

Date: January 19, 2014

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

Dear Sir,

OUTCOME OF THE BOARD MEETING HELD ON JANUARY 19, 2014

Please find enclosed herewith the Unaudited Financial Results for the nine months and quarter ended December 31, 2013, Limited Review Report and the Press Release for Q3FY14 of Credit Analysis and Research Limited as per the requirement of Clause 41 of the Listing Agreement.

Further, the Board of Directors have declared a 3rd Interim Dividend of Rs. 6/- per equity share of Rs. 10/- each for financial year 2013-2014 and has fixed Friday, January 31, 2014 as a Record Date for the 3rd Interim Dividend.

Further, the Board of Directors ratified the grant of 5 Lakh equity shares of the company to eligible employees under the Company's Employees Stock Option Scheme (ESOS) 2013 approved by the ESOP Compensation Committee at its meeting held on January 10, 2014.

Please take note of the above.

Thanking you,

Yours faithfully,
For Credit Analysis and Research limited



Chandresh Shah
Chief Financial Officer

Encl. : As above

Credit Analysis & Research Limited

Regd. Office: 4th Floor, Godrej Coliseum, Somaiya Hospital Road,

Off Eastern Express Highway, Sion (East), Mumbai – 400 022.

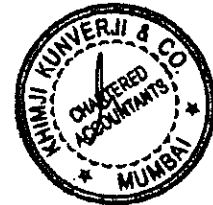
Website : www.careratings.com

Email: investor.relations@careratings.com

Part I : Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months Ended December 31, 2013

Rs. in Lakh

	Particulars	3 months ended 31/12/2013 Unaudited	3 months ended 30/09/2013 Unaudited	3 months ended 31/12/2012 Unaudited	Year to date figures for current period ended 31/12/2013 Unaudited	Year to date figures for Previous Year ended 31/12/2012 Unaudited	Previous accounting year ended 31/03/2013 Audited
1	Income from operations						
	a) Net Income from operations	5,383.73	6,527.51	4,556.88	15,379.94	13,546.42	19,876.58
	b) Other Operating Income	-	-	-	-	-	-
	Total Income from operations	5,383.73	6,527.51	4,556.88	15,379.94	13,546.42	19,876.58
2	Expenditure						
	a) Employee Benefits Expense	1,539.04	1,171.31	1,154.27	4,226.70	3,516.58	5,065.40
	b) Depreciation	72.28	79.06	49.36	203.86	209.64	262.73
	c) Other Expenses	597.65	598.06	313.37	1,615.33	1,020.35	1,422.81
	Total Expenditure	2,208.97	1,848.43	1,517.00	6,045.89	4,746.57	6,750.94
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	3,174.76	4,679.08	3,039.88	9,334.05	8,799.85	13,125.64
4	Other Income	671.23	545.00	788.94	2,776.97	2,053.23	2,862.55
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	3,845.99	5,224.08	3,828.82	12,111.02	10,853.08	15,988.19
6	Finance Cost	-	-	-	-	-	-
7	Exceptional Items	-	-	-	-	-	-
8	Profit / (Loss) from ordinary activities before tax (5 - 6 - 7)	3,845.99	5,224.08	3,828.82	12,111.02	10,853.08	15,988.19
9	Tax Expense	1,044.32	1,718.71	1,046.46	3,374.09	3,080.99	4,655.21
10	Net Profit (+)/ Loss (-) from Ordinary Activities after tax (8-9)	2,801.67	3,505.37	2,782.36	8,736.93	7,772.09	11,332.98
11	Extraordinary items (net of tax expense)	-	-	-	-	-	-
12	Net Profit (+) / Loss(-) for the period (10-11)	2,801.67	3,505.37	2,782.36	8,736.93	7,772.09	11,332.98
13	Paid-up equity share capital (Face value : Rs. 10 per share)	2,899.91	2,899.91	2,855.28	2,899.91	2,855.28	2,855.28
14	Reserves excluding Revaluation Reserves	-	-	-	-	-	39,534.38
15	Basic / Diluted Earnings Per Share (EPS) of Rs.10/- each (not annualized)	9.66	12.27	9.74	30.43	27.22	39.69



Part II: Selected Information

	Particulars	3 months ended 31/12/2013	3 months ended 30/09/2013	3 months ended 31/12/2012	Year to date figures for current period ended 31/12/2013	Year to date figures for Previous Year ended 31/12/2012	Previous accounting year ended 31/03/2013
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	Particulars of Shareholding						
1	Public shareholding						
	-Number of shares	28,999,122	28,999,122	28,552,812	28,999,122	28,552,812	28,552,812
	-Percentage of shareholding	100%	100%	100%	100%	100%	100%
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of Shares	-	-	-	-	-	-
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of Shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
	b) Non - encumbered						
	- Number of Shares	-	-	-	-	-	-
	- Percentage of Shares (as a % of the total shareholding of the Promoter and Promoter group)	-	-	-	-	-	-
	- Percentage of Shares (as a % of the total share capital of the Company)	-	-	-	-	-	-

B - Investor Complaints	Pending at the beginning of the quarter	Received during the quarter	Disposed of during the quarter	Remaining unresolved at the end of the quarter
Total	NIL	6	6	NIL

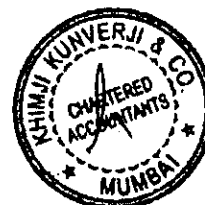
Notes:

- The above results have been reviewed by the Audit Committee of the Board and taken on record at the meeting of the Board of Directors of the Company held on January 19, 2014.
- The standalone unaudited financial results of the Company for the quarter ended December 31, 2013 has been subjected to limited review by the auditors as required under Clause 41 of Listing Agreement and the related report is being submitted to the concerned stock exchanges.
- The Board of Directors at their meeting held on January 19, 2014 has declared interim dividend of Rs. 6 per share having nominal value of Rs. 10 per share, which will be paid to shareholders as on record date of January 31, 2014.
- During the year ended March 31, 2013, the Company has completed its Initial Public Offer (IPO) through an Offer for Sale of 7,199,700 equity shares of Rs. 10 each, at a price of Rs. 750 per share. This being an offer for sale, the Company has not received the IPO proceeds, therefore, Clause 43 of the Listing Agreement do not apply to the Company. Since this was an offer for sale, all the share issue expenses relating to IPO are recovered / recoverable from selling shareholders.
- The Board of Directors of the Company at their meeting held on September 27, 2013, allotted 446,310 equity shares of Rs. 10 each to Ascent India Fund III at a price of Rs. 560.15 per share (including Rs. 550.15 towards share premium) aggregating to Rs. 25,00,00,547/-, to comply with Reserve Bank of India's norms on minimum capitalization applicable to non-fund based non-banking finance companies in connection with the IPO of the Company undertaken in December 2012. These funds have been utilised for business operations.
- The Company primarily operates in single business and geographical segment, hence, no additional disclosures required to be given as per AS 17 - Segmental Reporting other than those already given in the financial results.
- The Company has alongwith four partners from Malaysia, Brazil, Portugal and South Africa, launched international credit rating agency named ARC Ratings, SA, in London on January 16, 2014.
- The ESOP Compensation Committee of the Board of Directors at its meeting held on January 10, 2014 has approved the grant of 5 Lakh equity shares of the Company to eligible employees under the Company's Employees Stock Option Scheme (ESOS) 2013.
- Previous year's / period's figures have been regrouped / rearranged wherever necessary to conform to the figures of the current period.

For and behalf of the Board of Directors
Credit Analysis & Research Limited

D R Dogra
Managing Director & Chief Executive Officer

Mumbai, January 19, 2014



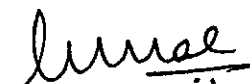
**Limited Review Report****The Board of Directors****Credit Analysis and Research Limited**

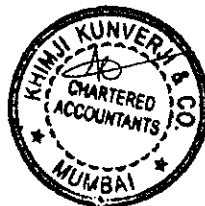
We have reviewed the accompanying statement of standalone unaudited financial results of Credit Analysis and Research Limited ('the Company') for the quarter ended December 31, 2013, ('the Statement'), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We have conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India (ICAI). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For and on behalf of
Khimji Kunverji & Co
Chartered Accountants
Firm Registration No. 105146W


Gautam V Shah
Partner (F-117348)



Place: Mumbai
Date : January 19, 2014

CREDIT ANALYSIS AND RESEARCH LIMITED

Q3 & 9M FY2014 Results

- 9M FY2014 Total Income improves 16.4% YoY
- 9M FY2014 EBITDA increases by 11.3%; Net profit better by 12.4% YoY
- 3rd Interim Dividend of Rs.6 per share declared
- Cumulative Debt rated at end of 9M FY14 at Rs. 54.7 lakh crore

Mumbai (India), January 19, 2014: Credit Analysis and Research Limited, the second largest full service rating Company in India*, announced its results for the quarter and nine months ended December 31, 2013.

Financial Highlights

9M FY2014 performance overview (Compared with 9M FY2013)

- Total income grew by 16.4% to INR 181.57 crore as compared to INR 156 crore
- EBITDA better by 11.3% to INR 123.15 crore as compared to INR 110.63 crore
- Net profit enhanced by 12.4% to INR 87.37 crore as compared to INR 77.72 crore
- EPS diluted improved by 11.8% at INR 30.43 as compared to INR 27.22

Q3 FY2014 performance overview (Compared with Q3 FY2013)

- Total income grew by 13.3% to INR 60.55 crore as compared to INR 53.46 crore
- EBITDA better by 1% to INR 39.18 crore as compared to INR 38.78 crore
- Net profit enhanced by 0.7% to INR 28.02 crore as compared to INR 27.82 crore
- EPS diluted lowered by 0.8% at INR 9.66 as compared to INR 9.74

Performance Review

- During 9m FY14, rating income improved by 12.9%. The growth was driven by expansion in the number of bank facilities rated from 3,838 in 9m FY13 to 4,414 in 9m FY14 and number of debt instruments from 221 in 9m FY13 to 236 in 9m FY14. The volume of debt rated increased from Rs. 4.80 lakh crore to Rs. 6.45 lakh crore during 9m FY14, growth of 34.4%. The total number of assignments increased by 13.6% to 5,444 in 9m FY14 as against 4,790 in 9m FY13.

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CARE Ratings

Professional Risk Opinion

- The other component of total income, 'other income' which also includes income from investments made in fixed maturity plans (FMPs) increased from Rs 20.53 crore in 9m FY13 to Rs 27.77 crore in 9m FY14
- PAT margins lowered to 48.1% in 9m FY14 over 49.8% 9m in FY13.
- CARE's performance was affected by the overall macroeconomic conditions and capital market activity. Economic conditions have been subdued with the GDP growth in Q2 coming in at 4.8% and GDP in H1 FY14 growing at 4.6%. Industry growth has been deteriorating, with IIP registering a negative growth of 0.2% in April – November FY14 as against a positive growth of 0.9% in the corresponding period last year.

Debt market remained subdued in FY14. Total debt raised between April – December FY14 remained lower at Rs 196,440 crore as against Rs 264,045 crore in the same period FY13. Inflation numbers have been high since Q2 FY14, resulting in a hawkish RBI policy stance, however some relief was provided by the December inflation numbers. The exchange rate on the other hand has remained stable in the range of Rs 61.5/\$ to Rs 63.5/\$

Commenting on the performance of Q3 & 9M FY2014, D.R. Dogra, Managing Director & CEO of Credit Analysis and Research Limited said,

"We have achieved notable growth in our performance in what continued to be a very tough period for the Indian economy. Our financial and operational parameters continue to strengthen showcasing the proficiency of our business model and increasing brand salience. Concerted expansion of business development team and unwavering confidence in CARE's risk opinions continues to aid volume trajectory.

A significant development was the launch of ARC Ratings our international CRA. This is a significant milestone towards growing our business and brand footprint in the global arena. ARC offers a more comprehensive and pragmatic view on credit risk; and is registered with ESMA (European Securities and Markets Authority), thus complying with strict regulation standards.

Distributing value to our shareholders is a corporate philosophy. Given the continuous generation of healthy free cash flows, this would be the fifth consecutive quarter where the Board has declared an interim dividend. The Rs.6 per share dividend declared in Q3 FY14 adds to a total dividend of Rs. 18 per share for 9M FY2014, amounting to a strong payout ratio of 69.5%.

In the coming quarters, we expect subdued macros impacting industrial activity and the credit rating sector resultantly. However, we continue to be comfortable about the future as we have built the foundations for a strong and lasting company that brings a distinctive approach to the credit rating sector. We are well poised to navigate through the economic headwinds and capitalize on the anticipated tailwinds. Our superior business model, growing brand equity, human capital efficiencies, expansive distribution network and strong financial position provides solid underpinnings for sustainable growth."

– ENDS –

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CARE Ratings

Professional Risk Opinion

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 provides industry research and economic research. Furthering the knowledge initiatives, the Company has tied up with Knowledge Academy, Ahmedabad to conduct a co-branded certification programme in credit risk assessment. Furthermore, the Company also provides Risk Solutions and Advisory Services through its subsidiary CARE Kalypto.

To enhance its scope of business CARE Ratings has been nurturing global opportunities and made forays in different forms: has a branch in Maldives and MoUs with CRAs in other countries. The Company has also launched a new international credit rating agency 'ARC Ratings' with 4 other CRAs from Brazil, Portugal, Malaysia and South Africa.

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

** In terms of rating income FY13*

For further information, please contact:

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