

August 15, 2020

**BSE Limited  
Department of Corporate Services (DCS-Listing)  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 001**

**Company Code: 509472**

Dear Sirs,

**Sub: Outcome of the Board Meeting held on August 14, 2020  
Execution of Supplemental Agreement to Share Subscription and  
Shareholders' Agreement ("Supplemental SSSHA")**

**Ref : Disclosure under Regulation 30 of the Securities and Exchange Board  
of India (Listing Obligations and Disclosure Requirements)  
Regulations, 2015**

In accordance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI LODR"**), we Cravatex Ltd (**"Company"**) wish to inform you that a meeting of the Board of Directors of the Company was held on August 14, 2020 through electronic mode at 3.45 p.m. and concluded at 5.15 p.m. The following matter was *inter alia* resolved at the meeting:

a. "Approved the execution of a Supplemental Agreement to the Share Subscription and Shareholders' Agreement dated March 9, 2020 (**"Supplemental SSSHA"**) between Cravatex Brands Limited (**"CBL"**), a material subsidiary of the Company, the Company, Rajesh Batra, Rohan Batra, R.B. Fitness and Trading Private Limited and Paragon Partners Growth Fund – I (**"Investor"**), in relation to the Investor's further investment into CBL."

Due to the situation on account of the current pandemic COVID-19, it was decided to render support to CBL. Accordingly, the Investor has proposed to invest an amount aggregating to INR Rs.7,00,00,101 (Rupees Seven Crore One Hundred and One only) by way of subscription of its Series A Compulsory Convertible Preference Shares for which CBL has proposed to *inter alia* offer, issue and allot an aggregate of 4,14,840 Series A CCPS to the Investor at the said aggregate consideration, by way of private placement, on the terms and conditions contained in the Supplemental SSSHA. The Key terms of earlier Share Subscription and Shareholders' Agreement executed on March 9, 2020 (**"SSSHA"**) which contains provision/terms of indemnity and certain rights, obligations and duties on parties, stand unchanged and the indemnity shall not exceed the aggregate of the earlier Series A CCPS Subscription amount and the current tranche of series A CCPS Subscription amount.

Further, we wish to inform you that post approval by the Board, the Company has on August 14, 2020 executed the above stated Supplemental SSSHA in relation to the Investor's above stated investment into CBL.

Detailed information in relation to the above, as required to be disclosed in terms of Regulation 30 read with Schedule III of the SEBI LODR is annexed hereto as **Annexure 1**.

Kindly take the above information on record.

Thanking you,  
For **Cravatex Limited**,

SUDHANSHU  
HARIPRASAD  
NAMDEO

**Sudhanshu Namdeo**  
**Company Secretary**

## Annexure 1

The disclosure pursuant to Regulation 30 of the SEBI LODR read with Para A (5) of Part A of Schedule III and SEBI Circular CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September 2015 with respect to the SSSHA is as follows:

Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof		
Sr. No.	Disclosure	Remarks
1.	Name(s) of parties with whom the agreement is entered	Cravatex Brands Limited (“ <b>CBL</b> ”), Rajesh Batra, Rohan Batra, R.B. Fitness and Trading Private Limited (“ <b>RB Fitness</b> ”) and Paragon Partners Growth Fund – I (“ <b>Investor</b> ”).
2.	Purpose of entering into the agreement	To record the manner and terms of issuance and allotment of an aggregate of 4,14,840 Series A Compulsorily Convertible Preference Shares (“ <b>Series A CCPS</b> ”) to the Investor for an aggregate consideration of INR 7,00,00,101(Rupees Seven Crore One Hundred and One only), by way of private placement, and to record the provisions to accommodate this fresh additional investment by the investor in CBL.
3.	Shareholding, if any, in the entity with whom the agreement is executed	Subject to the terms of the Supplemental SSSHA, post the Investor making investment in CBL under the Supplemental SSSHA, there will be no change in the following equity shareholding of the Company in CBL:  Company – 99.997% Investor – 0.003%
4.	Significant terms of the agreement (in brief) special rights like right to appoint director, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure, etc.	All the key terms/ rights as mentioned in the earlier disclosure made to BSE vide letter dated March 9, 2020 and the Annexure 1 thereto shall remain unchanged.
5.	Whether the said parties are related to the promoter / promoter group / group companies in any manner. If yes, nature of the relationship.	R.B. Fitness, Rajesh Batra and Rohan Batra are promoters / members of the promoter group of the Company, and collectively hold 74.99% of the shareholding of the Company, and CBL is a material subsidiary of the company.

6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms length”.	Not applicable.
7.	In case of issuance of shares to the parties, details of issue price, class of shares issued.	Not applicable.
8.	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;	Not applicable.
9.	<p>In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s):</p> <p>a) name of parties to the agreement;</p> <p>b) nature of the agreement;</p> <p>c) date of execution of the agreement;</p> <p>d) details of amendment and impact thereof or reasons of termination and impact thereof.</p>	<p>This Supplemental SSSHA amends earlier agreement dated March 9, 2020, (which amends and supersedes the earlier agreement dated March 23, 2017).</p> <p>Further additional details are as follows:</p> <p>a) The Company, CBL, Rajesh Batra, Rohan Batra, RB Fitness and the Investor were parties to the earlier agreements;</p> <p>b) It’s a Supplemental SSSHA amending the earlier agreement dated March 9, 2020, (which amends and supersedes March 23 2017 agreement).</p> <p>c) Date of execution of Supplemental SSSHA is August 14, 2020</p> <p>d) This Supplemental SSSHA has been entered into for the purpose of recording the fresh additional investment into CBL by the Investor by subscription of Series A CCPS of CBL by way of private placement, and to record the provisions to accommodate this fresh additional investment.</p> <p>All the key terms / rights as mentioned in the disclosure earlier made to the stock exchange vide letter dated March 9, 2020 and the Annexure 1 thereto shall remain unchanged.</p>

The disclosure pursuant to Regulation 30 of the SEBI LODR read with Para A (2) of Part A of Schedule III and SEBI Circular CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September 2015 with respect to the SSSHA is as follows:

<b>Restrictions on transferability of securities of the Company</b>		
<b>Sr. No.</b>	<b>Disclosure</b>	<b>Remarks</b>
1.	Authority issuing attachment or prohibitory orders	Not applicable.
2.	Brief details and reasons for attachment or prohibitory orders	Not applicable.
3.	Name or registered holders against whom restriction on transferability has been placed	Not applicable
4.	Total number of securities so affected	Not applicable
5.	Distinctive numbers of such securities if applicable	Not applicable
6.	Period for which order would be applicable (if stated)	Not applicable.

The disclosure pursuant to Regulation 30 of the SEBI LODR read with Para B (11) of Part A of Schedule III and SEBI Circular CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September 2015 with respect to the SSSHA is as follows:

<b>Giving of guarantees or indemnity or becoming a surety for any third party</b>		
<b>Sr.No.</b>	<b>Disclosure</b>	<b>Remarks</b>
1.	Name of the party for which such guarantees or surety or indemnity was given	The Company has agreed to indemnify the Investor, its investment manager and directors as per the disclosure made to BSE vide letter dated March 9, 2020, and the same is governed by the earlier SSSHA dated March 9, 2020 (which amends and supersedes March 23, 2017 agreement).
2.	Whether the promoter /promoter group/ group companies have any interest in this transaction? If yes, nature of interest and details thereof and whether the same is done at “arms length”.	The transaction is an investment transaction whereby the Investor is investing into CBL, which is a material subsidiary of the Company. No promoter / member of the promoter group of the Company has any interest in the transaction except as set out herein. In any event, the transaction is taking place on an arms’ length basis.
3.	Brief details of such guarantee or indemnity or becoming a surety viz. brief details of agreement entered (if any) including significant terms and conditions, including amount of guarantee.	Under the Supplemental SSSHA, the Indemnity shall not exceed the aggregate of the earlier Series A CCPS Subscription amount and the current tranche of series A CCPS Subscription amount , and all the key terms / rights as mentioned in the disclosure earlier made to the stock exchange vide letter dated March 9, 2020 and the Annexure 1 thereto shall remain unchanged.
4.	Impact of such guarantees or indemnity or surety on listed entity.	As mentioned in the disclosure earlier made to the stock exchange vide letter dated March 9, 2020 and the Annexure 1 thereto, the terms of Indemnity will be governed by the SSSHA dated March 9, 2020 and it shall not exceed the Series A CCPS Subscription amount and the current tranche of series A CCPS Subscription amount aggregating to Rs.1,12,00,11,809.40 .

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