

Mumbai, May 16, 2017

Audited Financial Results for Q4 -FY17 and FY17

The Board of Directors of CARE Ratings approved the Q4-FY17 and FY17 results in the Board Meeting held on Tuesday the 16th of May, 2017.

Highlights: Standalone FY17 vis-à-vis FY16

- Revenue from operation increases by 5.9%
- Total income increases by 14.6%
- Operating profit up by 9.02%, Operating profit margin improved from 63.52% to 65.38%
- Addition of 4,676 new clients in FY17
- Total number of active clients at 15,098 as of Mar 2017
- Final dividend of Rs. 10/- per share declared, which cumulated to total dividend of Rs.28/- per share for FY17
- 10,027 instruments rated during the year
- 21.2% increase in volume of fresh debt rated

Highlights: Standalone Q4-FY17 vis-à-vis Q4-FY16

- Revenue from operation increases by 1.5%.
- Total income increases by 9.1%
- Addition of 2,030 new clients in Q4 FY17
- 4,041 instruments rated during Q4 FY17
- 7.53% increase in volume of fresh debt rated

During FY 17, the Company's Consolidated Total Income increased by 11.2% to Rs. 320.3 crores over Rs. 288.1 crores in FY16. Consolidated Operating Profit for FY17 increased by 5.6% to Rs. 179.2 crores over Rs. 169.7 crores in FY16. Consolidated Profit After Tax for FY17 increased to Rs. 147.4 crores over Rs. 119.6 crores in FY16, an increase of 23.2%.

Higher income from operations during the year was on account of higher volume of debt rated as well as commensurate increase in the surveillance assignments. The corporate debt market was more buoyant in FY17 due to better transmission of interest rates in this segment. This higher volume of debt rated was associated with a sharp increase of 33.2% in the number of instruments rated from 7,527 to 10,027 during the year.

The higher increase in other income was due to the redemption of liquid investment schemes and maturity of FMPs that had been reckoned earlier.

The Board has proposed a final dividend of Rs 10/- per share which when combined with the interim dividend of Rs 18/- per share for the 9 months cumulates to Rs 28/- per share for the year FY17. The dividend payout ratio for FY17 comes to 65.48%.

Commenting on the results, Rajesh Mokashi, MD & CEO, said: 'The overall performance must be viewed against the background of developments in the economy where GDP growth slowed down to 7.1% (7.9% in FY16) and an all-time low growth in bank credit. Also investment rate in the country continued to decline which affected the credit and debt markets. With the impact of demonetization now appearing to have been behind us and a good monsoon forecast, we do look forward to a resumption in the consumption cycle and increase in private investment in FY18.'

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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 entered now its 25th year of analytical 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's global venture is a JV with 4 other global CRAs, 'ARC Ratings'. CARE also has a subsidiary CARE (Ratings) Africa Private Limited (CRAF) in Mauritius.*

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 (CARE Ratings Africa) has an office in Mauritius.

*** In terms of rating income FY17**