

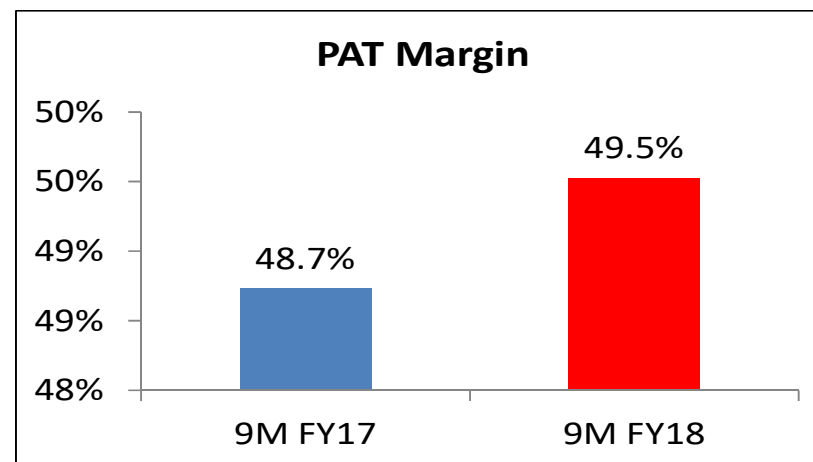


Financial Performance: 9M-FY18

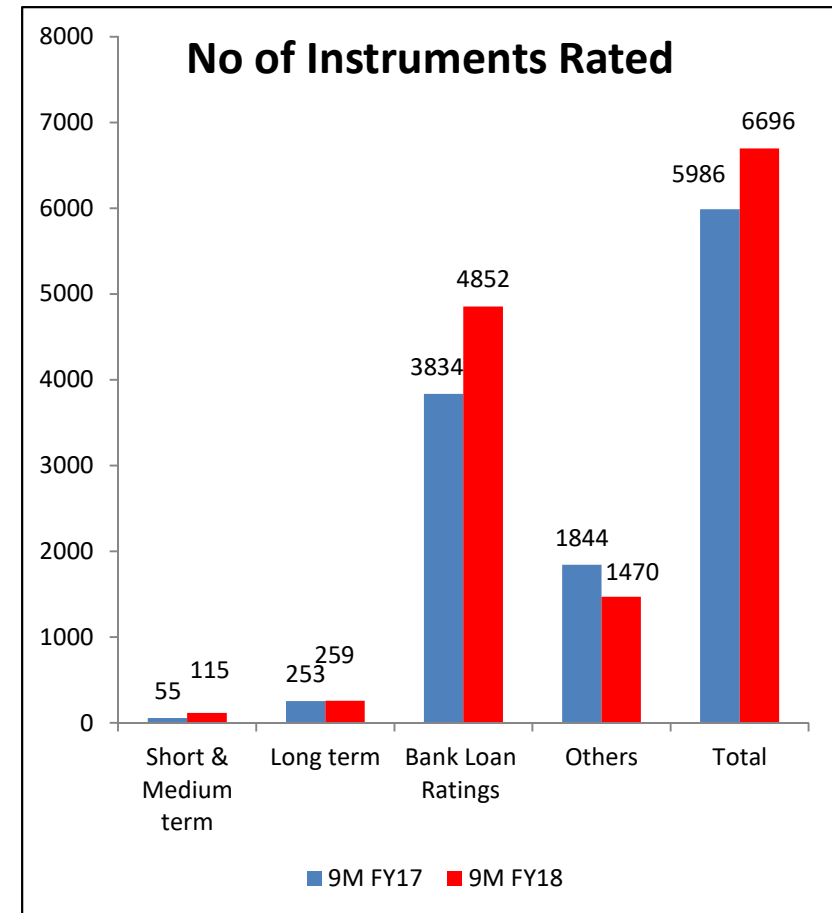
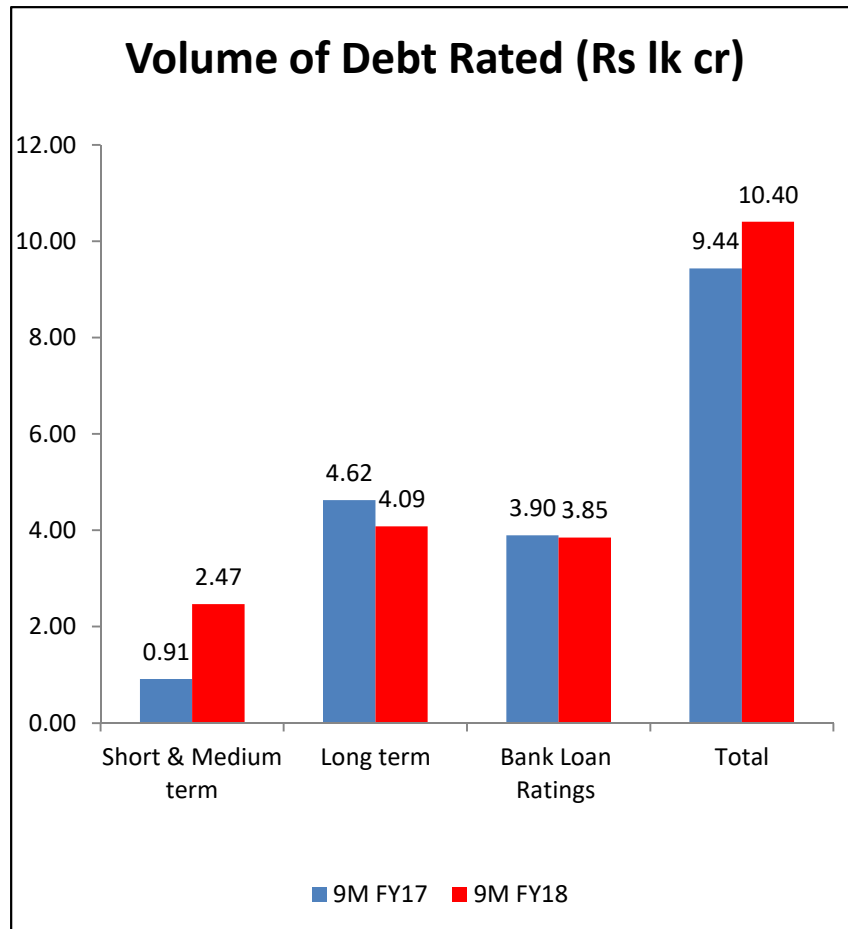


9M-FY18 Operating profit margin stood at 65.8% mainly due to ESOP charges of Rs.5 cr. Operating margin without ESOP charges is 68%

9M-FY18 PAT margin stood at 49.5% mainly due to increase in rating income by 11.9%

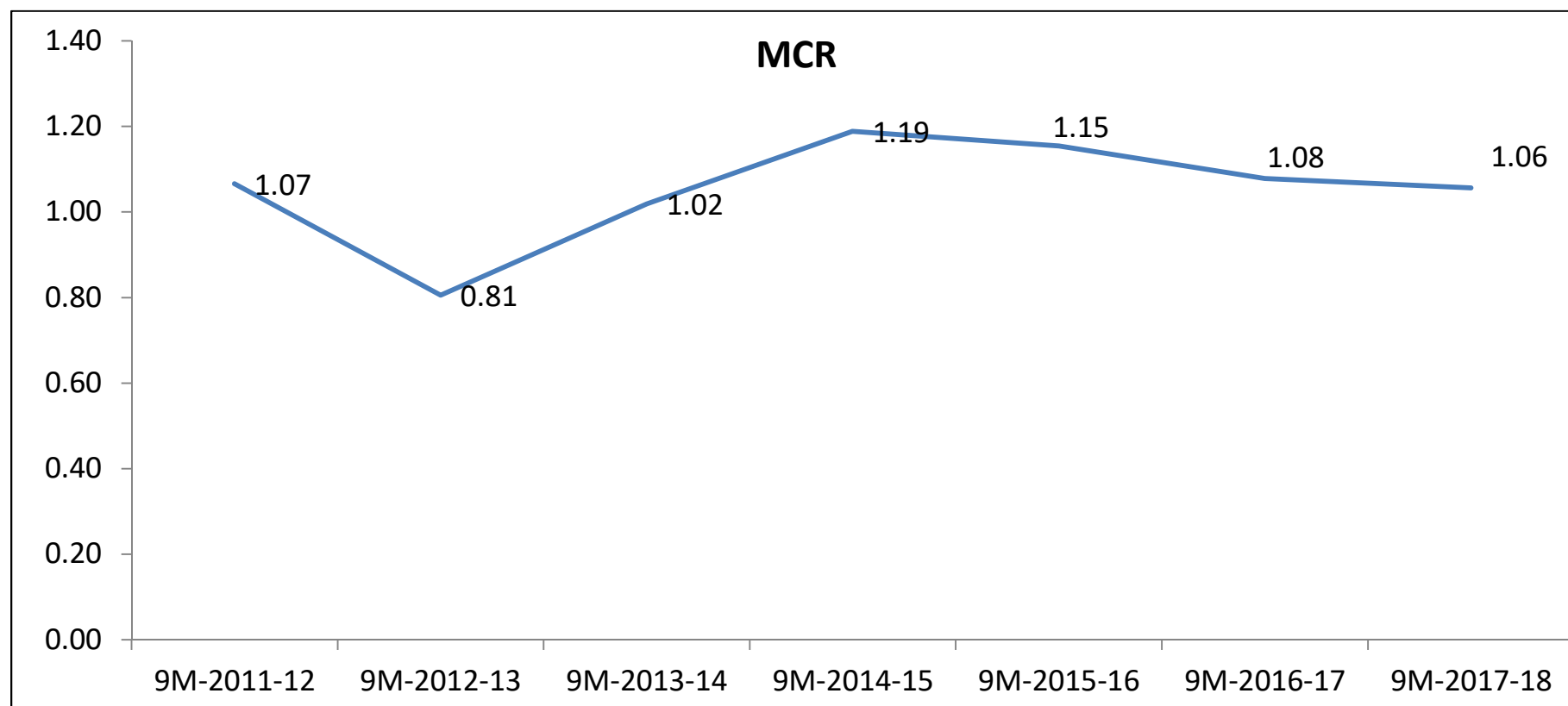


Business Performance: 9M-FY18



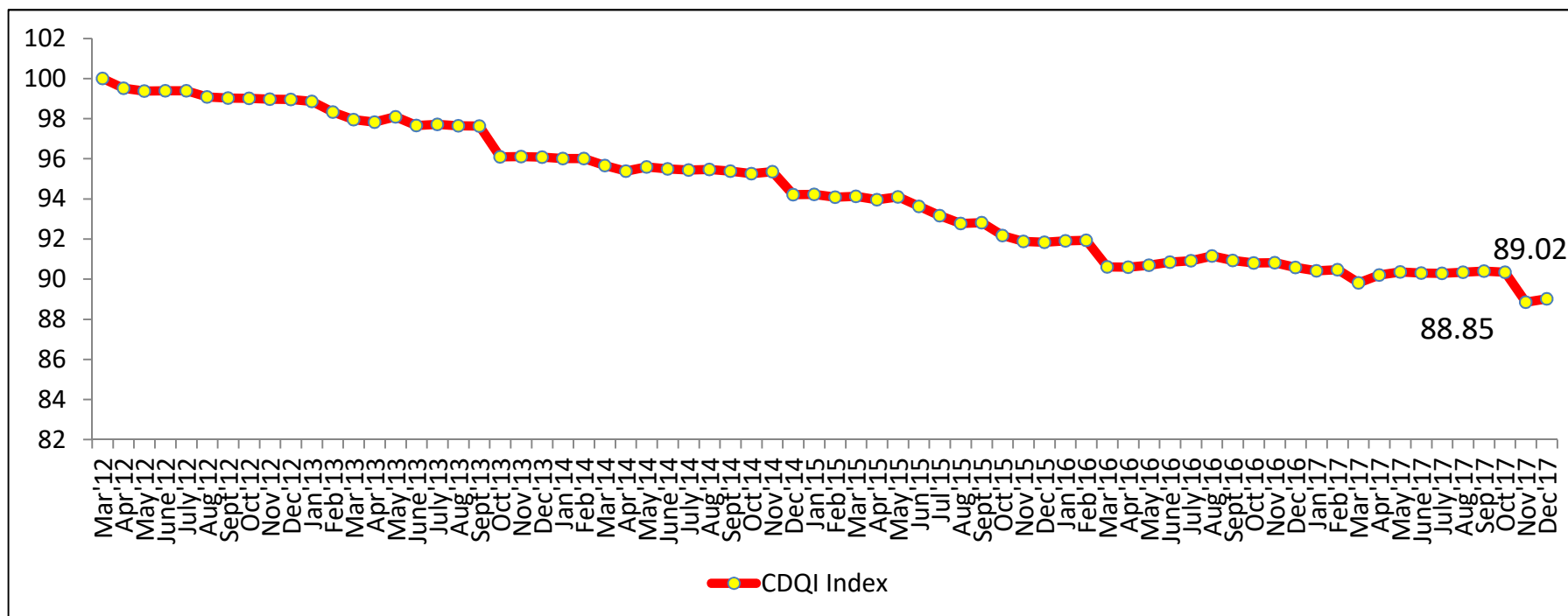
Rating Movement

The Modified Credit Ratio (MCR) for Apr – Dec FY18 was 1.06 times, and indicates stability in credit quality.

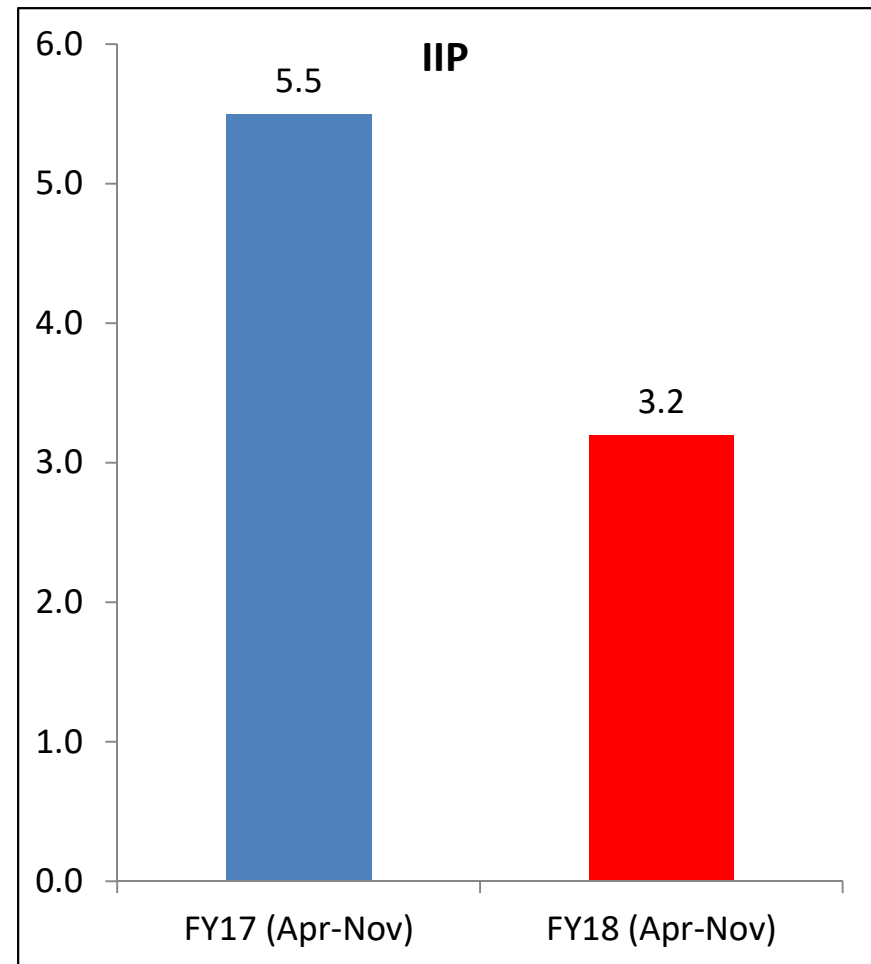
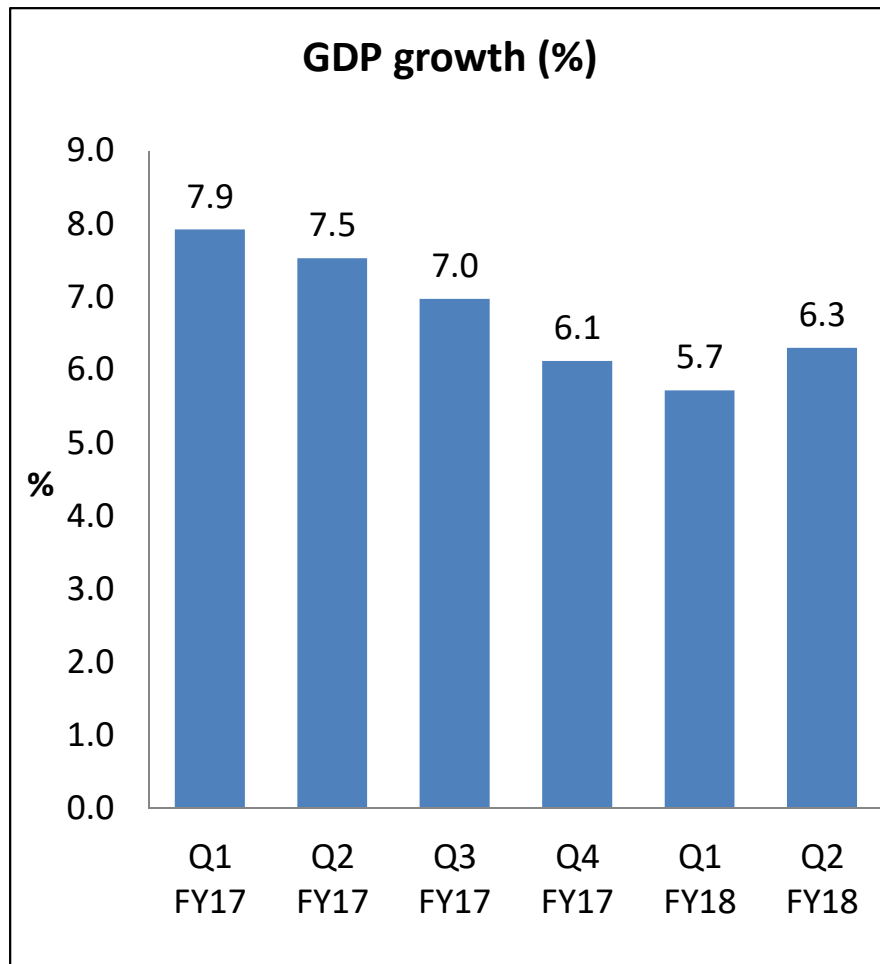


CARE Ratings Debt Quality Index (CDQI)

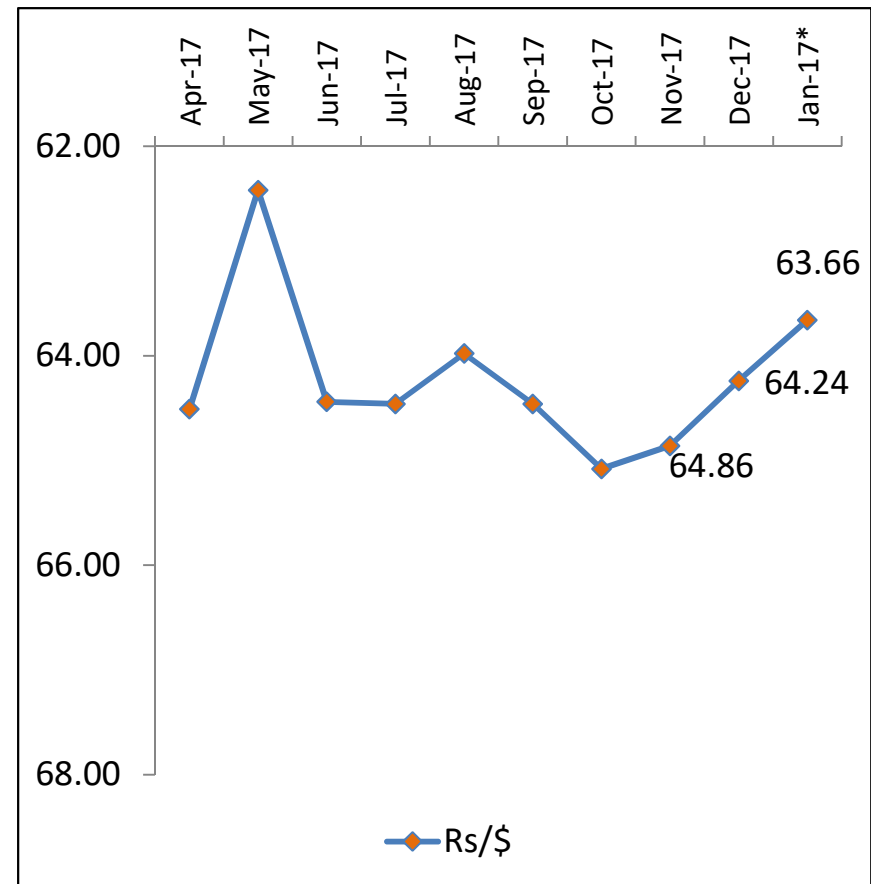
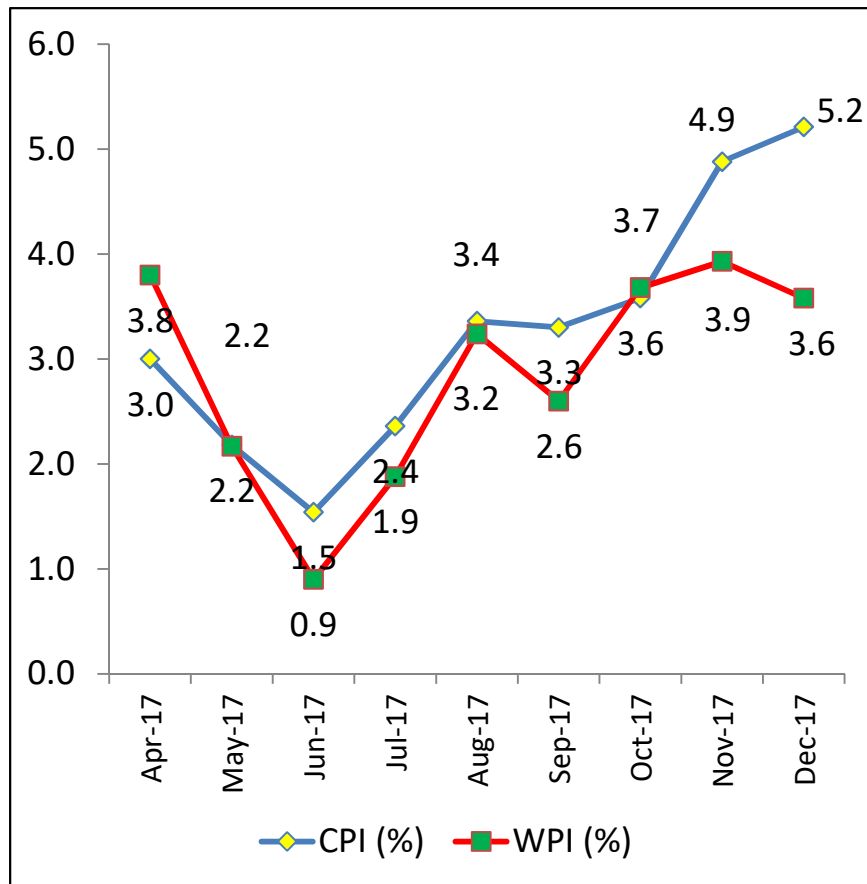
CDQI largely followed an improving trend in the first half of FY18. CDQI, thereafter, witnessed a marginal decline in the month of October 2017. The index further declined in November 2017 on account of rating downgrades in telecom sector. However, it has marginally improved in the month of December 2017.



Economic Backdrop

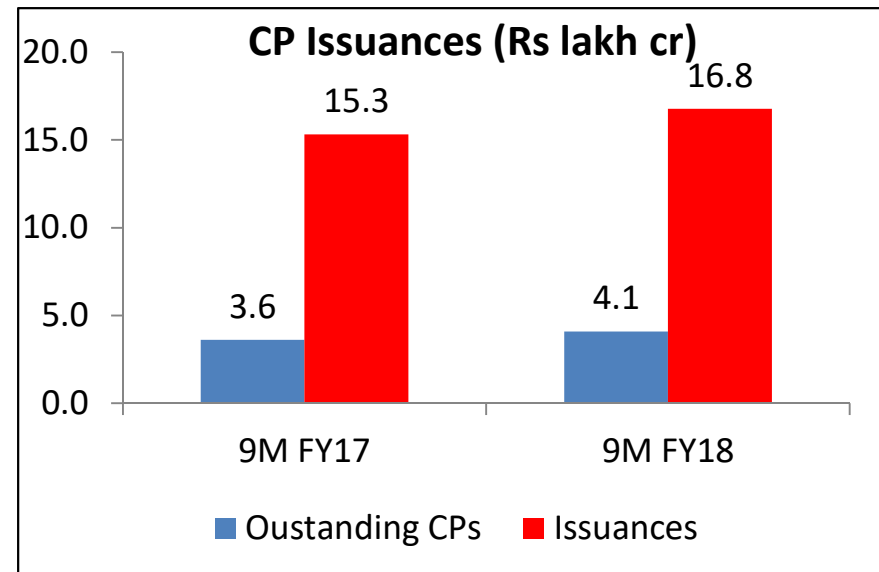
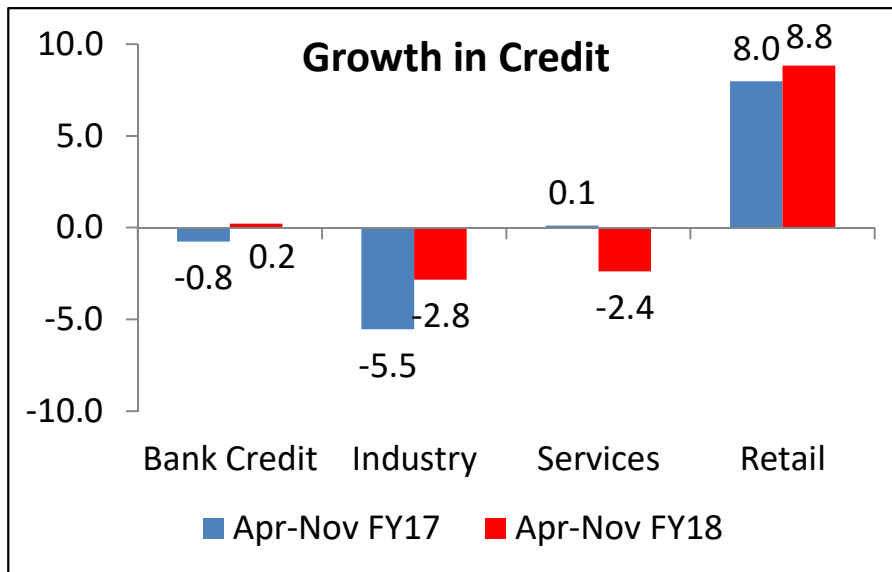


Economic Backdrop



* Till Jan 22, 2018

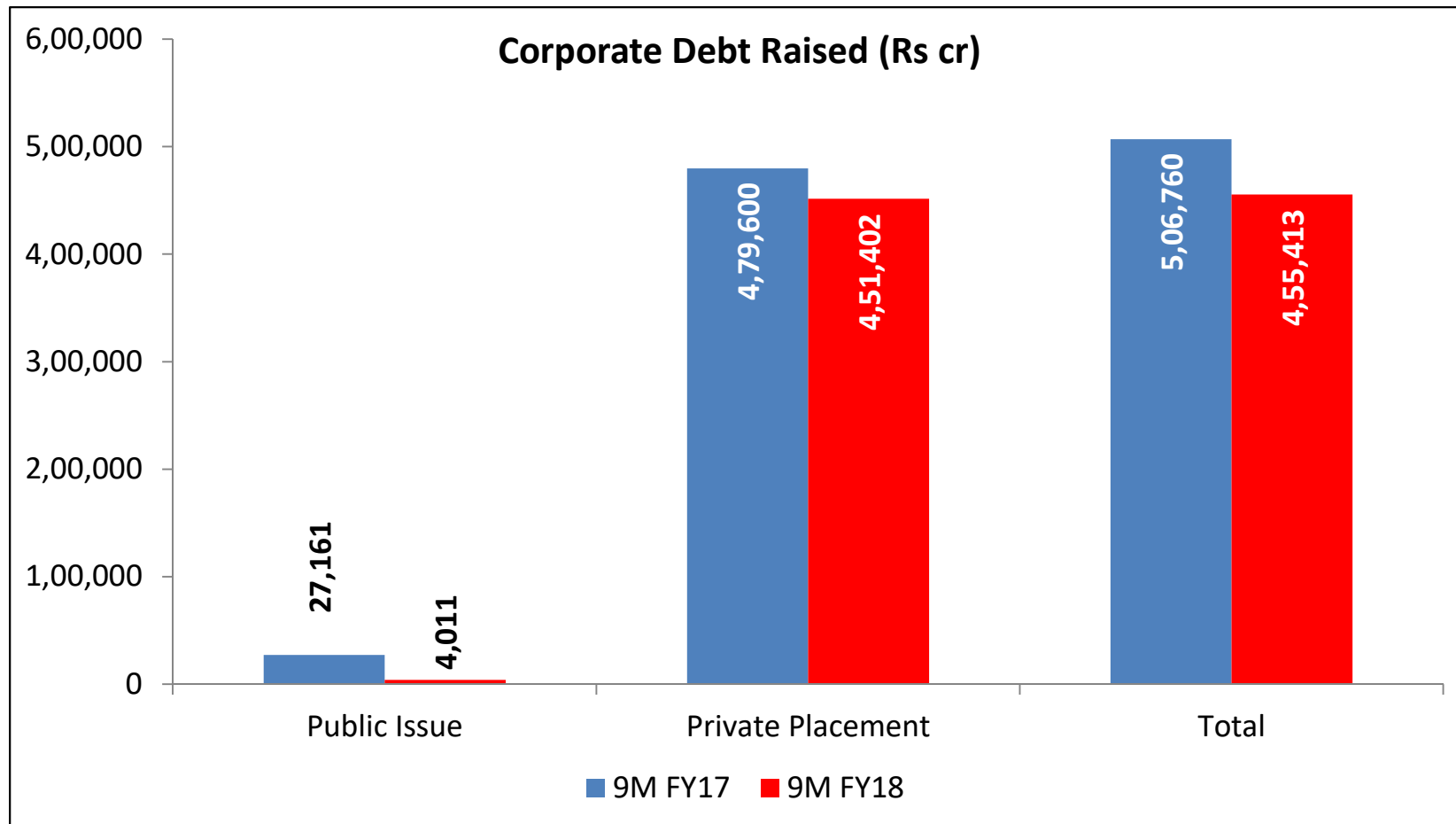
Economic Backdrop



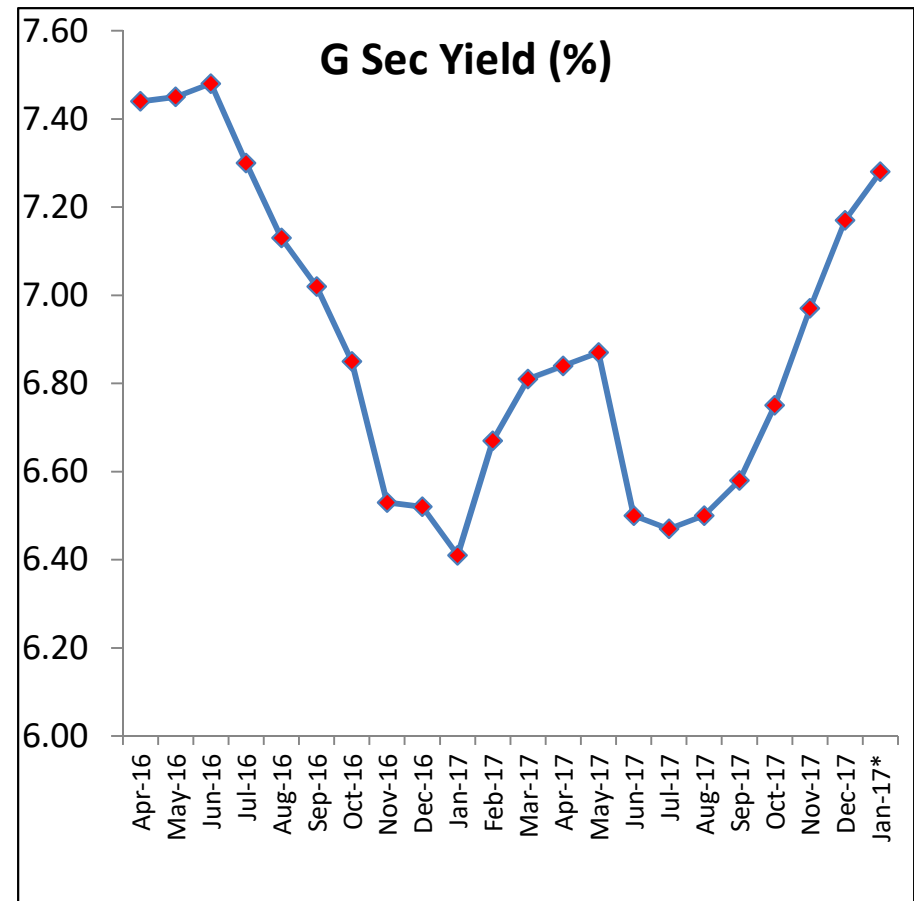
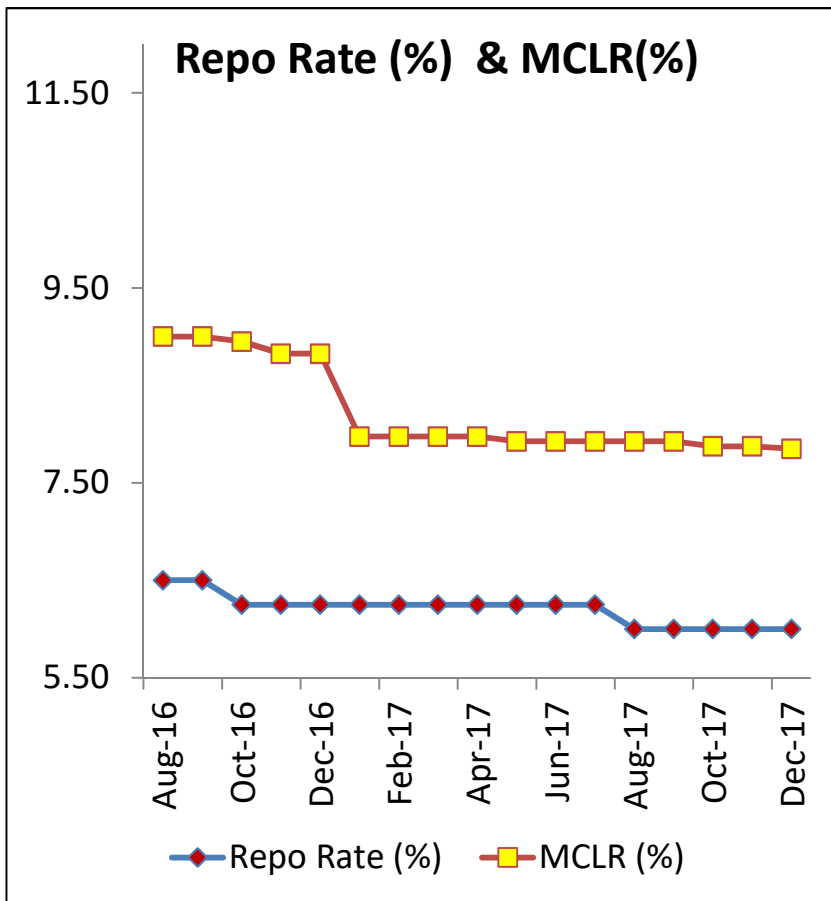
Bank Credit Growth

%	2016-17	2017-18
Jan over Apr	1.9	4.6
Jan over Jan	4.7	11.1

Economic Backdrop



Economic Backdrop



* Till Jan 22, 2018

Economic Outlook for FY18

- GDP growth is expected to be around 6.7% in FY18
- Inflation expected in the range of 4.5-5%
- Rupee to be in the range of Rs.64/\$
- No change in interest rate by RBI up to March'18
- The RBI may increase repo rate if inflation continues to pick up due to increasing crude oil prices

Thank You