DALALBYTES RESEARCH

Crisil

The House That Rates India

India's first rating agency, an S&P Global company, and a global analytics business priced for perfection

NSE: CRISIL · BSE: 500092

October 12, 2026

Reference: Rs 4,423.80, NSE close of October 9, 2026 (last verified close before the October 10-11 weekend). Founding story, segments, financials, competition, management, valuation vs peers, risks, and FY2029 scenarios.

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VERDICT

77 / 100 : Selective Positive

Crisil is one of the finest businesses listed in India: the country's first credit rating agency, majority owned by S&P Global, asset-light, debt-light, earning roughly 30% operating margins and mid-20s return on equity, and paying out about three-fifths of its profit as dividends. It has compounded revenue at about 13% and profit at about 14% over five years on a December year-end, and the first half of calendar 2026 accelerated sharply: revenue up 28.8% to Rs 2,133 cr and PAT up 35.7% to Rs 450 cr, helped by strong ratings demand and the November 2025 acquisition of McKinsey's PriceMetrix business.

The selective part is the price, not the business. At Rs 4,423.80 the stock trades at about 36.6x trailing earnings (TTM EPS Rs 120.93 to June 2026), a clear premium to ICRA at about 21x and CARE Ratings at about 26x, and at about 10x book value. That premium is partly earned: Crisil is roughly seven times the market cap of either peer, far more diversified, and the only Indian agency with a large global analytics arm. But it still leaves little room for a slowdown in bank credit, a weak bond issuance year, or disappointment from generative AI, which management itself lists as a disruption risk to research and analytics work.

Reference price: Rs 4,423.80 (NSE close, October 9, 2026, the last verified close before the October 10-11 weekend). Market cap about Rs 32,351 cr. 52-week range Rs 3,686.00 to Rs 5,064.90.

FY2029 targets: Bear Rs 3,480 / Base Rs 5,870 / Bull Rs 8,700. See Section 14 for assumptions. FY here means Crisil's December-ending calendar year; FY2029 is the year ending December 2029, modelled three years beyond estimated calendar 2026.

1. SNAPSHOT

Item	Detail
Company	Crisil Ltd, Mumbai, India
Founded	1987, as India's first credit rating agency; incorporated January 29, 1987
Listed	NSE: CRISIL, BSE: 500092; IPO in 1993
Parent	S&P Global holds about 66.6% (promoter holding, June 2026)
Business	Ratings, research, analytics and solutions
Brands	Crisil Ratings, Crisil Intelligence, Crisil Coalition Greenwich, Crisil Integral IQ
Calendar 2025 revenue	Rs 3,649 cr (+11.9% on the consolidated series used here)

Item	Detail
Calendar 2025 PAT	Rs 766 cr (+12.0%); EPS Rs 104.75
Latest half	H1 2026 revenue Rs 2,133 cr (+28.8%); PAT Rs 450 cr (+35.7%)
Balance sheet	Reserves Rs 3,026 cr at Dec 2025; borrowings small relative to equity; dividend Rs 61/share for 2025
Leadership	Amish Mehta, MD and CEO; reappointed for three years from October 1, 2026

A note on years: Crisil reports on a December year-end, unlike most Indian companies on a March year-end. Every annual figure in this report is a calendar year unless it is explicitly labelled a quarter or half. The task format asks for FY22 to FY26; for Crisil that maps to calendar 2022 to 2025 actuals plus calendar 2026 year-to-date, and that mapping is stated wherever it matters.

2. FOUNDING STORY: INDIA'S FIRST RATING AGENCY

Crisil was set up in 1987, promoted by ICICI and UTI with share capital from institutions including SBI, LIC and United India Insurance, at a moment when India's debt markets were small, bank-dominated and largely unrated. Its original name, Credit Rating Information Services of India Limited, described the job plainly: give lenders and investors an independent opinion on whether a borrower would repay.

Three dates built the modern company. In 1993 Crisil listed, giving it public currency and public scrutiny early. In April 2005 Standard & Poor's acquired a majority stake, plugging Crisil into the world's best-known ratings franchise and, over time, into a global delivery model in which Indian analysts support S&P Global Ratings work worldwide. In December 2003 the company had already shortened its name to Crisil, a signal that ratings alone no longer described it.

The second business grew alongside the first. Research on industries, companies and the economy, sold first as Crisil Research and now as Crisil Intelligence, turned the agency's sector knowledge into subscription and advisory revenue. Two global acquisitions then changed the mix again: Coalition, the banking analytics firm, and Greenwich, the market-structure research firm, now combined as Crisil Coalition Greenwich; and the global research and risk solutions arm, now branded Crisil Integral IQ, which serves global financial institutions from India and other delivery centres. In November 2025 Crisil completed the acquisition of McKinsey PriceMetrix Co. for about US$32.9 million (about Rs 294 cr), adding wealth-management data and benchmarking, with goodwill of about Rs 213 cr recognised on the deal.

The 40th year framing management used in 2026 is therefore accurate in substance: a domestic ratings monopoly-era pioneer has become a diversified, majority S&P-owned analytics group, headquartered in India and selling in the Americas, Europe, Asia-Pacific, Australia and the Middle East.

3. WHAT CRISIL SELLS

Reporting now runs in two segments.

Ratings services

Revenue of Rs 1,079 cr in calendar 2025, up 18.4%, with segment profit of Rs 478 cr at a 44.3% margin. This is Crisil Ratings: credit ratings for corporates, banks, bank loans, structured finance and small and mid-sized enterprises, plus grading and analytical services. Management said Crisil Ratings maintained leadership in corporate bond ratings in 2025, with revenue growing in the mid-teens, and that the Global Analytics Center expanded surveillance and analytical support to S&P Global Ratings into new areas.

Ratings is the highest-margin, most regulated and most cyclical part of the group. Demand follows credit growth, bond issuance and regulatory requirements that push borrowers to be rated, including for bank loans and bond market access.

Research, Analytics and Solutions

Revenue of about Rs 2,571 cr in calendar 2025 on the segment disclosures (the balance of the Rs 3,649 cr consolidated total), with the nine-month and quarterly disclosures showing steadier, lower margins than ratings, around the low-20s percent in late 2025 and improving. This segment houses Crisil Intelligence (India-focused industry research, data, consulting and risk solutions), Crisil Integral IQ (research, risk and transformation support for global financial institutions) and Crisil Coalition Greenwich (benchmarking and analytics for corporate and investment banking and wealth, now including PriceMetrix).

This is the diversification engine. It is less regulated than ratings, more exposed to global banks' cost programmes, and more exposed to automation, because a meaningful share of the work is analyst labour delivered at scale.

4. STRATEGY AND FLYWHEEL

The flywheel is reputation, data and distribution, in that order.

First, a rating is a licence to be in the room. Decades of default and transition studies, sector models and issuer relationships give Crisil proprietary history that a new entrant cannot download. Second, that history feeds research: the same sector teams that rate industries sell intelligence on them to banks, corporates, investors and government. Third, the S&P relationship supplies both credibility and a global client: the Global Analytics Center does delegated work for S&P Global Ratings, which smooths domestic cycles and trains analysts to global standards. Fourth, acquisitions buy new data pools (Coalition for bank revenue pools, Greenwich for client perception, PriceMetrix for wealth advisor productivity) that can be sold through the same institutional relationships.

Management's stated priorities for 2026 are consistent with that flywheel: increase wallet share in core markets, expand into adjacencies, new client segments and geographies, and invest in GenAI, digitalisation and future-ready talent. The honest test is whether GenAI raises Crisil's margins faster than it lowers clients'

willingness to pay for human research. That test has not been answered yet.

5. FINANCIALS: STEADY COMPOUNDING, THEN A SHARP FIRST HALF

Consolidated figures from Screener, December year-ends, Rs cr except margins and EPS.

Year	Rev (cr)	YoY	Op profit	OPM	PBT	PAT	EPS (Rs)	Div payout
CY2021	2,301	n.v.	611	27%	618	466	63.92	72%
CY2022	2,769	20.3%	730	26%	742	564	77.25	62%
CY2023	3,140	13.4%	882	28%	868	658	90.06	60%
CY2024	3,260	3.8%	911	28%	926	684	93.54	60%
CY2025	3,649	11.9%	1,085	30%	1,041	766	104.75	57%
H1 CY2026	2,133	28.8%	n.v.	n.v.	588	450	n.v.	n.v.

Read the arc carefully. Calendar 2024 was the soft year: revenue grew only about 4%, because global banks cut discretionary research spending and domestic growth was slower. Calendar 2025 recovered to about 12% revenue growth and 12% PAT growth, with operating margin expanding to about 30%. Then H1 2026 jumped: Q1 (March 2026) revenue Rs 1,058 cr, up 30.1%, PAT Rs 233 cr, up 45.9%, including a Rs 14.4 cr foreign exchange gain; Q2 (June 2026) revenue Rs 1,075 cr, up 27.6%, PAT Rs 217 cr, up 26.2%, with a small foreign exchange loss. Ratings revenue grew 21.4% in Q2 2026.

Two cautions belong next to that acceleration. First, PriceMetrix was consolidated from November 2025, so part of the 2026 growth is acquired, not organic; the filings do not give a clean like-for-like split in the summaries available. Second, sequential momentum was softer than the year-on-year headline: Q2 PAT fell from Rs 233 cr in Q1 to Rs 217 cr, and margins eased sequentially. The growth is real, but annualising the first half without adjusting for acquisition and foreign exchange would overstate it.

Return ratios remain elite even after the soft year: Screener puts last-year ROE at about 24% on its series, with three-year average ROE around 27% and ten-year around 29%; other market sources put ROE in the high-20s and ROCE near 38 to 40%. The differences are definitional (standalone versus consolidated, average versus closing equity), not directional: this is a high-return, low-capital business.

6. BALANCE SHEET, CASH FLOW AND CAPITAL ALLOCATION

Crisil needs very little capital to grow. Equity capital is Rs 7 cr and reserves rose from Rs 1,571 cr at December 2021 to Rs 3,026 cr at December 2025 and about Rs 3,264 cr by June 2026 on the Screener balance-sheet series. Borrowings on that series were Rs 297 cr at December 2025, small beside equity of about Rs 3,033 cr, and much of the liability side is working capital, leases and acquisition-related items rather

than structural debt. Interest cost was Rs 22 cr in calendar 2025.

Capital allocation is shareholder-friendly and simple: pay most of the profit out, and use periodic acquisitions to buy data and client access. Total dividend for calendar 2025 was Rs 61 per share (three interim dividends aggregating Rs 33 plus a final of Rs 28), a payout of about 57 to 58% of EPS of Rs 104.75, for a dividend yield of about 1.4% at the reference price. Interim dividends continued in 2026: Rs 9 per share in Q1 and Rs 10 per share in Q2. No large buyback programme is the story here; the dividend is the return channel.

Acquisitions are the other channel, and PriceMetrix is the live test: about Rs 294 cr of consideration and Rs 213 cr of goodwill for a wealth benchmarking asset inside Coalition Greenwich. The price is small relative to a Rs 32,351 cr market cap, so even a disappointing outcome would not break the balance sheet. What it can do is signal whether management buys adjacencies at disciplined prices or chases global scale. The record to date, Coalition and Greenwich included, is expansion without leverage, which earns credit, but goodwill-heavy deals deserve a watch, not a free pass.

7. COMPETITION

Domestic ratings is a regulated oligopoly. Crisil's direct rivals are ICRA (Moody's is its largest shareholder), CARE Ratings, India Ratings (Fitch-owned), Acuite, Brickwork and Infomerics. Barriers are real: SEBI registration, a track record that investors and regulators accept, analyst depth, and default-study credibility built over cycles. Crisil is the leader in corporate bond ratings and the largest by revenue by a wide margin.

Global analytics is a different fight. Integral IQ competes with global consultancies, captive centres and research factories; Coalition Greenwich competes with other benchmarking and market-data providers and, after PriceMetrix, sits closer to wealth-data rivals. Here the moat is thinner: contracts are contestable, clients are cost-conscious global banks, and GenAI directly targets summarisation, surveillance support and routine research production.

Peer valuation at the reference date tells the market's ranking plainly:

Company	Market cap (Rs cr)	P/E (TTM)	Note
Crisil	about 32,351	about 36.6x	Largest, most diversified, S&P Global parent
CARE Ratings	about 4,647	about 25.7x	Pure domestic ratings, smaller
ICRA	about 4,270	about 21.1x	Moody's-linked, hit hard in the past year

Source note: peer P/E and market cap figures are from market data published around October 9, 2026 (Smart Investing and Finnhub summaries). They move daily and are shown for relative ranking, not as precise closing accounting.

8. STRENGTHS

What to watch

Ratings revenue growth, GenAI pricing in global analytics, and PriceMetrix cross-selling decide whether the premium multiple holds.

- 1. Market leadership where it matters most: first mover since 1987, leader in corporate bond ratings, and the default name for risk opinions in India.
- 2. Diversification that peers do not have: ratings is only about 30% of revenue; research, analytics and global solutions carry the rest, across geographies and client types.
- 3. Elite economics: about 30% operating margin in calendar 2025, mid-20s or better ROE, minimal capital needs and a 57 to 72% dividend payout range over five years.
- 4. The S&P Global relationship: 66.6% ownership, global standards, delegated analytics work and distribution credibility no domestic rival can copy.
- 5. A visible acceleration with evidence: H1 2026 revenue up 28.8% and PAT up 35.7%, with ratings revenue up 21.4% in Q2.
- 6. Leadership continuity: the board reappointed Amish Mehta as MD and CEO for three years from October 1, 2026, after a period of consistent delivery.

9. WEAKNESSES AND RISKS

- 1. Valuation is the first risk. At about 36.6x trailing earnings and about 10x book, the price already pays for high-teens compounding. ICRA and CARE trade at roughly 21x and 26x.
- 2. Ratings cyclicality: bond issuance, bank credit growth (especially wholesale credit) and capital-market activity drive the highest-margin segment. A risk-off year hits ratings first.
- 3. GenAI disruption: management lists potential disruption due to GenAI among its risks. Routine research, surveillance and benchmarking are exactly the tasks large models automate; pricing power must be re-earned.
- 4. Client and parent concentration in global work: delegated S&P work and global bank clients are a strength until a parent reorganisation, an insourcing decision or a global cost cycle cuts volumes, as the soft calendar 2024 showed.
- 5. Issuer-pays conflict is structural to the industry: the rated entity pays. Regulation, reputation and S&P ownership mitigate it, but a single high-profile default after a favourable rating would test the brand that is the business.
- 6. Acquisition goodwill: PriceMetrix added about Rs 213 cr of goodwill; Coalition Greenwich must now prove cross-selling in wealth. Small deals can still dilute returns if they multiply.
- 7. Foreign exchange and people: H1 2026 results included both an FX gain in Q1 and a loss in Q2; and an analyst business walks out of the door every evening. Wage inflation for scarce analytical talent is a

permanent margin tax.

- 8. Regulatory risk: SEBI oversight of rating agencies has tightened after past Indian credit events; ESG ratings approval (received in April 2024) opens a market and a new compliance surface at the same time.

10. MANAGEMENT AND GOVERNANCE

Amish Mehta, MD and CEO, is a chartered accountant by background who rose through Crisil's finance and leadership ranks before taking the top job in 2021. The delivery record under his tenure is measurable: revenue from Rs 2,301 cr in calendar 2021 to Rs 3,649 cr in calendar 2025, PAT from Rs 466 cr to Rs 766 cr, margins expanded, the dividend raised to Rs 61 per share, and two strategic moves executed (the Coalition Greenwich combination in branding and operations, and PriceMetrix). His reappointment for three years from October 1, 2026 is a continuity signal the market should welcome.

Governance benefits from structure: a listed subsidiary with a 66.6% global parent, a board chaired by Yann Le Pallec (an S&P Global ratings leader), published segment reporting, and auditors Walker Chandiok and Co LLP on the corporate information record. The deductions are generic rather than specific: minority holders in a controlled subsidiary always sit behind the parent's global priorities (transfer of work, transfer pricing and strategy are set in a wider S&P context), and no governance red flag specific to Crisil was found in the sources reviewed. That is a clean record, with the controlled-subsidiary caveat permanently attached.

11. VALUATION VS PEERS

At Rs 4,423.80 (October 9, 2026): TTM EPS Rs 120.93 (to June 2026, Screener), so P/E about 36.6x; market cap about Rs 32,351 cr; P/B about 10x on book value per share of roughly Rs 415 at December 2025; dividend yield about 1.4% on the Rs 61 calendar 2025 dividend; EV/EBITDA about 26x on market-data summaries.

The premium to ICRA (about 21x) and CARE (about 26x) is roughly 40 to 70%. Part is justified: Crisil is about seven times their market cap, grows from a broader base, owns global franchises they lack, and has the stronger parent. Part is not: domestic ratings economics are similar across the oligopoly, and Crisil's own five-year P/E history on market summaries has swung widely, peaking above 70x on calendar 2024 earnings by one source's method, which says more about multiple volatility than about value. The fair statement is that Crisil deserves the sector's highest multiple and is already receiving it, plus a little more. That is why this is Selective Positive at 77, not Positive at 85: the business score is higher than the stock score.

12. FY2029 SCENARIOS (INR)

Defined clearly: Crisil's December year-end. Base year for modelling is estimated calendar 2026: revenue about Rs 4,425 cr (H1 actual Rs 2,133 cr plus a second half growing in the mid-teens on calendar 2025's second half, including PriceMetrix) and PAT about Rs 1,000 cr, EPS about Rs 137. These 2026 figures are DalalBytes estimates, not company guidance. Shares: 7.313 cr (73.13 million).

Scenario	Price	Revenue CAGR 2026 to 2029	CY2029 revenue	PAT margin	CY2029 PAT	EPS (Rs)	Exit P/E
Bear	Rs 3,480	8%	Rs 5,573 cr	19%	Rs 1,059 cr	145	24x
Base	Rs 5,870	13%	Rs 6,386 cr	21%	Rs 1,341 cr	183	32x
Bull	Rs 8,700	18%	Rs 7,268 cr	23%	Rs 1,672 cr	229	38x

Bear: credit growth slows, global banks resume cost cuts, GenAI compresses research pricing; margins give back the 2025 gains and the multiple de-rates toward ICRA's current level. Base: ratings grows with nominal credit, global analytics grows low-teens, PriceMetrix cross-sells modestly, margins hold near recent levels, and the premium multiple compresses gently from 36.6x to 32x. Bull: India bond-market deepening (insurance, pension and retail credit demand) plus wealth and banking analytics scale together, margins expand on GenAI-assisted delivery that Crisil sells rather than fears, and the premium multiple is sustained.

Base-case value of Rs 5,870 is about 33% above the reference price over about three years, roughly 10% a year before the roughly 1.4% dividend yield. That is a fair, not exciting, expected return for an excellent business, and it is the arithmetic behind Selective Positive.

13. WHY IT MATTERS

Crisil is a toll road on Indian finance becoming formal, rated and data-driven. Every deepening of the bond market, every regulatory push for rated bank loans, every global bank that moves analytical work to a trusted Indian platform, pays the toll. The question for the next three years is whether artificial intelligence raises the toll (better products, faster delivery, more wallet share) or abolishes the booth (clients doing the work themselves). At 77/100 Selective Positive, the verdict is: own the quality story with respect for the price; the business has earned a premium, and the current price has already collected most of it.

DISCLOSURES

DalalBytes Research, for educational purposes only. Not investment advice. Figures are drawn from company filings and presentations, Screener consolidated data, and market-data summaries cited below; calendar 2026 full-year figures and all FY2029 figures are DalalBytes estimates and are labelled as such. No position disclosure is made in this report beyond the house educational-purpose statement.

SOURCES

- Crisil company filings and press releases: audited results for the year ended December 31, 2025; unaudited results for Q1 2026 (March 31, 2026) and Q2 2026 (June 30, 2026); corporate presentation for FY2025; annual report 2025 (dividend of Rs 61 per share, MD and CEO reappointment)

- Screener.in, Crisil consolidated: revenue, operating profit, margins, PBT, PAT, EPS, dividend payout, reserves and borrowings, December 2021 to December 2025 and TTM to June 2026

- Market data around October 9, 2026: Upstox, ICICI Direct, Tickertape and India Infoline summaries (close Rs 4,423.80, market cap about Rs 32,351 cr, 52-week range Rs 3,686 to Rs 5,064.90); Smart Investing and Finnhub peer summaries (ICRA and CARE P/E and market cap)

- Company background: Crisil corporate materials and Wikipedia summary for founding (1987, India's first credit rating agency, ICICI and UTI promoted, S&P majority acquisition in April 2005, listing in 1993), checked against company presentations stating the same facts