

March 25, 2023

BSE Limited
P.J. Towers
Dalal Street
Mumbai - 400 001

The National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (E)
Mumbai - 400 051

Dear Sir/Madam,

Re.: Outcome of the Board Meeting and announcements pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations')

Pursuant to the provisions of the Listing Regulations, we wish to inform you that the Board of Directors of Kajaria Ceramics Limited ('the Company') at their meeting held today, commenced at 3.15 p.m. and concluded at 3.35 p.m., have, inter-alia, considered and approved investment by the Company in the revised project cost of Rs. 90.74 crores (i.e. 50% of Rs. 181.49 crores) and the working capital upto Rs. 21.23 crores (i.e. 50% of Rs. 42.45 crores) in Kajaria Ramesh Tiles Limited, Nepal (joint venture company) by way of equity and/or loan and/or bank guarantee and/or standby letter of credit, in one or more tranches, for establishing a manufacturing facility of the said joint venture company, having revised annual production capacity of 5.1 MSM tiles.

Details pursuant to Regulation 30 of the Listing Regulations are given in [Annexure-A](#).

Kindly take the above on your records.

Thanking you,
For Kajaria Ceramics Limited

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

Encl.: As above

Kajaria Ceramics Limited

Corporate Office: J1/B1 (Extn.), Mohan Co - op Industrial Estate, Mathura Road, New Delhi - 110044, **Ph.:** +91-11-26946409 | **Fax:** +91-11- 26946407

Regd Office: SF-11, Second Floor, JMD Regent Plaza, Mehrauli Gurgaon Road, Village Sikanderpur Ghosi, Gurgaon-122001, Haryana, **Ph.:** +91-0124-4081281

CIN No.: L26924HR1985PLC056150, **E-mail:** info@kajariaceramics.com | **Web.:** www.kajariaceramics.com

Annexure-A

Details regarding revised investment in Kajaria Ramesh Tiles Limited, Nepal (joint venture company)

Sr. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc.	<p>Kajaria Ramesh Tiles Limited, a joint venture company incorporated in Nepal ('JVC') pursuant to the Joint Venture Agreement dated November 3, 2022 ('JVA') between Kajaria Ceramics Limited ('the Company') and individuals affiliated with Ramesh Corp, Nepal ('Ramesh Corp Shareholders'), for establishing a manufacturing facility of tiles in Nepal.</p> <p>The JVC has not yet commenced manufacturing of tiles.</p>
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"	<p>Mr. Chetan Kajaria & Mr. Rishi Kajaria are on the Board of the Company and the JVC. They are also members of the Promoter Group of the Company.</p> <p>The said investment in the JVC will be made at arm's length.</p> <p>The Company has already taken prior approval of the Audit Committee of the Company.</p>
3.	Industry to which the entity being acquired belongs	JVC will carry out manufacturing of Ceramic and Glazed Vitrified tiles in Nepal.
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)	<p>In view of growing tile markets in Nepal, it was proposed to establish the Company's manufacturing presence in Nepal by way of investing into the JVC in Nepal on joint venture basis in the equal ratio for putting up a manufacturing facility with capacity of 8 MSM tiles per annum.</p> <p>However, upon conducting a market study and considering other business factors, the annual capacity of the said manufacturing facility in Nepal will be of 5.1 MSM tiles and the Company will now invest in the revised project cost of Rs. 90.74 crores (i.e. 50% of Rs. 181.49 crores) & the working capital upto Rs. 21.23 crores (i.e. 50% of Rs. 42.45 crores).</p>
5.	Brief details of any governmental or regulatory approvals required for the acquisition	JVC will be subject to applicable laws in India / Nepal.

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6.	Indicative time period for completion of the acquisition	Approximately 12-18 months, subject to statutory approvals.
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	Initially, the acquisition will be made at face value of Nepalese Rupees ('NPR') 100 at the time of subscription of equity shares of JVC.
9.	Percentage of shareholding / control acquired and/or number of shares acquired	The Company and Ramesh Corp Shareholders will subscribe/acquire shares in JVC in equal proportion, i.e. 50:50.
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"> • <u>Products/line of business of the JVC:</u> Manufacturing of Tiles • <u>Date of incorporation of the JVC:</u> January 31, 2023 • <u>Turnover of last three years of the JVC:</u> Not Applicable • <u>Country in which the JVC will have presence:</u> Nepal

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