CARE Ratings
Professional Risk Opinion

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Date: June 06, 2017

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

Dear Sir/Madam,

Sub: Clarification / Information on the news item

With regard to the news item flashed on page no. 12 of the newspaper, Economic Times dated June 06, 2017 captioned "**Care Ratings Plans 10% Share Buyback**" we wish to state as under.

We hereby clarify to the Exchange that the news items as mentioned above in Economic Times dated June 06, 2017 is not correct and the company, Credit Analysis and Research Limited is not planning any such proposal for buy back of its shares. These are just market speculations. The Company will follow the provisions / process as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and will inform the Stock Exchanges where its shares are listed (pre /post) whenever any such event occurs.

We request you to kindly take note of the above and bring the clarification from the Company to the members of the Exchange and the investors at large.

Thanking you,

Yours faithfully,
For Credit Analysis and Research Limited

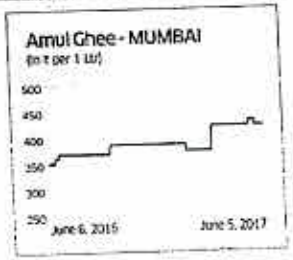
Mahendra Naik
Company Secretary

Tweet of the Day

Prof. Steve Hanke
@steve_hanke

Bank #regulations squeeze the money supply and stifle economic growth. A deadly cocktail to ingest in a slump.

Quarts & Ounces



GOLDEN DEAL Exiting investors may get a chance to book handsome gains as ratings firm may offer attractive premiums

Care Ratings Plans 10% Share Buyback

Saikat Das & Indulal PM

Mumbai: Credit Analysis and Research Ltd or Care Ratings, which counts Franklin Templeton and LIC as its promoters, is planning about 10% share buyback, for which it may seek the approval of its board in a month or two, two people in know of the matter told ET.

Once approved, the exercise may offer exiting investors an opportunity to book handsome gains since the ratings firm may offer an attractive premium, said one of the persons.

As per current market capitalisation, the exercise will involve buyback of about 29.5 lakh shares for nearly ₹430 crore.

An email sent to Care Ratings seeking comments on the matter did not elicit response till late evening on Monday.

In a share buyback, a company makes an offer to buy a certain number of shares at a specific price directly from shareholders, reducing the number of outstanding shares in the secondary market. The public listed company, run by a professional management team, ranks among India's leading ratings firms. More than a dozen marquee investors including Morgan Stanley, Goldman Sachs, Government of Singapore, Tata Steel, DSP Blackrock Mutual Fund and SBI Mutual Fund have invested in Care Ratings, whose promoters do not hold any shares. The company's shares shot up 5% in the past five trading sessions, compared to just over 0.5% increase in the benchmark Index Sensex.

On a standalone basis Care Ratings reported a 29% jump in its profit for 2016-17 to ₹152 crore from a year ago. Its total assets at the end of the fiscal was ₹ 553 crore.

In the past few months cash-rich companies like TCS, Bayer CropScience and HCL Technologies have announced share buyback plans. HCL Technologies, the country's fourth largest software services firm, said it will buy back shares at ₹1,000 apiece, at an estimated 17% premium over the price in the secondary market about two weeks ago.

TCS said in April that its shareholders approved a ₹16,000-crore share buyback plan while Bayer CropScience said it is considering a share buyback plan at the company board level. Share buybacks have been gaining momentum since last year when the Union Budget for 2016-17 imposed a 10% tax on dividends of more than ₹10 lakh per year. Such investor schemes are seen as another way of giving back cash to investors, which also helps improve earnings per share, a gauge for investor profitability

Going Forward

- **10%** Care Rating Agency plans a share buyback
- **₹430 crore** Estimated worth of buyback
- **29.5 lakh** Number of shares
- **5%** Rise in Care shares in the past five trading sessions
- **29%** Jump in Care's yearly net profit
- **₹152 crore** Care's net profit during 2016-17
- **₹553 crore** Care's assets in its balance sheet for year ended March 31, 2017

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States to Waive $40 billion in Farm Loans by 2019 Polls

A report by Bank of America Merrill Lynch warned that $40 billion will be written off in the run-up to 2019 elections

