

CARE looks overseas, may buy stake in European firm (also see in [Jpeg](#))

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RATING major Credit Analysis and Research (CARE) is diversifying into new areas and has plans to foray into overseas market to boost its revenue.

CARE is set to offer risk management consultancy services from 2013-14 through CARE Kalypto Risk Technologies, a subsidiary of the company, CARE managing director and chief executive officer D R Dogra said here.

"Growth in ratings space is limited. Consultancy services would provide diversification," he said on the sidelines of CH-organised Financial Markets Conclave 2013.

The consultancy sendees in the financial space would mostly include financial due diligence, deal valuations and risk management services, Dogra said.

Going global

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■ CARE is talking to rating firms from Brazil, Portugal, Malaysia and South Africa to form a JV and float a global rating agency

In 2011, CARE had acquired 75.15 per cent stake in Kalypto Risk Technologies that offers a risk management software solutions mostly in financial services sector.

Commenting on corporate ratings in the current financial year, Dogra said total downgrades have been more than the upgrades in the current financial year compared with 2011-12 due to the slowdown in eco-

nommic activities.

For every one upgrade there are four downgrades this financial year and are mostly in sectors like auto, power, steel and infrastructure, he said.

The company was also expecting flat revenue from rating sendees at Rs 178 crore.

Dogra said to foray into the international market, CARE is talking to rating companies from Brazil, Portugal, Malaysia and South Africa to form a joint venture and float an international rating agency.

"It will be finalised in the next financial year. This joint venture company is looking to acquire a Portuguese rating firm which is recognised by ESMA (European Securities and Markets Authority)," he said.

ESMA is exclusively responsible for the registration and supervision of credit rating agencies in the European Union.