

Date: August 9, 2023  
SE/2023-24/49

To,

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

**SUB: PRESS RELEASE AND INVESTOR PRESENTATION FOR THE QUARTER ENDED JUNE 30, 2023**

Please find enclosed herewith the Press Release and Investor Presentation of CARE Ratings Limited for the quarter ended June 30, 2023 as per the requirement of Regulation 30 and Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take the above on record.

Thanking you,

Yours faithfully,  
**For CARE Ratings Limited**

**Nehal Shah**  
**Company Secretary & Compliance Officer**

Encl: As Above

CARE Ratings Limited

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022.  
Phone: +91-22-6754 3456 • Email: care@careedge.in • www.careedge.in

**Investor Release: 09<sup>th</sup> August 2023, Mumbai**

**CARE Ratings Limited (NSE: CARE, BSE: 534804)**

The Board of Directors of CARE Ratings Limited have declared its unaudited financial results for quarter ended 30<sup>th</sup> June 2023.

**Standalone Financial Highlights**

Rs. In Crs.

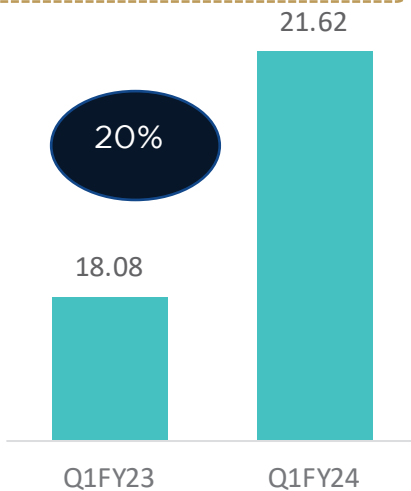
**Total Income**



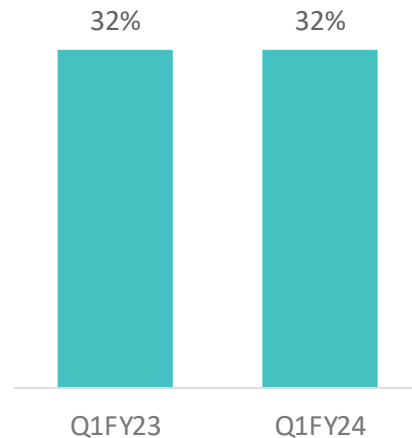
**Operating Income**



**Profit After Tax**



**Profit After Tax Margins**



**Commenting on the results and performance for Q1 FY24, Mr. Mehul Pandya, Managing Director & CEO of CARE Ratings Ltd said:**

“Despite a challenging global environment, the Indian economy has shown resilience in FY23, which continued in the first quarter of FY24. GST collections, bank credit growth, fund raising activities had been positive, indicating a strong growth trajectory.

In June 2023, the gross bank credit growth has accelerated to 16.2% as against 14.5% in the same period last year. This growth was driven by the services segment followed by retail. Credit to industries increased by 8.1%; while credit growth to large enterprises improved to 6.4% as against 3.2% last year.

Corporate bond and commercial paper issuances picked up pace in Q1 FY24. Fundraising through corporate bond issuances has more than doubled from the same period last year. Fundraising through commercial paper also witnessed an increase during the period.

Amidst the global uncertainties Indian economy is on a strong footing currently, however we foresee some moderation in economic growth going forward in FY24.

Having said that the broad-basing of consumption revival will be critical for sustained growth momentum. While the government’s capex exhibits growth, signs of improvement are also seen in private capex.

On standalone basis, our Company recorded an operating revenue of Rs. 56.48 Crore in Q1FY24 as compared to Rs. 48.74 Crore in Q1FY23, registering a growth of 16% Year on Year. For Q1 FY24, EBITDA improved to Rs. 20.16 Crore as compared to Rs 19.04 Crore in Q1FY23 (Adjusted for one time expense reversal, the adjusted EBITDA was Rs. 14.72 Crore for Q1FY23). EBITDA margin stands at 36% for Q1 FY24. Profit after tax grew by 20% to Rs. 21.62 crore.

On consolidated basis, our Company recorded a 22% growth in operating revenue to Rs. 66.42 Crore as compared to Rs. 54.57 Crore, on Year on Year, of this, the rating business grew by 16%. Profit After Tax grew by 30% to Rs. 18.36 Crore.

The above growth was principally driven by continued traction in our Initial Ratings business. With our focussed outreach and emphasis on Quality led growth across the sectors, we look forward to sustain this momentum.



## About CARE Ratings Limited

CARE Ratings Ltd. is one of India's leading credit rating companies with a track record of servicing diverse sectors for over 3 decades. It also provides credible and high quality research and analytics. The company's ratings cover a wide range of sectors, including banking, finance, insurance, infrastructure, and manufacturing. Company has 15 years of experience in providing Risk and Compliance solutions. The Company's published reports, updates and newscasts on various sectors and economies are widely covered across all media.

## Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

**For further information, please contact**

**Company :**

**Investor Relations Advisors :**



**SGA** Strategic Growth Advisors

CIN: L67190MH1993PLC071691

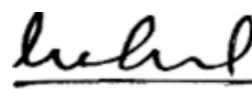
CIN: U74140MH2010PTC204285

[investor.relations@careedge.in](mailto:investor.relations@careedge.in)

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# CARE Ratings Limited

Investor Presentation



**Q1FY24**

# About Us



## Who Are We



**Incorporated in 1993**, CARE Ratings Limited is one of the leading credit rating agencies in India



**Professionally managed company**



**Leadership position in important sectors**

## What we offer

### Ratings



One of India's leading credit rating companies with a track record of servicing diverse sectors for almost three decades with profitable operations in Mauritius and Nepal



### Advisory and Research

Providing credible, high-quality research and analytics



### Risk Solutions

Over 15 years of experience in providing Risk & Compliance solutions



***Serving the financial landscape for over three decades...!!!***



## Vision

A global research and analytics company that enables risk mitigation and superior decision making



## Mission

To provide best-in-class tools, analyses and insights, enabling customers to make informed decisions



## Values

Integrity, Pursuit of Excellence, Commitment, Fairness

## Strategy

Re-branding

Talent

Technology

Group Approach



# CareEdge TURNS 30

1993-1996

- Commenced Rating Operations
- Expansion of ratings operations to rating of toll roads, electricity board, municipal corporations, structured instruments
- Completed studies on central public sector undertakings selected by disinvestment Commission

1997-2000

- Launched 'CARE Loan Ratings' for rating term loans
- Ventured into Advisory business and bagged 13 assignments
- Obtained registration with SEBI when rating agencies came under its purview

2001-2004

- Founding member of Association of Credit Rating Agency in Asia (ACRAA)
- Launched Corporate Governance and Value Creation Rating
- Signed MOU with NSIC for empanelment as an approach rating agency for small scale industries

2009-2012

- Launched an initial public offering in 2012, which was subscribed for 34.05 times, and listed on both NSE and BSE
- Acquired Kalypto, now CARE Risk Solutions
- Worked closely with Asian Development bank on prestigious assignments
- Provided technical assistance to some emerging rating agencies outside India

2005-2008

- Launched IPO grading services
- Received External Credit Assessment Institution (ECAI) recognition for Capital Requirements Directive (CRR) in the European Union
- Signed MOU with major banks to provide rating facilities under BASEL II
- Received mandate from Ministry of Urban Development for rating 13 ULBs under JNNURM

2013-2017

- Launched CARE Advisory Research and Training Ltd (CART), wholly subsidiary of CARE Ratings, which Provides Financial Advisory and Management Consultancy services
- Established rating subsidiaries in Nepal & Africa
- Enters into a strategic business alliance with Japan Credit Rating Agency, Ltd. (JCR)
- Partnered with 4 domestic credit rating agencies in Brazil, Malaysia, Portugal and South Africa, to form an international credit rating agency called ARC Ratings
- Took 10% stake in Malaysian Rating Agency (MARC)

2018-2023

- Received License for Ratings business by Capital Market Authority (CMA), Kenya in 2019
- CARE group rebranded as 'CareEdge'
- CART launched Data driven Tech platform for ESG assessment 'SIRIUS', catering to domestic and international markets
- CART empanelled as ESG Rating provider (ERP) for AMC's by AMFI



## CareEdge Ratings

- One Of India's Leading Credit Rating Agencies with a track record of servicing diverse sectors for over three decades
- CareEdge Ratings plays a pivotal role in developing bank debt systems and debt capital market



**Corporate Sector**



**Financial Sector**



**Structured Finance**



**Insurance Sector**



**Infrastructure sector**



**Rating of REITs/InvITs**



**Infra EL Ratings**



**Public Finance Rating**



**Recovery Ratings**

**CareEdge Ratings is a leader in rating Financial and Infrastructure sector**



## CareEdge Rating – Africa

(Subsidiary of CARE Ratings Ltd. with 78% stake)

- Offers a range of high-quality analytical services to the stakeholders in Mauritian and African financial markets
- Provides ratings for various instruments such as Bonds, Debentures, Commercial Paper, Bank Deposits, Structured Finance, bank loans. Also issues rating for insurance companies, channel partner evaluation and SMEs
- Providing a detailed analysis of risks that affect the credit quality of an issuer/entity with independent, timely, and insightful credit opinions



## CareEdge Ratings – Nepal

(Subsidiary of CARE Ratings Ltd. with 51% stake)

- Offers a range of high-quality analytical services to the stakeholders in Nepal's financial markets
- Covers the rating of issuers including rating of debt instruments, IPO Grading, Fund Management Quality Ratings, Issuer Rating, Bank loans & facilities, Insurance Companies

CARE Advisory Research and Training Ltd (CART) offers services in the area of Corporate Advisory, Risk Advisory & Monitoring, Financial due diligence and Valuations, Industry Research and Customized Research, Gradings, ESG Assessment and ESG Advisory



## Corporate Advisory

- Provides advisory services to Corporates, Financials Institutions, Banks and Institutional Investors
- Offering services in the field of infrastructure project evaluation and independent viability and feasibility studies, and corporate advisory for business plan preparation, financial improvement plan, financial appraisal & valuations, risk assessment advisory



## Research & Analytics

- Provides customised research services to Indian and Multinational corporates based on their specific needs
- Provides credit research support to various banks, financial institutions, mutual fund houses, insurance companies
- Provided Industry Research Outlook and Industry Risk Scores to over 80 Sectors

## ESG Offerings



### ESG Data & Benchmarking

**Analysis and performance tracking** for pre-determined KPIs along E, S & G parameters, along with a comparison against industry leaders and industry peers



### ESG GAP Analysis

**Identify gaps** in compliance, policies, performance and disclosures to evaluate the maturity of sustainability performance.  
**Prioritise which areas to begin** work on to roll out ESG strategy



### Policy Advisory

Assist to **prepare policy documents** in line with the Company philosophy and ESG gaps identified



### ESG Stewardship & Reporting

**Frame ESG Strategy and Roadmap**, with a clear vision and measurable metrics for performance over a 3-5 year time horizon, and assist in **sustainability reporting & BRSR**

## Clientele

Funds, FIs and Corporates seeking ESG data

Corporates seeking to enhance their ESG performance

Corporates seeking to improve their ESG profile & strategy

Top 1000 listed entities for whom BRSR is mandatory



## Our Progress

Developed **India's first tech-enabled platform, 'SIRIUS'** which is an on-demand, comprehensive data platform that brings together company, industry and **ESG insights**

Completed coverage of over **1,000 listed companies** through **SIRIUS platform** in India

## Analytical Driven Risk Solutions



**15+** years global experience in providing cutting edge Risk & Compliance solutions to Banks and Financial Institutions



Sustained presence in more than **10 countries**



**80+** implementations across the globe



**200+** experienced professionals assists across the globe to replace traditional systems with modern risk frameworks



Announced Incorporation of **wholly owned subsidiary** in UAE





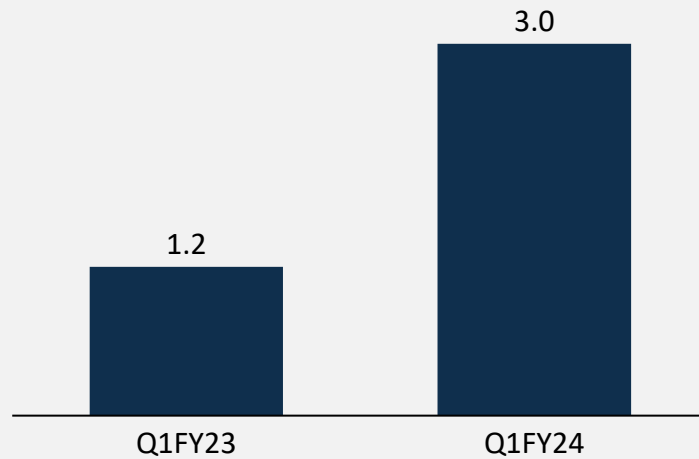
# Macro-Economic Indicators



## Corporate Bond Issuances

### Bond Issuances More than Double in Q1 FY24

(Rs. Lakh Crore)

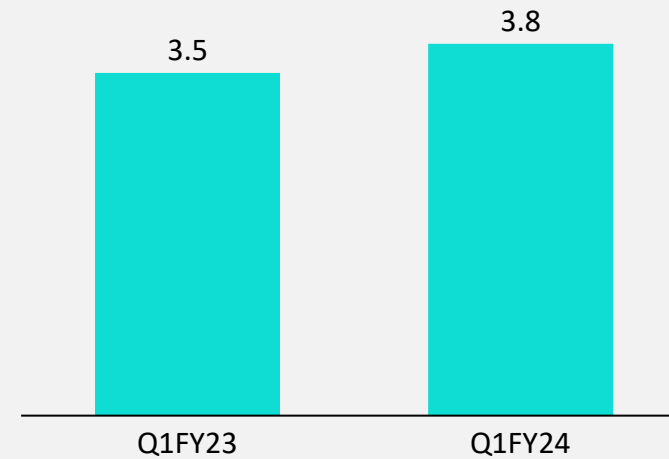


Source: Prime database (Includes private placement and public issues)

## CP Issuances

### CP Issuances Up 9% in Q1 FY24

(Rs. Lakh Crore)



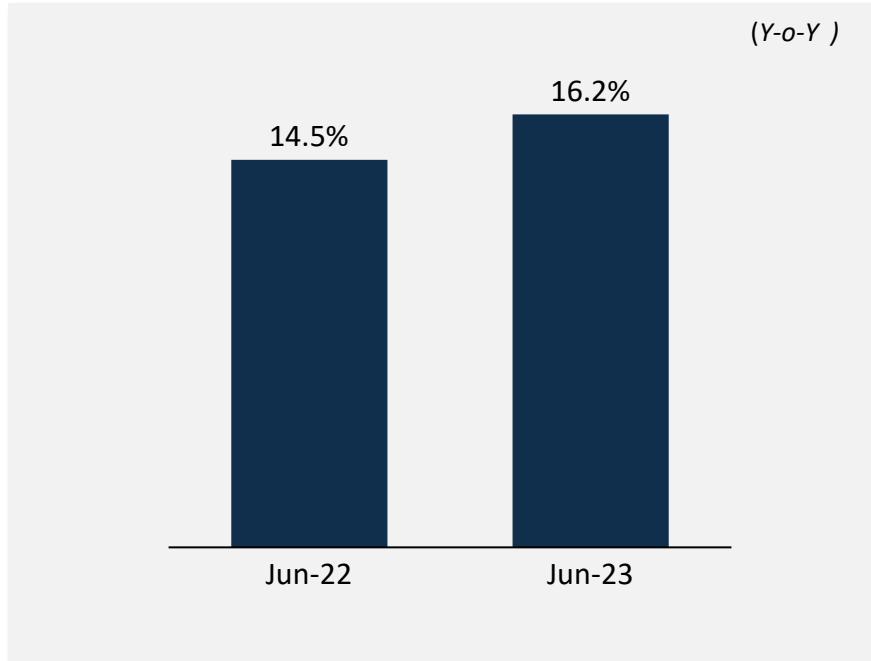
Source: CEIC

- Issuance of Commercial Papers (CP) and Corporate Bond issuances picked up pace in Q1 FY24.
- Fund-raising by businesses could improve further on expectations of likely improvement in private investment in the economy.



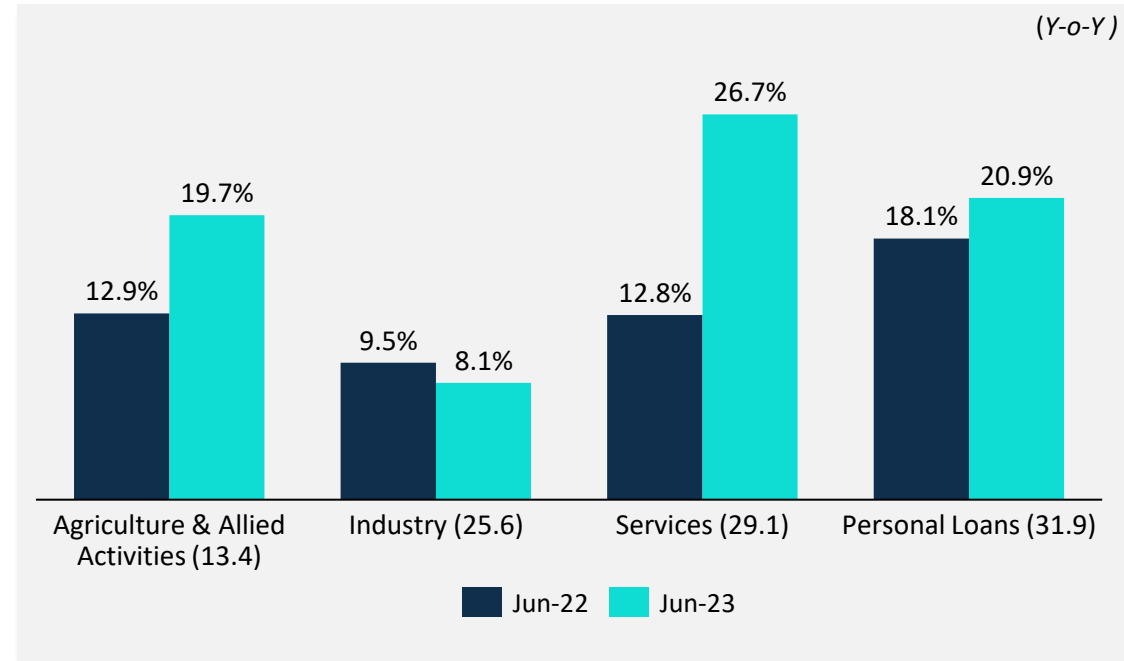
# LEAD INDICATORS: BANK CREDIT OFFTAKE REMAINS HEALTHY

## Bank Credit Growth Improves



Source: RBI

## Credit to Services Picks Pace; Industrial Credit Growth Relatively Weak

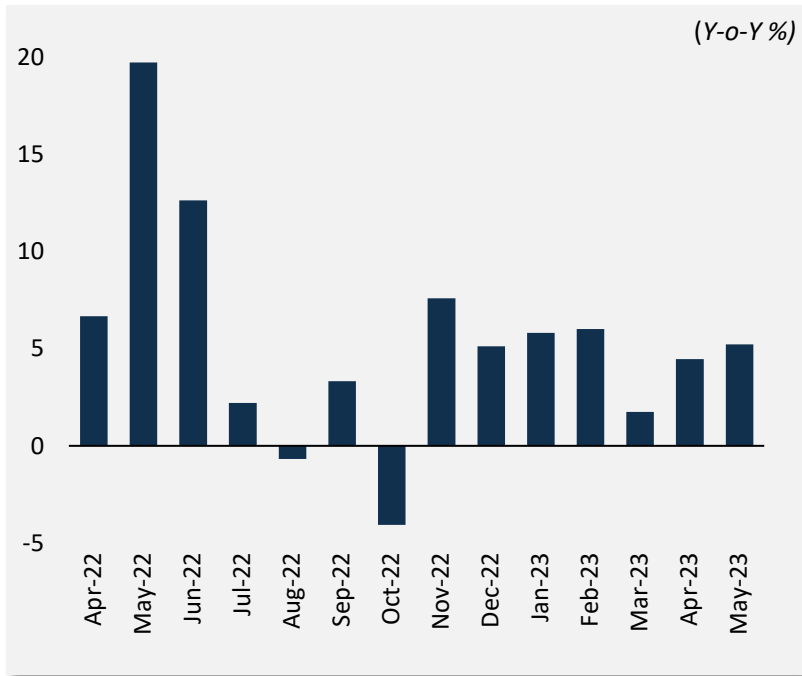


Source: RBI; Note: Figures in bracket represent % share in total credit

- Credit growth was driven by the services (26.7% growth) and retail segment (20.9% growth) as of June 2023.
- Credit to industry grew by 8.1% (June 2023), with large industries recording a growth of 6.4%.

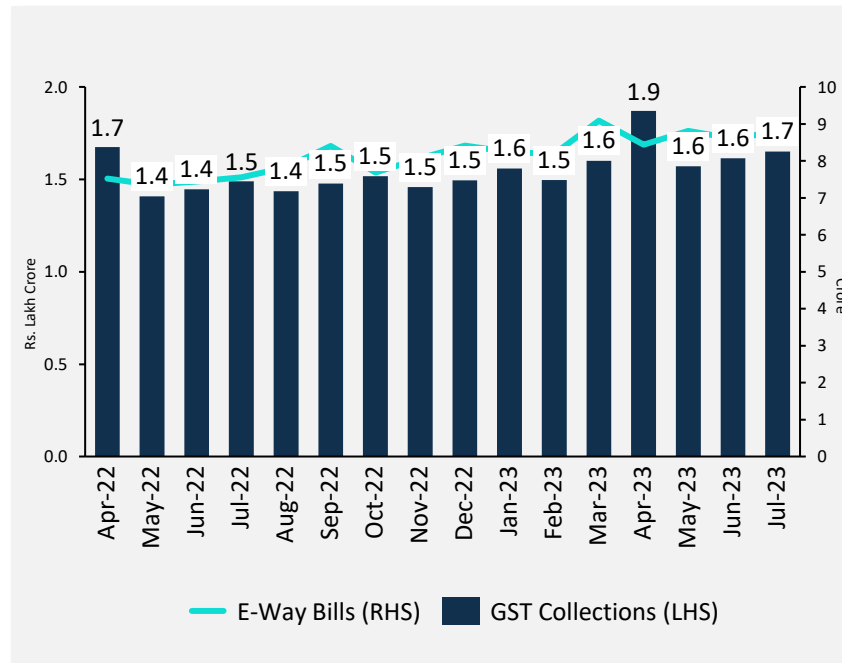
# LEAD INDICATORS: HIGH-FREQUENCY INDICATORS SHOW HEALTHY RECOVERY

## IIP Growth Stays on Track



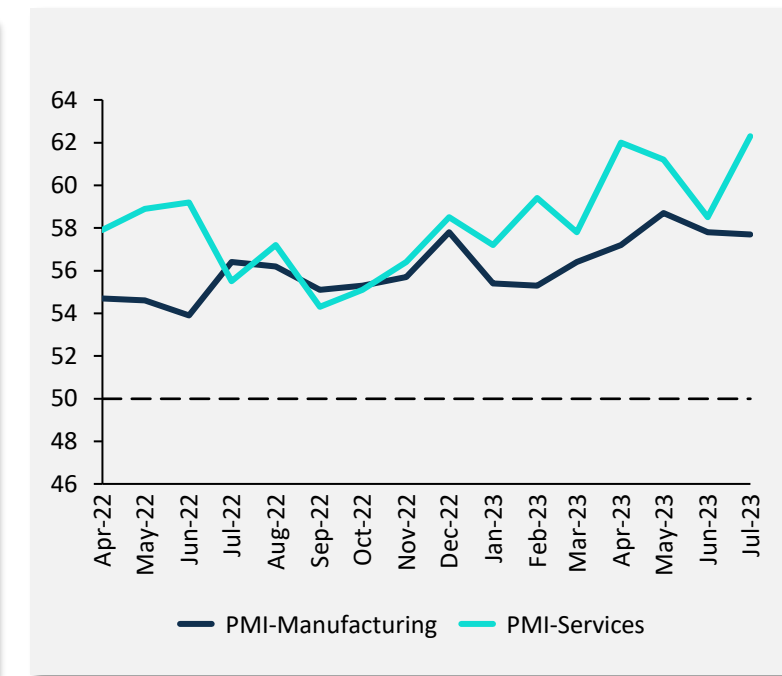
Source: CEIC;

## GST Revenue & E-Way Bills Stay Buoyant



Source: CEIC

## PMI's in the Expansionary Zone

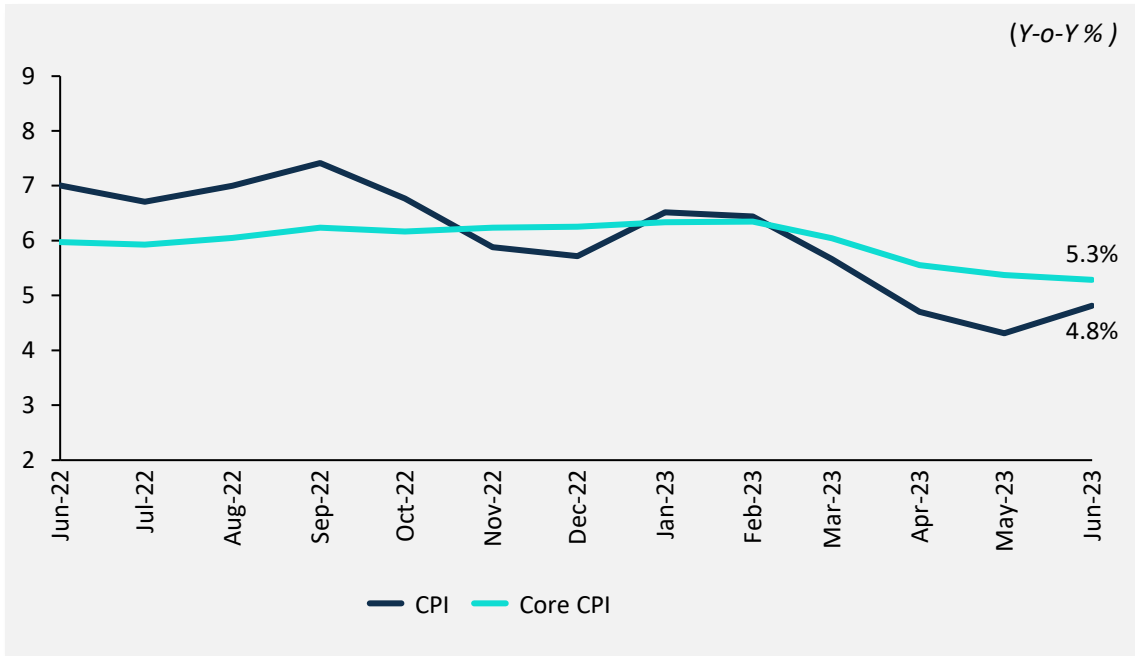


Source: CEIC

- Industrial output has been recording modest performance, with an average growth of 4.8% in April-May 2023.
- GST collections and E-way bills showed a buoyant performance on the back of improving economic activity.
- Manufacturing and Services PMI remain in the expansionary zone, services PMI in July jumped to the highest level in over 13 years.

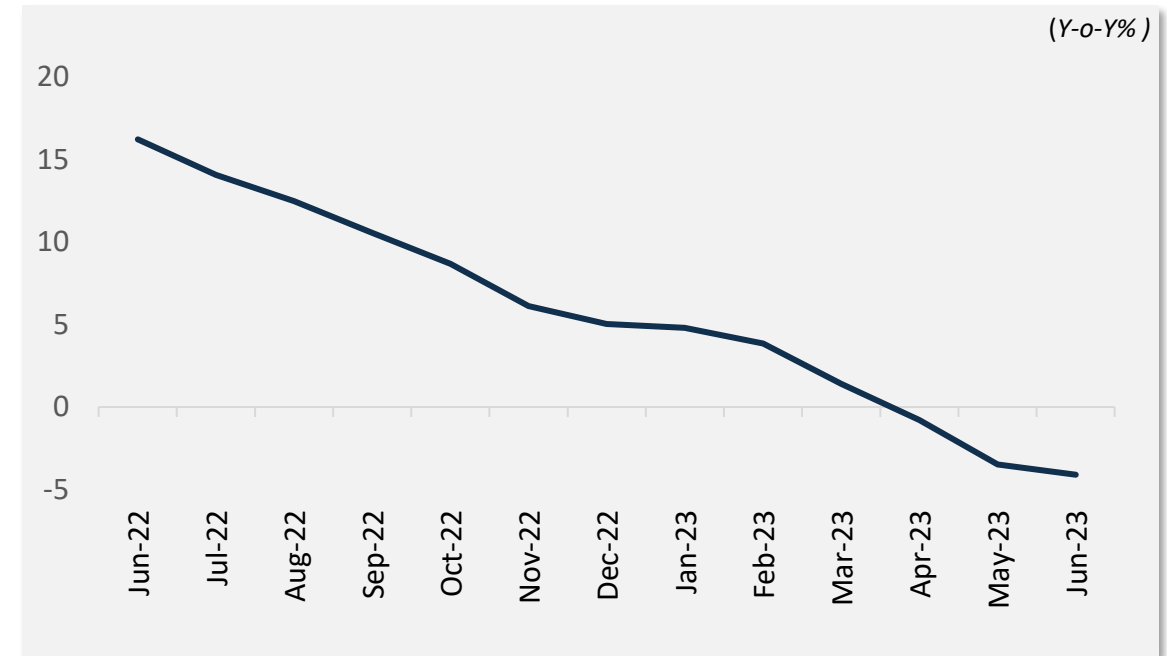
# LEAD INDICATORS: CPI INFLATION INCHES UP, WPI SHOWS DEFLATION

## Retail Inflation Remains Above 4% Target



Source: CEIC

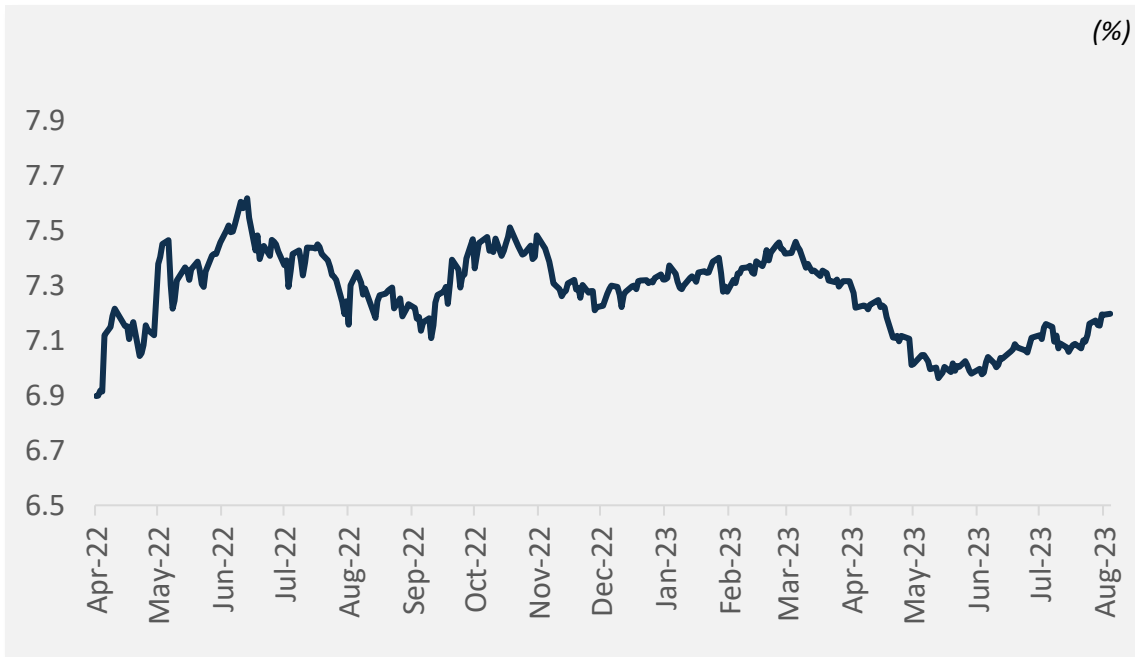
## WPI Contracts for Third Straight Month



Source: CEIC

- After moderating in the last few months, CPI Inflation again rose in June to 4.8% y-o-y (from 4.3% in May).
- Concerns around food price inflation have re-surfaced.
- However, WPI continues to show deflation due to falling global commodity prices.

## 10-Year G-Sec Yield Remains Anchored Around 7%



Source: Refinitiv

## Rupee Movement Restricted to 81-83 Range



Source: Refinitiv

- RBI likely to maintain status quo on policy interest rate in FY24; G sec yields likely to remain around 7-7.2% range by end FY24.
- Rupee to be supported by narrowing current account deficit and healthy capital flows; INR seen at 81-83 levels by end-FY24.

# Financials



# STANDALONE: Q1FY24 KEY HIGHLIGHTS



*Operating  
Income*

**Rs. 56.48 Cr**

(16% YoY)



*EBITDA*

**Rs. 20.16 Cr**

(6% YoY)



*PAT*

**Rs. 21.62 Cr**

(20% YoY)

*EBITDA Margin*

**36%**

*PBT Margin*

**43%**

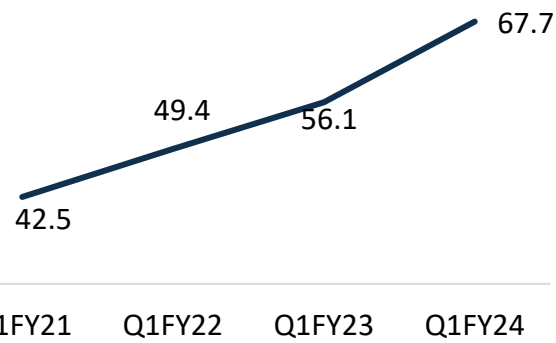
*PAT Margin*

**32%**

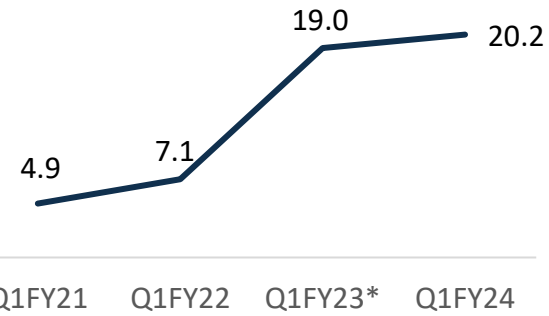
# STANDALONE FINANCIAL PERFORMANCE

(Rs. Crs)

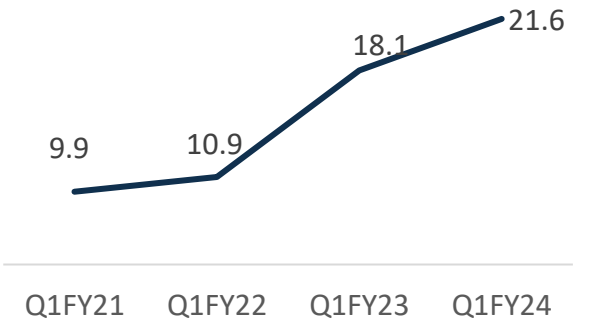
## Total Income



## EBITDA



## PAT



\*Adjusted for one time expense reversal, the adjusted EBITDA was Rs. 14.72 Crore for Q1FY23.

# STANDALONE PROFIT & LOSS STATEMENT

Profit and Loss (Rs. Crs)	Standalone			Consolidated		
	Q1FY24	Q1FY23	YoY	Q1FY24	Q1FY23	YoY
Total Income	67.7	56.1	21%	77.9	62.1	26%
Total Expenses	38.5	31.7	21%	51.5	40.9	26%
<b>Profit Before Tax</b>	<b>29.2</b>	<b>24.4</b>	<b>20%</b>	<b>26.4</b>	<b>21.2</b>	<b>25%</b>
<b>Profit Before Tax (%)</b>	<b>43%</b>	<b>44%</b>		<b>34%</b>	<b>34%</b>	
Provision for Tax	7.6	6.3	21%	8.0	7.1	14%
<b>Profit After Tax</b>	<b>21.6</b>	<b>18.1</b>	<b>20%</b>	<b>18.4</b>	<b>14.1</b>	<b>30%</b>
<b>Profit After Tax (%)</b>	<b>32%</b>	<b>32%</b>		<b>24%</b>	<b>23%</b>	
Basic EPS (Rs. Per Share)	7.28	6.10		6.00	4.61	



# Outreach Activities



# OUTREACH ACTIVITIES: Q1FY24



## CareEdge Conversations:

- As part of its 30 years celebrations, CareEdge successfully hosted 'CareEdge Conversations' in New Delhi on May 23. The evening was graced by our Chief Guest Shri Nitin Gadkari, Honourable Minister for Road Transport and Highways, Govt of India, who unveiled CareEdge's special report titled 'Infrastructure: Key Driver of India's Amrit Kaal March', along with our Guest of Honour Shri Rajiv Bansal, IAS, Secretary, Ministry of Civil Aviation, Govt of India.



## Knowledge Partnerships:

- CareEdge Research had the privilege of being the Knowledge Partner at ASSOCHAM India Steel Summit 2023, in Delhi. Swati Agrawal, CEO, CART, gave presentation on the key messages derived from our knowledge paper: "Indian Steel Industry - Enhancing Competitiveness & Overcoming Challenges".
- CareEdge was the Knowledge Partner in the 5th Edition of the Global Real Estate Brand Awards, with Aakash Jain, Director, serving as the Keynote Speaker and Panelist at the session on the 'Impact of Increasing Repo Rate on Housing and Real Estate Sector,' attended by CXOs of top real estate companies.
- CareEdge participated as an 'Associate Partner,' in a series of events organized by the PHD Chamber of Commerce (Punjab Chapter)



## Media:

- CareEdge reports, data, insights and opinion pieces were widely covered across the media universe. A total of 429 mentions and quotes in Q1.



## Product Launch :

- CareEdge Risk Solutions launched CONSTACHEK, an Early Warning System in Mumbai. The event was graced by Adesh K Gupta, Chairman & Independent Director; Mehul Pandya, MD & CEO; Kiran Surve, CEO, CARE Risk Solutions; Revati Kasture, Executive Director, Swati Agrawal, CEO, CARE Advisory Research & Training.



## Reports & Publications:

- CareEdge native edition of FORESIGHTS on LinkedIn - a power-packed monthly publication that gives a thorough understanding of some macroeconomic and sector-specific developments shaping the country has 13,917 Subscribers.



Reports Published	Q1FY24
Daily	64
Fortnightly	6
Monthly	46
Special Reports	38



## Knowledge Sharing Forums and Speaker Invites:

- Mehul Pandya, MD & CEO, discusses the state of the MSME sector and the challenges it faces in an opinion piece in the Financial Express.
- Revati Kasture, Executive Director, imparted training to Sebi officers as part of the NISM training programme on Fixed Income Securities.
- Revati Kasture, Executive Director, was a panellist for the workshop on ‘Expected Loss Based Credit Rating Mechanism, conducted by Dept of Economic Affairs.
- Sachin Gupta, Chief Ratings Officer, was invited by Bank of Baroda for the corporate banking strategy meet 2023 “UDAN 2.0”.
- Revati Kasture, Rajani Sinha, and V Pradeep Kumar from CareEdge conducted the well-attended and highly appreciated session, "Credit Ratio & Economy Roundup," for Canara Bank's senior management,
- Sanjay Agarwal, Senior Director, was a moderator in the session titled "Infrastructure Financing – A Key Enabler for Infrastructure Growth" at the ICEMA 4th Annual Finance Conclave .
- CareEdge team developed a comprehensive ranking model for a fair and rigorous assessment process, evaluating participants based on multiple parameters for the 18th National Awards for Excellence in Cost Management.



## Webinars:

- Corporate India: Dodging Global Headwinds?
- Real Estate: Standing Tall Despite Global Challenges.
- Indian Ready-Made Garments: Stitching Together a Brighter Future.



This presentation and the accompanying slides (the “Presentation”), which have been prepared by **CARE Ratings Ltd.** (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward-looking statements made from time to time by or on behalf of the Company.

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**Company :**



CARE Ratings Limited

CIN: L67190MH1993PLC071691

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**Investor Relations Advisors :**



Strategic Growth Advisors Private Limited

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Krunali Shah / Ami Parekh

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