CERA

CERA Sanitaryware Limited



GROWTH THAT REFLECTS OUR VALUES

ANNUAL REPORT
2017-18

Board of Directors

Shri Vikram Somany	-	Chairman and Managing Director
Smt. Deepshikha Khaitan	-	Vice Chairperson (Non-Executive)
Shri Sajan Kumar Pasari		
Shri Lalit Kumar Bohania		
Shri Ayush Bagla		
Shri Surendra Singh Baid		
Shri J. K. Taparia		
Shri Atul Sanghvi	-	Executive Director

Bankers

State Bank of India

Auditors

N. M. Nagri & Co.,
Chartered Accountants,
'A' Block, 5th Floor, A-1 & A-2, Safal Profitaire, Opp. Prahlad Nagar Garden,
Near Hotel Ramada, Prahlad Nagar, Ahmedabad - 380 015.

Registered Office

9, GIDC Industrial Estate, Kadi-382 715, Dist. Mehsana, Gujarat, India.
www.cera-india.com; Phone : (02764) 242329, 243000
E-mail : kadi@cera-india.com; CIN : L26910GJ1998PLC034400

Sales & Marketing Office

"Madhusudan House", Opp. Navrangpura Telephone Exchange, Ahmedabad - 380 006.

Works

1) Sanitaryware and Faucetware Plants :
   9, GIDC Industrial Estate, Kadi-382 715, Dist. Mehsana, Gujarat.
2) Wind Farms :
   a) Vill. Lamba & Patelka, Tal. Kalyanpur, Dist. Devbhumi Dwarka, Gujarat.
   b) Vill. & Tal. Kalyanpur, Dist. Devbhumi Dwarka, Gujarat.
   c) Vill. Kadoli, Tal. Abdasa, Dist. Kutch, Gujarat.
   d) Vill. Jivapar (Anandpar),Tal. Chotila, Dist. Surendranagar, Gujarat.
   e) Vill. Mota Gunda, Tal. Bhanwad, Dist. Devbhumi Dwarka, Gujarat.
   f) Vill. Navagam, Tal. Bhanwad, Dist. Devbhumi Dwarka, Gujarat.

Registrar & Share Transfer Agent

MCS Share Transfer Agent Limited
201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380 009.

President & Company Secretary
Narendra N. Patel

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Annual General Meeting at 11.30 a.m. on Thursday, the 30th day of August, 2018 at the Registered Office.

NOTICE

Notice is hereby given that the 20th Annual General Meeting of the members of CERA SANITARYWARE LIMITED will be held at 11.30 a.m. on Thursday, the 30th day of August, 2018 at the Registered Office of the Company at 9, GIDC Industrial Estate, Kadi – 382 715, Dist. Mehsana, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone and Consolidated financial statements of the Company for the year ended 31st March, 2018 including statement of Audited Profit and Loss and Cashflow Statement for the year ended 31st March, 2018, Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.

2. To declare dividend on Equity Shares.

3. To appoint a director in place of Smt. Deepshika Khaitan (holding DIN – 03365068), who retires by rotation and being eligible, offers herself for reappointment.

4 To ratify the appointment of Statutory Auditors and to fix their remuneration and consider the following resolution as an **ordinary resolution:**

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, as amended from time to time, the Company hereby ratifies the appointment of N. M. Nagri & Co., Chartered Accountants, Ahmedabad (Firm Registration No.:106792W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the calendar year 2019 at such remuneration plus reimbursement of out of pocket expenses and applicable taxes if any for the purpose of audit as may be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution:**

"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 ended 31st March, 2019, be paid the remuneration of ` 80,000/- p.a. plus out of pocket expenses and applicable taxes, 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."

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution:**

"RESOLVED that Shri Ayush Bagla (holding DIN 01211591), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 18th April, 2018 in terms of 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 amendment(s), modification(s), replacement(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, 2023."

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution:**

"RESOLVED that Shri Surendra Singh Baid (holding DIN 02736988), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 18th April, 2018 in terms of 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 amendment(s), modification(s), replacement(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, 2023."

8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **special resolution:**

"RESOLVED THAT pursuant to Sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made there under including any amendment(s), modification(s), replacement(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), Independent Director of the Company, whose term of office as Independent Director expires on 31st March, 2019, and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of Independent Director be and is hereby re-appointed as an Independent Director of the Company (who will not retire by rotation) to hold office, for a second term of 5 (five) consecutive years upto 31st March, 2024."

9. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **special resolution:**

"RESOLVED THAT pursuant to Sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made there under including any amendment(s), modification(s), replacement(s) or re-enactment thereof for the time being in force read with Schedule IV to the Companies Act, 2013, Shri Lalit Kumar Bohania (DIN

00235869), Independent Director of the Company, whose term of office as Independent Director expires on 31st March, 2019, and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of Independent Director be and is hereby re-appointed as an Independent Director of the Company (who will not retire by rotation) to hold office, for a second term of 5 (five) consecutive years upto 31st March, 2024."

10. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution:**

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 ("the Act"), the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable rules, if any and applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and such other approvals, consents or permissions of any authority as may be necessary, approval of the members of the Company be and is hereby accorded to the Audit Committee and/or the Board of Directors to authorize the management of the Company to enter into Agreement / transaction(s) as may be appropriate, with Anjani Tiles Limited, Subsidiary Company, being related party as defined under Section 2(76) of the Companies Act, 2013, for purchase of goods, materials and job work, if any, on such terms and conditions as may be mutually agreed upon between the Company and Anjani Tiles Limited, Subsidiary Company for an amount not exceeding in aggregate Rs.150 Crores (Rupees One Hundred Fifty Crores only) in each financial year for next three financial years.

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 or expedient to give effect to this resolution."

Regd. Office :
9, GIDC Industrial Estate,
Kadi – 382 715
3rd May, 2018
CIN : L26910GJ1998PLC034400

By Order of the Board of Directors
Narendra N. Patel
President & Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent (10%) of total share capital of the Company.

2. Members are requested to notify immediately the change of address, if any, to the Company or MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent of the Company.

3. The Register of Members and Share transfer book of the Company will remain closed from Friday, 17th August, 2018 to Friday, 24th August, 2018 (both days inclusive).

4. The Board of Directors has recommended a dividend of ` 12/- (240%) per fully paid equity share of ` 5/- each for the year ended 31st March, 2018.

5. Members / Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.

6. Members are requested to send their queries at least ten days before the date of the meeting so that the information can be made available at the meeting.

7. Statement pursuant to provisions of Section 102 of the Companies Act, 2013 is annexed hereto.

8. The Company has transferred the unpaid/unclaimed dividends up to the financial year 2009-10 to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Members who have not encashed their dividend warrants for the financial year 2010-11 onwards are advised to write to the Company immediately claiming dividends declared by the Company.

9. 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, the Company has issued Newspaper advertisement on 1st December, 2016 and Company has send individual notices to the shareholders on 29th November, 2016 and on 31st October, 2017 for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, such shareholders' shares have been transferred to the Investor Education and Protection Fund on 28th November, 2017.

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 IEPF Authority at www.iepf.gov.in.

Such shareholders are requested to claim their unclaimed/ unpaid dividend immediately.

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar.

11. Shareholders holding shares in Electronic Form may note that their bank account details as furnished by their depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the depositories and the Company will not entertain any direct request from such shareholders for deletion of / change in such bank details. Shareholders who wish to change such bank account details are, therefore, requested to advise their Depository Participants about such change, with complete details of bank account.

12. Annual Report 2017-18 along with notice of the AGM, Attendance Slip, Proxy Form and process instructions and the manner of conducting E-voting is being sent electronically to all the members whose email IDs are registered with the Company / Depository Participant(s). For members who

request for a hard copy and for those who have not registered their email address, physical copies of Annual Report are being sent through the permitted mode. Members who have not registered their email address are requested to get their email address registered with the Company / Depository Participants and update the same, if required. This may be treated as an advance opportunity in terms of proviso to Rule18(3) (i) of the Companies (Management and Administration) Rules, 2014.

13. All the documents, if any, referred to in this notice and explanatory statement are available for inspection of the members at the registered office of the Company on any working day except Saturday, between 10:00 a.m. to 1:00 p.m. up to the conclusion of this meeting.

14. Voting through electronic means

    In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide members facility to exercise their right to vote at the 20th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The members shall refer to the detailed procedures on e-voting attached herewith.

15. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

16. Members are required to vote only through the electronic system or through ballot at Annual General Meeting only and in no other form. In the event a member casts his votes through both the processes, the votes in the electronic system would be considered and the ballot vote would be ignored.

17. The remote e-voting period commences on Monday, 27th August, 2018 (10:00 am) and ends on Wednesday, 29th August, 2018 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 23rd August, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

18. The e-voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Thursday, 23rd August, 2018. A person other than member on cut off date should treat this notice for information only.

19. A member may participate in the Annual General Meeting even after exercising his right to vote through e-voting, but shall not be allowed to vote again.

20. Shri Umesh Parikh, partner of Parikh Dave & Associates, Companies Secretaries, (Membership No. FCS: 4152) has been appointed as the Scrutinizer to scrutinize the e-voting process and voting process at AGM in a fair and transparent manner.

21. The scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

22. The Results will be declared on receipt of Scrutinizer's Report at the Registered office of the Company at 9, GIDC Industrial Estate, Kadi-382715. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.cera-india.com and on the website of CDSL immediately and communicated to the NSE and BSE.

23. Shri Narendra N. Patel, Compliance Officer of the Company, "Madhusadan House", Opp. Navrangpura Telephone Exchange, Ahmedabad - 380 006, shall be responsible for addressing all the grievances in relation to this Annual General Meeting including e-voting. His contact details are **E-mail**: hemal.sadiwala@cera-india.com, **Phone No**. 079-26449781.

24. Members holding equity shares in electronic form and proxies thereof, are requested to bring their dp id and client id for identification.

25. Brief resume of directors, who are proposed to be appointed / re-appointed at this meeting are given below:

Name of Director	Smt. Deepshikha Khaitan	Shri Ayush Bagla	Shri Surendra Singh Baid	Shri Lalit Kumar Bohania	Shri Sajan Kumar Pasari
Date of Birth	17.03.1975	10.09.1973	30.05.1951	16.02.1963	21.02.1947
Date of Appointment	29.03.2014	18.04.2018	18.04.2018	11.07.2013	15.06.2004
Brief Resume and Nature of expertise in specific functional areas	Legal Matters and Management services	Finance and Financial Services	Product and Business Development, Sales & Marketing personnel management	Accounts & Finance	Businessman
List of other Directorships	- Capital Publishing Pvt. Ltd. - Indian Council of Sanitaryware manufactures - Star Agrocom Pvt.Ltd.	- Seaside Real Estate Pvt. Ltd. - Paradigm Finance Ltd.	S.S. Baid Consultancy Private Limited	- Motex Traders Private Limited - Ankush Steel Co. Pvt. Ltd. - GDS Nirman Pvt. Ltd. - Sangeeta Plywood Pvt. Ltd. - Parmeshwar Properties Pvt. Ltd. - Manobal Properties Pvt. Ltd. - Sunny Nirman Pvt. Ltd. - Damini Vinimay Pvt. Ltd. - Samarpan Developers Pvt. Ltd. - Gokul Heights Pvt. Ltd. - Indraprastha Agency Pvt. Ltd. - Kripalu Abason Pvt. Ltd. - Moonlight Plazza Pvt. Ltd.	- Regent Estates Ltd. - Assam Roofing Limited - India Automobiles (1960) Ltd. - The Chamong Tea Co Ltd - Pegasus Infra Estates Private Limited - West Wing Estates Private Limited - Arcus Estates Private Limited - I.A. Builders Private Limited - I.A. Property Developers Private Limited - Indian Chamber of Commerce Calcutta
Chairman / Member of the Committees of the Board of other Companies	-	-	-	-	-
Disclosure of relationship between Director Inter-Se	Smt. Deepshikha Khaitan, is a daughter of Shri Vikram Somany.	Not Related to any Director	Not Related to any Director	Not Related to any Director	Not Related to any Director
Shareholding in the Company	339116	-	-	-	236696

Statement pursuant to provisions of Section 102 the Companies Act, 2013.

Item No. 5

The Board of Directors on the recommendation of the Audit Committee has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item No. 5 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ended 31st March, 2019.

The Board of Directors recommends the ordinary resolution as per item No. 5 of the accompanying notice for approval of the members of the Company.

None of the Directors or Key Managerial Personnel of the company or their relatives are, concerned or interested financially or otherwise in the said resolution as per item no.5 of the Notice.

Item No. 6

The Board of Directors at its meeting held on 18th April, 2018 has appointed Shri Ayush Bagla as Additional Director (Independent) of the Company w.e.f. 18th April, 2018 under section 161 of the Companies Act, 2013 and Article 137 of the Articles of Association of the Company. He is B.A. (Management) from Franklin & Marshal College (USA). He is having rich experience of more than 20 years in the fields of Finance, Financial Services, Asset Management, Project Management etc.

He does not hold either by himself or by other persons any shares in the Company.

According to the provisions of Section 161 of the Companies Act, 2013, he will hold office as an Additional Director only up to the date of this Annual General Meeting. As required under Section 160 of the Companies Act, 2013, notice has been received from a member signifying his intention to propose the appointment of Shri Ayush Bagla as Director.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Ayush Bagla being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to 31st March, 2023. His appointment as Independent Director is also approved and recommended by the Nomination and Remuneration Committee of the Company.

In the opinion of the Board, Shri Ayush Bagla fulfills the conditions specified in the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment as Independent Director of the Company. He is independent of the management of the Company.

The Board considers that his experience and expertise would be of immense benefit to the Board and the Company and it is desirable to continue to avail the services of Shri Ayush Bagla as an Independent Director. Accordingly, the Board recommends the resolution as per item no. 6 of the accompanying notice for appointment of Shri Ayush Bagla as an Independent Director for passing by the members of the Company.

The disclosure under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided in the notes to this Notice.

Except Shri Ayush Bagla, none of your Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution as per the item No. 6 of the notice.

Item No. 7

The Board of Directors at its meeting held on 18.04.2018 has appointed Shri Surendra Singh Baid as Additional Director (Independent) of the Company w.e.f. 18th April, 2018 under section 161 of the Companies Act, 2013 and Article 137 of the Articles of Association of the Company. He is B.Sc. Tech, Ceramics, (BHU) and having experience of more than 44 years in Insulator Industry, Product and Business development, sales & marketing, personnel management, etc.

He does not hold either by himself or by other persons any shares in the Company.

According to the provisions of Section 161 of the Companies Act, 2013, he will hold office as an Additional Director only up to the date of this Annual General Meeting. As required under Section 160 of the Companies Act, 2013, notice has been received from a member signifying his intention to propose the appointment of Shri Surendra Singh Baid as Director.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Surendra Singh Baid being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to 31st March, 2023. His appointment as Independent Director is also approved and recommended by the Nomination and Remuneration Committee of the Company.

In the opinion of the Board, Shri Surendra Singh Baid fulfills the conditions specified in the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment as Independent Director of the Company. He is independent of the management of the Company.

The Board considers that his experience and expertise would be of great benefit to the Board and the Company and it is desirable to continue to avail the services of Shri Surendra Singh Baid as an Independent Director. Accordingly, the Board recommends the resolution as per item no. 7 of the accompanying notice for appointment of Shri Surendra Singh Baid as an Independent Director for passing by the members of the Company.

The disclosure under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided in the notes to this Notice.

Except Shri Surendra Singh Baid, none of your Directors or key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution as per the item No. 7 of the notice.

Item No. 8 & 9

The Members of the Company, at the 16th Annual General Meeting held on 22nd August, 2014 had approved the appointment of Shri Sajan Kumar Pasari and Shri Lalit Kumar Bohania as an Independent Directors of the Company, whose terms are due to expire on 31st March, 2019. They are very experienced in their respective fields and in managing the business affairs, having long association with the Company, actively participative and guiding the board on many occasions. They are also Directors of many other Public/Private Limited Companies. Shri Sajankumar Pasari is holding 2,36,696 equity shares in the Company, while Shri Lalitkumar Bohania is not holding any shares.

As per Section 149(10) of the Companies Act, 2013 ("Act"), an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for a second term of upto five consecutive years on the Board of a Company.

In view of the aforesaid provisions of the Act and long association with Company, rich experience, valuable guidance to the management and strong Board performance of said Independent Directors, it is proposed to re-appoint them for the second term as an Independent Directors on the Board of Company for a period of five consecutive years upto 31st March, 2024. Notices have been received from two members, signifying their intention proposing Shri Sajan Kumar Pasari and Shri Lalit Kumar Bohania being appointed as Independent Directors of the Company. Their appointment as Independent Directors is also approved and recommended by the Nomination and Remuneration Committee of the Company.

In the opinion of the Board, they fulfill the conditions specified in the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for

appointment as Independent Directors of the Company. They are also independent of the management of the Company.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as an Independent Directors.

Accordingly, the Board recommends the Resolutions at Item No. 8 & 9 of the accompanying notice for re-appointment of Shri Sajan Kumar Pasari and Shri Lalit Kumar Bohania as Independent Directors by passing the special resolution by the members of the Company.

The disclosure under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided in the notes to this Notice.

Except Shri Sajan Kumar Pasari and Shri Lalit Kumar Bohania, being appointees, none of your Directors or key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution as per the item No. 8 & 9 of the notice.

Item No. 10

The Company is inter-alia, engaged in the business of Manufacturing, marketing and distribution of sanitaryware, Faucetware, tiles and other bath room products. The Company in the ordinary course of its business is entering into transactions relating to Purchase of goods, materials and Job work including tiles from various parties. Anjani Tiles Limited, Subsidiary Company is Related Party within the meaning of Section 2(76) of the Companies Act, 2013 and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has entered into agreement with Anjani Tiles Limited for purchase of its entire production of Tiles.

The transactions with the aforesaid related party are entered into in the ordinary course of business and on arm's length price. However, for abundant caution and as a good corporate practice, your directors thought it fit to get the approval of members.

Details of proposed transactions relating to purchase of tiles from Anjani Tiles Limited for period of three years with effect from 01st April, 2018 will be on following terms and conditions:

The particulars of the contracts / arrangements / transactions are as under:

Name of the Related Party	Anjani Tiles Limited
Name of Director(s) or KMPs who is/are related	Shri S. C. Kothari Shri Atul Sanghvi Shri Rajesh B. Shah Shri J.K. Taparia
Nature of Relationship	Subsidiary Company
Nature of contracts/ arrangements/transactions	Purchase of goods, materials and job work
Material terms of the contracts/ arrangements/ transactions	At prevailing prices on arm's length basis and on Industry practice terms.
Monetary Value	Up to ` 150 Crores in each financial year for next 3 financial years
Any other information relevant or important for the members to make a decision on the proposed transactions	None

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 10 of the notice for approval of related party transactions.

The Board recommends the ordinary resolution as per item no. 10 of the accompanying notice for approval of the members of the Company.

Except Shri S.C. Kothari, CEO, Shri Atul Sanghvi, E.D., Shri Rajesh B. Shah, CFO & COO (Fin and Comm.) and Shri J. K. Taparia, Director none of your Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution as per the item no. 10 of the notice.

Regd. Office :
9, GIDC Industrial Estate,
Kadi – 382 715
3rd May, 2018
CIN : L26910GJ1998PLC034400

By Order of the Board of Directors
Narendra N. Patel
President & Company Secretary

Procedure on e-voting

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on 27th August, 2018 (10:00 am) and ends on 29th August, 2018 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd August, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	- Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on Address Sticker.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. - If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for relevant Cera Sanitaryware Ltd. on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the log in password then enter the User ID and Image Verification Code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also use Mobile app - "m-Voting" for e-voting. M-Voting app is available on Apple, Android & Windows based Mobile. Shareholders may log in to m-Voting using their e voting credentials to vote for the company resolution(s).

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details user would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the log in should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Directors' Report

To
The Members,

The Directors have pleasure in submitting the Annual Report together with the Statement of Accounts of your Company for the year ended 31st March, 2018.

Performance

The summary of your Company's financial performance is given below:

(` in Lakhs)

	Year ended March 31, 2018	Year ended March 31, 2017
Profit before Depreciation and Taxes & Exceptional item	**17679.44**	17656.61
Deducting there from Depreciation of	**2235.76**	1811.95
Profit before Tax	**15443.68**	15844.66
Deducting there from taxes of:		
- Current Year	**5009.99**	5143.71
- Deferred Tax	**408.54**	303.55
Profit for the year	**10025.15**	10397.40
Add/Less: Other comprehensive Income (Net of tax)	**(90.21)**	(115.01)
Total Comprehensive Income for the year.	**9934.94**	10282.39

Transfer to Reserves

The Company has transferred a sum of ` 5857.61 Lakhs to General Reserve in the current year (previous year ` 6359.68 Lakhs).

Highlights / Performance of the Company

Turnover (Net of GST/Excise) of the Company for the year increased by 17% to ` 117808.72 Lakhs as compared to `100917.03 Lakhs previous year.

The Directors are pleased to inform you that your Company has continued to grow in 2017-18 due to the aggressive sales and marketing efforts combined with new product launches and improved product quality with induction of new technology in the production process.

Sanitaryware Unit

During the year, the plant had run at its optimum capacity. The focus of your Company now has shifted towards premiumization by producing more of high value items thus maximizing its optimum capacity.

Your company has been constantly upgrading its technology for continuous improvement in productivity and quality. 3D printing machines are helping your Company launch new designs from concept in a matter of weeks. The robotic glazing machines help evenness of glaze and also saving in wastage of glaze.

Faucetsware Unit

In the Faucetware plant too, technology upgradation has been helping your Company in productivity and quality. During the year Zamac plant for manufacturing of Zamac handles has commissioned and commercial production commenced which has helped the Company to stop imports.

Continuous launch of new designs has helped your company garner larger market share. 3D printing, robotic grinding and polishing, low pressure die casting, automated chrome plating, etc. are helping your Company in providing quality products.

Bathware Unit

Your Company has launched new ranges of wellness, kitchen sinks and mirrors, which have been well accepted in the market.

Senator by CERA

Your Company recently launched a new brand, SENATOR by CERA aimed at premium segment and the response of SENATOR range was overwhelming.

JEET

Your Company also launched JEET, sanitaryware range aimed at affordable segment, which is growing very fast.

ISVEA

The Italian luxury designer Sanitaryware, ISVEA, launched by CERA has now gained momentum in the market.

Tiles Unit

Your Company continues to strengthen its market reach in tiles. Apart from South India through JV with Anjani Tiles Limited, Company spread its wings in a good way in North, West and East too.

The launch of new exclusive design collection, conceived by the design team, was a success which helped CERA establish as a front runner in tiles.

CERA Home Upgrage

CERA home upgrade has added new products like construction chemicals, which are gaining grounds.

Joint Ventures

Your company has entered into a Joint Venture with Anjani Tiles Limited at Andhra Pradesh with 51% Equity and 54% Preference Share holding in aggregate amounting to ` 2933 Lakhs (Previous Year ` 2678 Lakhs) for producing Vitrified Floor Tiles of 10000 Sq. Mtr. per day. The commercial production of tiles from this plant has started from 1st April, 2016.

Packaging Unit

The Joint Venture unit for manufacture of corrugated boxes has been doing well. The capacity utilization has increased considerably during the year. CERA holds an equity of 51%.

Dubai & Sharjah operations

Company has started showroom in Dubai at main Sanitaryware market to have sale and display of company's products. In addition to this company has opened warehousing facility at Sharjah to cater UAE market and appointed dealers having CERA display gallery. The operations at Dubai & Sharjah are taking shape.