



Date: 22nd August, 2023

The General Manager,
Corporate Relationship Dept., BSE Ltd.
1st Floor, New Trading Ring, Rotunda Building,
P. J. Towers, Dalal Street, Fort,
Mumbai-400 001

Scrip Code: 531548

The Secretary,
National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Bandra Kurla Complex,
Bandra (East), Mumbai 400051

Symbol: SOMANYCERA

Subject: Intimation under Regulation 30 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- Entering into Joint Venture Agreement.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and in continuation of our letter dated February 8, 2023 and May 24, 2023, in relation to the proposed investment in a company based in Nepal, on joint venture basis, we would like to inform that the Company has entered into a Joint Venture Agreement dated August 22, 2023 ("**JV Agreement**") with Persons Listed in **Annexure-I**, ("**Other Shareholders**") and Cerapro Nepal Private Limited ("**CNPL**") ("**Proposed Transaction**").

The JV Agreement records the understanding of the parties in relation to operation of CNPL as a joint venture between the Company and Other Shareholders and terms of governance and management of CNPL.

The details of the aforesaid Proposed Transaction were duly intimated vide in our earlier intimation dated February 8, 2023 and May 24, 2023.

The detailed disclosure in relation to execution of JV Agreement as required under Regulation 30 of the Listing Regulations read with **SEBI Circular No. SEBI/HO/CFD/CFDPoD-1/P/CIR/2023/123** dated July 13, 2023 is enclosed herewith as **Annexure II**.

This is for your information and records.

Thanking you,
Yours faithfully,
For **Somany Ceramics Limited**

Ambrish Julka
Sr. GM (Legal) and Company Secretary
M. No.: F4484



Annexure I**List of Other Shareholders**

Sr. No.	Other Shareholders
1.	Pashupati Murarka
2.	Sirish Murarka
3.	Rajesh Agrawal
4.	Somesh Agrawal
5.	Shraddha More
6.	Shruti Murarka
7.	Vedika Murarka
8.	Anant Murarka
9.	Ekta Jajodia



Annexure-II

Sr.no	Particulars	Details
1.	Name(s) of parties with whom the agreement is entered;	With Persons Listed in Annexure-I, (" Other Shareholders ") and Cerapro Nepal Private Limited (" CNPL ").
2.	Purpose of entering into the agreement;	To operate CNPL as a joint venture between Somany Ceramics Limited (" SCL ") and Other Shareholders for the purposes of establishing a tile manufacturing facility in Nepal for manufacture of wall and floor tiles and allied products in Nepal, and sale thereof, and to record their understanding in relation to the terms of governance and management of CNPL.
3.	Shareholding, if any, in the entity with whom the agreement is executed	<p>Currently, SCL does not hold any securities in CNPL.</p> <p>Subject to fulfilment of the conditions precedent as set out in the JV Agreement, SCL shall subscribe to 3,000,000 (Three Million) Equity Shares having face value of NPR 100/- (Nepalese Rupees One Hundred only) amounting to NPR 300,000,000 (Nepalese Rupees Three Hundred Million only) in CNPL aggregating to 30% of the issued share capital of the CNPL. The shareholding of the Other Shareholders and SCL shall be in the ratio of 70:30.</p> <p>SCL shall however have the right to increase its stake in the share capital of CNPL upto 50% (fifty percent) of the share capital of CNPL.</p>
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.;	<p>i. Board composition of CNPL: The Board shall consist of 4 Directors out of which 2 Directors will be nominated by SCL and 2 Directors will be nominated by the Other Shareholders;</p> <p>ii. Fresh issue of share capital: SCL and the Other Shareholders shall subscribe to fresh/additional issuance of securities of CNPL, if any, in proportion to their respective shareholding in CNPL, provided however that SCL shall have the right to increase its stake in the share capital of CNPL upto 50% (fifty percent) of the share capital of CNPL.</p> <p>iii. Quorum of board meetings: A valid quorum for each meeting of the board of directors (including any adjourned meeting) will be always 2 (two) directors, which shall always consist of 1 (one) SCL director and 1 (one) Other Shareholders' director.</p> <p>iv. Transfer of Shares: None of the parties, directly or indirectly, shall transfer any shares</p>



		<p>held by them in CNPL, to any person, for a period of 5 (Five) years from the completion date. No shareholder shall transfer any of their shares to a third party without first approved by the board of CNPL and such transfer shall be in accordance with the terms of the JV Agreement.</p> <p>v. Other standard clauses on restriction on transfer of shares such as right of first offer, tag along right, drag along right etc., technology transfer, royalty pay out, management and governance of CNPL, event of default, etc have been incorporated in the JV Agreement.</p>
5.	Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;	No
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";	No
7.	In case of issuance of shares to the parties, details of issue price, class of shares issued;	<p>Subject to fulfilment of the conditions precedent as set out in the JV Agreement, SCL shall subscribe to 3,000,000 (Three Million) Equity Shares having face value of NPR 100/- (Nepalese Rupees One Hundred only) amounting to NPR 300,000,000 (Nepalese Rupees Three Hundred Million only) in CNPL aggregating to 30% of the issued share capital of the CNPL. The shareholding of the Other Shareholders and SCL shall be in the ratio of 70:30.</p> <p>SCL shall however have the right to increase its stake in the share capital of CNPL upto 50% (fifty percent) of the share capital of CNPL.</p>
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.	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

