

Date: August 31, 2016

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

Dear Sir,

Signing of Memorandum of Understanding (MOU)

The company, Credit Analysis and Research Limited have signed a Memorandum of Understanding (MOU) today i.e. August 31, 2016, with Vishal Group Limited and Emerging Nepal Limited to start a credit rating agency in Nepal to be called CARE Ratings (Nepal) Limited subject to regulatory approvals in India and Nepal.

The press release with regard to signing of the Memorandum of Understanding (MOU) is enclosed.

The above is for your information and records.

Thanking you,

Yours faithfully,

For CREDIT ANALYSIS & RESEARCH LTD.


MAHENDRA NAIK
COMPANY SECRETARY

Encl: As above

CREDIT ANALYSIS & RESEARCH LTD.

Mumbai 31st August, 2016

CARE Ratings signs MoU to establish Credit Rating Agency in Nepal

CARE Ratings today signed a MoU subject to regulatory approvals in India and Nepal with Vishal Group Limited and Emerging Nepal Limited to start a credit rating agency in Nepal to be called CARE Ratings (Nepal) Limited.

Vishal Group Limited is a public limited company in financial services and part of the Vishal Group while Emerging Nepal Limited is a public limited company engaged in venture capital activities. As per the terms of the MoU, CARE Ratings will hold 51% of the equity of NR 2 crore while Vishal group will own 19% and Emerging Nepal Limited 10%. The balance 20% would be held by banks, insurance companies, FIs and corporate bodies in Nepal subject to a maximum of 9% per legal entity.

CARE's forays in Nepal come on top of its establishment of the rating agency CARE Ratings Africa in Mauritius in 2015 besides being a part of the global rating agency ARC Ratings.

Speaking on this occasion, Rajesh Mokashi, Managing Director & CEO said, 'This is another small step in our global foray plans and we do see a lot of opportunity in not just growing the market but also developing different avenues for rating, grading, training, research and information services. With two of the best companies as our partners with varying expertise, I am confident that this venture will set new benchmarks to be emulated in Nepal'.

Contact:

Rajesh Mokashi, MD & CEO 022-67543636

Mradul Mishra, Senior Manager, Corporate Communication, 022-6754 3515

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 is part of the global venture, '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 has an office in Mauritius.

*** In terms of rating income FY16**