



March 14, 2018

**The National Stock Exchange of India Ltd.**  
Exchange Plaza,  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051

**BSE Limited**  
P.J. Towers,  
Dalal Street, Fort,  
Mumbai 400001

Dear Sir/Madam,

**Sub.: Outcome of Board Meeting of Kajaria Ceramics Limited (the 'Company' or 'KCL')**

Pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we wish to inform you that the Board of Directors of the Company at its meeting held today, commenced at 12.30 p.m. and concluded at 1.30 p.m., has, inter-alia, considered the following businesses:

1. Approved cancellation/extinguishment of 6,46,69,867 equity shares of Re. 1/- each fully paid up of the Company held by Kajaria Securities Private Limited ('KSPL') as on the Record date i.e. March 9, 2018, pursuant to the Scheme of Arrangement between KSPL and Kajaria Ceramics Limited and their respective shareholders and creditors ('Scheme') as approved by the Chandigarh Bench of the Hon'ble National Company Law Tribunal ("NCLT") on February 6, 2018.
2. Approved allotment of equity shares of the Company to the equity shareholders of KSPL in the following ratio as specified in the Scheme:

*"1 (One) fully paid equity shares of the Company is to be issued and allotted to the shareholders of KSPL in proportion of their respective shareholding in KSPL for every 1 (One) fully paid up equity shares held by KSPL in the Company."*

Therefore, 6,46,69,867 equity shares of Re. 1/- each fully paid up of the Company have been allotted to the equity shareholders of KSPL in proportion of their respective shareholding in KSPL as per details given below:

Sr. No.	Name of Allottees	No. of Equity Shares of Re.1/- each of the Company
1.	Ashok Kajaria jointly with Rishi Kajaria (in their capacity as joint trustees of Versha Kajaria Family Private Trust)	1,29,33,973
2.	Professional Home Solutions Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust)	2,58,67,947
3.	Versha Kajaria jointly with Chetan Kajaria (in their capacity as joint trustees of Rishi Kajaria Family Private Trust)	2,58,67,947
	<b>Total</b>	<b>6,46,69,867</b>



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3. Taken note the amendment in Clause V of the Memorandum of Association ('MOA') of the Company in accordance with the above said Scheme by substituting the existing Clause V of the MOA with following new Clause V:

*The Authorised Share Capital of the Company is INR 129,10,00,000 (Rupees One Hundred Twenty Nine Crores Ten Lakhs only) divided into 52,00,00,000 (Fifty Two Crores) Equity Shares of Re. 1/- each (Rupee One Only) aggregating to INR 52,00,00,000 (Rupees Fifty Two Crores Only) and 77,10,000 (Seventy Seven Lacs Ten Thousand Only) Redeemable Preference Shares of Rs. 100/- each (Rupees One Hundred Only) aggregating to INR 77,10,00,000 (Rupees Seventy Seven Crores Ten Lakhs Only). The Preference shares may be at par or at premium, convertible or non-convertible into equity shares, with or without voting rights, cumulative or non-cumulative, participating or non-participating and may carry such dividends, maturity periods and subject to such other terms & conditions as may from time to time be decided by the Board of Directors of the Company. The equity shares may be with the rights, privileges and conditions attached thereto as are provided by the regulation of the Company and to divide the shares in the capital of the Company for the time being in accordance with the provision of the Act and the regulations of the Company and to vary, modify or abrogate in such manner as may for time being be provided by the regulation of the Company.*

4. Approved investment in 1,05,00,000 equity shares of Rs. 10/- each of Kajaria Floera Ceramics Private Limited ('Floera'), a subsidiary company, at a consideration aggregating to Rs. 10.50 crore on right basis, subject to applicable laws. Details pursuant to Regulation 30 of the Listing Regulations are given in Annexure-A.
5. Approved investment in 45,90,000 equity shares of Rs. 10/- each of Vennar Ceramics Limited ('Vennar'), a subsidiary company, at a consideration aggregating to Rs. 4.59 crore on right basis, subject to applicable laws. Details pursuant to Regulation 30 of the Listing Regulations are given in Annexure-B.

Kindly take the above on record and oblige us.

Thanking you,

Yours faithfully,  
For Kajaria Ceramics Limited

R.C. Rawat  
COO (A&T) & Company Secretary



Encl.: as above

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## Annexure-A

### Details regarding investment in Kajaria Floera Ceramics Private Limited, a subsidiary company

Sr. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc.	Kajaria Floera Ceramics Private Limited ['Floera'] (Formerly known as Floera Ceramics Private Limited)  Floera has not yet started its commercial production.
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 "arms length"	Since the right issue offer of Floera is to all its existing shareholders and not only to the Company specifically or exclusively, the proposed investment in 1,05,00,000 equity shares of Rs. 10/- each of Floera should not be within the ambit of a Related Party Transaction. Although, the Company has taken prior approvals from the Audit Committee and Board of Directors of the Company.  The promoter/promoter group/group companies have no interest in Floera.
3.	Industry to which the entity being acquired belongs	The proposed transaction involves investment in equity shares by way of right issue of Floera, in which the Company presently holds 70% equity shares and Floera is a subsidiary of the Company. Hence, no entity shall be acquired through this transaction.  Floera shall carry out the manufacturing of tiles.
4.	Objects and effects 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)	To maintain the existing percentage of the shareholding of the Company in Floera and the requirement of funds in Floera for putting up a plant.
5.	Brief details of any governmental or regulatory approvals required for the acquisition	Not Applicable
6.	Indicative time period for completion of the acquisition	Approximately 3 months



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7.	<b>Nature of consideration - whether cash consideration or share swap and details of the same</b>	Cash consideration
8.	<b>Cost of acquisition or the price at which the shares are acquired</b>	Rs. 10/- per equity share
9.	<b>Percentage of shareholding / control acquired and / or number of shares acquired</b>	Presently, the Company holds 70% equity shares in Floera and after completion of the proposed investment in 1,05,00,000 equity shares of Floera, holding of the Company in the equity shares of Floera would remain same to 70%.
10.	<b>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)</b>	<ul style="list-style-type: none"><li>• <u>Products/line of business:</u> Manufacturing of tiles</li><li>• <u>Date of incorporation:</u> 14<sup>th</sup> October, 2014</li><li>• <u>Turnover of last three years:</u> Nil</li><li>• <u>Country in which Floera has presence:</u> India</li></ul>



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## Annexure-B

### Details regarding investment in Vennar Ceramics Limited, a subsidiary company

Sr. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc.	Vennar Ceramics Limited ['Vennar']  <u>Turnover (As on December 31, 2017 - 9 months - Unaudited):</u>  Rs. 4518.42 Lacs  <u>Profit / (Loss) After Tax As on December 31, 2017 - 9 months - Unaudited):</u>  Rs. (712.02) Lacs
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 "arms length"	Since the right issue offer of Vennar is to all its existing shareholders and not only to the Company specifically or exclusively, the proposed investment in 45,90,000 equity shares of Rs. 10/- each of Vennar should not be within the ambit of a Related Party Transaction. Although, the Company has taken prior approvals from the Audit Committee and Board of Directors of the Company.  The promoter/promoter group/group companies have no interest in Vennar.
3.	Industry to which the entity being acquired belongs	The proposed transaction involves investment in equity shares by way of right issue of Vennar, in which the Company presently holds 51% equity shares and Vennar is a subsidiary of the Company. Hence, no entity shall be acquired through this transaction.  Vennar is engaged into the business of manufacturing tiles.
4.	Objects and effects 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)	To maintain the existing percentage of the shareholding of the Company in Vennar and the requirement of funds in Vennar.



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5.	Brief details of any governmental or regulatory approvals required for the acquisition	Not Applicable
6.	Indicative time period for completion of the acquisition	Approximately 3 months
7.	Nature of consideration - whether cash consideration or share swap and details of the same	Cash consideration
8.	Cost of acquisition or the price at which the shares are acquired	Rs. 10/- per equity share
9.	Percentage of shareholding / control acquired and / or number of shares acquired	Presently, the Company holds 51% equity shares in Vennar and after completion of the proposed investment in 45,90,000 equity shares of Vennar, holding of the Company in the equity shares of Vennar would remain same to 51%.
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)	<ul style="list-style-type: none"><li>• <u>Products/line of business:</u> Manufacturing of tiles</li><li>• <u>Date of incorporation:</u> 18<sup>th</sup> July, 1994</li><li>• <u>Turnover of last three years:</u> 2014-15: Rs. 8233.63 Lacs 2015-16: Rs. 7994.85 Lacs 2016-17: Rs. 7945.89 Lacs</li><li>• <u>Country in which Vennar has presence:</u> India</li></ul>



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