

07th February, 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 400 051
Symbol: SOMANYCERA

Sub: Intimation for (a) modification in investment plan of Somany Max Private Limited; and (b) Execution of Shareholders' Agreement

Ref: Intimation given under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and in continuation of our letter dated February 3, 2022, we would like to inform that the Board of Directors in its Meeting held on 2nd February, 2022 approved investment not exceeding Rs. 170 Crores in one or more tranches, in M/s Somany Max Private Limited (“**SMPL**”), by way of combination of subscription/acquisition of equity shares and inter corporate loan, as and when required. SMPL was incorporated by the Company for carrying on the business of large format tiles/slabs. The Company has acquired 4,00,00,000 (Four Crore) Equity Shares in SMPL, details of which have been disclosed earlier. Currently, the Company and Other Shareholders (*defined below*) hold 4,00,00,000 (Four Crore) and 1,00,00,000 (One Crore) Equity Shares of SMPL respectively in the ratio of 80:20 of the share capital of SMPL.

In this regard we would like to inform you that the Company has entered into a Shareholders' Agreement (“**SHA**”) with Persons Listed in Annexure-I, (“**Other Shareholders**”) and SMPL on February 6, 2023 for the purposes of operating SMPL as a joint venture between the Company and Other Shareholders and recording their understanding in relation to the terms of governance and management of SMPL.

Further, we would like to inform you that the Company in its Board Meeting held on February 7, 2023 has considered and approved to include subscription of preference shares besides the subscription/acquisition of equity shares or granting of unsecured loan(s) in the total investment of Rs.170 Crores in one or more tranches, which was earlier approved by the Board of Directors in its meeting held on 2nd February, 2022. Upon occurrence of event i.e. Investment/Acquisition of Shares of SMPL the relevant information required under Regulation 30 of SEBI (LODR) read with SEBI Circular No CIR/CFD/CMD/4/2015 dated September 9, 2015 shall be intimated accordingly.



The detailed disclosure in relation to execution of Shareholders' Agreement as required under Regulation 30 read with Part A of Schedule III of the Listing Regulations read with SEBI Circular CIR/CFD/CMD/4/2015 dated 9th September 2015 is enclosed herewith as Annexure-II.

This is for your information and records.

Thanking you,
Yours faithfully,
For Somany Ceramics Limited

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



DETAILS OF THE OTHER SHAREHOLDERS

Sr. No.	Name of Other Shareholders
1	Nirav Jayantkumar Patel
2	Rajan Jayantkumar Patel
3	Bansikumar Rajeshbhai Bavarava
4	Chandni Nirav Patel
5	Jayantkumar Jerajbhai Patel
6	Krupa Meet Vachhani
7	Meet Vinodrai Vachhani
8	Sameer Valjibhai Hulani
9	Shailesh Kalyanjibhai Bavarva
10	Shreya Rajan Patel
11	Trupesh Sanjaybhai Sherasiya
12	Ushaben Jayantkumar Patel



S. No.	Particulars	Details
1	Name(s) of parties with whom the agreement is entered;	With Persons Listed in Annexure-I, (“ Other Shareholders ”) and Somany Max Private Limited (“ SMPL ”).
2	Purpose of entering into the agreement;	To operate SMPL as a joint venture between SCL and Other Shareholders for the purposes of carrying out the business of large format tiles/slabs and to record their understanding in relation to the terms of governance and management of SMPL.
3	Shareholding, if any, in the entity with whom the agreement is executed;	Somany Ceramics Limited (“ SCL ”) holds 4,00,00,000 (Four Crore) Equity Shares having face value of Rs. 10/- (Rupees Ten Only) amounting to Rs. 40,00,00,000 (Rupees Forty Crores Only) in SMPL aggregating to 80% of the fully diluted equity share capital of the Company.
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. Shareholding of SMPL: SCL 80% and Other Shareholders 20%;</p> <p>ii. Board composition of SMPL: The Board shall consist of 4 Directors out of which 3 Directors will be nominated by SCL and 1 Director will be nominated by Other Shareholders;</p> <p>iii. Fresh issue of share capital: SCL and Other Shareholders shall subscribe to fresh/additional issuance of securities of SMPL, if any, in proportion to their respective shareholding in SMPL.</p> <p>iv. Chairman of the Board: The non-executive Chairman of the Board shall be nominated by SCL and appointed by the Board from amongst SCL Directors.</p> <p>v. Quorum of Board Meetings: A valid quorum for each meeting of the Board (including any adjourned meeting) will be at least 1/3rd (one third) of the total strength of the Board or 2 (two) Directors, whichever is higher, but always consisting of at least 2 (two) SCL Directors and 1 (one) Other Shareholder Director.</p> <p>vi. Managing Director: Other Shareholders shall be responsible for choosing and</p>



		<p>nominating the key member of the Other Shareholder group as the managing director of the Company with the consent of SCL.</p> <p>vii. Transfer of Shares: None of the Parties, directly or indirectly, shall transfer any Shares held by them in the Company, to any Person, for a period of 4 (Four) years from the Execution Date. No shareholder shall transfer any of their Shares to a third party without first offering the said Sale Shares to the Non-Selling Shareholders.</p> <p>viii. Other standard clauses on restriction on transfer of shares, deadlock, event of default, etc. have been incorporated in the SHA.</p> <p>ix. Parties will enter into certain ancillary agreements for the purposes of undertaking business of SMPL such as Supply Agreement etc.</p>
5	Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;	SCL is Holding Company and promoter of SMPL. Other Shareholders are promoters of SMPL.
6	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms length”;	Yes, the transaction would fall within related party transactions and the same is done at “arms length”.
7	In case of issuance of shares to the parties, details of issue price, class of shares issued;	Currently the Shareholding of SMPL comprises of SCL (80%) and Other Shareholders (20%). Any further fresh issuance of securities by SMPL to the shareholders shall be in proportion to their respective shareholding in SMPL. The issue price shall be in compliance with applicable laws.
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