

October 23, 2020

Listing Department  
National Stock Exchange of India Ltd.  
Exchange Plaza, 5<sup>th</sup> floor  
Plot No. C/1, G Block  
Bandra-Kurla Complex  
Bandra (East)  
Mumbai 400 051

Listing Department  
BSE Limited  
P J Towers  
Dalal Street  
Mumbai 400 001

Dear Sirs,

Sub.: **Corporate Presentation Q3 2020**

We are enclosing herewith our corporate presentation updated with the Q3 FY 2020 Financial Results. This presentation will be published on the Company's website - [www.crisil.com](http://www.crisil.com) shortly.

Kindly take this communication on record.

Yours faithfully,  
For CRISIL Limited



Minal Bhosale  
Company Secretary  
ACS 12999

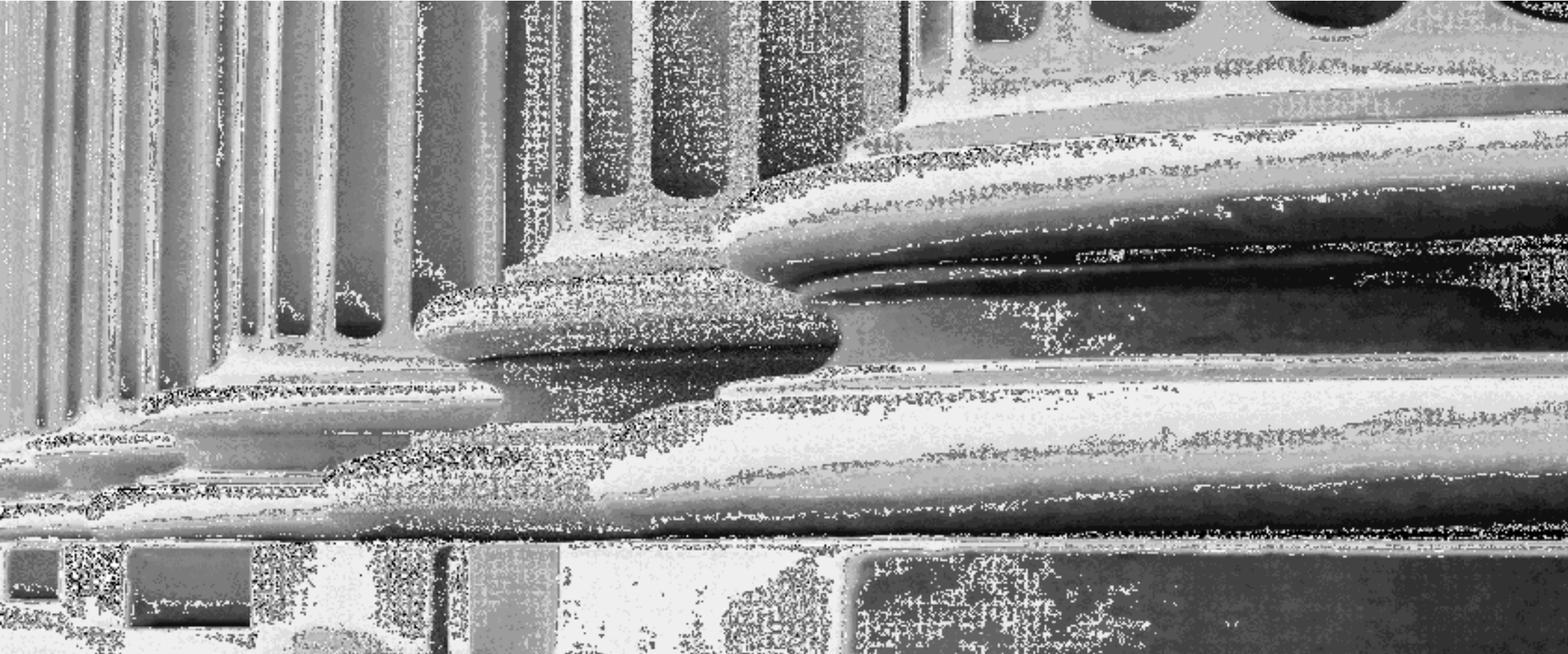
Encl.: a/a

**CRISIL Limited**

Corporate Identity Number: L67120MH1987PLC042363

# Q3 2020 Analyst presentation

October 2020



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# Agenda



## 1. CRISIL Overview



## 2. Business Environment



## 3. Financial Performance



## 4. Segment Performance



## 5. Thought Leadership



## 6. Corporate Social Responsibility

# CRISIL, a leading global analytics company

**#Agile**  
to market needs

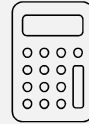
Unleashing  
**#Innovation**

Defining  
**#Global** best  
standards

Empowering decision-  
making  
with cutting-edge  
**#Analytics**

**33,000+**

Ratings for large  
and mid-scale  
corporates and  
Financial institutions



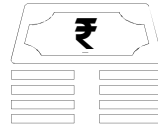
**\$1.88** Trillion  
of Indian debt  
securities valued  
by us



Graded and assessed  
Over **150,000**  
micro, small and  
medium enterprises  
(MSMEs) in India



**90%** of  
India's banking  
industry by  
asset base  
are our clients



Our Risk Models  
widely used to  
assess **100+**  
sectors in India  
and Emerging markets



**300+**  
Global banks and  
asset managers  
are our customers



Coalition Index  
referenced in over  
**100+** investor  
relations  
presentations by  
leading global banks



**3,700+**  
employees



Presence across  
**10+** countries  
and **15+** locations



A large, multi-story white building with a prominent curved corner section. The building has many windows and a classical architectural style. The name "CRISIL HOUSE" is visible on the facade. The image is faded to serve as a background for the text overlays.

# CRISIL

An **S&P Global** Company

is now

Great Place to Work™ -

Certified

Great  
Place  
To  
Work®

Certified

SEP 2020–AUG 2021

INDIA

# Agenda



1. CRISIL Overview



2. **Business Environment**



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# Economies across the globe to witness severe recession



**India**

Indicator	FY2018	FY2019	FY2020	FY2021 <sup>f</sup>
Real GDP (y-o-y %)	7.0	6.1	4.2	-9.0
Investments (y-o-y %)	7.2	9.8	-2.8	-15.6
10 year G-sec yield (% , March)	7.6	7.5	6.2	6.3
Fiscal deficit (% of GDP)	3.5	3.4	3.8 <sup>#</sup>	↑
Exchange rate (Re/\$, March avg.)	65.0	69.5	74.4	74
CPI Inflation (%)	3.6	3.4	4.8	5.6
Gross NPA (%)	11.6	9.4	8.5	11.5
Repo Rate (% , March-end)	6.00	6.25	4.40	3.75
Bank Credit Growth (%)	7.4	11.0	6	0-1



**Global**

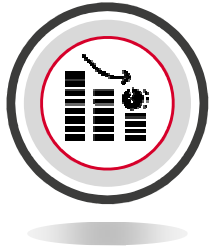
Indicator	CY2017	CY2018	CY2019	CY2020 <sup>f</sup>
World GDP (y-o-y %)	3.8	3.6	2.8	-4.1
United States of America (y-o-y %)	2.3	2.9	2.2	-4.0
Eurozone (Euro Area-19) (y-o-y %)	2.5	1.9	1.3	-7.4
China GDP (y-o-y %)	6.9	6.6	6.1	2.1

Note: <sup>f</sup>=forecast; <sup>#</sup>Revised estimate

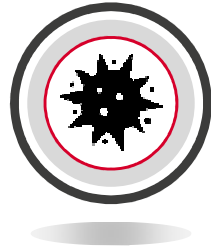
Source: NSO, RBI, CRISIL, S&P Global Economics and Oxford Economics



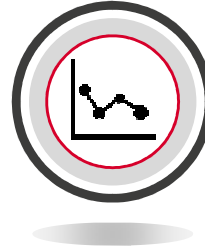
# Pandemic has intensified trends that were already underway



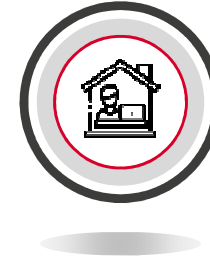
Economic downturn



Heightened risk averseness



Increased market volatility



Financial and credit stress



Digital transformation



Focus on social and sustainable practices



Emergence and need for assessment of new risks



Remote working and distributed model

# Agenda



1. CRISIL Overview



2. Business Environment



3. Financial Performance



4. Segment Performance



5. Thought Leadership



6. Corporate Social Responsibility



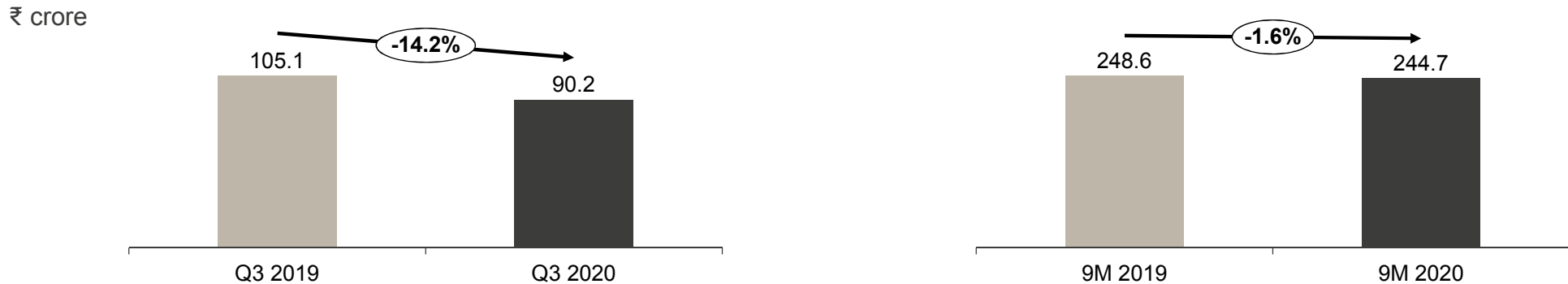
# Q3 2020 income from operations at ₹485.0 cr.; PAT at ₹90.2 cr.

## Income from Operations<sup>#</sup>



<sup>#</sup> Excluding Greenwich Associates, consolidated income from operations for Q3 2020 was higher by 0.3% y-o-y and for 9M 2020, it was higher by 1.0% y-o-y

## Profit After Tax<sup>@</sup>



<sup>@</sup> Excluding Greenwich Associates, PAT for Q3 2020 was higher 5.1% y-o-y and for 9M 2020, it was higher by 18.5% y-o-y

# Continued proactive response to Covid-19 pandemic

## Maintained 'People first' and tech driven approach



### People

- Launched 'CRISIL Care' for doctor consultations, hospitalisation
- Continued employee support through medical expert sessions and wellness sessions
- Digital learning courses/ webinars on pertinent themes



### Operations

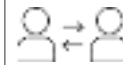
- Full continuity of business as the pandemic unfolded
- Periodic assessment of WFH status for all locations
- Continued high stakeholder connect



### Technology and Information Security

- 99%+ workforce continues to work remotely
- Remote support for hardware, software and query resolution
- Continuous assessment of info sec measures & mechanisms

## Leading independent voice



### Customer engagement

- High impact research papers, analysis and thought papers on emerging trends



### Thought leadership

- High impact webinars on key global and Indian themes



# Agenda



1. CRISIL Overview



2. Business Environment



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4. Segment Performance - Ratings



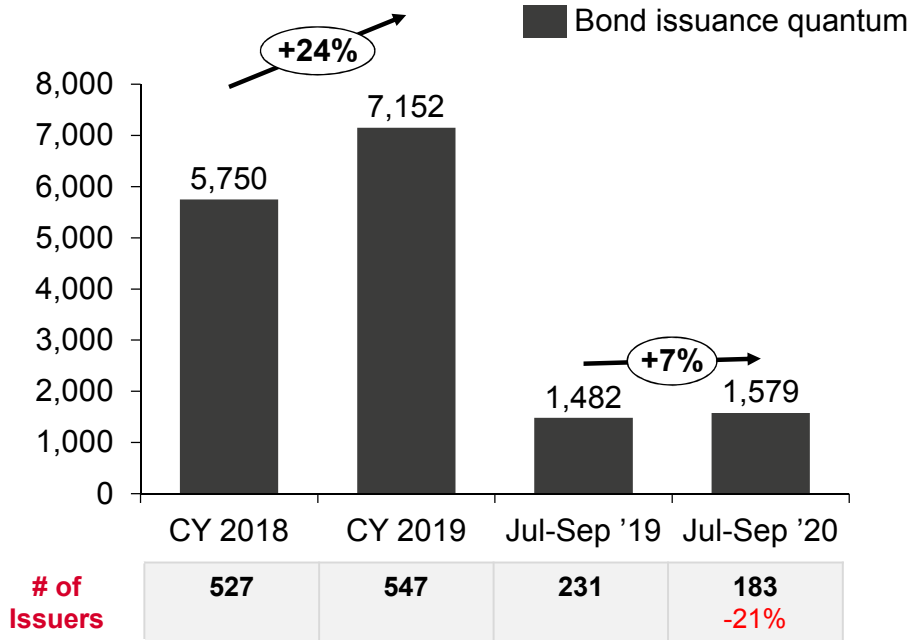
5. Thought Leadership



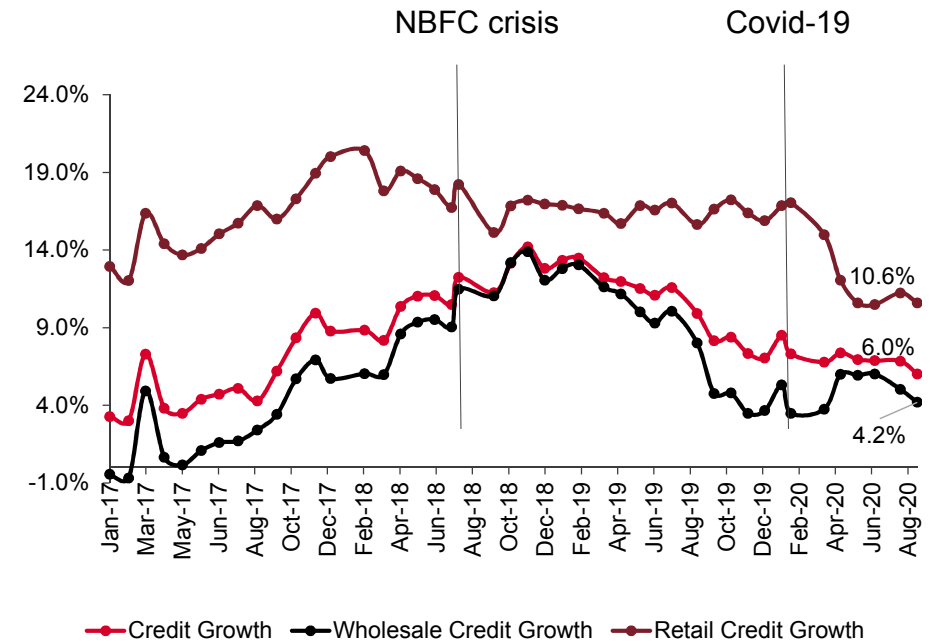
6. Corporate Social Responsibility

# Capital markets issuers declined materially by 21% during the quarter, while systemic credit growth remains subdued

**Bond Issuance Quantum (₹ billion)**



**Credit Growth (%)**



Source: RBI, SEBI, Ministry of Finance, Prime Database, CRISIL

# Ratings: Q3 2020 highlights



## Financials

Particulars (₹ cr)	Q3 2020	Q3 2019
Income from Operations	137.1	142.8
Segment Profits	51.9	61.2
Margin	37.9%	42.9%

Particulars (₹ cr)	9M 2020	9M 2019
Income from Operations	414.4	403.3
Segment Profits	168.7	156.9
Margin	40.7%	38.9%

Note: Numbers rounded off to first decimal



## Business update

- Despite the weak environment, subdued business sentiment and sharp decline in capital markets issuers by 21% during the quarter, CRISIL Ratings strengthened its leading position in the corporate bond market
- GAC increased its coverage for S&P Global Ratings, including support for key initiatives such as ESG evaluations, and inferencing impact of Covid-19
- Overall, given the slackness, the segment de-grew 4% during the third quarter



## Innovation and franchise

- Published over 25 press releases on topical matters and hosted nine webinars on key sectors such as Steel, Cement, Fertilisers, Real Estate, Pharmaceuticals, Renewables, Telecom, Gold Jewellery Retailers, and Hospital sector
- CRISIL Ratings introduced monthly e-newsletter – ‘CRISIL Analytica’ to provide value added services to more than 30,000 stakeholders in the form of timely and relevant content

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4. Segment Performance - Research



5. Thought Leadership



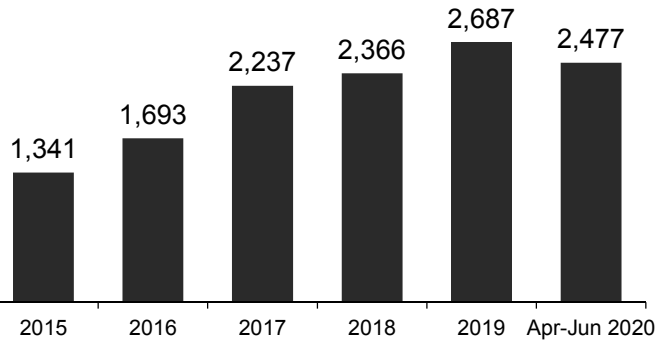
6. Corporate Social Responsibility



# Indian MF AUM subdued, banking costs increase due to provisions; Globally, CIB RoE under pressure

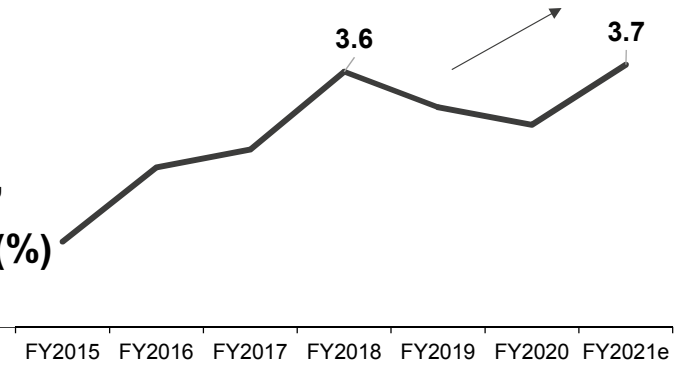
₹ '000 crore

India mutual fund AUM\*



\*Average AUM for the Quarter; Source: AMFI

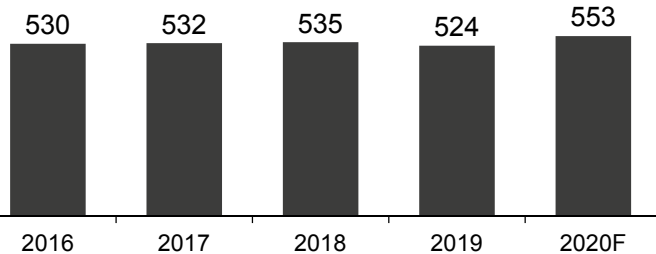
Indian Banks' Credit Costs (%)



Credit cost as a % of average gross advances; Source: S&P Global Ratings

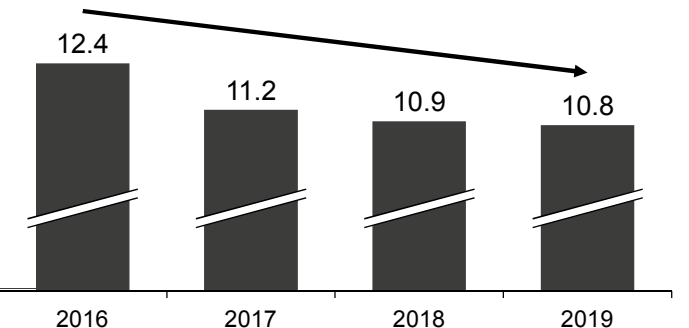
\$ billion

Global CIB revenue pools



Source: Coalition Proprietary data

CIB Return on Equity (%)



Source: Coalition Proprietary data; ROE calculated based on Coalition Index Universe

# Research: Q3 2020 highlights



## Financials

Particulars (₹ cr)	Q3 2020	Q3 2019
Income from Operations	315.8	258.7
Segment Profits	35.5	60.3
Margin	11.2%	23.3%

Particulars (₹ cr)	9M 2020	9M 2019
Income from Operations	875.9	755.6
Segment Profits	137.9	171.8
Margin	15.7%	23%

- Excluding Greenwich, the Research segment revenue grew by 3.5% during the quarter ended September 2020

Note:

1. Numbers rounded off to first decimal



## Business update

- Growth in the Research segment was led by Global Research & Analytics business, which saw strong demand for risk and transformation services; Fundamental research saw a tepid performance because of anticipated sell-side restructuring
- Coalition saw delays in client conversions given the impact of the pandemic across global financial services. The business continues to invest in new products and analytics to meet the needs of new clients
- The integration of Greenwich is on track and focus is on client renewals and new mandates



## Innovation and franchise

- CRISIL Research partnered with a large bank for hosting "SME Knowledge Series" – an exclusive series of eight sectoral webinars for SME clients of the bank; hosted a webinar on Agriculture sector titled "Silver lining in the dark clouds"
- Hosted virtual roundtables on the theme of "The Covid-19 impact on Global Markets" with panelists from Greenwich Associates, Oliver Wyman and S&P Global Ratings
- Published white papers in varied areas such as stress testing, climate risk, ESG, capital adequacy, credit risk and low-default portfolios

# Agenda



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4. Segment Performance - Advisory



5. Thought Leadership



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# Advisory: Q3 2020 highlights



## Financials

Particulars (₹ cr)	Q3 2020	Q3 2019
Income from Operations	32.1	34.3
Segment Profits	2.6	4.8
Margin	8.1%	13.9%

Particulars (₹ cr)	9M 2020	9M 2019
Income from Operations	94.3	108.5
Segment Profits	3.6	10.2
Margin	3.9%	9.4%

Note: Numbers rounded off to first decimal  
PPP: Public Private Partnership



## Business update

- Growth in the Advisory segment was muted given across-the-board reduction in infrastructure spends
- Few risk platform implementation delays as banks in India deferred milestones, given the impact of Covid-19
- Demand for our risk assessment models and early warning signals remains strong
- Overall, the segment saw 6.4% de-growth during the quarter



## Innovation and franchise

- Hosted multiple webinars during the quarter. Some of key ones are mentioned below:
  - PPP project screening tool (PST)
  - Project Finance and PPP Financial Modelling
  - Contract Development and Management for Urban and Climate PPP Projects

# Risks



Prolonged impact of Covid-19 pandemic



Global recession and sharp slowdown in India



Uncertain regulatory environment



Information security and cyber-related risks



Adverse currency movement



Intense competition



Reputation risk

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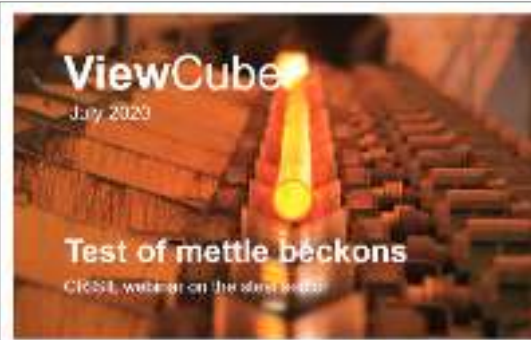
5. Franchise and thought Leadership



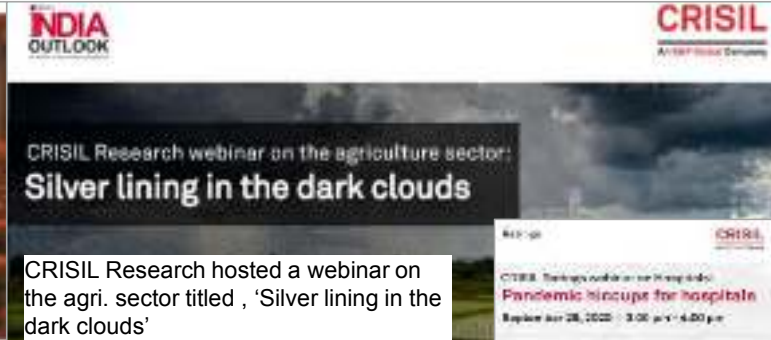
6. Corporate Social Responsibility



# Leading provider of independent opinion and research



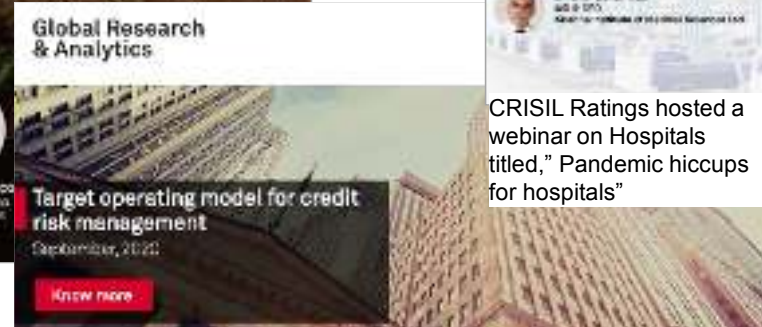
Viewcube on Steel - "Test of mettle beckons"



CRISIL Research hosted a webinar on the agri. sector titled, 'Silver lining in the dark clouds'



CRISIL GR&A, together with S&P Global Trucost and Greenwich Associates, hosted a webinar titled, 'ESG best practices for Emerging Markets'.



CRISIL GR&A and Greenwich Associates (now a part of CRISIL), co-hosted a credit risk roundtable on Target Operating Model for Credit Risk Management.



CRISIL Ratings hosted a webinar on Hospitals titled, "Pandemic hiccups for hospitals"



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# Our CSR efforts continue to drive sustained social impact



## Financial capability building through Mein Pragati and MoneyWise CFL

- Provided last-mile financial inclusion services in over 1,150 villages in Assam and Rajasthan through 850+ Sakhis – our trained community cadre
  - 200 new Sakhis on-boarded in Assam
  - Facilitated behaviour shift from cash to digital - over 1,700 digital transactions
- Gram Sahay helpline set up during Q2 continues to support rural communities
  - 50,000+ calls, 5,000+ linkage applications facilitated to banking and govt schemes



## Promoting environment conservation and larger social consciousness amongst CRISIL employees

- Completed largest plantation project along with partners
  - 25,000 trees planter in Mumbai Metropolitan Region
  - 6,000 mangrove plantations in Sundarbans Delta, a UNESCO world heritage site
- Overall 8 virtual knowledge sessions held with regards to environment protection and social leadership – with ~599 employees participating



# About CRISIL

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It is India's foremost provider of ratings, data, research, analytics and solutions with a strong track record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers through businesses that operate from India, the US, the UK, Argentina, Poland, China, Hong Kong and Singapore.

It is majority owned by S&P Global Inc, a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

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Last updated: May 2018

For further information contact: [investors@crisil.com](mailto:investors@crisil.com)