

Date: February 06, 2021  
SE/2020-21/84

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| <b>The National Stock Exchange India Ltd.</b><br>Listing Department<br>Exchange Plaza<br>Bandra Kurla Complex<br>Bandra (East)<br>Mumbai 400 051<br><b>Scrip Code: CARERATING</b> | <b>The General Manager</b><br>The Corporate Relation Department<br>BSE Limited<br>Phiroza Jeejeebhoy Towers<br>14 <sup>th</sup> Floor, Dalal Street<br>Mumbai 400 001<br><b>Scrip Code: 534804</b> |
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Dear Sir/ Madam,

**Sub: Press Release**

Please find enclosed herewith the Press Release of CARE Ratings Limited as per the requirement of Regulation 30 and Para A of Part A of Schedule III of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Please take note of the above.

Thanking you,

Yours faithfully,

**For CARE Ratings Limited**

*Navin Jain*



**Navin Kumar Jain**  
**Company Secretary & Compliance Officer**

Encl : As above

**CARE Ratings Ltd.**

6<sup>th</sup> February 2021

## Q3-FY21 and 9M-FY21 Results

The Board of Directors of CARE Ratings approved the financial results for the third quarter and first nine months of FY21 in the Board meeting held on Saturday the 6<sup>th</sup> of February 2021.

### Consolidated results

For the quarter consolidated total income was Rs.63.72 crore as against Rs.63.25 crore in corresponding quarter of FY20. Profit after tax (PAT) increased from Rs.17.58 crore in Q3-FY20 to Rs.18.94 crore in Q3-FY21.

For the nine-months period total income was Rs.194.49 crore (Rs.201.7 crore in FY20) and profit after tax Rs.64.48 crore (Rs.67.80 crore in FY20).

### Standalone results

CARE Ratings standalone total income declined from Rs.57.23 crore in Q3-FY20 to Rs.54.83 crore in Q3-FY21. Operating income decreased from Rs.49.79 crore in Q3-FY20 to Rs.46.51 crore in Q3-FY21. Total expenditure decreased from Rs.36.00 crore to Rs.33.78 crore during this period. PAT declined from Rs.16.48 crore to Rs.15.81 crore for the quarter with the margin correspondingly increasing to 28.83% from 28.80%.

For the nine-months period total income was Rs.176.96 crore (Rs.185.55 crore in FY20) and profit after tax Rs.63.74 crore (Rs.66.55 crore in FY20).

In the third quarter the macro economic environment showed promise of a revival with the pent-up demand phenomenon helping to provide a boost to industrial growth. However, after registering growth of 4.2% in October, growth in IIP slipped into negative territory again at 1.9% in November. The unlocking of the economy has helped to a certain extent in reviving growth though the path appears to be uneven. During this quarter bank credit growth to manufacturing fell by 0.5% compared with +0.7% last year. Growth in credit to services was at 0.1% (0.4) in the same period. Hence overall credit growth was lower than last year. Bond issuances were only marginally higher at Rs.1.71 lakh crore compared with Rs.1.68 lakh crore last year. There was domination of issuances from the financial sector. CP issuances for the quarter were lower at Rs.4.34 lakh crore (Rs.5.42 lakh crore last year). The financial results of the company need to be interpreted against this background as the macro factors play a dominant role in influencing credit rating business.

The RBI had kept the repo rate unchanged during this period while inflation did trend downwards to 4.6% in December. However, an accommodative policy was pursued which helped bond yields to remain stable.

‘While the second half of the year is expected to be better with Q4 being an improvement over Q3 in terms of GDP growth which can be positive, industry is still in the wait and watch mode. However, the Budget has sent significant positive signals which should hopefully translate to heightened economic activity in FY22’ said Ajay Mahajan, MD & CEO of CARE Ratings. “We expect private sector to get encouraged after the union budget pronouncements and come forward to make much-needed investment in the economy,” he added.

The Board of Directors have recommended interim dividend of Rs.3/- per share (of Rs.10/- face value) which will take the total declared for the year to Rs.11/- share.

During this quarter as part of the campaign aimed at knowledge dissemination, the company hosted several webinars on various sectors like banking, steel, construction, real estate, among others with guest speakers from industry. This was complemented with research reports on the economy (domestic and world) and industry to provide views on performance and prospects. We have also launched a new website to present a fresh look which is more user-friendly.

For further information, contact:

**Ajay Mahajan**

**MD & CEO**

**Navin Jain**

**Executive Director**

**Contact details: 022- 65473456**