

Annual Report

2013



Celebrating Two Decades of Analytical Excellence

Registered & Head Office

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai 400022.
Tel: +91-22-6754 3456, Fax: +91-22- 6754 3457, E-mail: care@careratings.com

Other Office

503, Kaledonia, Sahar Road, Off Western Express Highway, Andheri (E), Mumbai - 400069.
Tel.: +91-22-6144 3456

Regional Offices

AHMEDABAD

32, Titanium, Prahaladnagar Corporate Road,
Satellite, Opp. Auda Garden,
Ahmedabad - 380015.
Tel: +91-79-40265656 Fax: +91-79-40265657

BENGALURU

Unit No. 1101-1102, 11th Floor,
Prestige Meridian 2, No. 30, M.G. Road,
Bangalore - 560001
Tel: +91-80-22117140 / 41, Fax: +91-80-22117120

CHANDIGARH

2nd Floor, S.C.O. 196-197, Sector 34-A,
Chandigarh - 160022

CHENNAI

Unit No. O-509/C, Spencer Plaza,
5th Floor, No. 769, Anna Salai,
Chennai - 600002.
Tel: +91-44-28497812/28490811
Fax: +91-44-28490876

HYDERABAD

401, Ashoka Scintilla, 3-6-520,
Himayat Nagar,
Hyderabad - 500029.
Tel: +91-40 40102030 Fax: +91-40-40020131

JAIPUR

304, Pashupati Akshat Heights,
Plot No. D-91, Madho Singh Road,
Near Collectorate Circle, Bani Park,
Jaipur - 302016.
Tel: +91-141-4020213/14

KOLKATA

3rd Floor, Prasad Chambers,
(Shagun Mall Building),
10A, Shakespeare Sarani,
Kolkata - 700071.
Tel: +91-33- 40181600 / 02 Fax: +91-33-40181603

NEW DELHI

3rd Floor, B-47, Inner Circle,
Near Plaza Cinema, Connaught Place,
New Delhi - 110001.
Tel: +91-11-45333200 / 23318701 Fax: +91-11-45333238

PUNE

9th Floor, Pride Kumar Senate,
Plot No. 970, Bhamburda,
Senapati Bapat Road, Shivaji Nagar,
Pune - 411016.
Tel: +91-20-40009000

MALDIVES

4th Floor, CHAMPA Center Point,
Chandhanee Magu,
Male' Republic of Maldives.
Tel: +960-3330560 / 61, Fax: +960-3330562
Mobile: +960-990 9981 / +960 7958107

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Directors & Committee Members

Directors

Shri O.V. Bundellu	<i>Chairman</i>
Dr. N. K. Sengupta	
Shri Venkatraman Srinivasan	
Ms. Bharti Prasad	
Shri D. R. Dogra	<i>Managing Director & CEO</i>
Shri Rajesh Mokashi	<i>Dy. Managing Director</i>

Rating Committee

Shri Y. H. Malegam	<i>Chairman</i>
Shri V. Leeladhar	
Shri V. K. Chopra	
Shri P. P. Pattanayak	
Shri D. R. Dogra	

Bankers

HDFC Bank Ltd.
IDBI Bank Ltd.
State Bank of India

Statutory Auditors

M/s. Khimji Kunverji & Co.	<i>Chartered Accountants</i>
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Internal Auditors

M/s. Pravin Chandak & Associates	<i>Chartered Accountants</i>
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Audit Committee

Shri Venkatraman Srinivasan	<i>Chairman</i>
Dr. N. K. Sengupta	
Ms. Bharti Prasad	
Shri Rajesh Mokashi	

Investment Committee

Shri O.V. Bundellu	<i>Chairman</i>
Shri Venkatraman Srinivasan	
Shri D. R. Dogra	
Shri Rajesh Mokashi	

Remuneration Committee

Dr. N. K. Sengupta	<i>Chairman</i>
Shri Venkatraman Srinivasan	
Ms Bharti Prasad	
Shri D. R. Dogra	

IPO Committee

Shri O.V. Bundellu	<i>Chairman</i>
Shri Venkatraman Srinivasan	
Shri D. R. Dogra	
Shri Rajesh Mokashi	
Shri Navin K. Jain	<i>(Member Secretary)</i>

Shareholders / Investor Grievance Committee

Shri Venkatraman Srinivasan	<i>Chairman</i>
Ms. Bharti Prasad	
Shri Desh Raj Dogra	

Corporate Governance and Nomination Committee

Shri O.V. Bundellu	<i>Chairman</i>
Dr. N. K. Sengupta	
Shri Venkatraman Srinivasan	

Board of Directors



Shri O.V. Bundellu

O.V. Bundellu is the Chairman and an independent Director of our Company. He holds a Master's degree in Science from University of Mumbai and Master's degree in Financial Management from University of Mumbai. He has more than 37 years of experience in commercial banking and development banking. Prior to joining our Company, he was associated with IDBI Bank as Deputy Managing Director and has served as a director on board of several companies. Presently, he is an independent director on board of MITCON Consultancy and Engineering Services Limited, Principal Trustee Company Private Limited, Laxmi Organic Industries Limited & CARE Kalypto Risk Technologies and Advisory Services Pvt. Ltd. He has been associated with our Company as an independent Director since February 9, 2010.



Dr. Nitish Kumar Sengupta

Dr. Nitish Kumar Sengupta is an independent and non-executive Director of our Company. He holds a Master's degree in arts from University of Calcutta, and doctorate and PhD degree in Management from University of Delhi. He has also obtained a PhD degree from University of Andhra Pradesh. He has over 50 years of experience in the field of planning, administration and management. He is a retired I.A.S officer and prior to joining our Company, he has held various positions including revenue secretary and member secretary of the Planning Commission, Controller of Capital Issues. He was also associated with International Management Institute as its director general. He serves as a director on board of Nagarjuna Agrichemicals Ltd., BNK Capital Markets Ltd., Inova Hotels & Resorts Ltd. & Hindustan Gum & Chemicals Ltd. He has been associated with our Company as an independent Director since May 12, 1993



Shri Venkatraman Srinivasan

Venkatraman Srinivasan is an independent and non-executive Director of our Company. He holds a Bachelor's degree in Commerce from University of Mumbai and is a qualified Chartered Accountant. He has more than 26 years of experience as a practicing Chartered Accountant. He is currently a partner of V. Sankar Aiyar & Co., Chartered Accountants. He is on Board of Directors for Chennai Petroleum Corporation Ltd., UTI Retirement Solution Ltd. & Shriram Properties Pvt. Ltd. He has been associated with our Company as an independent Director since May 12, 2006.



Ms. Bharti Prasad

Bharti Prasad is an independent and non-executive Director of our Company. She holds a Master's degree in Arts and an M.Phil degree from Punjab University, Chandigarh. She has more than 39 years of experience in finance, accounts, audit, oversight and administration. She was a member of the Indian Audit & Accounts Service and retired as Deputy Comptroller & Auditor-General. She has held various positions including Principal Accountant-General, West Bengal, Joint Secretary Department of Expenditure, Ministry of Finance, Director, National Academy of Audit & Accounts, Shimla and Accountant-General, Uttar Pradesh. She has also worked with United Nations Children Fund, New York. She was a member of the Advisory Group on Evaluation and Audit of the International Civil Aviation Organization, Montreal, Canada and, member of the International Public Sector Accounting Board (IPSASB), New York. She is Independent Monitor to the Ministry of Defence and to the Ministry of Food Processing Industries. She has been associated with our company as an Independent Director since July 29, 2010.



Shri D. R. Dogra

D.R. Dogra is the Managing Director and Chief Executive Officer of our Company. He holds a Bachelor's and a Master's degree in agriculture from Himachal Pradesh University and a Master's degree in business administration (finance), from University of Delhi. He is a certified associate of the Indian Institute of Bankers. He has more than 33 years of experience in the financial sector and in credit administration. Prior to joining our Company, he was associated with Dena Bank. He is a member of Western Region Economic Affairs, Sub-Committee of Confederation of Indian Industry, Federation of Indian Chamber of Commerce and Industry, executive body of Swayam Siddhi College of Management & Research and board of governance of Universal Business School, Mumbai. He is on Board of Directors with Association of Credit Ratings Agencies in Asia, Manila, Philippines, ARC Ratings Holdings Pvt Ltd, Singapore, CARE Kalypto Risk Technologies and Advisory Services Pvt Ltd. and Public interest Director at MCX Stock Exchange Ltd., He has been associated with our Company since 1993 and was appointed on the Board on June 30, 2008.



Shri Rajesh Mokashi

Rajesh Mokashi is the Deputy Managing Director of our Company. He holds a Bachelor's degree in Mechanical Engineering from VJTI, Mumbai and a Master of Management Studies degree from University of Bombay. He is a qualified Chartered Financial Analyst and has also cleared Level III of the CFA Program conducted by the CFA Institute, USA. He has obtained a Diploma in Import and Export Management from Indian Institute of Materials Management. He has more than 27 years of experience in finance, commerce and credit risk sectors. He has been associated with OTIS Elevators Company (India) Limited, DSP Financial Consultants Limited and Kotak Mahindra Finance Limited in the past. He is on Board of Directors with CARE Kalypto Risk Technologies and Advisory Services Pvt. Ltd., He also Member-Empanellment Committee of NISM. He has been associated with our Company since 1993 and was appointed on the Board on August 22, 2009.

Ratings Committee Members



Shri Y. H. Malegam

Y.H. Malegam, Chairman of Rating Committee is a former Managing Partner of S.B. Billimoria & Co, C.A. and former Co-chairman of Deloitte, Haskins & Sells C.A. He is a member – Central Board of Directors of Reserve Bank of India. He is also on the Board of First Source Solutions Limited, The Clearing Corporation of India, NSE, Siemens Limited, Western India Plywood Limited, Clariant Chemicals (India) Ltd and Member of the Committee of Indo German Chamber of Commerce.

Shri P.P. Pattanayak

P.P. Pattanayak, former managing director of State Bank of Mysore and former deputy managing director and chief credit officer of SBI. He is also a member of the Board of Directors of IIFL Asset Management Company Limited & Shriram City Union Finance.



Shri V. Leeladhar

V. Leeladhar, former Deputy Governor, RBI, and Chairman of Indian Banks Association (IBA). Former member of the Board of Directors for Institute of Banking and Finance, NABARD, National Housing Bank, New India Assurance Company Limited, General Insurance Corporation of India, Export Credit Guarantee Corporation of India Limited, Agriculture Finance Corporation Limited, Discount and Finance House of India Limited and SEBI. He is a member of the Board of Directors of Tata Global Beverages Limited

Shri V.K. Chopra

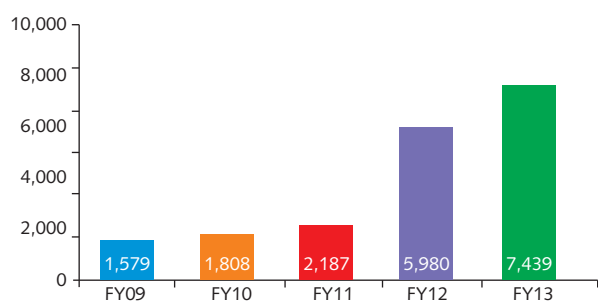
V.K. Chopra, former whole time member of SEBI and chairman and managing director of Corporation Bank and Small Industries Development Bank of India. He was also the Executive Director of Oriental Bank of Commerce. He is a member of the board of directors of Jaiprakash Associates Ltd., Havells India Ltd., Future Retail Ltd., Rolta India Ltd., Bhartiya International Ltd., PNB MetLife India Insurance Co. Ltd., Responsive Industries Ltd., Religare Invesco Asset Management Co. Ltd., Reliance Capital Pension Fund Ltd., India Infoline Finance Co. Ltd etc.



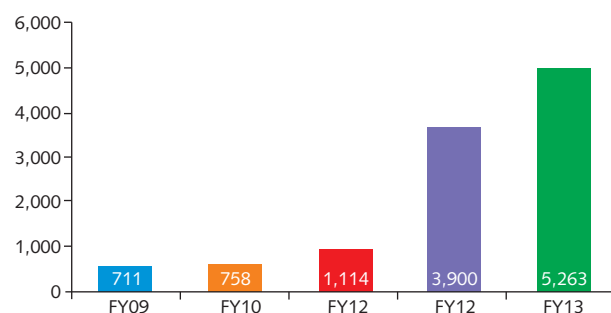
Shri D. R. Dogra

D.R. Dogra is the Managing Director and Chief Executive Officer of our Company. He holds a Bachelor's and a Master's degree in agriculture from Himachal Pradesh University and a Master's degree in business administration (finance), from University of Delhi. He is a certified associate of the Indian Institute of Bankers. He has more than 33 years of experience in the financial sector and in credit administration. Prior to joining our Company, he was associated with Dena Bank. He is a member of Western Region Economic Affairs, Sub-Committee of Confederation of Indian Industry, Federation of Indian Chamber of Commerce and Industry, executive body of Swayam Siddhi College of Management & Research and board of governance of Universal Business School, Mumbai. He is on Board of Directors with Association of Credit Ratings Agencies in Asia, Manila, Philippines, ARC Ratings Holdings Pvt Ltd, Singapore, CARE Kalypto Risk Technologies and Advisory Services Pvt Ltd. and Public interest Director at MCX Stock Exchange Ltd., He has been associated with our Company since 1993 and was appointed on the Board on June 30, 2008.

Numbers of assignments

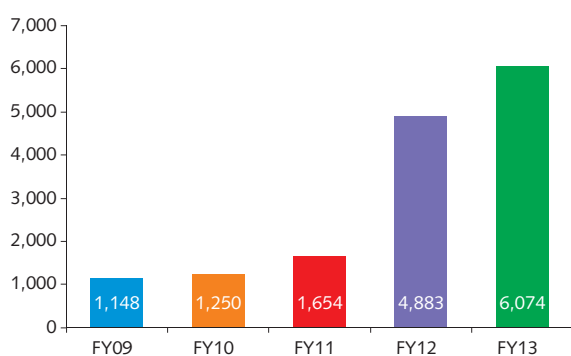


Number of clients

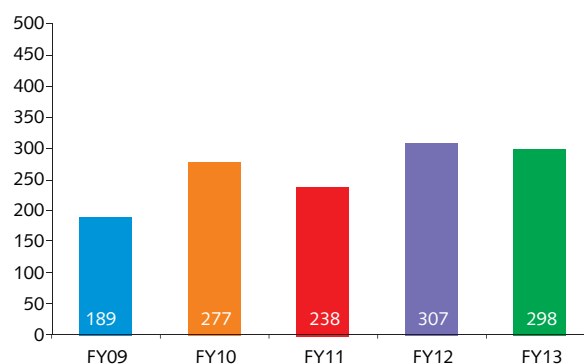


Robust growth in Operations despite constrained macroeconomic environment & subdued business sentiment

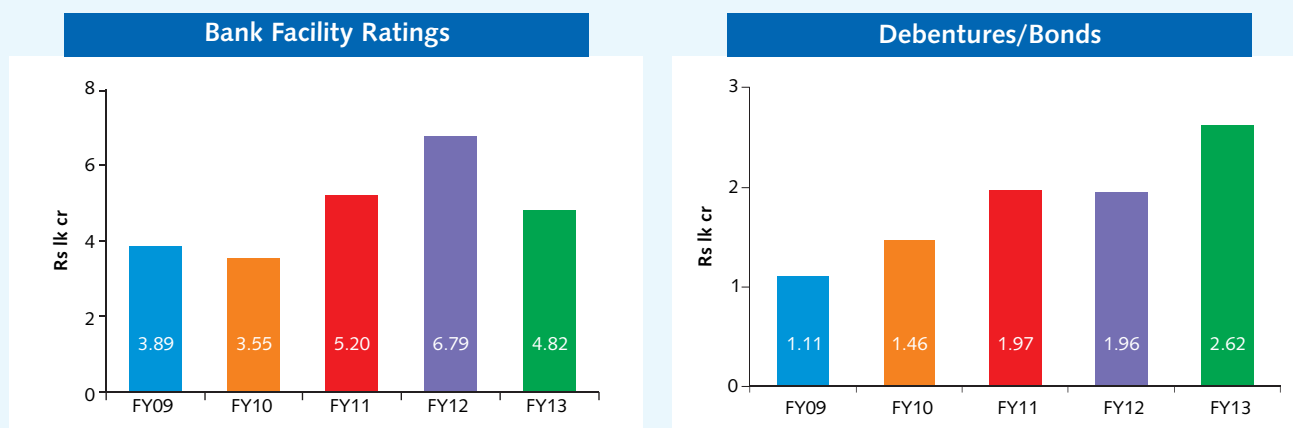
Bank Facility-Number of instruments rated



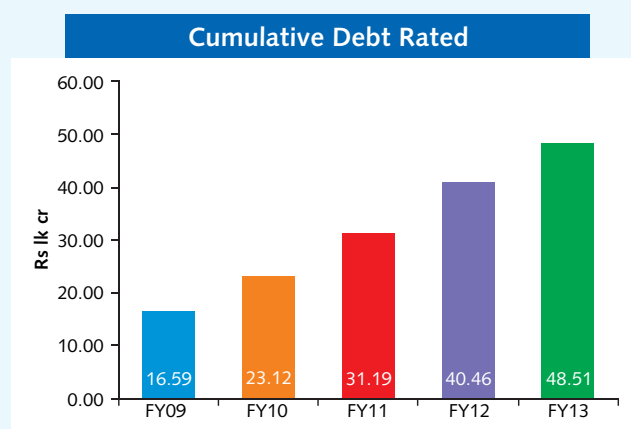
Debentures/Bonds-Number of instruments rated



Volume of New Debt rated



Cumulative Debt rated crosses 50% of India's GDP *



*GDP at factor cost at current prices in FY13 expected to be Rs 94.6 lkh crore

Strong Value Creation for Company and Shareholders

