

October 20, 2023

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001, India
Scrip Code: 532835

National Stock Exchange of India Limited

Exchange Plaza,
Plot no. C/1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai - 400 051, India
Symbol: ICRA

Dear Sir/Madam,

Sub.: Disclosure under Regulations 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), we wish to inform you that the Board of ICRA Limited at its meeting today has granted its approval for ICRA Analytics Limited, a wholly owned subsidiary of ICRA Limited, to acquire 60% shareholding in D2K Technologies India Private Limited (“**D2K**”), by way of a secondary purchase, pursuant to execution of a Share Purchase Agreement (“**SPA**”) and subject to the terms of the SPA (the “**Acquisition**”). D2K is engaged in the business of providing banking and finance solutions, software services to banks and other financial institutions, corporates, etc.

The Board of ICRA Limited has also granted its approval for the execution of an Investment Agreement (“**IA**”) by ICRA Analytics Limited, setting out the inter-se rights and obligations of ICRA Analytics Limited with respect to its shareholding in D2K. The IA also sets out the mechanics of ICRA Analytics Limited acquiring further shareholding in D2K, up to 100% shareholding of D2K, subject to completion of certain conditions and other terms of the IA.

The Board of ICRA Limited has further granted its approval for the execution of a loan agreement (“**Loan Agreement**”) between ICRA Analytics Limited and D2K, pursuant to which ICRA Analytics Limited would grant a loan of INR 8 crores to D2K at an interest rate linked to MCLR, subject to the terms and conditions of the Loan Agreement.

Please find attached details in the annexure to this letter, disclosed pursuant to Regulation 30 of the Listing Regulations read with Clause 1of Para A, and Clause 5 of Para B of Part A of Schedule III of the Listing Regulations, Annexure 18 of the master circular bearing reference number SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 and Annexure I of the circular bearing reference number SEBI/HO/CFD/CFDPoD-1/P/CIR/2023/123 dated July 13, 2023 issued by Securities and Exchange Board of India (“**SEBI**”) with respect to the Acquisition, IA, SPA and the Loan Agreement that have been executed by and between ICRA Analytics Limited (“**Acquirer**”), D2K, its promoters and shareholders.



The meeting of the Board of Directors commenced at 3:43 PM and has not yet been concluded.

Kindly take the above on record.

Regards,

Sincerely,

(S. Shakeb Rahman)
Company Secretary & Compliance Officer

Encl.: As above

Annexure

Disclosure of information pursuant to Regulation 30 of the Listing Regulations read with Clause 1 of Para A, and Clause 5 of Para B of Part A of Schedule III of the Listing Regulations, Annexure 18 of the master circular bearing reference number SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 and Annexure I of the circular bearing reference number SEBI/HO/CFD/CFDPoD-1/P/CIR/2023/123 dated July 13, 2023 issued by SEBI

I. Acquisition

S. No.	Particulars of Disclosure	Description
1.	Name of the target entity, details in brief such as size, turnover etc.	D2K Technologies India Private Limited (“ D2K ”), a company incorporated under the Companies Act, 1956, having corporate identification number U72900MH2001PTC131873. Revenue for FY 23: INR 14.9 crore Revenue for FY 22: INR 11.6 crore
2.	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 acquisition does not fall within the ambit of related party transactions and none of the promoters or promoter group or group companies of ICRA Limited (“ ICRA ”) have any interest in D2K.
3.	Industry to which the entity being acquired belongs	Information and communication
4.	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 acquisition strengthens ICRA's capabilities in risk and analytics space.
5.	Brief details of any governmental or regulatory approvals required for the acquisition	No governmental or regulatory approvals are required for this acquisition.
6.	Indicative time period for completion of the acquisition	The acquisition is expected to be completed in less than three months, subject to the completion of standard and customary condition precedents as enumerated in the definitive documents.
7.	Consideration - whether cash consideration or share swap or any other form and details of the same	The consideration will be paid in cash.
8.	Cost of acquisition and/or the price at which the shares are acquired	~INR 15.4 crore, subject to closing adjustments.



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	Percentage of shareholding / control acquired and / or number of shares acquired	The shareholding of ICRA Analytics Limited in D2K, post the acquisition, would be 60% on a fully diluted basis. Accordingly, D2K would become an indirect subsidiary of ICRA. ICRA Analytics Limited shall enhance stake in D2K in the future, up to 100%, subject to fulfilment of certain conditions as enumerated in the definitive documents.
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	D2K was incorporated on May 4, 2001, and is headquartered in Mumbai, Maharashtra, India. D2K is engaged in the business of providing banking and finance solutions, software services to banks and other financial institutions, corporates, etc. Revenue for FY 23: INR 14.9 crore Revenue for FY 22: INR 11.6 crore Revenue for FY21: INR 6.3 crore

II. Share Purchase Agreement

S. No.	Particulars of Disclosure	Description
1.	Name(s) of parties with whom the agreement is entered;	ICRA Analytics Limited, a wholly owned subsidiary of ICRA Limited, is entering into the Share Purchase Agreement (“SPA”) with D2K Technologies India Private Limited (“D2K”), its promoters and other shareholders.
2.	Purpose of entering into the agreement;	For entering into an arrangement of ICRA Analytics Limited acquiring 60% stake in D2K, on a fully diluted basis, by way of a secondary purchase and other attendant conditions thereto.
3.	Size of Agreement	ICRA Analytics Limited shall discharge a purchase consideration of ~INR 15.4 crore for the acquisition of 60% stake in D2K, on a fully diluted basis, by way of a secondary purchase.
4.	Shareholding, if any, in the entity with whom the agreement is executed	No
5.	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;	The material terms of the SPA are as follows: (i) ICRA Analytics Limited to acquire 60% shareholding in D2K, on a fully diluted basis, by way of a secondary purchase from certain shareholders, subject to certain customary terms and conditions; (ii) D2K and its shareholders have provided certain customary representations and warranties (and adequate indemnities) to ICRA Analytics Limited in respect of various aspects; and (iii) certain standard standstill protections in between the execution of the SPA and ‘closing’ of the acquisition.
6.	Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship	ICRA Analytics Limited is a wholly owned subsidiary of ICRA Limited. Counterparties to the SPA are not related to promoter/promoter group/ group companies of ICRA Limited.
7.	Whether the transaction would fall within related party	No. However, post the acquisition, D2K would become an indirect subsidiary of ICRA Limited, and therefore, a related party.



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	transactions? If yes, whether the same is done at “arm’s length”	
8.	In case of issuance of shares to the parties, details of issue price, class of shares issued;	Not applicable
9.	In case of loan agreements, details of lender/borrower, nature of the loan, total amount of loan granted/taken, total amount outstanding, date of execution of the loan agreement/sanction letter, details of the security provided to the lenders / by the borrowers for such loan or in case outstanding loans lent to a party or borrowed from a party become material on a cumulative basis	Not applicable
10.	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.	None
11.	In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): a) name of parties to the agreement; b) nature of the agreement; c) date of execution of the agreement; d) details of amendment and impact thereof or reasons of termination and impact thereof.	Not applicable

III. Investment Agreement

S. No.	Particulars of Disclosure	Description
1.	Name(s) of parties with whom the agreement is entered;	ICRA Analytics Limited, a wholly owned subsidiary of ICRA Limited, is entering into the Investment Agreement (“IA”) with D2K Technologies India Private Limited (“D2K”), its promoters and other shareholders.
2.	Purpose of entering into the agreement	The Investment Agreement governs the inter-se rights and obligations of the shareholders post the acquisition of 60% shareholding of D2K by ICRA Analytics Limited. The Investment Agreement also sets out the mechanics with respect to further acquisition of shareholding of D2K by ICRA Analytics Limited, subject to fulfilment of certain conditions under the IA.
3.	Size of Agreement	Not Applicable
4.	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;	The material terms of the IA are as follows: (i) ICRA Analytics Limited would have the right to appoint majority directors on the board of D2K; (ii) ICRA Analytics Limited shall acquire further shareholding in D2K (up to 100%), subject to fulfilment of certain conditions under the IA; (iii) The other individual shareholders of D2K would be subject to certain standard non-compete, non-solicit, share transfer and confidentiality restrictions.
5.	Shareholding, if any, in the entity with whom the agreement is executed	Simultaneously to the IA becoming effective, ICRA Analytics Limited would acquire 60% shareholding in D2K, on a fully diluted basis.
6.	Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship	ICRA Analytics Limited is a wholly owned subsidiary of ICRA Limited. Counterparties to the IA are not related to promoter/promoter group/ group companies of ICRA Limited.
7.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”	No, the transaction is not a related party transaction. However, D2K would become an indirect subsidiary of ICRA Limited, and therefore, a related party, simultaneously with the acquisition of 60% shareholding in D2K by ICRA Analytics Limited and with the IA becoming effective.
8.	In case of issuance of shares to the parties, details of issue price, class of shares issued;	Not applicable
9.	In case of loan agreements, details of lender/borrower, nature of the loan, total amount of loan granted/taken, total amount outstanding, date of execution of the loan agreement/sanction letter, details of the security provided to the lenders / by the	Not Applicable



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	borrowers for such loan or in case outstanding loans lent to a party or borrowed from a party become material on a cumulative basis	
10.	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.	None
11.	In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): a) name of parties to the agreement; b) nature of the agreement; c) date of execution of the agreement; d) details of amendment and impact thereof or reasons of termination and impact thereof.	Not applicable

IV. Loan Agreement

S. No.	Particulars of Disclosure	Description
1.	Name(s) of parties with whom the agreement is entered	ICRA Analytics Limited, a wholly owned subsidiary of ICRA Limited, is entering into the Loan Agreement (“ Loan Agreement ”) with D2K Technologies India Private Limited (“ D2K ”).
2.	Purpose of entering into the agreement	The Loan Agreement is being entered into to record the terms and conditions of a loan of INR 8 crores to be provided by ICRA Analytics Limited to D2K and other attendant conditions thereto.
3.	Size of agreement	INR 8 crores with an interest rate linked to MCLR.
4.	Shareholding, if any, in the entity with whom the agreement is executed	ICRA Analytics Limited would acquire 60% shareholding in D2K, on a fully diluted basis subject to certain customary terms and conditions.
5.	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;	The material terms of the Loan Agreement are as follows: (i) ICRA Analytics Limited to provide a loan of INR 8 crores to D2K for repayment of the existing loans and to meet the working capital requirements of D2K; (ii) the loan shall be secured by a second ranking charge on the fixed and current assets of D2K and a pledge of the shares of certain shareholders of D2K, constitution 30% shareholding of D2K; and (iii) certain customary terms and conditions in relation to the disbursement, usage of the loan and the interest to be charged in relation thereto.
6.	Whether, the said parties are related to promoter/promoter group/ group companies in any	ICRA Analytics Limited is a wholly owned subsidiary of ICRA Limited. Counterparties to the Loan Agreement are not related to promoter/promoter group/ group companies of ICRA Limited.



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	manner. If yes, nature of relationship	
7.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”	No, the transaction is not a related party transaction, as on the date of execution of the agreement. However, D2K would become an indirect subsidiary of ICRA Limited, and therefore, a related party, simultaneously with the acquisition of 60% shareholding in D2K by ICRA Analytics Limited.
8.	In case of issuance of shares to the parties, details of issue price, class of shares issued;	Not applicable
9.	In case of loan agreements, details of lender/borrower, nature of the loan, total amount of loan granted/taken, total amount outstanding, date of execution of the loan agreement/sanction letter, details of the security provided to the lenders / by the borrowers for such loan or in case outstanding loans lent to a party or borrowed from a party become material on a cumulative basis	<ol style="list-style-type: none">1. ICRA Analytics Limited, a wholly owned subsidiary of ICRA Limited, is the lender and D2K is the borrower under the Loan Agreement.2. The loan is being provided to repay the existing borrowings of D2K and to meet its working capital requirements.3. The total amount of loan shall be INR 8 crores.4. The Loan Agreement has been executed on October 20, 2023.5. The loan shall be secured by creation of a second ranking charge on the fixed and current assets of D2K and a pledge of the shares of certain shareholders of D2K, constitution 30% shareholding of D2K.
10.	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.	None
11.	In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): <ol style="list-style-type: none">i. name of parties to the agreement;ii. nature of the agreement;iii. date of execution of the agreement;iv. details of amendment and impact thereof or reasons of termination and impact thereof.	Not applicable