



CRISIL LIMITED | ANNUAL REPORT 2013

MAKING MARKETS FUNCTION BETTER



In 2013, we launched CRISIL's new logo. The idea was to give it a contemporary look.

The blocks in the CRISIL logo stand for people, processes and values – the three things that set us apart as a brand. They integrate seamlessly to reflect CRISIL's winning combination of tightly knit businesses built around the theme of being a global analytical company. Externally we have sharpness, definition and shape; internally we are fluid, dynamic and growing.

In its totality, our logo resembles a well-fitting and efficient system, symbolic of our core purpose: making markets function better.

The new logo is a reflection of everything we are: modern, young, capable and ambitious.

... and these ones flag the strategic milestones of the year:



Analytics



Expanding Footprint



People



Corporate Social
Responsibility



Innovation



Technology



Customer Wins



Insight



Thought Leadership

CONTENTS

CORPORATE OVERVIEW

- 03 Message from the Chairman
- 04 About CRISIL
- 05 CRISIL Businesses
- 08 CRISIL's Consolidated Ten Year Financial Highlights

2013: A GLANCE

- 12 Launch of CRISIL Inclusix
- 13 CRISIL's 2nd Annual Seminar on Expanding India's Corporate Bond Market
- 14 2013: Looking Back
- 37 Publications
- 42 CRISIL in Media
- 44 Corporate Sustainability Initiatives

STATUTORY REPORTS

- 49 Board of Directors
- 57 Directors' Report
- 67 Management Discussion and Analysis Report
- 76 Auditors' Certificate for Corporate Governance
- 77 Report of the Directors on Corporate Governance

FINANCIAL STATEMENTS

- 97 Standalone Financial Statements
- 137 Consolidated Financial Statements
- 173 Notice
- Proxy Form and Attendance Slip

This pdf has been kept interactive to help you easily access the information that you seek by clicking on the desired sections from the contents page.



Previous Contents Next

The icons will take you back to the respective pages from any page that you are on.



CORPORATE
OVERVIEW

MESSAGE FROM THE CHAIRMAN



CRISIL delivered a strong performance in 2013, despite a challenging environment. India saw a sharp slowdown in growth and investments. The global economy stabilised during the year, but at low levels of growth.

Among the highlights of the year was the release of CRISIL's seminal 'State Of The Nation' report, a unique 'top-down-meets-bottom-up' analysis on the Indian economy, sectors and companies.

Financial inclusion is a key economic and social imperative in India. Making an important contribution to this agenda, CRISIL launched 'Inclusix', the country's first index that objectively measures financial inclusion all the way to the level of each district.

CRISIL also launched a new logo with a contemporary look of a modern, young, capable and ambitious company. The design resembles a well-fitting and efficient system, symbolic of CRISIL's core purpose of making markets function better.

During the year, McGraw Hill Financial, Inc. (MHFI) increased its stake in CRISIL through an open offer. To me, that represents a vote of confidence in CRISIL, its leadership team, its talented employees, and the future of India.

CRISIL is well poised to continue its solid performance and remain a leading voice in the markets it serves.

Douglas L. Peterson

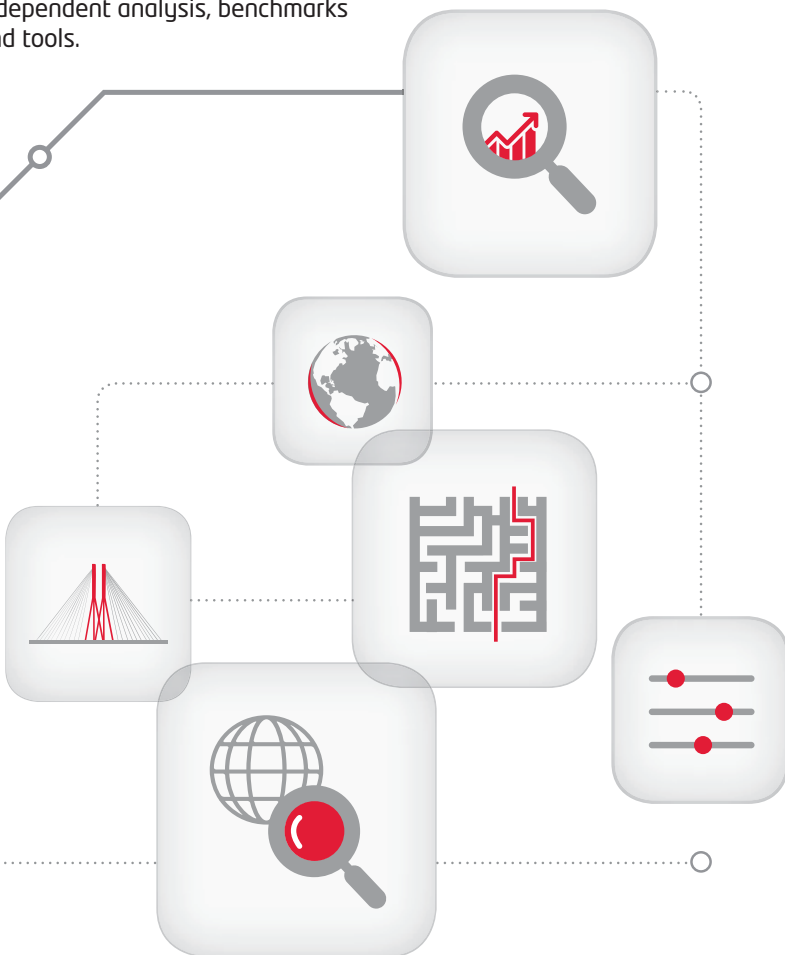
ABOUT CRISIL

We are a global analytical company providing ratings, research, and risk and policy advisory services, majority owned by Standard & Poor's (S&P), the world's foremost provider of credit ratings and a part of McGraw Hill Financial, Inc. (NYSE:MHFI).

In India, we work with the country's largest corporations, financial institutions, SMEs, governments -- both at the

centre and in the states -- and policymakers. Globally, we serve the world's largest banks, leading corporations and governments.

We empower our customers and the markets at large with independent analysis, benchmarks and tools.



CRISIL BUSINESSES



RATINGS

GLOBAL ANALYTICAL CENTRE

- Bond Ratings
- Bank Loan Ratings
- SME Ratings
- Real Estate Star Ratings

RESEARCH



GLOBAL RESEARCH & ANALYTICS

- Financial Research
- Risk & Analytics
- Corporate Research
- Coalition



INDIA RESEARCH

- Economy & Industry Research
- Funds & Fixed Income Research
- Equity & Company Research

ADVISORY*



CRISIL INFRASTRUCTURE ADVISORY



CRISIL RISK SOLUTIONS

*Wholly owned subsidiary - CRISIL Risk and Infrastructure Solutions Limited

CRISIL RATINGS

We are India's leading credit rating agency. We pioneered the concept in 1987 and have since rated/assessed over 77,000 entities across 196 industry sectors in the country. These include 60,000 micro, small and medium enterprises – the biggest count by far for any country – and 17,000 large and mid-scale corporates and financial institutions. Our capabilities span the entire range of debt instruments: bank loans, certificates of deposit, commercial papers, non-convertible debentures, bank hybrid capital instruments, asset-backed securities, mortgage-backed securities, perpetual bonds and partial guarantees. We assist issuers and borrowers in enhancing their access to



funding, widening the range of funding alternatives and optimising the cost of funds. As for investors and lenders, we supplement their internal evaluation process and benchmark credit quality across investment options. We help the markets function better and also assist regulators in measuring and managing credit risks at a systemic level. Our ratings are used in the computation of capital adequacy in the banking sector and to determine the eligible investment pool for insurance companies, pension funds and provident funds.

Rated/assessed over 77,000 entities across 196 industry sectors in the country. These include 60,000 micro, small and medium enterprises – the biggest count by far for any country – and 17,000 large and mid-scale corporates and financial institutions.

CRISIL GLOBAL RESEARCH & ANALYTICS (CRISIL GR&A)

We are the world's largest and most preferred provider of high-end research and analytics, the largest provider of equity and fixed income research support, and the foremost provider of end-to-end risk and analytics services. Our equity research support enables coverage on 2,500 stocks globally, comprising 90% of global trading volumes and 85% of global market capitalisation. Our fixed income research supports 80% of the global structured finance market and over 60% of the global credit markets. Our 8 research centres in Argentina, China, India and Poland serve 12 of the top 15 global investment banks, more than a



dozen asset management companies, 3 of the top 15 global insurance companies, 2 of the top 10 global consulting groups and 37 Fortune 500 companies, among others. We have enabled global banks to achieve multi-million-dollar savings in research budgets, and up to 50% improvement in process efficiencies. We review over 20% of outstanding exotic equity derivatives globally, saving more than USD 100 million (marked-to-market impact) annually for investment banks.

Our equity research support enables coverage on 2,500 stocks globally, comprising 90% of global trading volumes and 85% of global market capitalisation. Our fixed income research supports 80% of the global structured finance market and over 60% of the global credit markets.

CRISIL RESEARCH

We are India's largest independent and integrated research house, providing insights, opinions, and analysis on the economy, industry, capital markets and companies to help our clients make informed lending, investment and strategic decisions, thereby mitigating and managing risk. We also play a key role in India's fixed-income markets. We cover 70 industry sectors and 139 sub-sectors and our clientele includes 1,200 Indian and global clients, 95% of India's banking industry by asset base, 15 of the top 25 Indian companies by market capitalisation, the entire



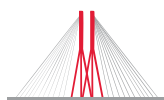
Indian mutual fund industry, the entire life insurance industry and the top 6 consulting firms in the world. We value over USD 960 billion of Indian debt securities, comprising 85% of outstanding securities, and rank Indian mutual fund schemes covering 70% of the assets under management (AUMs) worth USD 85 billion.

We cover 70 industry sectors and 139 sub-sectors.

We value over USD 960 billion of Indian debt securities, comprising 85% of outstanding securities, and rank Indian mutual fund schemes covering 70% of the assets under management (AUMs) worth USD 85 billion.

CRISIL RISK AND INFRASTRUCTURE SOLUTIONS LIMITED (CRIS)

CRISIL conducts its infrastructure advisory and risk solutions business through its subsidiary, CRISIL Risk and Infrastructure Solutions Limited (CRIS).



CRISIL Infrastructure Advisory: We work with regulators and governments, multilateral agencies, investors and large public and private sector firms to shape public policy, establish viable frameworks and enable infrastructure development. We work with clients in India and 22 other emerging economies in Asia, Africa and the Middle East across infrastructure sectors such as urban development, energy, natural resources, transport and logistics, healthcare and infrastructure finance.



CRISIL Risk Solutions: We provide a comprehensive range of risk management tools, analytics and solutions to financial institutions, banks, insurance companies and corporates in India, the Middle East, Africa, South Asia and Southeast Asia. We have helped over 50 banks and financial institutions adopt best practices in risk management, undertaken risk management assignments in 20 countries and provided risk management solutions to 8 of the top 10 banks in India.

We work with clients in India and 22 other emerging economies in Asia, Africa and the Middle East across infrastructure sectors

We provide a comprehensive range of risk management tools, analytics and solutions to financial institutions, banks, insurance companies and corporates in India, the Middle East, Africa, South Asia and Southeast Asia.

CRISIL'S

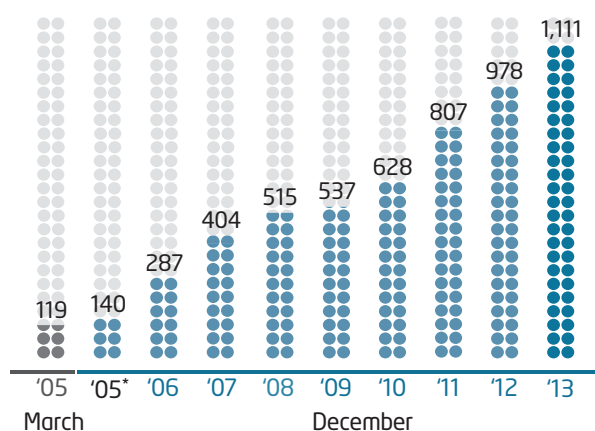
CONSOLIDATED TEN YEAR

FINANCIAL HIGHLIGHTS

Income from operations

CAGR ▲ 29 %

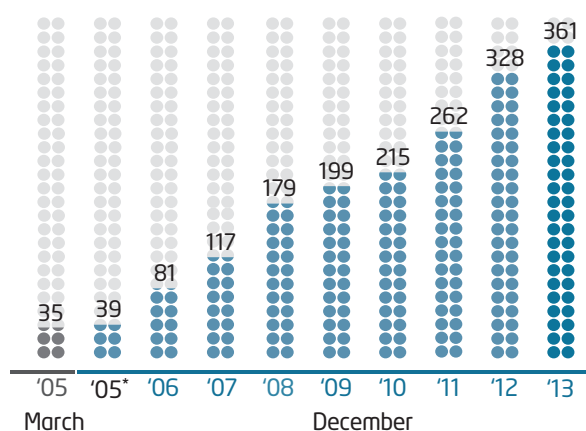
(Rs. in Crores)



EBITDA

CAGR ▲ 30 %

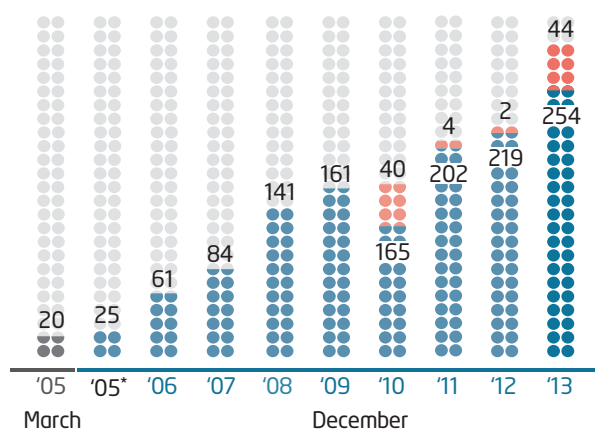
(Rs. in Crores)



Profit after tax

CAGR ▲ 36 %

(Rs. in Crores)



● One time gains

Market capitalisation

CAGR ▲ 40 %

(Rs. in Crores)

