

CARE Ratings Limited

(Formerly known as Credit Analysis & Research Limited)

Registered Office: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai 400 022
CIN : L67190MH1993PLC071691

Mumbai, 13th August 2018

Q1 -FY19 Results

The Board of Directors of CARE Ratings approved the Q1-FY19 results in the Board Meeting held on Monday the 13th of August 2018.

Consolidated Financial Results

CARE Ratings consolidated income from operations for the quarter ended June 30 2018 is Rs. 59.99 crores as against Rs. 62.97 crores in the corresponding quarter of previous financial year. Consolidated total income for the quarter is Rs 64.56 crores as against Rs. 69.50 crores in the corresponding quarter of previous financial year. Profit after tax decreased to Rs. 25.16 crores as against Rs. 34.86 crores in the corresponding quarter of previous financial year.

Standalone Financial Results

CARE Ratings standalone income from operations for the quarter ended June 30 2018 is Rs. 57.42 crores as against Rs. 61.38 crores in the corresponding quarter of previous financial year. Standalone total income for the quarter is Rs 61.66 crores as against Rs. 67.88 crores in the corresponding quarter of previous financial year. Profit after tax decreased to Rs. 25.55 crores as against Rs. 35.49 crores in the corresponding quarter of previous financial year.

The Board of Directors has declared an interim dividend of Rs. 6/- per share (of Rs. 10/- face value) for the quarter ended Jun 30, 2018.

Major factors affecting results of Q1-FY19

The Company had changed the estimates for revenue recognition prospectively from FY18. Accordingly, some income booked in previous year is not available in current year. The revenue for Q1-FY18 is higher by Rs. 7.57 crore and PAT is higher by Rs. 6.01 crore in Q1-FY18.

Q1-FY19 includes ESOP charge of Rs. 3.66 crore resulting in higher expense.

Q1-FY19 mark to market gains on FMP's and Duration Product investment were lower as compared to MTM gains in Q1-FY18. This has resulted in lower accrual of Other Income in Q1-FY19.

Operational Data

The total debt rated by your company was 3.81 Lakh Crores in Q1-FY19 as against 3.89 Lakh Crores in corresponding quarter of previous financial year. This included Rs 1.31 Lakh Crores in bonds, Rs 1.45 Lakh Crores bank loans and Rs 1.05 Lakh Crores in short term ratings (including CPs) for Q1-FY19.

Commenting on the results Rajesh Mokashi, MD & CEO, said, 'There have been some positive developments in the financial sector with the focus of the regulators being on nudging companies to borrow from the bond market. With the economy showing signs of improving this year, we do expect investment to pick up gradually which will get reflected in heightened bond market activity.'



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ABOUT US

CARE Ratings (until recently called Credit Analysis and Research Limited), 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 completed 25 years of 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 microfinance 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 has a subsidiary CARE (Ratings) Africa Private Limited (CRAF) in Mauritius and CARE Ratings Nepal Limited in Nepal. The company have two wholly owned subsidiaries in Mumbai, India namely CARE Risk Solutions Private Limited and CARE Advisory Research & Training Limited. The Company has its registered office in Mumbai, and branches in Ahmedabad, Bengaluru, Chandigarh, Chennai, Coimbatore, Hyderabad, Jaipur, Kolkata, New Delhi, and Pune.

** In terms of rating income FY18*

