Date: August 9, 2023
SE/2023-24/47

To,

BSE Limited **The General Manager** **Corporate Relation Department** Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001 **Scrip Code: 534804**	**The National Stock Exchange of India Ltd.** **Listing Department** Exchange Plaza Bandra Kurla Complex Bandra (East) Mumbai 400 051 **Scrip Code: CARERATING**

Dear Sir/ Madam,

Sub: Outcome of the meeting of the Board of Directors of CARE Ratings Limited ("Company") held on August 9, 2023

With regards to the captioned matter and in compliance with Regulation 30 and Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), this is to inform you that the Board of Directors of the Company at their meeting held today i.e., on Wednesday, August 9, 2023, have *inter alia:*

(i) considered and approved the Unaudited Standalone and Consolidated Financial Results ("Unaudited Financial Results") for the quarter ended June 30, 2023, along with Limited Review Report issued by B S R & Co. LLP, the Statutory Auditors of the Company. A copy of the Unaudited Financial Results together with the Limited Review Report on the said Unaudited Financial Results has been enclosed.

(ii) provided in-principle approval:

a) to pursue the business of ESG Rating Provider and
b) for transfer of existing business from CARE Advisory Research and Training Limited to CARE Risk Solutions Private Limited, both wholly owned subsidiaries of the Company, by way of slump sale as a 'going concern'.

Both (a) and (b) are subject to such other approvals / consents as may be necessary from the Regulatory / Statutory Authorities. The Company will provide requisite disclosures, as and when, there is any further development on the same.

The meeting of the Board of Directors of the Company commenced at 12:15 p.m. and concluded at 5:25 p.m.

The above information is also being made available on the Company's website i.e. www.careedge.in.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,

For CARE Ratings Limited

NEHAL NAVINCHANDRA SHAH

Digitally signed by NEHAL NAVINCHANDRA SHAH
Date: 2023.08.09 17:26:52 +05'30'

Nehal Shah
Company Secretary & Compliance Officer

Encl: As Above

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai – 400063, India
Telephone: +91 (22) 6257 1000
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Limited Review Report on unaudited consolidated financial results of CARE Ratings Limited for the quarter ended 30 June 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of CARE Ratings Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of CARE Ratings Limited (hereinafter referred to as "the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 June 2023 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I to the Statement.

5. Attention is drawn to the fact that the figures for the three months ended 31 March 2023 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. We did not review the interim financial results of 2 Subsidiaries included in the Statement, whose interim financial results reflects total revenues of Rs. 400.58 lakhs, total net profit / (loss) after tax of Rs. 167.39 lakhs and total comprehensive income of Rs. 167.39, for the quarter ended 30 June 2023, as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

   The statement includes the financial results of 2 subsidiaries located outside India whose interim financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the interim financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Parent and reviewed by us.

   Our conclusion is not modified in respect of this matter.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Ajit Viswanath

Ajit Viswanath

Partner

Membership No.: 067114

UDIN:23067114BGWPJE6982

Mumbai

09 August 2023

Annexure I

List of entities included in unaudited consolidated financial results.

Sr. No	Name of component	Relationship
1	CARE Ratings Limited	Parent
2	CARE Risk Solutions Private Limited	Subsidiary
3	CARE Advisory Research and Training Limited	Subsidiary
4	CARE Ratings (Africa) Private Limited	Subsidiary
5	CARE Ratings (Nepal) Limited	Subsidiary

B S R & Co. LLP

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Telephone: +91 (22) 6257 1000
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Limited Review Report on unaudited standalone financial results of CARE Ratings Limited for the quarter ended 30 June 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of CARE Ratings Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of CARE Ratings Limited (hereinafter referred to as "the Company") for the quarter ended 30 June 2023 ("the Statement").

2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Attention is drawn to the fact that the figures for the three months ended 31 March 2023 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it

contains any material misstatement.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Ajit Viswanath

Ajit Viswanath
Partner
Membership No.: 067114
UDIN:23067114BGWPJD5088

Mumbai
09 August 2023

CARE Ratings Limited

CIN-L67190MH1993PLC071691

Regd Office: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai – 400 022
Website : www.careratings.com | Email: investor relations@careedge.in

Statement of Consolidated Unaudited Financial Results for the quarter ended June 30, 2023

(₹ in Lakhs)

SN.	Particulars	Quarter ended			Year ended
		June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
		Unaudited	Unaudited (Refer note 8)	Unaudited	Audited
I	Revenue from operations	6,641.87	7,751.00	5,456.86	27,899.30
II	Other income	1,153.33	1,036.94	752.31	3,793.65
III	**TOTAL INCOME (I +II)**	**7,795.20**	**8,787.94**	**6,209.17**	**31,692.95**
IV	**EXPENSES**				
	Employee benefits expense	3,838.16	3,718.54	2,886.57	13,394.37
	Finance cost	38.06	53.78	17.06	100.17
	Depreciation and amortisation expense	257.26	305.94	228.18	1,052.94
	Impairment loss of non current assets	-	-	-	570.62
	Other expenses	1,020.33	1,300.95	957.24	4,000.20
	TOTAL EXPENSES (IV)	**5,153.81**	**5,379.21**	**4,089.05**	**19,118.30**
V	**Profit before exceptional items and tax (III)-(IV)**	**2,641.39**	**3,408.73**	**2,120.12**	**12,574.65**
VI	Exceptional items	-	-	-	-
VII	**Profit before tax expenses (V - VI)**	**2,641.39**	**3,408.73**	**2,120.12**	**12,574.65**
VIII	**Tax expenses:**				
	Current tax	775.58	1,205.72	622.71	3,830.43
	Adjustment of tax relating to earlier periods	-	107.14	-	49.36
	Deferred tax	30.25	80.59	83.69	149.06
	Total tax expense	**805.83**	**1,393.45**	**706.40**	**4,028.85**
IX	**Net profit for the period (VII - VIII)**	**1,835.56**	**2,015.28**	**1,413.72**	**8,545.80**
	Profit for the period attributable to:				
	Non-controlling interest	54.57	55.02	47.11	192.86
	Owners of the parent	1,780.99	1,960.26	1,366.61	8,352.94
X	**Other comprehensive income**				
	A (i) Items that will not be reclassified to profit or Loss	(25.54)	20.31	(84.97)	(121.59)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	6.15	(5.12)	21.42	29.27
	B (i) Items that will be reclassified to profit or Loss	4.21	(10.02)	(2.50)	9.38
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	2.52	0.63	(2.36)
	Other comprehensive income for the period	**(15.18)**	**7.69**	**(65.42)**	**(85.30)**
	Other comprehensive income for the period attributable to:				
	Non-controlling interest	0.92	(1.65)	(0.41)	1.54
	Owners of the parent	(16.10)	9.33	(65.01)	(86.84)
XI	**Total comprehensive income for the period (IX + X)**	**1,820.38**	**2,022.97**	**1,348.30**	**8,460.50**
	Total comprehensive income for the period attributable to:				
	Non-controlling interest	55.48	53.38	46.70	194.40
	Owners of the parent	1,764.90	1,969.59	1,301.60	8,266.10
	Paid up equity share capital (Face value ₹ 10 per share)	2,970.05	2,970.05	2,964.65	2,970.05
	Other equity				64,250.74
	Earnings per equity share (Face value ₹ 10 each) (Not annualised for the quarters ended)				
	Basic (₹)	6.00	6.60	4.61	28.17
	Diluted (₹)	5.99	6.60	4.61	28.17

BSR & Co. LLP Chartered Accountants

CARE Ratings Limited CareEdge

Statement of Standalone Unaudited Financial Results for the quarter ended June 30, 2023

(₹ in Lakhs)

SN	Particulars	Standalone			
		Quarter ended			Year ended
		June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
		Unaudited	Unaudited (Refer note 8)	Unaudited	Audited
I	Revenue from operations	5,647.60	6,805.38	4,874.36	24,883.91
II	Other income	1,120.30	1,012.02	732.21	3,710.39
III	**TOTAL INCOME (I +II)**	**6,767.90**	**7,817.40**	**5,606.57**	**28,594.30**
IV	**EXPENSES**				
	Employee benefits expense	2,993.60	2,828.85	2,286.43	10,403.14
	Finance cost	31.51	44.81	9.68	69.94
	Depreciation and amortisation expense	180.16	233.44	187.02	805.42
	Impairment loss of non current assets	-	173.26	-	571.55
	Other expenses	638.50	1,021.86	683.75	2,930.40
	TOTAL EXPENSES (IV)	**3,843.77**	**4,302.22**	**3,166.88**	**14,780.45**
V	**Profit before exceptional items and tax (III)-(IV)**	**2,924.13**	**3,515.18**	**2,439.69**	**13,813.85**
VI	Exceptional items	-	-	-	-
VII	**Profit before tax expenses (V - VI)**	**2,924.13**	**3,515.18**	**2,439.69**	**13,813.85**
VIII	**Tax expenses:**				
	Current tax	732.73	1,156.90	587.17	3,677.91
	Adjustment of tax relating to earlier periods	-	(85.11)	-	(161.22)
	Deferred tax	29.17	(142.19)	44.83	(83.03)
	Total tax expense	**761.90**	**929.60**	**632.00**	**3,433.66**
IX	**Net profit for the period (VII - VIII)**	**2,162.23**	**2,585.58**	**1,807.69**	**10,380.19**
X	**Other comprehensive income**				
	A (i) Items that will not be reclassified to profit or Loss	(24.43)	22.14	(86.63)	(116.32)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	6.15	(5.57)	21.80	29.27
	B (i) Items that will be reclassified to profit or Loss	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Other comprehensive income for the period	**(18.28)**	**16.57**	**(64.83)**	**(87.05)**
XI	**Total comprehensive income for the period (IX + X)**	**2,143.95**	**2,602.15**	**1,742.86**	**10,293.14**
	Paid up equity share capital (Face value ₹ 10 per share)	**2,970.05**	**2,970.05**	**2,964.65**	**2,970.05**
	Other equity				**66,516.12**
	Earnings per equity share (Face value ₹ 10 each) (Not annualised for the quarters ended)				
	Basic (₹)	7.28	8.71	6.10	35.00
	Diluted (₹)	7.27	8.70	6.10	35.00

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Chartered Accountants

CARE Ratings Limited
CareEdge

Notes:-

1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on August 09, 2023 and have been subjected to review by the statutory auditors of the Company.

2 The consolidated financial results include results of CARE Ratings Limited and its subsidiaries namely CARE Risk Solutions Private Limited, CARE Advisory Research and Training Limited, CARE Ratings (Africa) Private Limited and CARE Ratings Nepal Limited.

3 The accompanying financial results have been prepared as per the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016.

4 The financial results have been prepared in accordance with the applicable accounting standards, as modified under the Companies (Indian Accounting Standards) Rules, 2015 and as specified in section 133 of the Companies Act.

5 The Company has granted a) 5,00,000 options on October 13, 2020, b) 3,22,000 options on December 01, 2020, c) 1,23,500 options on October 29, 2021, d) 25,000 options on May 28, 2022, e) 1,00,000 options on July 29, 2022 f) 72,000 options on November 8, 2022 and g) 10,000 options on January 04, 2023 to the eligible employees as the Company's Employees Stock Option Scheme (ESOS) 2020 duly approved by shareholders in AGM and Nomination and Remuneration Committee. The closing balance of options as on 30th June, 2023 are 4,23,814. As per Ind AS 102 - Share Based Payment, total cost of ESOP will be charged over vesting period, accordingly the Employee Benefit Expenses in standalone results includes ESOP charge under respective periods as under:

(₹ in Lakhs)

Particulars	Quarter Ended			Year ended
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
	Unaudited	Unaudited	Unaudited	Audited
Share based payment expenses	64.21	66.07	(214.93)	14.73

6 Segment Information based on Consolidated Financial results of the Group is as follows:

(₹ in Lakhs)

	Particulars	Quarter Ended			Year ended
		June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Audited
a	**Segment Revenue**				
	Ratings and related services	6,010.21	7,144.59	5,180.75	26,148.77
	Others	645.94	646.63	276.85	1,791.49
	Total Segmental Revenue	**6,656.15**	**7,791.22**	**5,457.60**	**27,940.26**
	Less: Inter Segment Revenue	(14.27)	(40.22)	(0.74)	(40.97)
	Total Revenue from Operations (Net)	**6,641.87**	**7,751.00**	**5,456.86**	**27,899.29**
b	**Segment Results (Profit before Finance Costs and Tax)**				
	Ratings and related services	2,032.57	2,946.68	1,869.59	11,000.02
	Others	(506.44)	(521.10)	(484.73)	(2,118.86)
	Total Segment Result	**1,526.13**	**2,425.58**	**1,384.87**	**8,881.16**
	Less: Finance Costs	38.06	53.78	17.06	100.17
	Add: Other Un-allocable Income - net	1,153.33	1,036.93	752.31	3,793.66
	Profit before Tax	**2,641.39**	**3,408.73**	**2,120.12**	**12,574.65**

	Particulars	As on June 30, 2023	As on March 31, 2023	As on June 30, 2022	As on March 31, 2023
		Unaudited	Unaudited	Unaudited	Audited
c	**Segment Assets**				
	Ratings and related services	69,192.52	68,395.52	65,135.40	68,395.52
	Others	4,583.86	3,521.59	3,192.13	3,521.59
	Unallocated Assets	5,067.01	5,186.03	5,229.50	5,186.03
	Total	**78,843.39**	**77,103.14**	**73,557.03**	**77,103.14**
d	**Segment Liabilities**				
	Ratings and related services	7,496.74	7,534.33	5,553.69	7,534.33
	Others	1,664.37	1,664.69	1,624.83	1,664.69
	Unallocated	-	-	-	-
	Total	**9,161.11**	**9,199.02**	**7,178.52**	**9,199.02**
e	**Capital Employed**				
	Ratings and related services	61,695.78	60,861.19	59,581.71	60,861.19
	Others	2,919.49	1,856.90	1,567.30	1,856.90
	Unallocated	5,067.01	5,186.03	5,229.51	5,186.03
	Total	**69,682.28**	**67,904.12**	**66,378.52**	**67,904.12**

BSR & Co. LLP Chartered Accountants

CARE Ratings Limited CareEdge

7 The company has provided for following during the comparative periods :

(₹ in Lakhs)

Particulars	Standalone			
	Quarter ended			Year ended
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
	Unaudited	Unaudited (Refer note 8)	Unaudited	Audited
Carrying value of intangible assets under development	-	-	-	570.62
Less : Adjustment for payable to vendor (subsidiary) no longer payable	-	-	-	(172.33)
Impairment of intangible assts under development recognised in statement of profit and loss - (A)	-	-	-	**398.29**
Impairment of investment in subsidiary -(B)	-	**173.26**	-	**173.26**
Impairment loss of non current assets - (A) + (B)	-	**173.26**	-	**571.55**

(₹ in Lakhs)

Particulars	Consolidated			
	Quarter ended			Year ended
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
	Unaudited	Unaudited (Refer note 8)	Unaudited	Audited
Carrying value of intangible assets under development	-	-	-	570.62
Less : Adjustment for payable to vendor (subsidiary) no longer payable	-	-	-	-
Impairment of intangible assts under development recognised in statement of profit and loss - (A)	-	-	-	**570.62**
Impairment of investment in subsidiary -(B)	-	-	-	-
Impairment loss of non current assets - (A) + (B)	-	-	-	**570.62**

8 The figures for the quarter ended March 31, 2023 in the above financial results are the balancing figures between the audited figures for the full financial year ended March 31, 2023 and the year to date unaudited limited reviewed figures published up to the nine months ended December 31, 2022.

For and behalf of the Board of Directors

CARE Ratings Limited

Mehul Pandya
Managing Director & CEO
DIN No- 07610232
August 09, 2023
Mumbai