

Minutes of the proceedings of the Sixteenth Annual General Meeting of the members of CERA SANITARYWARE LIMITED held at 11.00 a.m. on Friday, the 22nd day of August, 2014 at the Registered Office of the Company at 9, GIDC Industrial Estate, Kadi - 382 715, District Mehsana, North Gujarat.

Directors present

1. Shri Vikram Somany (Chairman and Managing Director)
2. Shri Ashok Chhajed (Chairman of the Audit Committee)
3. Dr. K.N. Maiti
4. Shri Govindbhai P. Patel
5. Smt Deepshikha Khaitan
6. Shri Atul Sanghvi (Executive Director)

In attendance:

1. Shri Tushar H. Vasa, Proprietor of H.V. Vasa & Co., Statutory Auditors
2. Shri Narendra N. Patel - Company Secretary
3. Shri Umesh Parikh, Partner of Parikh Dave & Associates, Practicing Company Secretaries, as Scrutinizer.

Chairman:

Shri Vikram Somany, Chairman of the Board of Directors presided over the meeting.

Quorum:

The Chairman informed that the members present at the meeting were in adequate number to form quorum for transacting the business of the meeting as stated in the notice dated 12th June, 2014..

50 members including 10 authorized representatives of corporate members were present at the meeting.

It was announced that 21 valid proxies for 74,39,868 Equity Shares, including 10 from Corporate members and no invalid proxies were received.

It was announced that the Register of members, Register of Directors' Shareholding and Proxy Register with Proxy Forms, original Minutes of the General Meetings and other Statutory Registers were placed before the meeting and kept open for inspection by the members during the meeting.

All material documents referred to in the Explanatory Statement of the Notice convening the Sixteenth Annual General Meeting were made available for inspection by members.

Notice of the meeting:

With the consent of the Company's members present, the notice dated 12th June, 2014 convening the 16th Annual General Meeting as circulated to the members was taken as read.

Auditors' Report:

At the direction of the Chairman, Shri Narendra N Patel, Company Secretary read the Auditors' Report dated 25th April, 2014 on the Annual Accounts for the year 2013-14.

The Chairman informed the members that pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules 2014, the Company had extended e-Voting facility for the members of the Company in respect of ordinary and special business to be transacted at the Annual General Meeting. The e-Voting had commenced on 16.08.2014 (10.00 a.m.) and ended on 18.08.2014 (6.00 p.m.).

The Chairman informed that the Company has made arrangement to provide facility of voting by ballot to those members who could not cast their vote by e-Voting.

The members were informed that the Company has not received questions in advance on the Financial Statements for the Financial Year 2013-14 or any other resolution from any of the members. The Chairman then requested the members present to ask questions relating to the Financial Statements, policy matters, future business plan of the Company and also on 13 Resolutions proposed for passing by the members as stated in the Notice of Annual General Meeting dated 12th June, 2014.

Then, the Chairman replied all the questions from the members to their satisfaction and Shareholders expressed their satisfaction on the sharing of business information and on the working of the Company.

There being no other questions/queries from the members, the Chairman advised the Company Secretary to carry out the procedure for voting of all 13 resolutions by physical ballot.

The Company Secretary explained in detail the procedure for exercising the votes by the members through ballot and placed all the 13 resolutions for voting. Shri Umesh Parikh, Partner of Parikh Dave & Associates, Company Secretaries, was appointed as Scrutinizer to scrutinize the ballot paper voting and to submit their report.

The Chairman informed that the result of the voting on each resolution shall be determined by adding the votes of the ballot in favour or against a resolution with the electronic votes casted by the members in favour or against a respective resolution. He declared that on receipt of Scrutinizer's Report on the poll conducted (by electronic mode and by physical mode), the result of voting would be declared latest by the closing of business hours on 23.08.2014. The result to be declared for each resolution shall indicate separately the votes casted in favour of the resolution (assent) and votes casted against the resolution (dissent) and would be intimated to the Stock Exchanges along with Report of the Scrutinizer. He further stated the results shall also be uploaded on the Company's website www.cera-india.com. The Scrutinizer's Report would be available at the Registered Office of the Company.

Conduct of Ballot Voting

The Company Secretary conducted the voting procedure by distributing ballot papers, showing empty Polling Box to the members, locking and sealing empty Polling Box in the presence of members and proxy holders.

After ensuring that all members present had casted their votes, the Scrutinizer closed the voting at around 12.15 p.m. and then took the custody of the Polling Box.

Then the Annual General Meeting was concluded with a vote of thanks to the Chairman.

Result of the Electronic Voting and Ballot on the Ordinary and Special Business at the 16th Annual General Meeting of the Company held at 11.00 a.m. on Friday, the 22nd day of August, 2014 at the Registered Office of the Company at 9, GIDC Industrial Estate, Kadi - 382715, Dist. Mehsana.

On the basis of Scrutinizer's Report for the Electronic Voting which ended on 18.08.2014 (6.00 p.m.) and Ballot voting at the Annual General Meeting held on 22.08.2014, the Chairman announced the results of the voting on 23.08.2014 that all the resolutions for Ordinary and Special Businesses as set out at item No. 1 to 13 in the Notice of the 16th Annual General Meeting of the Company have been duly passed by the requisite majority. The details of the same are as under:

Resolution Nos.		Assent	%	Dissent	%	Status
Ordinary Resolution No.1	Total No. of voting rights voted	75,54,373	100	0	0	Passed unanimously
	No. of members voted	70	100	0	0	
Ordinary Resolution No.2	Total No. of voting rights voted	75,54,373	100	0	0	Passed unanimously
	No. of members voted	70	100	0	0	

Ordinary Resolution No.3	Total No. of voting rights voted	75,54,373	100	0	0	Passed unanimously
	No. of members voted	70	100	0	0	
Ordinary Resolution No.4	Total No. of voting rights voted	75,54,372	100	1	0	Passed with requisite majority
	No. of members voted	69	98.6	1	1.4	
Ordinary Resolution No.5	Total No. of voting rights voted	75,54,373	100	0	0	Passed unanimously
	No. of members voted	70	100	0	0	
Ordinary Resolution No.6	Total No. of voting rights voted	75,54,373	100	0	0	Passed unanimously
	No. of members voted	70	100	0	0	
Ordinary Resolution No.7	Total No. of voting rights voted	75,54,373	100	0	0	Passed unanimously
	No. of members voted	70	100	0	0	
Ordinary Resolution No.8	Total No. of voting rights voted	75,54,373	100	0	0	Passed unanimously
	No. of members voted	70	100	0	0	

Ordinary Resolution No.9	Total No. of voting rights voted	75,54,373	100	0	0	Passed unanimously
	No. of members voted	70	100	0	0	
Ordinary Resolution No.10	Total No. of voting rights voted	75,54,373	100	0	0	Passed unanimously
	No. of members voted	70	100	0	0	
Special Resolution No.11	Total No. of voting rights voted	75,54,373	100	0	0	Passed unanimously
	No. of members voted	70	100	0	0	
Special Resolution No.12	Total No. of voting rights voted	75,54,373	100	0	0	Passed unanimously
	No. of members voted	70	100	0	0	

Ordinary Resolution No.13	Total No. of voting rights voted	75,54,373	100	0	0	Passed unanimously
	No. of members voted	70	100	0	0	
Note: Equity Shareholders are entitled to one vote for one Share						

The Resolutions for Ordinary and Special Business as set out at item No. 1 to 13 in the Notice of 16th Annual General Meeting duly approved by the members with requisite majority, are recorded hereunder as note of the proceedings of 16th Annual General Meeting of the members of the Company held on 22.08.2014.

RESOLUTION NO.1

ORDINARY RESOLUTION:-

Adoption of Annual Accounts for the year ended 31st March, 2014.

"RESOLVED THAT Audited Balance Sheet as at 31.03.2014, Statement of Profit and Loss for the year ended 31.03.2014 along with notes on Financial Statements, Cash Flow Statement for the year ended 31.03.2014, Directors' and Auditors' Reports for the year 2013-14, as circulated to the members be and are hereby approved and adopted."

RESOLUTION NO.2

ORDINARY RESOLUTION:-

To declare dividend on Equity Shares

"RESOLVED THAT the dividend of Rs.5.00 per Equity Share, on 1,26,54,874 fully paid Equity Shares of Rs.5/- each, for the year ended 31.03.2014 be and is hereby declared and approved and the same be distributed among the Equity Shareholders, whose names appeared on the Register of Members of the Company as on 22.08.2014 in respect of shares held in physical form and the members whose names appeared on the statement of beneficial owners furnished by NSDL and CDSL at the end of business hours on 14.08.2014, in respect of shares held in dematerialized form."

RESOLUTION NO.3

ORDINARY RESOLUTION:-

Re-appointment of Dr. K.N. Maiti as Director

"RESOLVED THAT Dr. K.N. Maiti, Director, who retires by rotation under the Articles 149 to 152 of the Articles of Association of the Company and being eligible offers

himself for re-appointment be and is hereby re-appointed as Director of the Company."

RESOLUTION NO.4

ORDINARY RESOLUTION:-

Appointment of Auditors

"**RESOLVED THAT** H.V. Vasa & Co., Chartered Accountants, Ahmedabad, (Firm Regn. No.131054W) be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting at a remuneration of Rs.3,00,000/- p.a. (Rupees Three Lakhs Only) plus out of pocket expenses and service tax thereof as applicable."

RESOLUTION NO.5

ORDINARY RESOLUTION:-

Appointment of Shri Ashok Chhajed as an Independent Director.

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Ashok Chhajed (holding DIN 00116844) Director of the Company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company (who will not retire by rotation) to hold office for five consecutive years for a term up to 31st March, 2019."

RESOLUTION NO.6

ORDINARY RESOLUTION:-

Appointment of Shri Sajan Kumar Pasari as an Independent Director.

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Sajan Kumar Pasari (DIN 00370738) Director of the Company whose period of office is liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company (who will not retire by rotation) to hold office for five consecutive years for a term up to 31st March 2019."

RESOLUTION NO.7

ORDINARY RESOLUTION:-

Appointment of Shri Govindbhai P. Patel as an Independent Director.

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Govindbhai P. Patel (DIN 03156041) Director of the Company whose period of office is liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company (who will not retire by rotation) to hold office for five consecutive years for a term up to 31st March 2019."

RESOLUTION NO..8

ORDINARY RESOLUTION:-

Appointment of Shri Lalit Kumar Bohania as an Independent Director.

"RESOLVED THAT Shri Lalit Kumar Bohania (holding Din 00235869), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 11.07.2013 in terms of Section 260 of the Companies Act, 1956 (corresponding to section 161 of the Companies Act, 2013) and Article 137 of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company (who will not retire by rotation) pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies

Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 to hold office for five consecutive years for a term up to 31st March 2019."

RESOLUTION NO.9

ORDINARY RESOLUTION:-

Appointment of Smt. Deepshikha Khaitan as Director

"RESOLVED THAT Smt. Deepshikha Khaitan (DIN 03365068) appointed as an Additional Director of the Company by Board of Directors w.e.f. 29.03.2014 u/s 260 of the Companies Act, 1956 (Section 161 of the Companies Act, 2013) and Article 137 of the Articles of Association of the Company and who ceases to hold the office at this Annual General Meeting and in respect of whom the Company has received notice in writing proposing her candidature for the office of the director be and is

hereby appointed as director of the Company, who will be liable to retire by rotation."

RESOLUTION NO.10

ORDINARY RESOLUTION:-

Appointment of Shri Atul Sanghvi as Director

"RESOLVED THAT Shri Atul Sanghvi (DIN 00045903) appointed as an Additional Director of the Company by Board of Directors w.e.f. 01.04.2014 u/s 260 of the Companies Act, 1956 (Section 161 of the Companies Act, 2013) and Article 137 of the Articles of Association of the Company and who ceases to hold the office at this Annual General Meeting and in respect of whom the Company has received notice in writing proposing his candidature for the office of the director be and is hereby appointed as director of the Company, who will be liable to retire by rotation."

RESOLUTION NO.11

SPECIAL RESOLUTION:-

Appointment of Shri Atul Sanghvi as Executive Director

"RESOLVED THAT approval of the members be and is hereby accorded in terms of Sections 196, 197, 198, 203, Schedule V and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) for the appointment of and for the remuneration payable to Shri Atul Sanghvi (DIN 00045903) as Executive Director of the Company for a period of Three (3) years w.e.f. 01.04.2014 in terms of agreement entered into by the Board of Directors of the Company with Shri Atul Sanghvi."

"RESOLVED FURTHER THAT Shri Atul Sanghvi, Executive Director will be liable to retire by rotation."

"RESOLVED FURTHER THAT the Executive Director is also entitled to the benefits as per the rules of the Company, which the other executives/ employees of the Company are entitled to."

"RESOLVED FURTHER THAT total remuneration payable to Shri Atul Sanghvi shall not exceed 5% of the net profit of the Company and total remuneration payable to all the working directors shall not exceed 10% of the net profit of the Company in any financial year, calculated in accordance with the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force)."

"RESOLVED FURTHER THAT in the event of absence or inadequacy of profit in any financial year during the tenure of his appointment, total remuneration payable shall not exceed the maximum limit prescribed under Schedule V of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), if and to the extent with necessary approvals."

"RESOLVED FURTHER THAT Shri Atul Sanghvi, Executive Director appointed herein above shall be appointed as an "Occupier" of the Company as defined under Section 2 of the Factories Act."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter and / or vary the terms and conditions of the said appointment and / or agreement in such a manner as it deem fit in terms of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force)."

RESOLUTION NO.12

SPECIAL RESOLUTION:-

Re-appointment of Shri Vikram Somany as Chairman and Managing Director

"RESOLVED THAT approval of the members be and is hereby accorded in terms of Sections 196, 197, 198, 203, Schedule V and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) for the re-appointment of and for the remuneration payable to Shri Vikram Somany (DIN 00048827) as Chairman and Managing Director of the Company for a period of three years w.e.f. 01.07.2014 in terms of agreement entered into by the Board of Directors of the Company with Shri Vikram Somany."

"RESOLVED FURTHER THAT Shri Vikram Somany, Chairman and Managing Director will not be liable to retire by rotation."

"RESOLVED FURTHER THAT the Chairman and Managing Director is also entitled to the benefits as per the rules of the Company, which the other executives/ employees of the Company are entitled to.

"RESOLVED FURTHER THAT total remuneration payable to Shri Vikram Somany shall not exceed 5% of the net profit of the Company and total remuneration payable to all the working directors shall not exceed 10% of the net profit of the company in

any financial year, calculated in accordance with the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force).

"RESOLVED FURTHER THAT in the event of absence or inadequacy of profit in any financial year during the tenure of his appointment, total remuneration payable shall not exceed the maximum limit prescribed under Schedule V of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), if and to the extent with necessary approvals."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter and / or vary the terms and conditions of the said appointment and / or agreement in such a manner as it deem fit, in terms of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force)."

RESOLUTION NO.13

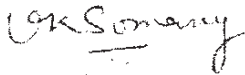
ORDINARY RESOLUTION:-

Approval of the remuneration of the Cost Auditors

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), K. G. Goyal & Co., Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company, as per the recommendation of Audit Committee to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration of Rs.25,000/- p.a. plus out of pocket expenses and service tax, if any."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Date: September 5, 2014


Vikram Somany
Chairman

08/09/2014