

September 12, 2023

Listing Department	National Stock Exchange of India Ltd.
BSE Limited	Exchange Plaza, 5 th floor
P J Towers	Plot No. C/1, G Block
Dalal Street	Bandra-Kurla Complex
Mumbai 400 001	Bandra (East), Mumbai 400 051

Dear Sirs,

Sub.: Disclosure under Regulation 30 of the SEBI (Listing obligations and Disclosure Requirements), Regulations, 2015

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), we wish to inform you that the Board of Directors of CRISIL Limited (“**Company**”) at its meeting held today has approved:

- i. Incorporation of a step down subsidiary by CRISIL Ratings Limited, an existing wholly owned subsidiary of the Company, to carry out the business of ESG Ratings Provider (ERP).
- ii. Transfer of ESG Scores business of the Company as a going concern on a slump sale basis, to the aforesaid step down subsidiary, by way of Business Transfer Agreement (BTA).

The additional details on the aforesaid disclosures are given in **Annexure A & Annexure B** respectively.

This is for your information.

Kindly take the same on record.

Yours faithfully,
For CRISIL Limited

Minal Bhosale
Company Secretary
ACS 12999

Encl.: a/a

CRISIL Limited

Corporate Identity Number: L67120MH1987PLC042363

Annexure A

Disclosure of information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

Sr. No.	Particulars	Details
a.	Name of the target entity, Name of the incorporated entity, details in brief such as size, turnover etc.	The name of the step down wholly owned subsidiary (“NewCo”) proposed to be incorporated is “CRISIL ESG Ratings & Analytics Limited” or any other name as may be approved by the relevant statutory authorities. Proposed authorized share capital: Rs. 15, 00,00,000/- Size/Turnover: NA (to be incorporated)
b.	Name of Holding Company	CRISIL Ratings Limited
c.	Relationship of holding Company with the listed entity	Wholly Owned Subsidiary
d.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”	The proposed NewCo would be a related party of the Company as a step-down subsidiary incorporated by CRISIL Ratings Limited. Save and except as is mentioned above, the promoter / promoter group/ group companies are not interested in the transaction.
e.	Industry to which the entity being acquired/ incorporated belongs	ESG Rating Provider
f.	Objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	The proposed NewCo will carry on the business of ESG Rating Provider (ERP).
g.	Brief details of any governmental or regulatory approvals required for the acquisition	The proposed NewCo would require approvals from Securities & Exchange Board of India (SEBI) and other relevant statutory/regulatory authorities as applicable. The

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		commencement of ERP business is subject to receipt of SEBI approval.
h.	Indicative time period for completion of the acquisition	The application for incorporation of the step-down subsidiary will be filed and completed subject to receipt of approvals of the relevant statutory/regulatory authorities for incorporation as applicable.
i.	Consideration - whether cash consideration or share swap or any other form and details of the same	Subscription of shares in the proposed NewCo will be by way of cash consideration.
j.	Cost of subscription or the price at which the shares are subscribed	CRISIL Ratings Limited will be paying cash consideration to the proposed NewCo towards subscription of 100% shareholding.
k.	Percentage of shareholding/ control acquired and / or number of shares acquired	100.00%
l.	Date of Incorporation	To be completed by 31-12-2023
m.	Country in which the entity is incorporated	India
n.	Brief background about the entity incorporated in terms of products/line of business, history of last 3 years turnover	The proposed NewCo will carry on the business of ESG Rating Provider (ERP), subject to receipt of SEBI approval. History of last 3 years turnover: NA (to be incorporated)
o.	Any other significant information (in brief)	This disclosure has been based on Board approval; however the date of incorporation mentioned is tentative as incorporation involves approvals from relevant statutory/regulatory authorities and hence may be subject to change.

Annexure B**Disclosure of information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015**

Sr. No.	Particulars	Details
a.	Name of the division or unit to be transferred	CRISIL ESG Scores business
b.	Rationale for restructuring	SEBI vide its notification dated July 5, 2023 notified SEBI (Credit Rating Agencies) (Amendment) Regulations, 2023 introducing a new chapter on ESG Rating Providers (ERP) which contemplated obtaining a separate certificate of registration for providing services in the area of ESG Ratings. Pursuant to, and in order to comply with the requirement of the said notification, the Board of Directors of the Company at its meeting held today has approved transfer of the Company's existing ESG Scores business to a step-down subsidiary to be incorporated (NewCo) by CRISIL Ratings Limited, CRISIL's existing wholly owned subsidiary, for pursuing ESG Rating Provider business. This is subject to receipt of SEBI approval for commencing the ERP business by the NewCo.
c.	Area of business of the Slump Sale entity(ies)	CRISIL is India's foremost provider of ratings, data, research, analytics and solutions. The ESG Scores business, which is proposed to be transferred to the proposed NewCo, is one of the businesses of CRISIL and is the business that is permitted under the regulation. The parent entity will continue to exist and operate its other businesses.
d.	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division or	The ESG Scores business being in its initial phase has seen significant upfront investment in building a strong team to establish ESG assessment framework, ensure smooth ramp-

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	<p>undertaking or subsidiary or associate company of the listed entity during the last financial year</p>	<p>up of coverage, support wide customer reach together with investments in technology and other systems and processes. The initial investments and the nascent stage of ESG score business in the country, has resulted in subdued profitability for this business.</p> <p style="text-align: center;">(Rs in crores)</p> <table border="1" data-bbox="743 551 1433 1025"> <thead> <tr> <th data-bbox="743 551 834 680">Sr. No.</th> <th data-bbox="834 551 1043 680">Particulars</th> <th data-bbox="1043 551 1233 680">Consolidated Net Worth</th> <th data-bbox="1233 551 1433 680">Consolidated Turnover</th> </tr> </thead> <tbody> <tr> <td data-bbox="743 680 834 810">1</td> <td data-bbox="834 680 1043 810">CRISIL Limited</td> <td data-bbox="1043 680 1233 810">1791.98</td> <td data-bbox="1233 680 1433 810">2768.72</td> </tr> <tr> <td data-bbox="743 810 834 940">2</td> <td data-bbox="834 810 1043 940">ESG Scores Business</td> <td data-bbox="1043 810 1233 940">(0.72)</td> <td data-bbox="1233 810 1433 940">1.44</td> </tr> <tr> <td data-bbox="743 940 834 1025">3</td> <td data-bbox="834 940 1043 1025">Percentage</td> <td data-bbox="1043 940 1233 1025">0.00%</td> <td data-bbox="1233 940 1433 1025">0.05%</td> </tr> </tbody> </table> <p>Last financial year: January 01, 2022 to December 31, 2022.</p>	Sr. No.	Particulars	Consolidated Net Worth	Consolidated Turnover	1	CRISIL Limited	1791.98	2768.72	2	ESG Scores Business	(0.72)	1.44	3	Percentage	0.00%	0.05%
Sr. No.	Particulars	Consolidated Net Worth	Consolidated Turnover															
1	CRISIL Limited	1791.98	2768.72															
2	ESG Scores Business	(0.72)	1.44															
3	Percentage	0.00%	0.05%															
e.	<p>Date on which the agreement for sale has been entered into</p>	<p>The transfer would be undertaken through a Business Transfer Agreement (BTA) which will be executed post and subject to receipt of a certificate of registration from SEBI for the proposed NewCo to act as an ESG rating provider in terms of the SEBI (Credit Rating Agencies) (Amendment) Regulations, 2023.</p>																
f.	<p>The expected date of completion of Slump Sale</p>	<p>In terms of the SEBI notification dated July 5, 2023, an ESG rating provider (ERP) is required to obtain a separate registration as an ERP within a period of six months from the date of the notification coming into force i.e. by January 5, 2024 or in case where it has made an application for grant of a certificate for registration to SEBI, within the specified period, till the disposal of such application. The Company endeavors to complete the process in a timely manner subject to receipt of requisite statutory/regulatory approvals.</p>																

		The effective date for completion of sale will be determined under the BTA which will be executed post and subject to, receipt of a certificate of registration from SEBI.
g.	Consideration received from such Slump Sale	The consideration for the transfer will be a lump sum consideration equal to the difference between the book value of assets and liabilities determined in accordance with the Net Asset Value of the Scores business undertaking as on the Effective Date of transfer.
h.	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;	The ESG Scores business of the Company is being transferred to a step-down subsidiary of the Company to be incorporated by CRISIL Ratings Limited. Save and except what is mentioned above, the promoter / promoter group are not interested in the transaction.
i.	Whether promoter/ promoter group/associate/holding/subsidiary companies/directors/KMPs and its relatives have any interest in the entity being acquired. If yes, details thereof.	The ESG Scores business of the Company is proposed to be transferred to a step-down subsidiary of the Company to be incorporated by CRISIL Ratings Limited. Save and except what is mentioned above, the promoter/ promoter group/ associate/ holding/ subsidiary companies/ directors/ KMPs and its relatives are not interested in the transaction.
j.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”	The proposed NewCo would be a step-down subsidiary of the Company to be incorporated by CRISIL Ratings Limited. Yes, the transaction will be done at Net Asset Value of the ESG Scores business as on the Effective Date of the Transfer.
k.	Date of Board meeting in which RPT approval taken	September 12, 2023
l.	Date of audit committee meeting in which RPT approval taken	September 7, 2023
m.	Whether the said RPT is material	No

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n.	Whether the sale, lease or disposal of the undertaking is outside Scheme of Arrangement? If yes, details of the same including compliance with regulation 37A of LODR Regulations.	Yes. The transfer would be undertaken through a Business Transfer Agreement (BTA) outside the Scheme of Arrangement. Applicability of regulation 37A of LODR Regulations: Not Applicable
o.	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/ merger, shall be disclosed by the listed entity with respect to such slump sale.	The transaction is on slump sale basis; however, no amalgamation/ merger is involved hence this disclosure is not applicable.
p.	Brief details of change in shareholding pattern (if any) of listed entity	There is no change in the shareholding pattern of CRISIL Limited