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

Mumbai 12th May, 2015

The Board of Directors of CARE Ratings approved the Q4-FY15 and FY15 results in the Board Meeting held on Tuesday, the 12th of May 2015. The Board proposed final dividend of Rs.8/- per share having a nominal value of Rs. 10 per share.

Standalone Results

Highlights for FY15

- Rating income up by 12.34% from Rs. 226.91 crore in FY14 to Rs. 254.92 crore.
- Increase in Net profit by 9.06% to Rs 140.33 crore.
- Net profit margin at 46.66% in FY15 as against 48.53% in FY14.
- Total number of active clients up from 7,754 as of March 2014 to 9,828 as of March 2015.
- Number of rating assignments in the year increases to 7,973 in FY15.
- Total expenses for FY15 include charge of Rs. 9.53 crores comprising of ESOP, higher depreciation consequent to revision in useful lives of assets as per Companies Act 2013, finance cost and CSR contribution as compared to Rs. 1.43 crores in FY14. Adjusting for these items the net profit would increase by 13.49% to Rs. 147.19 crores in FY15 from Rs. 129.70 crores in FY14. The net profit margin would also stand at 48.94% in FY15 as against 48.92% in FY14.

Highlights for Q4-FY15

- Rating revenue up by 3.16 crore from Rs 74.37 crore to Rs 76.72 crore.
- Net profit lower by 15.04% to Rs. 35.09 crores due to charge of Rs. 2.15 crores comprising of ESOP, higher depreciation consequent to revision in useful lives of assets as per Companies Act 2013, finance cost and CSR contribution as compared to Rs. 1.43 crores in Q4-FY14. The investment income for Q4-FY15 is also lower as compared to Q4-FY14 mainly due to most of the investments being in Fixed Maturity Plans.
- Net profit margin at 43.30% in Q4-FY15 as against 49.43% in Q4-FY14 due to above expenses.
- 1,529 new clients added during Q4-FY15.
- Number of new rating assignments increased to 3,199 in Q4-FY15.

Total Income for FY15 increased by 13.45%. The overall performance for the year was characterized by growth of 12.09% in total income from operations from Rs 229.46 crore to Rs 257.21 crore. Ratings revenue increased by 12.34% from Rs 226.91 crore to Rs. 254.92 crore. Higher income was due to both new assignments and surveillances cases. Other income for the year was higher at Rs 43.56 crore compared with Rs 35.66 crore, which was on account of profit on sale of investments, dividend and interest on investments.

A dividend of Rs. 8/- per share is proposed. Combining the interim dividend and special dividend declared during the year, the aggregate dividend for FY15 comes to Rs. 79 per share. The dividend payout ratio for the year was approximately 192%.

Consolidated Results

During the year, consequent to the exercise of call option, the Company has acquired 1,992,960 equity shares representing 24.87% of the paid up equity share capital of its subsidiary CARE Kalypto Risk Technologies and Advisory Services Private Limited, thus making it a wholly owned subsidiary.

Results Summary

- Consolidated total income increased by 12.1% over FY 14 to Rs. 304.24 crores.
- Increase in PAT by 6% over FY 14 to Rs. 137.82 crores.

MD & CEO's quote:

'Our financial performance has been quite commendable considering that FY15 was a year when the financial markets continued to be downbeat. Our strategies have hence been aligned with the approach of widening our network as seen in the number of active clients on our portfolio. We have maintained our profit margins even though growth in profits was under pressure due to an increase in costs. But, with all the steps initiated by the government in FY15, I do expect the investment cycle to turn, though gradually in FY16 which should see a reactivation of the financial markets'.

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 over 20 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's global venture, which is a JV with 4 other global CRAs, 'ARC Ratings', has commenced operations.*

CARE Ratings
Professional Risk Opinion

The Company has its registered office in Mumbai, and branches in New Delhi, Bengaluru, Chandigarh, Chennai, Coimbatore, Hyderabad, Kolkata, Pune, Ahmedabad, Jaipur, Republic of Maldives.

**** In terms of rating income FY14***

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