

Annexure - VIII to the Directors' Report

CORPORATE GOVERNANCE REPORT

(As required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1) Company's Philosophy

The Company believes in the practice of good Corporate Governance and acting as a good corporate citizen.

The spirit of Corporate Governance has been prevailing in the Company. The Company believes in the values of transparency, professionalism and accountability. The Company recognizes the accountability of the Board and importance of its decisions on its customers, dealers, employees, shareholders, and with every individual, who comes in contact with the Company.

For the company the adherence to the corporate governance is not only from the letter of law but to do the business in a right and legal way.

2) Board of Directors

The Board comprises of a Chairman and Managing Director, Joint Managing Director, 2 (two) Executive Directors and 5 (Five) Independent Directors.

During the year under review, 5 (five) Board Meetings were held on 14.05.2019, 01.08.2019, 13.11.2019, 05.02.2020 and 14.02.2020.

None of the directors on the Board are members in more than ten committees and they do not act as Chairmen of more than five committees across all companies in which they are directors.

The composition of Board of Directors and their attendance at the Board meetings during the year and at the last Annual General Meeting as also number of other directorships and Committee Memberships are given below:

Sr. No.	Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance At last AGM	No. of Other directorship	No. of Other Committee Membership	Names of Listed entities where person is also director and category of Directorship
1.	Shri Vikram Somany	Chairman and Managing Director Promoter Director	5	Yes	1	—	—
2.	Smt. Deepshikha Khaitan*	Joint Managing Director Promoter Director	5	Yes	3	—	—
3.	Shri Sajan Kumar Pasari	Non-Executive Independent Director	4	No	10	—	2 Listed Companies.\$
4.	Shri Lalit Kumar Bohania	Non-Executive Independent Director	4	No	9	—	—
5.	Shri J. K. Taparia	Non-Executive Independent Director	5	Yes	1	—	—
6.	Shri Atul Sanghvi**	Executive Director & CEO	5	Yes	2	—	—
7.	Shri Ayush Bagla#	Executive Director	5	Yes	2	—	—
8.	Shri Surendra Singh Baid	Non-Executive Independent Director	5	Yes	0	—	—
9.	Ms. Akriti Jain	Non-Executive Woman Independent Director	4	No	—	—	—

* Appointed as Joint Managing Director w.e.f. 1st April, 2020
 ** Reappointed as Executive Director & CEO w.e.f. 1st April, 2020
 # Appointed as Executive Director w.e.f. 14th May, 2019
 \$ Assam Roofing Ltd. - Director (Non-Executive Non Independent) and Regent Estates Ltd. - Director (Non-Executive Non Independent)

Shri Ayush Bagla is appointed as an Executive Director for a period of 3 years w.e.f. 14.05.2019.

The Board of Directors at their meeting held on 5th February, 2020 Appointed Smt. Deepshikha Khaitan as Joint Managing Director w.e.f. 1st April, 2020 for period of 5 years and reappointed Shri Atul Sanghvi as an Executive Director and CEO of the Company w.e.f. 1st April, 2020 for period of 3 years. Both the appointment of Joint Managing Director and Executive Director & CEO is subject to the approval of the members at the ensuing Annual General Meeting.

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

Shri Vikram Somany is a father of Smt. Deepshikha Khaitan, none of the other Directors are related to any other Director on the Board in terms of definition of 'relative' as per the Companies Act, 2013.

All Independent Directors are experienced and competent in their respective field. They actively participate in the Board and Committees which gives significant value addition in the decision making process. Familiarization programs imparted to independent directors is posted on Company's website i.e. www.cera-india.com

Skills / Expertise / Competence of the Board:

The Board comprises of Directors with varied experiences in different areas who bring in the required skills, competence and expertise that allows them to make effective contribution to the Board and its committees. The following list summarizes the key skills, competence and area of expertise that the Board thinks is necessary for functioning in the context of the Company's business and sector and which in the opinion of the Board, its members possess : 1. Commercial, 2. Finance, 3. Sales and marketing, 4. Technology, 5. Ceramic Industry, 6. General Administration and Human Resources 7. Legal and Corporate Laws.

Chart / matrix setting out the skills/expertise/competence of the Board of Directors

Area of expertise/skills	Vikram Somany	Deepshikha Khaitan	Atul Sanghvi	Sajan Kumar Pasari	Lalit Kumar Bohania	Ayush Bagla	J.K. Taparia	S.S. baid	Akriti Jain
Commercial	✓	✓	✓	✓	✓	✓	✓	✓	✓
Finance	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sales and marketing	✓	✓	✓	✓	✓	✓	✓	✓	✓
Technology	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ceramic Industry	✓	✓	✓	✓	✓	✓	✓	✓	✓
General Administration and Human Resources	✓	✓	✓	✓	✓	✓	✓	✓	✓
Legal and Corporate Laws	✓	✓	✓	✓	✓	✓	✓	✓	✓

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of the specific duties, obligations and governance were also evaluated.

A separate exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors, who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Independent Directors' Meeting:

During the year under review, a separate meeting of Independent Directors was held on 05.02.2020 inter alia, to discuss:

- Evaluation of the performance of Independent directors, Non-Independent Directors, Executive Directors, the Board of Directors as a whole and Key Managerial Personnel;
- Evaluation of the performance of the Chairman and Managing Director of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and there has been no change in the circumstances which may affect their status as Independent director during the year under review and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. On the basis of the declarations made by the Independent Directors, the Board of Directors is of the opinion that the Independent Directors of the Company fulfills conditions specified in Companies Act, 2013 and under SEBI (LODR) Regulations, 2015 and are Independent of the management of the Company.

Prohibition of Insider Trading:

In Compliance with the SEBI Regulations on Prevention of Insider Trading, the Company has framed a Code of Conduct to avoid any insider trading and it is applicable to all the Directors, Promoters, Designated Persons and other connected persons of the Company who are expected to have access to the unpublished price sensitive information relating to the Company. The Code lays down guidelines, which advises them on procedure to be followed and disclosures to be made,

while dealing in the shares of the Company. The Company has revised Internal Code of Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in line with the amendments in SEBI (Prohibition of Insider Trading) Regulations, 2015.

Code of Conduct

The Company has implemented model code of conduct for the Board members and senior Officers of the Company. The code of conduct has been posted on the website of the Company i.e. www.cera-india.com.

It is hereby confirmed that all the board Members and senior officers of the Company have affirmed compliance with the code of conduct of the Company for the financial year under review.

Risk management

The Board of directors have framed, approved and implemented Risk Management policy of the Company including identification and element of risks. Pursuant to amendments in SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has constituted the Risk Management Committee having its scope and functions as per Risk Management policy.

The Committee has included in its scope cyber security and has reviewed the matters in its connection at various levels and also takes necessary actions from time to time to mitigate the cyber risk to the Company in accordance with SEBI (LODR) Regulations, 2015. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness.

Risk Management Committee comprises Shri Vikram Somany (Chairman), Smt. Deepshikha Khaitan (Member), Shri Ayush Bagla (Member), Shri Atul Sanghvi (Member) and Shri Rajesh B. Shah (Member). During the year one meeting of Risk Management Committee held on 14th May, 2019.

3) Audit Committee

The Audit Committee, consists of 6 (Six) directors as its members, namely Shri J. K. Talaria - Chairman (Independent), Shri Vikram Somany, Shri Sajan Kumar Pasari (Independent), Shri Lalit Kumar Bohania (Independent), Shri Surendra Singh Baid (Independent) and Ms. Akriti Jain (Independent). During the year, 4 (four) Audit Committee Meetings were held on 14.05.2019, 01.08.2019, 13.11.2019 and 05.02.2020.

Terms of reference

The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under regulation 18 and Part – C of Schedule - II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The brief description and terms of reference of the Audit Committee inter-alia includes:

1. Oversee the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
2. Recommend the appointment, remuneration and terms of appointment of auditors of the listed entity;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing with the management, the quarterly financial statements before submission to the board for approval.

Details of number of meetings and attendance there at is as under.

Name of Director	No. of Meetings	
	Held	Attended
Shri J. K. Taparia	4	4
Shri Vikram Somany	4	4
Shri Sajan Kumar Pasari	4	4
Shri Lalit Kumar Bohania	4	4
Shri Surendra Singh Baid	4	4
Ms. Akriti Jain	4	4
Shri Ayush Bagla*	1	1

* ceased to be the member of Audit Committee w.e.f. 14th May, 2019.

4) Nomination and Remuneration Committee

The Nomination and Remuneration Committee, comprises of 5 (Five) directors as its members namely, Shri Surendra Singh Baid (Independent) – Chairman, Shri Vikram Somany, Shri Lalit Kumar Bohania (Independent), Shri Sajan Kumar Pasari (Independent), Shri J.K. Taparia (Independent).

The committee recommends appointment and remuneration of directors, key managerial personnel and senior management personnel to the Board.

The Committee fixes the Remuneration of Executive Directors, which include all elements of remuneration package i.e. salary, benefits, bonus, incentives, pension, retirement benefits and such other benefits.

The Committee also decides the fixed component and performance linked incentives, performance criteria, service contracts, notice period, severance fees etc. of the remuneration package of working directors, as may be necessary. During the year under review, 2 (Two) Nomination and Remuneration Committee Meetings were held on 14.05.2019 and 05.02.2020.

Details of number of meetings and attendance there at is as under:

Name of Director	No. of Meetings	
	Held	Attended
Shri Surendra Singh Baid	2	2
Shri Vikram Somany	2	2
Shri Lalit Kumar Bohania	2	2
Shri Sajan Kumar Pasari	2	2
Shri J. K. Taparia	2	2
Shri Ayush Bagla*	1	1

* ceased to be the member of Nomination and Remuneration Committee w.e.f. 14th May, 2020.

Independent Directors are appointed and their performance is evaluated based on the criteria such as knowledge, qualifications, experience, expertise in any area, integrity, level of independence from the Board and the Company, number of meetings attended, familiarization programs attended, time devoted etc. Executive Directors are appointed on the basis of requirement of the Company, qualifications & experience, association with the Company, loyalty etc. Executive Directors are preferably promoted from within the Company based on above criteria.

The committee recommends appointment of directors to the Board.

5) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee, consists of 4 (Four) directors as its members namely, Shri Vikram Somany – Chairman, Shri J. K. Taparia (Independent), Shri Atul Sanghvi and Smt. Deepshikha Khaitan.

The Committee formulate and recommend to the Board, a Corporate Social Responsibility Policy and monitor and review the same and determine implementation process / execution of CSR policy.

Disclosures of contents of Corporate Social Responsibility as required under The Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as a separate annexure to the Directors' report. During the year under review, 2 (Two) meetings were held on 14.05.2019 and 13.11.2019.

6) Remuneration Policy

Remuneration of employees largely consists of basic remuneration and perquisites.

The component of the total remuneration varies for different grades and is governed by Industry pattern, qualifications and experience of the employee, responsibilities handled by him/her and his/her individual performance, etc.

The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution and to retain talent in the organization and accord merit.

7) Details of remuneration for the year ended 31.03.2020

(i) Managing Director / Whole-time Director(s)

(` in Lakhs)

Name and Designation	Remuneration	Perquisites and other benefits	Commission
Shri Vikram Somany Chairman and Managing Director	480.81	69.16	—
Shri Atul Sanghvi Executive Director & CEO	233.59	16.48	—
Shri Ayush Bagla Executive Director	81.62	11.37	—

Performance incentive to the Managing and whole time Directors are based on the sales achieved and operating profit of the Company on the basis of the criteria decided by the Nomination and Remuneration Committee /Board of Directors/Chairman and Managing Director from time to time.

Whole-time Directors' appointment is for a period of 3 years. The Whole Time Directors' may resign from the service of the Company by giving three months' notice in advance. The Company has the right to terminate the service of Whole Time Director/s except Chairman and Managing Director at any time by giving three months' notice in writing or salary in lieu thereof.

The Whole-time Directors are also entitled to the benefits as per the Rules of the Company, which the other employees / executives of the Company are entitled to.

Presently, there is no operational Employees Stock Option Scheme (ESOS) in the Company. ESOS does not form a part of contract with the Directors of the Company.

The Executive Directors are not entitled to the sitting fees for attending the Board / Committee Meetings.

(ii) Non-Executive Directors

Members of the Company at their Annual General meeting held on 27.07.2017 have passed the resolution for payment of commission to Directors not in whole time employment of the Company not exceeding 1 % of the net profit of the Company. The commission is to be distributed among Directors not in whole time employment as may be decided by Board of Directors.

Further Members of the Company at their Annual General meeting held on 31.07.2019 have also passed the resolution for payment of commission of ₹ 50 Lakhs to Smt. Deepshikha Khaitan for the Financial year 2019-20.

Details of remuneration to the non-executive Directors of the Company:

Name	Sitting Fees (` in Lakhs)	Commission (` in Lakhs)
Shri Sajan Kumar Pasari	0.40	4.00
Shri Lalit Kumar Bohania	0.40	4.00
Shri J. K. Taparia	0.50	4.00
Smt. Deepshikha Khaitan	0.50	50.00
Shri Surendra Singh Baid	0.50	4.00
Ms. Akriti Jain	0.40	4.00
TOTAL	2.70	70.00

(iii) Shareholding of Non-Executive Directors

Name	No. of Shares held	% of total shareholding
Shri Sajan Kumar Pasari	236696	1.82
Shri Lalit Kumar Bohania	Nil	Nil
Shri J. K. Taparia	Nil	Nil
Shri Surendra Singh Baid	Nil	Nil
Smt. Deepshikha Khaitan*	339116	2.61
Ms. Akriti Jain	Nil	Nil

*Appointed as Joint Managing Director w.e.f. 1st April, 2020

8) Share Transfer Committee

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had delegated the powers of share transfers to the Share Transfer Committee.

In order to expedite the process of share transfers / Duplicate /transmissions / splits / consolidation, frequently as and when the need arises.

The said Committee comprising 3 (three) directors as its members, namely, Shri Atul Sanghvi - Chairman, Shri J. K. Taparia - (Independent) and Shri Surendra Singh Baid (Independent).

The Company confirms that there were no share transfers lying pending as on date which were received upto 31.03.2020 and all requests for dematerialization and re-materialization of shares as on that date were confirmed / rejected into the NSDL / CDSL system.

Share Transfer Agent

The Company has appointed MCS Share Transfer Agent Limited, a SEBI registered Share Transfer Agent as Registrar and Share Transfer Agent.

9) Stakeholders Relationship Committee

Committee comprises 3 (three) directors as its members, namely, Shri J. K. Taparia Chairman- (Independent), Shri Atul

Sanghvi – Executive Director and Shri Surendra Singh Baid (Independent).

All investor complaints, which cannot be settled at the level of Company Secretary and Compliance Officer, are forwarded to the Stakeholders Relationship Committee for final settlement.

During the year 2019-20, the Company had received 5 complaints from the Shareholders.

All the complaints received from the Shareholders were resolved. There is no complaint pending as on 31.03.2020, which is not attended / replied by the Company.

During the year, one meeting was held on 14.05.2019.

Shri Narendra N Patel – President and Company Secretary was compliance officer of the Company. He retired as per the Company's Policy w.e.f. 31.03.2020. Shri Hemal Sadiwala has been appointed as Company Secretary & Compliance Officer from 01.04.2020.

10) General Body Meetings

The last three Annual General Meetings/Extra ordinary General Meeting were held as under:

Financial Year ended	Date	Time	Venue
31.03.2019	31.07.2019	11.30 a.m.	9, GIDC Industrial Estate Kadi-382 715, Dist. Mehsana.
31.03.2018	30.08.2018	11.30 a.m.	9, GIDC Industrial Estate Kadi-382 715, Dist. Mehsana.
31.03.2017	27.07.2017	11.30 a.m.	9, GIDC Industrial Estate Kadi-382 715, Dist. Mehsana.
Extra-Ordinary General Meeting:			
Date	Time	Venue	
15.05.2019	11.30 a.m.	9, GIDC Industrial Estate, Kadi-382 715, Dist. Mehsana.	

During last three Annual General Meetings/Extra Ordinary General Meeting, following special resolutions were passed:

- Re-Appointment of Shri Atul Sanghvi as Executive director. (Annual General Meeting dated 27.07.2017)
- Re-Appointment of Shri Vikram Kumar Somany as Chairman and Managing Director. (Annual General Meeting dated 27.07.2017)
- Payment of commission not exceeding 1% p.a. of the net profit of the Company (Annual General Meeting dated 27.07.2017)
- Re-appointment of Shri Sajan Kumar Pasari as an Independent Director for further period of Five years (Annual General meeting dated 30.08.2018)
- Re-appointment of Shri Lalit Kumar Bohania as an Independent Director for further period of Five years (Annual General meeting dated 30.08.2018)
- To consider reclassification of Promoters (Extra Ordinary General meeting dated 15.05.2019)
- Appointment of Shri Ayush Bagla as Executive Director. (Annual General meeting dated 31.07.2019)
- Payment of Commission to Smt. Deepshikha Khaitan. (Annual General meeting dated 31.07.2019)

During last three years no resolution is passed through Postal Ballot. No resolution is proposed to be conducted through Postal Ballot as on date.

11) Means of Communication

- Quarterly results are published in leading daily newspapers viz. Financial Express / The Economic Times / Indian Express and a local language newspaper viz. The Economic Times/Financial Express/Nav Gujarat Samay. The annual reports are circulated to all the members of the Company electronically, whose e-mail ids are registered with depository participant and with the Company only.
- Management Discussion & Analysis forms part of this Annual Report, which is also being posted to all the members of the Company.
- The official news releases/investor communication, if any, are given directly to the press and simultaneously to the Stock Exchanges.
- The Company sends its quarterly and annual financial results, Shareholding pattern and other information to BSE Limited and National Stock exchange of India Limited. They upload this information on their websites. i.e. www.bseindia.com and www.nseindia.com. The said information is also available on the company's website www.cera-india.com.
- Earnings Calls and Presentations to

At the end of each quarter, the Company organizes meetings / conference call with analysts and investors and the presentations made to analysts and transcripts of earnings calls are uploaded on the website of the Company thereafter.

12) General Shareholders' Information

1. Annual General Meeting :

- Date and Time : Thursday 10th day of September, 2020 at 11.30 a.m.
- Venue : The company is conducting meeting through VC/OAVM pursuant to the MCA circular dated 5th May, 2020 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.

2. Financial Calendar 2020-21 (tentative):

- | | |
|----------------------------|--|
| Annual General Meeting | By 3 rd / 4 th week of September, 2021 |
| Results for quarter ending | By 15 th day of |
| June 30, 2020 | August, 2020 |
| September 30, 2020 | November, 2020 |
| December 31, 2020 | February, 2021 |
| March 31, 2021 (Audited) | By 29 th May, 2021 |

3. Dividend Payment

The Board of Directors at their meeting held on 14th February, 2020 declared Interim Dividend of ` 13/- per share (260%) on 1,30,05,874 equity shares of ` 5/- each fully paid for the Financial Year 2019-20. The Interim Dividend was paid to the shareholders holding shares as on Record date i.e. Thursday, 27th February, 2020.

The Board has considered Interim Dividend as final Dividend for the F.Y. 2019-20 and no further Dividend has been recommended by the Board of Directors for the said financial year.

In accordance with the Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) regulations 2015, the Board of Directors has adopted Dividend Distribution Policy and same is placed on the website of the Company www.cera-india.com.

4. Transfer of Shares to Investor Education and Protection Fund

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified by the Ministry of Corporate Affairs and its amendment made from time to time, Company has issued Newspaper advertisement on 18th July, 2019 and Company has sent individual notices to the shareholders on 12th July, 2019 for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more. Those shareholders who have not claimed their shares, such shareholders' shares have been transferred to the Investor Education and Protection Fund on 13th November, 2019. Shareholders are requested to note that shares transferred to IEPF, including all benefits accruing on such shares, if any can be claimed back from the IEPF Authority after following the procedure prescribed under the said rules. The procedure is also available on the website of the Ministry of Corporate Affairs at www.iepf.gov.in.

5. Listing on Stock Exchanges

The Company's shares are listed at BSE Limited 1st Floor, New Trading Ring, Rotunda Building, P J Towers Dalal Street, Fort Mumbai - 400 001 and National Stock Exchange of India Limited, Exchange Plaza Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. The company has paid listing fees for the year 2019-20 and 2020-21 to the Stock Exchanges.

BSE Limited

Scrip Code : 532443 Scrip ID : CERA

National Stock Exchange of India Limited

Trading Symbol : CERA.

6. Reclassification of Promoters

Pursuant to Regulation 31A of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 the National Stock Exchange of India Ltd (NSE) vide its letter ref. NSE/LIST/43 dated 17th October, 2019 and BSE Ltd vide its letter Ref. LIST/COMP/ HB/207/2019-20 dated 17th October, 2019 have approved Reclassification of below two entities from "Promoters/ Promoter Group" to 'Public' and consequently their shareholding have been also transferred from Promoters / promoters group to public shareholding category.

Sr. No.	Name	No. of Shares	% Holding
1.	Shashi Kumar Somany	28,000	0.22
2.	Madhusudan Holdings Limited	7,500	0.06
Total		35,500	0.28

7. Share price at BSE and NSE

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-2019	3,044.05	2,706.25	3,080.00	2,725.00
May-2019	3,080.00	2,670.20	3,060.35	2,669.25
June-2019	3,080.00	2,901.20	3,055.00	2,900.00
July-2019	3,035.85	2,307.40	3,040.00	2,310.00
Aug-2019	2,695.00	2,340.40	2,687.00	2,200.00
Sept-2019	3,014.95	2,355.90	2,900.00	2,375.20
Oct-2019	2,718.95	2,342.00	2,719.00	2,410.00
Nov-2019	2,720.00	2,405.00	2,726.80	2,401.00
Dec-2019	2,705.00	2,458.15	2,720.00	2,450.55
Jan-2020	2,742.00	2,534.45	2,749.00	2,532.00
Feb-2020	2,698.00	2,320.00	2,724.00	2,356.95
March-2020	2,599.50	2,000.75	2,739.30	1,986.00

9. Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition or relodgement of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Board has delegated the authority for approving transfer, transmission etc to the Transfer Committee.

The Company obtains half-yearly certificate from a Company Secretary in Practice confirming the issue of share certificates for transfer, sub-division, consolidation etc., and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(9) of SEBI Listing Regulations, 2015. Further, the Compliance Certificate under Regulation 7(3) of the SEBI Listing Regulations, 2015 confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent registered with the Securities and Exchange Board of India is also submitted to the Stock Exchanges on a half yearly basis.

As per SEBI notification SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 read with SEBI Press Release dated 3rd December, 2018, the requests for effecting transfer of securities (except in case of transmission, transposition or re-lodgment of securities) is not being processed after 31st March, 2019, unless the securities are held in the dematerialized form with the depositories

10. Distribution of Shareholding as on 31.03.2020

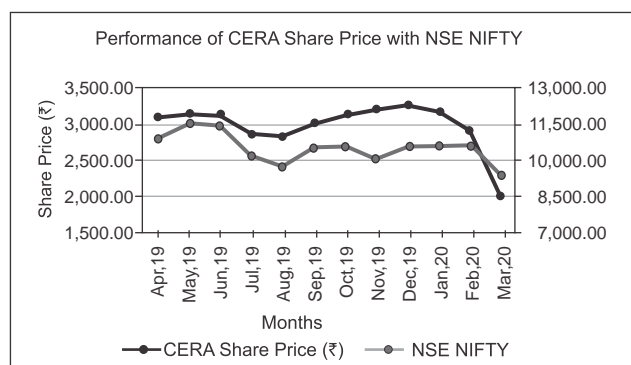
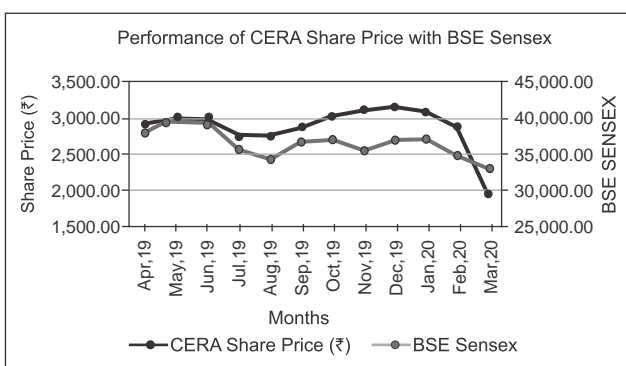
Shares	No. of Shareholders	Total No. of Shares
1	500	16,633
501	1000	203
1001	2000	81
2001	3000	21
3001	4000	10
4001	5000	6
5001	10,000	17
10,001	50,000	28
50,001	1,00,000	6
1,00,001 And above		18
Total	17,023	1,30,05,874

11. Shareholding Pattern as on 31.03.2020

Sr. No.	Category	No. of Shares	(%)
1.	NRIs	70,547	0.54
2.	FII's/ Foreign Portfolio Investors	18,55,232	14.27
3.	Financial Institutions / Banks / Trusts / IEPF	94,176	0.73
4.	Mutual Funds/UTI	13,22,533	10.17
5.	Foreign Body Corporate	3,51,000	2.70
6.	Promoters	70,85,139	54.47
7.	Bodies Corporate	6,01,438	4.62
8.	Indian Public	16,25,809	12.50
	Total	1,30,05,874	100.00

8. Registrar and Share Transfer Agent

Entire Share Transfer and dematerialization /re-materialization job is assigned to MCS Share Transfer Agent Limited, a SEBI registered Registrar and Share Transfer Agent. Request for Share transfer, dematerialization and re-materialization should be sent directly to MCS Share Transfer Agent Limited, 201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad-380009. Shareholders have option to open their accounts with either NSDL or CDSL as the Company has entered into agreements with both of these depositories.



12. Dematerialisation of Shares as on 31.03.2020

As on 31.03.2020, 98.42% of the Company's total shares representing 1,28,00,688 Shares were held in dematerialized form and the balance 1.58% representing 2,05,186 shares were in Physical form.

The ISIN Number in NSDL and CDSL is "INE739E01017".

13. Secretarial Audit for reconciliation of Capital

Pursuant to SEBI (Depositories and Participants) Regulations, 2018, a practicing company secretary has carried out the Secretarial Audit for all the quarters of Financial Year 2019-20. The Audit Reports confirms that there is no discrepancy in the issued, listed and admitted capital of the Company.

14. There are no outstanding Global Depository Receipts or American Depository Receipts or warrants or convertible instruments in the company.

15. Credit Rating: During the year under review the Company has received following credit rating

Facilities	Ratings	Remarks
Long -Term Bank Facilities	CARE AA; Stable [Double A; Outlook: Stable]	Reaffirmed
Short -Term Bank Facilities	CARE A1+ [A One Plus]	Reaffirmed
Long -Term/ Short -Term Bank Facilities	CARE AA; Stable/ CARE A1+ [Double A; Outlook: Stable]/ A One Plus]	Reaffirmed
Commercial Paper (` 30 Crores)	CRISIL A1+”	Reaffirmed

16. Plant Locations

The Company's plants are located at the following places:

- Sanitaryware and Faucetware Plants :
9, GIDC Industrial Estate, Kadi-382 715, Dist. Mehsana, Gujarat.
- Wind Farms :
 - Village & Tal. Kalyanpur, Dist. Devbhumi Dwarka, Gujarat.
 - Village Kadoli, Tal. Abdasa, Dist. Kutch, Gujarat.
 - Village Jivapar (Anandpar), Tal. Chotila, Dist. Surendranagar, Gujarat.
 - Village Mota Gunda, Tal. Bhanwad, Dist. Devbhumi Dwarka, Gujarat.
 - Village Navagam, Tal. Bhanwad, Dist. Devbhumi Dwarka, Gujarat.

17. Address for Correspondence

The Company's Registered Office is situated at 9, GIDC Industrial Estate, Kadi-382715, District Mehsana, Gujarat. Shareholders' correspondence should be addressed either to the Registered Office of the Company as stated above or Corporate Office at 7th & 8th Floor, B Wing, Privilon, Ambli BRTS Road, ISKCON Crossroads,

Ahmedabad - 380059 or to the Registrar and Share Transfer Agent, MCS Share Transfer Agent Limited, 201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad-380009. Contact No. 079-26580461/462, Email: mcsstaahmd@gmail.com

18. The Company has received Certificate from Umesh Parikh & Associates, Practicing Company Secretaries certifying that none of the Directors on the Board of the Company have not been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory Authority. Certificate forms part of the report.

19. No Preferential allotment of the shares, made during the F.Y. 2019-20.

20. During the year, Total fees of ` 14.47 Lakhs have been paid to Statutory Auditors N.M.Nagri & Co. by the Company and subsidiaries (Packcart packaging LLP, Race Polymer Arts LLP).

21. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

a. Number of Complaints filed during the financial year.- Nil

b. Number of Complaints disposed of during the financial year.-Nil

c. Number of Complaints pending as on end of the financial year.-Nil

13) Other Disclosures

1. There were no transactions of material nature with the directors or the management or their subsidiaries or relatives etc. during the year, which could have potential conflict with the interests of the Company at large.

2. Disclosure of Accounting Treatment : These Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. The Financial Statements up to and for the year ended 31st March, 2020 were prepared to comply in all material aspects with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. The previous year figures have been regrouped/reclassified or restated, so as to make the figures comparable with the figures of current year.

3. There were no instances of non-compliance, penalty or strictures imposed on the Company by Stock Exchanges, SEBI or other statutory authority of any matter related to the capital market, during the last three years.

4. Vigil Mechanism (Whistle Blower Policy):

The Company has implemented a Vigil Mechanism (Whistle Blower Policy) and is posted on the Company's website i.e. www.cera-india.com and no person is denied access to the Audit Committee.

5. The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clause (b) to (i) of Sub regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) (Regulations), 2015. The Company has partly adopted non-mandatory requirements. The Company is having unmodified audit opinion and the Internal Auditor reports directly to the audit committee. The Company is complying with applicable Secretarial Standards.
6. The Company has no material subsidiary. The Policy on Material Subsidiary framed by the Board of Directors of the Company is available on Company's website at the link <https://www.cera-india.com/corporate/policy-for-determining-material-subsiary/>.
7. Related Party Transactions
- All transactions entered into with Related parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length basis and approved by the Audit Committee and the Board of Directors. There were no materially significant transactions with related parties during the financial year which were in the conflict of interest of the Company. The Board has approved a policy for related party transactions which has been uploaded on the website of the Company i.e. www.cera-india.com.
8. Commodity Risk or Foreign Exchange Risk:
- The Company is not dealing in any activity which may have commodity price risk or Foreign Exchange risk or undertaken hedging activities.
9. There is no instance where the Board has not accepted any recommendation of any committee of the Board, which is mandatorily required in the financial year 2019-20.
10. CEO and CFO certification
- As per Regulation 17(8) and Part - B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from CEO and CFO has been obtained.

Ahmedabad.
30th June, 2020

Vikram Somany
Chairman and Managing Director
(DIN:00048827)

CERTIFICATE

To,
The Members,
CERA SANITARYWARE LIMITED
CIN: L26910GJ1998PLC034400

We have examined relevant registers, records, forms, returns and disclosures in respect of the Directors of **CERA SANITARYWARE LIMITED** (the Company) having its registered office situated at 9,G.I.D.C.Industrial,Estate Kadi, Mehsana - 382715 which were produced before us by the Company (including receipt of documents by way of electronic means on account of ongoing pandemic of Covid - 19) for the purpose of issuing a certificate as stipulated in Clause (10) (i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time.

In our opinion and to the best of our information and on the basis of the verification of the above stated documents (including the status of Directors Identification Number - DIN at the portal of Ministry of Corporate Affairs - MCA www.mca.gov.in), we hereby certify that none of the Directors on the Board of the Company as on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as a Directors of the Company by the Board i.e. Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such statutory authority.

Place : Ahmedabad
Date : 30th June, 2020

For Umesh Parikh & Associates
Company Secretaries
Umesh Parikh
Proprietor
FCS No. 4152
C P No.: 2413
UDIN:F004152B000381353