




DIVERSITY **AT ITS BEST**

CRISIL LIMITED | ANNUAL REPORT 2015



At CRISIL, we believe that **our strength lies in the diversity of our businesses, people and operations.**

Our diverse range of services offerings – credit ratings, data and research, analytics, advisory and risk management – is a testimony to this fact, as is the wide range of clients that we work with – from small enterprises to large corporations and financial institutions including global organisations, governments and policymakers.

Diversity at CRISIL is also reflected in our thoughts and opinions. This allows us to deliver independent analyses and actionable insights across the Indian economy and 86 industries.

And at the core of it all lies our diverse 3,700+ strong workforce across 8 countries, which brings distinctive skills, perspectives and experiences to the Company.

Together, we are well integrated and singularly committed to our mission of making markets function better.

CONTENTS

CORPORATE OVERVIEW

02 Message from the Chairman

SECTION 1

04 About CRISIL

06 CRISIL's Businesses

08 Financial Highlights

10 Diversified Businesses: 2015 Highlights

SECTION 2

14 Diversity of Thought: CRISIL Publications

18 Reaching Out: 2015 Franchise Highlights

SECTION 3

26 Sustainability Initiatives

SECTION 4

30 Diversity of People and Culture: 2015 at a Glance

STATUTORY REPORTS

36 Board of Directors

41 Directors' Report

88 Management Discussion and Analysis Report

100 Auditors' Certificate for Corporate Governance

101 Report of the Directors on Corporate Governance

FINANCIAL STATEMENTS

121 Consolidated Financial Statements

162 Standalone Financial Statements

200 Notice

207 Proxy Form

CHAIRMAN'S MESSAGE



CRISIL'S RELENTLESS FOCUS ON EXCELLENCE, INNOVATION, CUSTOMER CENTRICITY AND AGILITY GUIDES THE ORGANISATION TOWARDS REALISING ITS VISION.

I am delighted to report that 2015 was a significant year for CRISIL, marked by progress on many fronts. The company strengthened its leadership position across markets in India and globally. Though business conditions have been challenging, CRISIL has been successful in uncovering new growth opportunities.

CRISIL's strength lies in the diversity of its businesses, people, global reach and the synergies that it enjoys with McGraw Hill Financial's portfolio of leading brands, including Standard & Poor's Ratings Services, S&P Capital IQ and SNL Financial, S&P Dow Jones Indices and Platts.

CRISIL's Global Research & Analytics business had an excellent year, as India businesses continued to grow and reinforce their premier position in the market. This year, the Company also furthered its franchise and thought leadership agenda, enabling discussions among regulators and policy makers, especially in banking and financial services and in the infrastructure sector.

CRISIL's relentless focus on excellence, innovation, customer centricity and agility guides the organisation towards realising its vision of being the foremost provider of ratings, research, data and analytics and solutions to our clients, investors, policy makers and market participants.

I am confident that the progress CRISIL made last year will act as a springboard for it to scale greater heights and fulfil its mission of making markets function better by providing independent opinions, actionable insights and efficient solutions.



Douglas L. Peterson



ABOUT CRISIL

MAKING MARKETS FUNCTION BETTER

CRISIL is a global analytical company driven by its mission of making markets function better. It is India's foremost provider of ratings, data and research, analytics and solutions, with a strong track record of growth and innovation. CRISIL delivers independent opinions, actionable insights, policy advisory and efficient solutions.

It is majority owned by Standard and Poor's (S&P), the world's leading provider of independent credit risk research and benchmarks, and a part of McGraw Hill Financial (formerly The McGraw-Hill Companies).



VISION

To be the foremost provider of ratings, data and research, analytics and solutions to our clients, investors, policy makers and other market participants.

MISSION

To make markets function better by providing independent opinions, actionable insights and efficient solutions.

CRISIL'S BUSINESSES



CRISIL RATINGS

Bond Ratings
Bank Loan Ratings
SME Ratings
Global Analytical Centre
Other Grading Services

Our clients include over 91,000 Micro, Small and Medium Enterprises (MSMEs) and more than 20,800 large and mid-scale corporates and financial institutions. Our capabilities span the entire range of debt instruments. We improve access to funding for issuers and borrowers and help optimise their cost of funds. For investors and lenders, we supplement internal evaluation processes 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. Through our Global Analytical Centre (GAC), we provide analytical, research and data services to McGraw Hill Financial globally. GAC partners with Standard & Poor's Ratings Services (S&P) to process information, improve workflow efficiency, support research and analysis, and execute modelling assignments.

CRISIL has rated over

91,000

MSMEs and 20,800 large and mid-scale corporates and financial institutions in India.



CRISIL GLOBAL RESEARCH & ANALYTICS

Financial Research
Risk & Analytics
Corporate Research
Coalition

Our research support enables coverage of over 3,300 stocks globally. Our team of quantitative, regulatory, risk and actuarial specialists deals with over 30 banks globally and reviews 20% of outstanding exotic equity derivatives. Our team at Coalition provides business intelligence and high-end analytics to more than 20 investment banks including all the top 15. We operate from 7 research centres across Argentina, China, India and Poland; and serve the world's leading commercial and investment banks, insurance companies, corporations, consulting firms, private equity players and asset management firms.

We help clients increase revenues and strengthen market position. Our high-quality research support has enabled clients to improve their institutional ranking, increase coverage, enter new markets, get better business insights, and deliver new path breaking strategies. Our well-nurtured specialists in derivatives, quantitative, risk and actuarial practices enable clients to apply incisive analytics to internal models, transition to more robust risk and trading platforms, measure risk in a more real-time manner, and comply with regulatory requirements including model validation and stress testing.

CRISIL Global Research and Analytics enables coverage of over

3,300

stocks globally, reviews 20% of outstanding exotic equity derivatives and provides business intelligence to leading global investment banks.



CRISIL RESEARCH

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

We help our clients make informed lending, investment and strategic decisions, thereby mitigating and managing risk. We work with 1,200 Indian and global clients, including 90% of India's banking industry by asset base, 15 of the top 25 Indian companies by market capitalisation, all Indian mutual fund (MF) and life insurance companies and 6 of the world's leading consulting firms.

We are India's most credible provider of economy and industry research, with coverage across 86 sectors. We are the largest provider of valuation of fixed-income securities to the MF, insurance and banking industries, valuing over USD 1,307 billion of Indian debt securities. We rank Indian MF schemes, covering 77% of assets under management and worth USD 155 billion. We are also the sole provider of debt and hybrid indices to India's MF and life insurance companies.

CRISIL Research works with over

1,200

Indian and global clients, including 90% of India's banking industry by asset base, 15 of the top 25 Indian companies by market capitalisation, and all Indian mutual fund and life insurance companies.

CRISIL RISK & 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: CRISIL Infrastructure Advisory is a leading advisor to governments and regulators, multilateral agencies, investors and large corporates.

We help shape public policy and enable infrastructure development. We work in the areas of policy formulation, regulation, project advisory and design and implementation of public private partnership frameworks and infrastructure financing mechanisms. Our teams have expertise across the infrastructure spectrum, including urban development, energy and natural resources, transport and logistics, and infrastructure financing in India and other emerging countries.

CRISIL provides advisory services in urban development, energy and natural resources, transport and logistics, and infrastructure financing in India and other emerging countries.



CRISIL Risk Solutions: We provide a comprehensive range of risk management tools, analytics and solutions to financial institutions, banks and corporates in India, the Middle East, Africa, South Asia and South-East Asia.

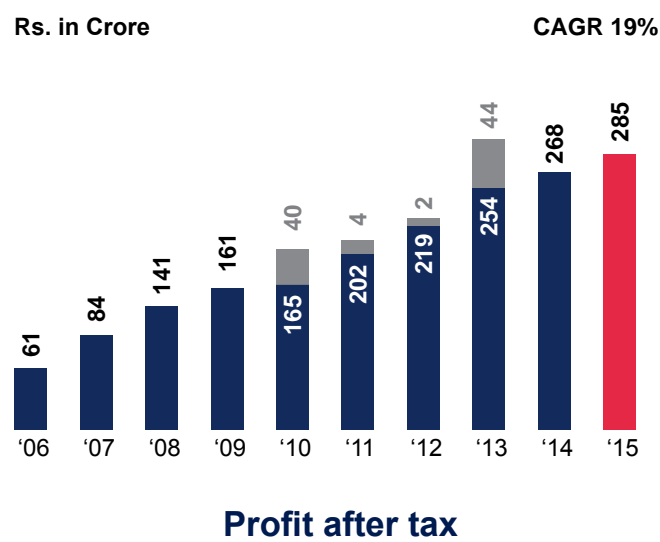
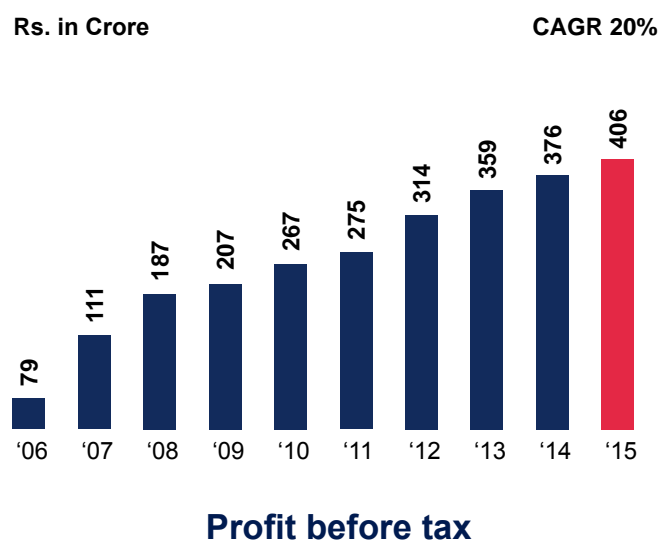
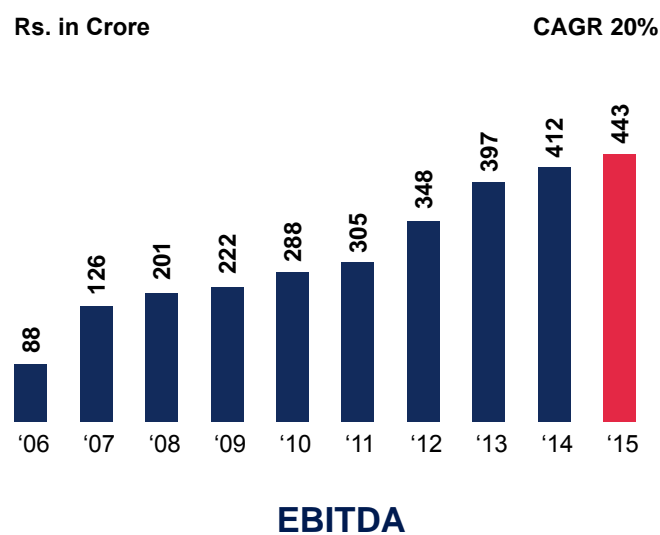
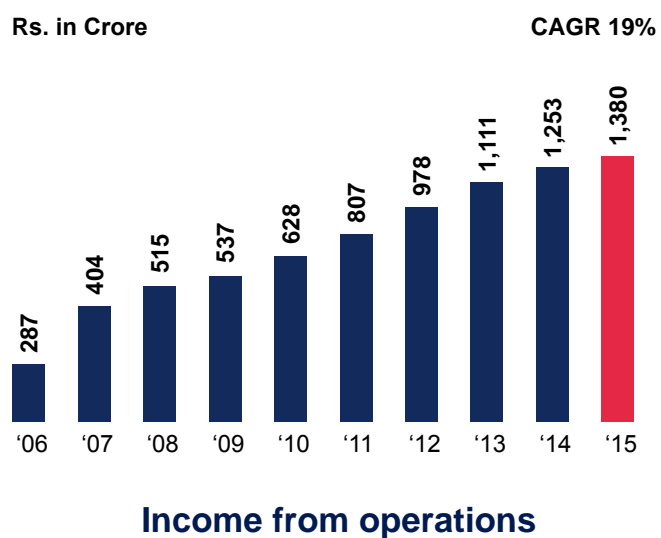
We have helped over 65 banks and financial institutions adopt best practices in risk management, undertaken risk management assignments in 20 countries and provided risk management solutions to 9 of the top 10 banks in India.

CRISIL Risk Solutions has helped over

65

banks and financial institutions in India and select emerging markets to adopt best practices in risk management.

FINANCIAL HIGHLIGHTS



■ One-Time Impact