

# B S R & Co. LLP

Chartered Accountants

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## **Limited Review Report on unaudited consolidated financial results of CARE Ratings Limited for the quarter ended 30 September 2022 and year-to-date results for the period from 1 April 2022 to 30 September 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

### **To the Board of Directors of CARE Ratings Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of CARE Ratings Limited ("the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 September 2022 and year-to-date results for the period from 1 April 2022 to 30 September 2022 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I to the Statement.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Registered Office:

## B S R & Co. LLP

6. We did not review the interim financial results of 2 subsidiaries included in the Statement, whose interim financial results reflects total assets of Rs. 2,127.12 lakhs as at 30 September 2022 and total revenues of Rs. 637.07 lakhs, total net profit / (loss) after tax of Rs. 287.79 lakhs and total comprehensive income/ loss of Rs. 287.79 lakhs, for the quarter ended 30 September 2022 and for the period from 1 April 2022 to 30 September 2022 respectively, and cash flows (net) of Rs. (62.62) lakhs for the period from 1 April 2022 to 30 September 2022, as considered in the unaudited consolidated financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

7. The abovementioned 2 subsidiaries are located outside India whose interim financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the interim financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report/reports of other auditors and the conversion adjustments prepared by the management of the Parent and reviewed by us.

Our conclusion is not modified in respect of this matter.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

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**Ajit Viswanath**

*Partner*

Mumbai

08 November 2022

Membership No.: 067114

UDIN:22067114BCLUYU2534

## Annexure I

List of entities included in unaudited consolidated financial results.

Sr. No	Name of component	Relationship
1	CARE Ratings Limited	Parent
2	CARE Risk Solutions Private Limited	Subsidiary
3	CARE Advisory Research and Training Limited	Subsidiary
4	CARE Ratings (Africa) Private Limited	Subsidiary
5	CARE Ratings (Nepal) Limited	Subsidiary

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## Limited Review Report on unaudited standalone financial results of CARE Ratings Limited for the quarter ended 30 September 2022 and year-to-date results for the period from 1 April 2022 to 30 September 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

### To the Board of Directors of CARE Ratings Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of CARE Ratings Limited ("the Company") for the quarter ended 30 September 2022 and year-to-date results for the period from 1 April 2022 to 30 September 2022 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

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**Ajit Viswanath**

*Partner*

Mumbai

08 November 2022

Membership No.: 067114

UDIN:22067114BCLUYR7135

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

## Statement of Consolidated Unaudited Financial Results for the quarter ended September 30, 2022 and year to date results for the period from April 1, 2022 to September 30, 2022

SN.	Particulars	Quarter Ended			Six months Ended		(₹ in Lakhs)
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	Year ended
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	8,476.48	5,456.86	7,638.59	13,933.34	12,558.55	24,763.28
II	Other income	845.86	752.31	589.95	1,598.17	1,322.17	2,719.11
III	<b>TOTAL INCOME (I +II)</b>	<b>9,322.34</b>	<b>6,209.17</b>	<b>8,228.54</b>	<b>15,531.51</b>	<b>13,880.72</b>	<b>27,482.39</b>
IV	<b>EXPENSES</b>						
	Employee benefits expense	3,398.28	2,886.57	3,182.79	6,284.85	6,442.02	12,641.27
	Finance cost	15.43	17.06	11.32	32.49	24.27	46.38
	Depreciation and amortisation expense	252.48	228.18	182.65	480.66	367.93	770.59
	Impairment loss on intangible assets	-	-	-	-	-	21.29
	Other expenses	878.16	957.24	1,102.58	1,835.40	1,899.66	4,139.86
	<b>TOTAL EXPENSES (IV)</b>	<b>4,544.35</b>	<b>4,089.05</b>	<b>4,479.34</b>	<b>8,633.40</b>	<b>8,733.88</b>	<b>17,619.39</b>
V	<b>Profit before exceptional items and tax (III)-(IV)</b>	<b>4,777.99</b>	<b>2,120.12</b>	<b>3,749.20</b>	<b>6,898.11</b>	<b>5,146.84</b>	<b>9,863.00</b>
VI	Exceptional items	-	-	-	-	-	-
VII	<b>Profit before tax expenses (V - VI)</b>	<b>4,777.99</b>	<b>2,120.12</b>	<b>3,749.20</b>	<b>6,898.11</b>	<b>5,146.84</b>	<b>9,863.00</b>
VIII	Tax expenses:						
	Current tax	1,336.60	622.71	1,055.00	1,959.31	1,800.07	2,932.09
	Deferred tax	(44.14)	83.69	(12.88)	39.55	(515.19)	(751.99)
	<b>Total tax expense</b>	<b>1,292.46</b>	<b>706.40</b>	<b>1,042.12</b>	<b>1,998.86</b>	<b>1,284.88</b>	<b>2,180.10</b>
IX	<b>Net profit for the period (VII - VIII)</b>	<b>3,485.53</b>	<b>1,413.72</b>	<b>2,707.08</b>	<b>4,899.25</b>	<b>3,861.96</b>	<b>7,682.90</b>
	<b>Profit for the period attributable to:</b>						
	Non-controlling interest	54.57	47.11	45.34	101.69	95.96	172.11
	Owners of the parent	3,430.96	1,366.61	2,661.74	4,797.56	3,766.00	7,510.79
X	<b>Other comprehensive income</b>						
	A (i) Items that will not be reclassified to profit or Loss	(4.75)	(84.97)	20.18	(89.72)	(69.27)	936.69
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1.44	21.42	(5.13)	22.86	17.33	(140.93)
	B (i) Items that will be reclassified to profit or Loss	9.89	(2.50)	0.18	7.39	(8.98)	(16.42)
	(ii) Income tax relating to items that will be reclassified to profit or loss	(2.49)	0.63	(0.05)	(1.86)	2.26	4.13
	<b>Other comprehensive income for the period</b>	<b>4.09</b>	<b>(65.42)</b>	<b>15.18</b>	<b>(61.33)</b>	<b>(58.66)</b>	<b>783.47</b>
	<b>Other comprehensive income for the period attributable to:</b>						
	Non-controlling interest	1.63	(0.41)	0.03	1.22	(1.48)	(2.70)
	Owners of the parent	2.46	(65.01)	15.15	(62.55)	(57.18)	786.17
XI	<b>Total comprehensive income for the period (IX + X)</b>	<b>3,489.62</b>	<b>1,348.30</b>	<b>2,722.26</b>	<b>4,837.92</b>	<b>3,803.30</b>	<b>8,466.37</b>
	<b>Total comprehensive income for the period attributable to:</b>						
	Non-controlling interest	56.20	46.70	45.37	102.90	94.48	169.41
	Owners of the parent	3,433.42	1,301.60	2,676.89	4,735.02	3,708.82	8,296.96
	Paid up equity share capital (Face value ₹ 10 per share)	2,964.89	2,964.65	2,946.12	2,964.89	2,946.12	2,964.65
	Other equity						61,784.81
	<b>Earnings per equity share (Face value ₹ 10 each) (Not annualised for the quarters ended)</b>						
	Basic (₹)	11.57	4.61	9.03	16.18	12.78	25.45
	Diluted (₹)	11.57	4.61	8.63	16.18	12.52	25.31



**Statement of Assets & Liabilities (Consolidated)**

(₹ in Lakhs)

SN.	Particulars	As at	As at
		September 30, 2022	March 31, 2022
		(Unaudited)	(Audited)
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non current assets</b>		
	Property plant and equipment	8,104.11	7,879.60
	Right of use assets	795.32	849.51
	Goodwill on consolidation	795.03	795.03
	Other intangible assets	187.85	37.66
	Intangible assets under development	720.10	818.66
	<b>Financial assets</b>		
	Investments (Non current)	4,428.83	4,399.89
	Loans	32.66	24.68
	Other financial assets	326.89	1,266.41
	Deferred tax assets (Net)	227.08	234.20
	Other assets	48.61	36.99
	<b>Total non-current assets</b>	<b>15,666.48</b>	<b>16,342.63</b>
<b>2</b>	<b>Current assets</b>		
	<b>Financial assets</b>		
	Trade receivables	3,708.61	1,664.11
	Cash and cash equivalents	13,115.22	1,763.26
	Bank balances other than cash and cash equivalents	4,501.54	6,453.09
	Loans	20.19	21.91
	Other financial assets	38,024.54	44,255.11
	Contract assets	1,141.09	678.95
	Current tax asset (Net)	656.89	1,151.94
	Other current assets	1,305.14	409.69
	<b>Total current assets</b>	<b>62,473.22</b>	<b>56,398.07</b>
	<b>Total assets</b>	<b>78,139.70</b>	<b>72,740.70</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>I</b>	<b>EQUITY</b>		
	Equity share capital	2,964.89	2,964.65
	Other equity	63,395.11	61,784.81
	<b>Equity attributable to equity holders of the parent</b>	<b>66,360.00</b>	<b>64,749.46</b>
	Non-controlling interest	657.19	531.42
	<b>Total equity</b>	<b>67,017.19</b>	<b>65,280.88</b>
<b>II</b>	<b>LIABILITIES</b>		
<b>1</b>	<b>Non-current liabilities</b>		
	<b>Financial liabilities</b>		
	Lease liabilities	449.45	564.08
	Provisions	1,017.67	1,166.33
	Deferred tax liabilities (Net)	614.14	606.20
	<b>Total non-current liabilities</b>	<b>2,081.26</b>	<b>2,336.61</b>
<b>2</b>	<b>Current liabilities</b>		
	<b>Financial liabilities</b>		
	Lease liabilities	382.86	327.24
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	-	0.70
	Total outstanding dues of other than micro enterprises and small enterprises	763.41	512.74
	Other financial liabilities	4,065.14	1,848.65
	Contract liabilities	2,519.87	1,619.79
	Other current liabilities	663.09	500.96
	Provisions	624.80	291.83
	Current tax liability (net)	22.08	21.30
	<b>Total current liabilities</b>	<b>9,041.25</b>	<b>5,123.21</b>
	<b>Total equity and liabilities</b>	<b>78,139.70</b>	<b>72,740.70</b>



## Statement Cash Flow (Consolidated)

(₹ in Lakhs)

Particulars	For the half year ended	For the half year ended
	September 30, 2022	September 30, 2021
<b>Cash flows from Operating Activities</b>		
Profit before tax	6,898.11	5,146.84
<b>Adjustments for</b>		
Interest income	(1,393.92)	(1,213.79)
Notional income on fair value of security deposits	(5.01)	(4.87)
Dividend income from equity securities	(34.91)	-
Unrealized gain on fair valuation of investments through profit and loss	(0.87)	(59.01)
Provision for bad and doubtful debts	76.04	84.32
Bad debts written off	9.07	18.40
Loss/(Gain) on Sale of Property, Plant & Equipment	(0.77)	2.01
ESOP expense	(71.19)	371.44
Lease concession	(11.03)	-
Unrealised foreign exchange Gain	(82.47)	-
Amortization of premium	-	8.55
Finance cost on lease liabilities	32.49	24.26
Depreciation and amortization expenses	480.66	367.93
<b>Operating Profit before working capital changes</b>	<b>5,896.20</b>	<b>4,746.08</b>
<b>Movements in working capital</b>		
Increase in Trade receivables	(2,047.76)	(3,328.08)
Increase in Non financial assets	(439.43)	(148.10)
Increase in Financial assets	(941.99)	(1,198.99)
Increase in Non-current financial assets	(8.37)	-
Increase in Non financial liabilities	900.08	733.88
Decrease in Financial liabilities	(497.57)	(556.33)
Increase in Other liabilities	256.73	690.65
<b>Total Movements in working capital</b>	<b>(2,778.31)</b>	<b>(3,806.97)</b>
Taxes paid	(1,466.97)	(1,202.40)
<b>Net cash generated from/(used in) operating activities</b>	<b>1,650.92</b>	<b>(263.29)</b>
<b>Cash flows from Investing Activities</b>		
Interest Income	1,365.85	1,213.79
Dividend received	34.91	-
Investment in fixed deposits	9,168.35	(17,404.86)
Proceeds from Sale of Property Plant & Equipment	4.97	16.14
Acquisition of Property, Plant & Equipment & capital advances	(584.49)	(610.64)
Redemption / sale of investments	-	18,699.03
<b>Net cash from investing activities</b>	<b>9,989.59</b>	<b>1,913.46</b>
<b>Cash flows from Financing Activities</b>		
Payment of Dividend	(0.87)	(1,823.37)
Buyback related expenses	(97.88)	-
Proceeds from exercise of share options	9.71	-
Repayment of lease liability	(167.01)	(131.77)
Payment of interest on lease liability	(32.49)	(24.26)
<b>Net cash used in financing activities</b>	<b>(288.54)</b>	<b>(1,979.40)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>11,351.97</b>	<b>(329.23)</b>
<b>Cash And Cash Equivalents At The Beginning</b>	<b>1,763.26</b>	<b>1,178.57</b>
<b>Cash And Cash Equivalents At The End</b>	<b>13,115.22</b>	<b>849.34</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash on hand	0.94	0.75
Cheques in hand	-	-
<b>Other Bank balances</b>		
On current account	635.43	501.77
Deposit accounts	12,477.82	346.54
Prepaid cards	1.03	0.29
<b>Total</b>	<b>13,115.22</b>	<b>849.34</b>



## Statement of Standalone Unaudited Financial Results for the quarter ended September 30, 2022 and year to date results for the period from April 1, 2022 to September 30, 2022

(₹ in Lakhs)

SN	Particulars	Standalone					
		Quarter Ended			Six months Ended		Year ended
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	7,748.73	4,874.36	6,929.98	12,623.09	11,107.37	21,927.29
II	Other income	863.30	732.21	652.75	1,595.51	1,417.74	2,836.12
III	<b>TOTAL INCOME (I +II)</b>	<b>8,612.03</b>	<b>5,606.57</b>	<b>7,582.73</b>	<b>14,218.60</b>	<b>12,525.11</b>	<b>24,763.41</b>
IV	<b>EXPENSES</b>						
	Employee benefits expense	2,697.20	2,286.43	2,687.66	4,983.63	5,455.12	10,676.40
	Finance cost	8.32	9.68	10.31	18.00	21.71	39.64
	Depreciation and amortisation expense	192.04	187.02	166.05	379.06	332.12	698.82
	Other expenses	584.28	683.75	722.34	1,268.03	1,420.83	2,650.64
	<b>TOTAL EXPENSES (IV)</b>	<b>3,481.84</b>	<b>3,166.88</b>	<b>3,586.36</b>	<b>6,648.72</b>	<b>7,229.78</b>	<b>14,065.50</b>
V	<b>Profit before exceptional items and tax (III)-(IV)</b>	<b>5,130.19</b>	<b>2,439.69</b>	<b>3,996.37</b>	<b>7,569.88</b>	<b>5,295.33</b>	<b>10,697.91</b>
VI	Exceptional items	-	-	-	-	-	-
VII	<b>Profit before tax expenses (V - VI)</b>	<b>5,130.19</b>	<b>2,439.69</b>	<b>3,996.37</b>	<b>7,569.88</b>	<b>5,295.33</b>	<b>10,697.91</b>
VIII	<b>Tax expenses:</b>						
	Current tax	1,296.65	587.17	1,027.14	1,883.82	1,734.64	2,831.73
	Deferred tax	(13.58)	44.83	(7.08)	31.25	(505.02)	(581.06)
	<b>Total tax expense</b>	<b>1,283.07</b>	<b>632.00</b>	<b>1,020.06</b>	<b>1,915.07</b>	<b>1,229.62</b>	<b>2,250.67</b>
IX	<b>Net profit for the period (VII - VIII)</b>	<b>3,847.12</b>	<b>1,807.69</b>	<b>2,976.31</b>	<b>5,654.81</b>	<b>4,065.71</b>	<b>8,447.24</b>
X	<b>Other comprehensive income</b>						
	A (i) Items that will not be reclassified to profit or Loss	(5.99)	(86.63)	18.47	(92.62)	(72.41)	918.61
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1.51	21.80	(4.65)	23.31	18.22	(137.72)
	B (i) Items that will be reclassified to profit or Loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Other comprehensive income for the period</b>	<b>(4.48)</b>	<b>(64.83)</b>	<b>13.82</b>	<b>(69.31)</b>	<b>(54.19)</b>	<b>780.89</b>
XI	<b>Total comprehensive income for the period (IX + X)</b>	<b>3,842.64</b>	<b>1,742.86</b>	<b>2,990.13</b>	<b>5,585.50</b>	<b>4,011.52</b>	<b>9,228.13</b>
	Paid up equity share capital (Face value ₹ 10 per share)	2,964.89	2,964.65	2,946.12	2,964.89	2,946.12	2,964.65
	Other equity						62,058.29
	<b>Earnings per equity share (Face value ₹ 10 each) (Not annualised for the quarters ended)</b>						
	Basic (₹)	12.98	6.10	10.10	19.07	13.80	28.62
	Diluted (₹)	12.98	6.10	9.65	19.07	13.52	28.47



# Statement of Assets & Liabilities (Standalone)

(₹ in Lakhs)

SN.	Particulars	Standalone	
		As at	As at
		September 30, 2022	March 31, 2022
		(Unaudited)	(Audited)
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non current assets</b>		
	Property plant and equipment	7,863.65	7,794.32
	Right of use assets	362.81	365.12
	Intangible assets	23.71	35.38
	Intangible assets under development	660.15	652.02
	<b>Financial assets</b>		
	Investments (Non Current)	10,430.15	7,051.21
	Loans	32.66	957.09
	Other financial assets	133.28	1,216.03
	Other assets	48.61	36.99
	<b>Total non-current assets</b>	<b>19,555.02</b>	<b>18,108.16</b>
<b>2</b>	<b>Current assets</b>		
	<b>Financial assets</b>		
	Trade receivables	3,291.19	1,360.54
	Cash and cash equivalents	12,138.16	1,196.18
	Bank balances other than cash and cash equivalents	2,989.56	5,931.28
	Loans	20.19	21.91
	Other financial assets	37,127.89	43,159.08
	Contract assets	1,314.01	38.71
	Current tax asset (Net)	172.65	724.57
	Other current assets	345.08	321.13
	<b>Total current assets</b>	<b>57,398.73</b>	<b>52,753.39</b>
	<b>Total assets</b>	<b>76,953.75</b>	<b>70,861.55</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>I</b>	<b>EQUITY</b>		
	Equity share capital	2,964.89	2,964.65
	Other equity	64,519.20	62,058.29
	<b>Total equity</b>	<b>67,484.09</b>	<b>65,022.94</b>
<b>II</b>	<b>LIABILITIES</b>		
<b>1</b>	<b>Non-current liabilities</b>		
	<b>Financial liabilities</b>		
	Lease liabilities	114.22	183.04
	Provisions	855.82	1,078.81
	Deferred tax liabilities (Net)	614.14	606.20
	<b>Total non-current liabilities</b>	<b>1,584.18</b>	<b>1,868.05</b>
<b>2</b>	<b>Current liabilities</b>		
	<b>Financial liabilities</b>		
	Lease liabilities	289.80	238.97
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	-	0.70
	Total outstanding dues of other than micro enterprises and small enterprises	271.87	285.92
	Other financial liabilities	4,014.19	1,556.27
	Contract liabilities	2,354.33	1,234.31
	Other current liabilities	432.25	417.93
	Provisions	523.04	236.45
	<b>Total current liabilities</b>	<b>7,885.48</b>	<b>3,970.56</b>
	<b>Total equity and liabilities</b>	<b>76,953.75</b>	<b>70,861.55</b>

## Statement Cash Flow (Standalone)

(₹ in Lakhs)

Particulars	For the half year ended September 30, 2022	For the half year ended September 30, 2021
<b>Cash flows from Operating Activities</b>		
Profit before tax	7,569.88	5,295.33
<b>Adjustments for</b>		
Interest income	(1,412.39)	(1,243.57)
Dividend income from equity securities	(103.39)	-
Royalty Income	(24.24)	-
Notional income on fair value of security deposits	(5.01)	(4.87)
Unrealized gain on fair valuation of investments through profit and loss	-	(108.76)
Provision for bad and doubtful debts	70.02	15.80
Bad debts written off	3.56	18.40
Loss/(Gain) on Sale of Property, Plant & Equipment	(0.77)	2.01
ESOP expense	(97.28)	371.44
Amortisation of bonds	-	8.55
Lease concession	(11.03)	-
Finance cost on lease liabilities	18.00	21.71
Depreciation and amortization expenses	379.06	332.12
<b>Operating Profit before working capital changes</b>	<b>6,386.41</b>	<b>4,708.16</b>
<b>Movements in working capital</b>		
Increase in Financial assets	(2,092.95)	(4,535.44)
Increase in Other assets	(8.37)	(12.29)
Increase in Contract assets	(1,275.30)	(493.42)
Increase in Other current assets	(23.95)	(4.62)
Decrease in Financial liabilities	(520.85)	(424.23)
Increase in Contract liabilities	1,120.02	602.61
Decrease/(Increase) in Other liabilities & provisions	(14.54)	696.57
<b>Total Movements in working capital</b>	<b>(2,815.94)</b>	<b>(4,170.82)</b>
Taxes paid	(1,331.91)	(1,080.18)
<b>Net cash generated from/(used in) operating activities</b>	<b>2,238.56</b>	<b>(542.84)</b>
<b>Cash flows from Investing Activities</b>		
Interest income	1,379.37	1,243.57
Dividend income from equity securities	103.39	-
Royalty Income	24.24	-
Investment in fixed deposits	10,133.48	(17,428.97)
Interest on loan to subsidiaries	33.02	-
Proceeds from Sale of Property Plant & Equipment	4.21	16.14
Acquisition of Property, Plant & Equipment & capital advances	(323.65)	(335.97)
Loan to subsidiary	932.40	(200.00)
Investment in subsidiary	(3,350.00)	-
Purchase of investments	-	(0.53)
Redemption of investments	-	18,755.62
<b>Net cash from investing activities</b>	<b>8,936.46</b>	<b>2,049.86</b>
<b>Cash flows from Financing Activities</b>		
Payment of Dividend	(0.87)	(1,767.67)
Buyback related expenses	(97.88)	-
Proceeds from exercise of share options	9.71	-
Repayment of lease liability	(126.00)	(115.81)
Payment of interest on lease liability	(18.00)	(21.71)
<b>Net cash used in financing activities</b>	<b>(233.04)</b>	<b>(1,905.19)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>10,941.98</b>	<b>(398.17)</b>
<b>Cash And Cash Equivalents at The Beginning</b>	<b>1,196.18</b>	<b>587.05</b>
<b>Cash And Cash Equivalents at The End</b>	<b>12,138.16</b>	<b>188.88</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash on hand	0.69	0.64
Cheques in hand	-	-
<b>Other Bank balances</b>		
On current account	340.14	187.95
Deposit accounts	1.03	-
Prepaid cards	11,796.30	0.29
<b>Total</b>	<b>12,138.16</b>	<b>188.88</b>

**Notes:-**

- 1 The above results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors of the Company at its meeting held on November 08, 2022 and have been subjected to limited review by the statutory auditors of the Company.
- 2 The consolidated financial results include results of CARE Ratings Limited and its subsidiaries namely CARE Risk Solutions Private Limited, CARE Advisory Research and Training Limited, CARE Ratings (Africa) Private Limited and CARE Ratings Nepal Limited.
- 3 CARE Ratings' consolidated total income increased by 12% to Rs. 155.32 crore in H1 FY23 from Rs. 138.81 crore in H1 FY22. Net profit increased to Rs. 48.99 crore in H1 FY23 from Rs. 38.62 crore in H1 FY22, an increase of 27%.
- 4 CARE Ratings' consolidated total income was up by 13% to Rs.93.22 crore in Q2 FY23, compared with Rs. 82.29 crore in Q2 FY22. Net profit increased by 29% to Rs. 34.86 crore in Q2 FY23 from Rs. 27.07 crore in Q2 FY22.
- 5 CARE Ratings' standalone total income was up by 14% to Rs.142.19 crore in H1 FY23, compared with Rs. 125.25 crore in H1 FY22. Net profit increased by 39% to Rs. 56.55 crore in H1 FY23 from Rs. 40.65 crore in H1 FY22.
- 6 CARE Ratings' standalone total income was up by 14% to Rs.86.12 crore in Q2 FY23, compared with Rs. 75.83 crore in Q2 FY22. Net profit increased by 29% to Rs. 38.47 crore in Q2 FY23 from Rs. 29.76 crore in Q2 FY22.
- 7 The accompanying financial results have been prepared as per the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
- 8 The financial results have been prepared in accordance with the applicable accounting standards, as modified under the Companies (Indian Accounting Standards) Rules, 2015 and as specified in section 133 of the Companies Act.
- 9 The Board of Directors at its meeting held on July 20, 2022, approved a proposal for buy-back of up to 23,68,000 fully paid-up equity shares of face value of ₹10/- each (representing 7.99% of the total issued, subscribed and paid-up equity share capital of the Company as on March 31, 2022) by way of a tender offer at a price of ₹515/- per equity share, payable in cash for an aggregate amount not exceeding ₹1,21,95,20,000/- ("Buy-back") which is 19.30% and 19.39% of the aggregate of the fully paid-up equity share capital and free reserves (including securities premium) as per the latest audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022 respectively, in accordance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended and the Companies Act, 2013 and the rules made thereunder. The Buy-back was approved by shareholders by means of a special resolution through postal ballot on September 2, 2022. The Securities and Exchange Board of India has issued a final observation letter regarding the draft letter of offer for the said Buy-back, on November 3, 2022.  
  
The Letter of Offer was filed with the Securities and Exchange Board of India and Stock Exchanges on November 7, 2022 and the Company is in the process of dispatching the Letter of Offer to the Shareholders of the Company.
- 10 The Company has granted 5,00,000 options on October 13, 2020, 3,22,000 options on December 01, 2020, 1,23,500 options on October 29, 2021, 25,000 options on May 28, 2022 and 1,00,000 options on July 29, 2022 to the eligible employees as the Company's Employees Stock Option Scheme (ESOS) 2020 duly approved by shareholders in AGM and Nomination and Remuneration Committee. As per Ind AS 102 - Share Based Payment, total cost of ESOS 2020 will be charged over vesting period, accordingly the Employee Benefit Expenses in standalone results includes ESOP charge under respective periods as under:

(₹ in Lakhs)

Particulars	Quarter Ended			Six Months Ended		Year ended
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Share based payment expenses	117.65	(214.93)	199.39	(97.28)	371.44	629.01

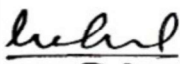
**11 Segment Information based on Consolidated Financial results of the Group is as follows:**

(₹ in Lakhs)

	Particulars	Quarter Ended			Six Months Ended		Year ended
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>a</b>	<b>Segment Revenue</b>						
	Ratings and related services	8,079.41	5,180.75	7,198.67	13,260.16	11,668.36	22,971.63
	Others	397.08	276.85	446.50	673.93	930.85	2,085.78
	<b>Total Segmental Revenue</b>	<b>8,476.49</b>	<b>5,457.60</b>	<b>7,645.17</b>	<b>13,934.09</b>	<b>12,599.21</b>	<b>25,057.41</b>
	Less: Inter Segment Revenue	(0.01)	(0.74)	(6.58)	(0.75)	(40.66)	(294.13)
	<b>Total Revenue from Operations (Net)</b>	<b>8,476.48</b>	<b>5,456.86</b>	<b>7,638.59</b>	<b>13,933.34</b>	<b>12,558.55</b>	<b>24,763.28</b>
<b>b</b>	<b>Segment Results (Profit before Finance Costs and Tax)</b>						
	Ratings and related services	4,437.38	1,869.59	3,518.79	6,306.97	4,282.16	7,982.15
	Others	(489.82)	(484.73)	(348.22)	(974.55)	(433.22)	(791.87)
	<b>Total Segment Result</b>	<b>3,947.56</b>	<b>1,384.87</b>	<b>3,170.57</b>	<b>5,332.42</b>	<b>3,848.94</b>	<b>7,190.27</b>
	Less: Finance Costs	15.43	17.06	11.31	32.49	24.27	46.38
	Add: Other Un-allocable Income - net	845.87	752.31	589.95	1,598.18	1,322.17	2,719.11
	<b>Profit before Tax</b>	<b>4,778.00</b>	<b>2,120.12</b>	<b>3,749.20</b>	<b>6,898.11</b>	<b>5,146.84</b>	<b>9,863.01</b>

	Particulars	As on September 30, 2022	As on June 30, 2022	As on September 30, 2021	As on September 30, 2022	As on September 30, 2021	As on March 31, 2022
c	<b>Segment Assets</b>						
	Ratings and related services	68,555.15	65,135.40	60,878.93	68,555.15	60,878.93	64,495.85
	Others	4,360.69	3,192.13	3,013.52	4,360.69	3,013.52	3,049.93
	Unallocated Assets	5,223.86	5,229.50	6,025.68	5,223.86	6,025.68	5,194.92
	<b>Total</b>	<b>78,139.70</b>	<b>73,557.03</b>	<b>69,918.13</b>	<b>78,139.70</b>	<b>69,918.13</b>	<b>72,740.69</b>
d	<b>Segment Liabilities</b>						
	Ratings and related services	9,642.38	5,553.69	7,229.74	9,642.38	7,229.74	5,980.26
	Others	1,480.14	1,624.83	1,071.15	1,480.14	1,071.15	1,479.56
	Unallocated	-	-	-	-	-	-
	<b>Total</b>	<b>11,122.52</b>	<b>7,178.52</b>	<b>8,300.89</b>	<b>11,122.52</b>	<b>8,300.89</b>	<b>7,459.82</b>
e	<b>Capital Employed</b>						
	Ratings and related services	58,912.77	59,581.71	53,649.20	58,912.77	53,649.20	58,515.59
	Others	2,880.55	1,567.30	1,942.37	2,880.55	1,942.37	1,570.36
	Unallocated	5,223.86	5,229.51	6,025.68	5,223.86	6,025.68	5,194.92
	<b>Total</b>	<b>67,017.18</b>	<b>66,378.52</b>	<b>61,617.25</b>	<b>67,017.18</b>	<b>61,617.25</b>	<b>65,280.87</b>

For and behalf of the Board  
of Directors  
CARE Ratings Limited




Mehul Pandya  
Managing Director & CEO  
DIN No- 07610232  
Mumbai, November 08, 2022