



June 4, 2018

BSE Limited
P.J. Tower,
Dalal Street,
Mumbai - 400 001

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

Dear Sir,

Re.: Execution of agreements for the proposed investment by Aravali Investment Holdings, Mauritius ('Aravali'), a wholly-owned subsidiary of WestBridge Crossover Fund, LLC in Kajaria Bathware Private Limited ('KBPL'), a wholly-owned subsidiary of the Company

This is in furtherance to our letter dated April 28, 2018, wherein we had informed about the non-binding Letter of Intent ('LOI') received from Aravali Investment Holdings, Mauritius ('Aravali'), a wholly-owned subsidiary of WestBridge Crossover Fund, LLC, for making investment of INR 64.50 crores in Kajaria Bathware Private Limited ('KBPL'), a wholly-owned subsidiary of Kajaria Ceramics Limited (the 'Company') through subscription of Compulsorily Convertible Preference Shares ('CCPS') of KBPL, subject to execution of necessary agreements/documents and applicable compliances.

Pursuant to the provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') read with the SEBI's Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, we wish to inform you that Aravali has executed a Share Subscription Agreement ('SSA') with KBPL and a Shareholders' Agreement ('SHA') with KBPL, the Company and promoters of the Company.

Pursuant to the execution of the said Agreements, Aravali has agreed to invest Rs. 64.50 crores through subscription of Compulsorily Convertible Preference Shares ('CCPS') of KBPL, subject to fulfilment of Conditions Precedent in the said agreements.

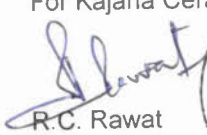
Post issuance of the said CCPS, the existing shareholding of the Company in KBPL will get diluted by 15% [i.e. shareholding of the Company would be around 85% of post-issuance capital (on fully diluted basis) of KBPL].

Details pursuant to Regulation 30 of the Listing Regulations are given in **Annexure-A**.

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For Kajaria Ceramics Limited


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



Encl.: as above

Kajaria Ceramics Limited

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



Annexure-A

Details of the Shareholders' Agreement

SL. NO.	PARTICULARS	DETAILS
1.	Name(s) of parties with whom the agreement is entered	The Shareholders' Agreement is executed among Kajaria Bathware Private Limited ('KBPL'), a wholly-owned subsidiary of the Company, Aravali Investment Holdings, Mauritius ('Aravali'), a wholly-owned subsidiary of WestBridge Crossover Fund, LLC, Kajaria Ceramics Limited ('the Company') and promoters of the Company.
2.	Purpose of entering into the agreement	Aravali has agreed to subscribe 44,11,764 Compulsorily Convertible Preference Shares ('CCPS') of Rs. 10/- each of KBPL for an aggregate amount of Rs. 64.50 crores, subject to applicable laws and achieving the terms and conditions mentioned in the said agreement. The Company is the party to the said Shareholders' Agreement in the capacity of Sponsor of KBPL.
3.	Shareholding, if any, in the entity with whom the agreement is executed	The Company does not hold any share in Aravali.
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.	As the Company is the party to the said Shareholders' Agreement in the capacity of Sponsor of KBPL, there will be no impact on its Board / capital structure, etc.
5.	Whether, the said parties are related to promoter/promoter group/group companies in any manner. If yes, nature of relationship	KBPL is a wholly-owned subsidiary of the Company. However, Aravali is not related to promoter/promoter group/group companies.
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	No
7.	In case of issuance of shares to the parties, details of issue price, class of shares issued	KBPL will issue CCPS of Rs. 10/- each to Aravali at an issue price of Rs. 146.20 per share, subject to applicable laws and achieving the terms and conditions mentioned in the said agreement.
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.	Refer Point 4 above.



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