

REPORT ON CORPORATE GOVERNANCE

THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Kajaria's ('the Company') governance philosophy is based on the trusteeship, transparency and accountability. We believe that it is imperative for us to manage our business affairs in the most fair and transparent manner with a firm commitment to our values. For us, corporate governance is an ethically driven business process that is commitment to values aimed at enhancing an organization's brand and reputation.

As a part of the Company's growth strategy, we continuously review the Corporate Governance practices, so that they can be best across the globe. The Company's Code of Conduct and Ethics and the Code of Conduct for Prevention of Insider Trading are an extension of our values and reflect our commitment to ethical business practices.

The Board of Directors ('the Board') of the Company are responsible and committed to sound principles of Corporate Governance in the Company. The Board of the Company plays a crucial role in overseeing how the management serves the short and long term interest of the shareholders and other stakeholders.

THE CORPORATE GOVERNANCE PHILOSOPHY OF THE COMPANY IS BASED ON THE FOLLOWING PRINCIPLES:

- Appropriate composition of the Board;
- Timely disclosure of material and financial information to the Board and Stakeholders;
- Systems and processes are in place to ensure financial control and compliance of applicable laws; and
- Proper Business Conduct by the Board, Committees, Senior Management and Employees.

BOARD OF DIRECTORS

The Company firmly believes that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance in order to bring objectivity

and transparency in the Management. The Board of Directors alongwith their Committees are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has vested with the requisite powers, authorities and duties.

SELECTION OF THE BOARD

In terms of the requirement of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations'), the Nomination and Remuneration Committee has been designated to evaluate and recommend the Board, the need for change in the composition and size of the Board of the Company and to select members for filling the Board vacancies and nominating candidates for election by the shareholders at the Annual General Meeting.

COMPOSITION

The Board has an optimum combination of Executive and Non-Executive Directors including Independent Directors and Woman Director as required under the applicable legislations. The Board consists of eminent individuals from the Industry, management, technical, financial and marketing, etc. The Company is managed by the Board of Directors in co-ordination with their Committees and the Senior Management team. As on 31st March, 2020, the Company has Eight (8) Directors on its Board, out of which Three (3) are Executive Directors, One (1) is Non-executive Non-Independent Director and Four (4) are Non-executive-Independent Directors including one (1) Woman Non-executive Independent Director. The Board, on recommendation of the Nomination and Remuneration Committee periodically evaluates the need for change in composition and size of the Board of Directors of the Company.

The details of composition of the Board, category of Directorship, number of Directorships in other companies, Chairmanship/Membership of the Committee of each Director in other Companies, attendance of the Directors at Board Meetings and last Annual General Meeting as on 31st March 2020 are given below:

Name	Category of Director	Board Meeting held during his/her tenure	Board Meeting attended	Last Annual General Meeting attended	Directorship in other companies*	Committee Chairmanship of other Boards**	Committee Membership of other Boards**
Mr. Ashok Kajaria (DIN: 00273877)	Chairman & Managing Director (Promoter)	5	5	Yes	1	0	2
Mr. Chetan Kajaria (DIN: 00273928) \$	Joint Managing Director	5	5	Yes	1	0	1
Mr. Rishi Kajaria (DIN: 00228455) \$	Joint Managing Director	5	5	Yes	1	0	0
Mr. Dev Datt Rishi (DIN: 00312882)	Director –(Non-Executive)	5	5	Yes	1	0	0
Mr. Raj Kumar Bhargava # (DIN: 00016949)	Director (Independent Non-Executive)	5	5	Yes	3	3	2
Mr. Debi Prasad Bagchi # (DIN: 00061648)	Director (Independent Non-Executive)	5	5	Yes	1	0	1
Mr. H. Rathnakar Hegde ^^ (DIN: 05158270)	Director (Independent Non-Executive)	5	5	Yes	8	5	4
Mrs. Sushmita Singha @ (DIN: 02284266)	Director (Independent Non-Executive)	5	5	Yes	4	1	1

* Excluded the Directorship held in private limited companies, foreign companies and companies incorporated under Section 8 of the Companies Act, 2013, as per Regulation 26 of the Listing Regulations, but included Kajaria Ceramics Limited.

** Included only the Membership/Chairmanship in Audit Committee and Stakeholders Relationship Committee in all Public Limited Companies as per Regulation 26 of the Listing Regulations, including Kajaria Ceramics Limited.

The second term of Mr. Raj Kumar Bhargava and Mr. Debi Prasad Bagchi as the Independent Directors of the Company started from 1st August, 2019 as approved by the shareholders of the Company by passing the Special Resolutions on 11th March, 2019, through Postal Ballot:

^^ The second term of Mr. H. Rathnakar Hegde as the Independent Director of the Company started from 1st April, 2019 as the as approved by the shareholders of the Company at the 32nd Annual General Meeting held on 27th August, 2018.

@ The second term of Mrs. Sushmita Singha as the Independent Director of the Company started from 30th March, 2020 as the as approved by the shareholders of the Company at the 33rd Annual General Meeting held on 26th August, 2019.

\$ Promoter Group

The number of Directorships, Chairmanships and Committee memberships of each Director is in compliance with the relevant provisions of the Companies Act, 2013 and the Listing Regulations.

During the year 2019-20, none of the Independent Director resigned from the office before the expiry of his/her tenure.

Mr. Ashok Kajaria, Chairman & Managing Director of the Company is the father of Mr. Chetan Kajaria and Mr. Rishi Kajaria, Joint Managing Directors, of the Company. There is no relationship between any of the Non-executive/Independent Directors of the Company.

As mandated by the Listing Regulations, none of the Directors of the Company are members of more than ten Board level committees nor are the Chairperson of more than five Board level committees in public limited companies in which they are Directors.

CATEGORY OF DIRECTORSHIP IN OTHER COMPANIES LISTED ON RECOGNIZED STOCK EXCHANGE(S):

Name of other companies listed at the recognized Stock Exchange(s) in which the Directors of the Company hold position of Directorship (alongwith category of Directorship), as on 31st March, 2020, are as under:

Name	Name of other companies listed at the recognized Stock Exchange(s) in which hold Directorship*	Category of Directorship
Mr. Ashok Kajaria (DIN: 00273877)	-	-
Mr. Chetan Kajaria (DIN: 00273928)	-	-
Mr. Rishi Kajaria (DIN: 00228455)	-	-
Mr. Dev Datt Rishi (DIN: 00312882)	-	-
Mr. Raj Kumar Bhargava (DIN: 00016949)	Asian Hotels (West) Limited	Non-executive & Independent Director
	HB Portfolio Limited	Non-executive & Independent Director
Mr. Debi Prasad Bagchi (DIN: 00061648)	-	-
Mr. H. Rathnakar Hegde (DIN: 05158270)	Sical Logistics Limited	Non-executive & Independent Director
Mrs. Sushmita Singha (DIN: 02284266)	Radico Khaitan Limited	Non-executive & Independent Director
	Greenpanel Industries Limited	Non-executive & Independent Director

* Excluded the Directorship held in Kajaria Ceramics Limited.

NUMBER OF SHARES HELD BY INDEPENDENT DIRECTORS/NON-EXECUTIVE DIRECTOR

The details of equity shares of the Company held by the Independent/Non-Executive Directors as on 31st March, 2020 are as under:

Sr. No.	Name of Independent /Non-executive Directors	Category	No. of equity shares of ₹1 each of the Company held as on 31st March, 2020
1.	Mr. Raj Kumar Bhargava	Non-executive & Independent Director	18592
2.	Mr. Dev Datt Rishi	Non-executive Director	624

No other Independent Directors, hold any share of the Company 31st March, 2020.

None of the Independent Directors of the Company is serving as an Independent Director in more than 7 Listed Companies. Further, no Independent Director of the Company holds positions of Whole-Time Director in another Listed Company.

BOARD MEETINGS

The Board meets at least once in every quarter, in compliance of applicable laws, to discuss and decide on, inter-alia, business strategies/policies and review the financial performance of the Company and its subsidiaries and other items on agenda. Additional meetings are held from time to time as and when necessary.

The notice of each Board Meeting is given in writing to each Director of the Company. The agenda along with the relevant notes and other material information are sent to each Director in advance and in exceptional cases tabled at the meeting.

Also, the Board meetings of the Company have been held with proper compliance of the provisions of Companies Act, 2013, Listing Regulations and Secretarial Standards, as applicable thereon.

During the financial year 2019-20, five (5) Board Meetings were held, at least one in every calendar quarter and the gap between two consecutive Board Meetings did not exceed one hundred and twenty (120) days. The dates on which the Board Meetings were held, are as follows:

10th May, 2019, 23rd July, 2019, 26th August, 2019, 23rd October, 2019 and 10th February, 2020.

POST MEETING FOLLOW UP MECHANISM

All the important decisions taken at the Board / Committee meetings are communicated to the concerned departments / divisions. Action Taken Report on decisions / minutes of previous meetings is placed at the succeeding meeting of the Board / Committee for noting & signing thereon.

BOARD SUPPORT

The Company Secretary attends the Board / Committee meetings and advises on compliances with applicable laws and governance.

SEPARATE MEETING FOR INDEPENDENT DIRECTORS

The Independent Directors of the Company meet once in a financial year without the presence of non-Independent Directors and Management Personnel. Such Meeting reviews the performance of Non-Independent Directors and the Board as a whole, reviews the performance of Chairman of the Board, access the quality, quantity and timeliness of the flow of information between management and the Board that is necessary to effectively and reasonably perform its duties. A meeting of Independent Directors was held on 26th June, 2020.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

At the time of appointment and re-appointment of Independent Directors, a formal letter of appointment is given to him/her, which, inter-alia, explains the role, functions, duties and responsibilities expected from him/her as an Independent Director of the Company. The Independent Director is also explained in detail the nature, business model of the industry and compliances under the Companies Act, 2013, the Listing Regulations and other

relevant rules & regulations. The Chairman & Managing Director also has one to one discussion with the newly appointed Director to familiarize him/her with the Company's Operations. The Board Members are provided with necessary documents, reports and policies to enable them to familiarize with the Company's Procedures and Practices. Periodic presentations are made at the Board and its Committee Meetings on the Company's Business, performance and other relevant updates.

The familiarization program alongwith details thereof has been uploaded on the Company's website at <https://www.kajariaceramics.com/pdf/FamiliarisationProgrammeForIndependentDirectors.pdf> / https://www.kajariaceramics.com/pdf/Details_of_Familiarisation_Programme_for_Independent_Directors.pdf

AUDIT COMMITTEE

During the year 2019-20, the Committee met five (5) times i.e. 10th May, 2019, 23rd July, 2019, 26th August, 2019, 23rd October, 2019 and 10th February, 2020. The composition of the Committee and details of meetings attended by the Directors are as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mr. Raj Kumar Bhargava	Non-executive & Independent	Chairman	5
Mr. Ashok Kajaria	Executive	Member	5
Mr. H. Rathnakar Hegde	Non-executive & Independent	Member	5
Mr. Debi Prasad Bagchi	Non-executive & Independent	Member	5

The Committee's Composition meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Members of the Committee are financially literate and possess sound knowledge of accounts, audit, internal controls and financial management expertise.

Mr. Ram Chandra Rawat, COO (A&T) & Company Secretary of the Company acts as the Secretary of the Audit Committee. The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company held on 26th August, 2019.

TERMS OF REFERENCE OF AUDIT COMMITTEE

The term of reference of the Audit Committee, inter-alia, includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for the appointment, remuneration, terms of appointment of the Auditors of the Company and reviewing & monitoring the auditor's independence and performance and effectiveness of the audit processes;
3. Approval for payment to the Statutory Auditors for any other permitted services rendered by Statutory Auditors;
4. Reviewing and examining, with the management, the annual financial statements and the Auditors' report thereon, before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Modified opinion(s) in the draft Auditors' report.
5. Reviewing, with the management, the quarterly financial results before submission to the Board for approval;
6. Reviewing and monitoring, with the management, the statement of uses / application of funds raised through an issue/public offers (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Approval (including omnibus approval) or any subsequent modification of transactions of the Company with related parties / statement of related party transactions;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems including evaluation of internal financial controls and risk management system and discussion with internal auditors any significant findings and follow up there on;
11. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
14. Review the functioning of the Whistle Blower Policy (Vigil Mechanism);
15. Approval of appointment of Chief Financial Officer ('CFO') after assessing the qualifications, experience & background, etc. of the candidate;
16. Reviewing the utilization of loans and/or advances from/ investment by the Company in its subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
17. Review of Management discussion and analysis of financial condition and results of operations and Management letters / letters of internal control weaknesses issued by the statutory auditors;

18. Review of Internal audit reports relating to internal control weaknesses and the appointment, removal and terms of remuneration of the Internal Auditors;
19. Review of Financial statement, in particular, investments made by the subsidiary company(s); and
20. Any other role/functions as may be delegated by the Board of Directors of the Company or prescribed by law, from time to time.

NOMINATION AND REMUNERATION COMMITTEE

During the year 2019-20, the Committee met two (2) times i.e. 10th May, 2019 and 10th February, 2020. The composition of the Committee is as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mr. Debi Prasad Bagchi	Non-executive & Independent	Chairman	2
Mr. Ashok Kajaria	Executive	Member	2
Mr. H. Rathnakar Hegde	Non-executive & Independent	Member	2
Mrs. Sushmita Singha	Non-executive & Independent	Member	2

The Composition of the Nomination and Remuneration Committee is as per Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The Chairman of the Nomination and Remuneration Committee was present in the last Annual General Meeting of the Company held on 26th August 2019.

The role of the Committee, inter-alia, includes the following:

1. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance;
2. Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;

3. While formulating the policy as above said, to ensure that:
 - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - c) Remuneration to Directors, Key Managerial Personnel and Senior Management (one level below the functional heads including the Company Secretary and Chief Financial Officer) involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
4. Recommending the Board, all remuneration, in whatever form, payable to senior management including the Company Secretary and the Chief Financial Officer;
5. Formulating the criteria for evaluation of Independent Directors and the Board of Directors of the Company;
6. To extend or continue the term of appointment of Independent Director, on the basis of performance evaluation of Independent Directors;
7. Devising a policy on diversity of Board of Directors;
8. To formulate the detailed terms and conditions of the Kajaria Ceramics Employee Stock Option Plan 2015 ('ESOP Plan 2015') including the following:
 - a. issuing and allotment of equity shares [including share certificate(s)] of the Company to the ESOP holders and all matters related thereto, from time to time, pursuant to the ESOP Plan 2015;
 - b. signing, execution and submission of necessary documents/papers for the listing of equity shares of the Company with the stock exchanges or other concerned authority(ies) and all matters related thereto;
 - c. making a fair and reasonable adjustment to the number of options and to the exercise price, in case of rights issues, bonus issues and other corporate actions;

- d. approval of list of employee(s) of the Company and/or its subsidiary(ies) [including quantum of ESOP grant] to whom ESOP options are to be granted under ESOP Plan 2015;
 - e. determining the procedure for winding up of the ESOP Plan 2015;
 - f. other matters which may be relevant for administration of ESOP Plan 2015, from time to time.
9. To do all other acts as may be delegated by the Board of Directors of the Company or prescribed by law, from time to time.

RISK MANAGEMENT COMMITTEE

During the year 2019-20, one (1) meeting of the Risk Management Committee was held on 10th February, 2020. The composition of the Committee and details of meeting attended by the Directors / members of this Committee are as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mr. Ashok Kajaria	Executive	Chairman	1
Mr. Chetan Kajaria	Executive	Member	1
Mr. Dev Datt Rishi	Non-Executive	Member	1
Mr. H. Rathnakar Hegde	Non-executive & Independent	Member	1
Mr. Ram Chandra Rawat	COO (A&T) & Company Secretary	Member	1
Mr. Sanjeev Agarwal	CFO	Member	1

The composition of the Risk Management Committee is as per Regulation 21 of the Listing Regulations.

Terms of reference (Role) of the Committee, inter-alia, includes the following:

1. Identifying, assessing and mitigating the existing as well as potential risk (including strategic, financial, operational and compliance risks) to the Company and to recommend the strategy to the Board to overcome them.
2. Assisting the Board in framing, implementing and monitoring the risk management plan for the Company and reviewing

and guiding the risk policy.

3. Developing risk management policy, system and framework for the Company.
4. Perform such activities related to this policy as requested by the Board of Directors or to address issues relating to any significant subject within its terms of reference.
5. Carry out function which shall specifically cover cyber security and any other function as may be prescribed by law, from time to time.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual performance evaluation of the Board as a whole, its Committees and all Directors including the Chairman, in line with the criteria specified in the Nomination and Remuneration Policy and as per the recommendation of the Nomination and Remuneration Committee of the Company. The exercise was carried out through a structured evaluation process covering various aspects of the Board, its Committees, Chairman and all Directors' functioning such as composition of Board and its Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc. The Directors expressed their satisfaction with the evaluation process and performance of the Board, its Committees and the Directors including the Chairman. The Independent Directors also evaluated the performance of Non-Independent Directors, the Chairman and Board as a whole. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

REMUNERATION

A. Remuneration to Independent / Non-executive Director

The Independent / Non-executive Directors are paid remuneration by way of sitting fees for each meeting of the Board and Committee of Directors attended by them. The total amount of sitting fees paid during the financial year 2019-20 was ₹14.20 Lakhs. The Independent/Non-executive Directors do not have any pecuniary relationship or transactions with the Company. The criteria of making payment to Independent / Non-executive

Directors are disclosed in the Nomination and Remuneration Policy of the Company. The said Policy is given as Annexure- 4 to the Directors Report and is also disclosed on the website of the Company https://www.kajariaceramics.com/pdf/nomination_remuneration_policy.pdf

The details of remuneration paid to Independent / Non-executive Directors during the financial year ended 31st March 2020 is as under:

S. No.	Name of Independent / Non-Executive Director	Sitting Fees (₹ in Lakhs)
1	Mr. Raj Kumar Bhargava	3.00
2	Mr. Debi Prasad Bagchi	3.40
3	Mr. H. Rathnakar Hegde	3.60
4	Mr. Dev Datt Rishi	1.70
5	Mrs. Sushmita Singha	2.50

Other than remuneration (i.e. sitting fees) as mentioned above and reimbursement of expenses incurred for attending the meetings of the Board/its Committees, the Non-Executive Directors did not have any pecuniary relationship or transactions with the Company during the year.

B. Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Chairman & Managing Director, Joint Managing Directors are governed by the recommendations of the Nomination and Remuneration Committee and approvals by the Board of Directors and shareholders of the Company. The terms and conditions of appointment (including remuneration package) of the Chairman & Managing Director and Joint Managing Directors are governed by the respective agreements executed between them and the Company. Their remuneration package comprises of salary, perquisites and commission, if any, as approved by the shareholders at the General Meetings.

The details of remuneration paid to Executive Directors during the year ended 31st March 2020 is as under:

(₹ in Crores)					
S. No.	Name of Directors	Fixed Component		Performance Linked Incentive	Total
		Salary	Perquisites & other Benefits	Commission	
1.	Mr. Ashok Kajaria	2.98	1.92	-	4.90
2.	Mr. Chetan Kajaria	4.87	-	-	4.87
3.	Mr. Rishi Kajaria	4.87	-	-	4.87

Presently, the Company does not have a scheme for grant of stock options to any Director. As per the contract entered into with the Executive Directors, there is a notice period of three months and there is no severance fee to be paid to the Directors.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee is responsible for the satisfactory redressal of investor's grievances and recommends measures for overall improvement in the quality of investor's services. During the year 2019-20, the Committee met five (5) times i.e. 15th April, 2019, 8th July, 2019, 26th August, 2019, 3rd October, 2019 and 7th January, 2020.

The composition of the Committee and details of meetings attended by the Directors are as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mrs. Sushmita Singha	Non-executive & Independent	Chairperson	2
Mr. Ashok Kajaria	Executive	Member	5
Mr. Chetan Kajaria	Executive	Member	5

Mr. Ram Chandra Rawat, COO (A&T) & Company Secretary, is the Compliance Officer of the Company.

During the year 2019-20, 18 shareholders related complaints were received. 1 complaint was remained pending at the beginning of the year 2019-20. All these 19 complaints were duly addressed/ disposed, during the year 2019-20. Other than that, none of the complaints were pending, except the cases where the Registrar & Share Transfer Agent is constrained by dispute or legal impediment or due to incomplete or non-submission of documents by the shareholders.

The role of the Committee, inter-alia, includes the following:

- To resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- To review the measures taken for effective exercise of voting rights by shareholders of the Company;
- To review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent of the Company;
- To review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- To consider all other matters related to the security holders/shareholders of the Company;
- Any other role/function as may be delegated by the Board of Directors of the Company or prescribed by law, from time to time.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

During the year 2019-20, the Committee met one (1) times i.e. 9th May, 2019. The composition of the Committee and details of meetings attended by the Directors are as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mrs. Sushmita Singha	Independent	Chairperson	1
Mr. Chetan Kajaria	Executive	Member	1
Mr. Rishi Kajaria	Executive	Member	1

Terms of reference of the Committee, inter-alia, includes the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as per the provisions of the Companies Act, 2013 and rules made thereunder;

- Recommend the amount of expenditure to be incurred on the CSR activities; and

- Monitor the Corporate Social Responsibility Policy of the Company, from time to time.

CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR POLICY) OF THE COMPANY

In compliance with the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder, the Company has framed a CSR Policy which is uploaded on the website of the Company i.e. www.kajariaceramics.com

As a part of initiative of CSR drive, the Company has implemented various CSR programmes/projects which made positive impacts mainly in the areas of health, sanitation, conservation of natural resources, social relief, promoting sports, Welfare of Armed Forces, Rural Development and education, etc. The CSR programmes initiated by the Company includes taking steps for preventive health care, Swachh Bharat, constructing sanitation facilities in the schools, etc. near the manufacturing facilities, contributing to the education and social economic development of under privileged children and for rural area development. These projects are also in accordance with Schedule VII of the Companies Act, 2013.

Details of CSR initiative taken by the Company during the year is specified in the Annexure- 3 to the Directors Report.

BUSINESS RESPONSIBILITY & SUSTAINABILITY COMMITTEE

During the year 2019-20, the Committee met one (1) time i.e. 9th May, 2019. The composition of the Committee is as follows:

Name of the Committee Member	Category	Designation	No. of Meetings Attended
Mr. Ashok Kajaria	Executive Director	Chairperson	1
Mr. Chetan Kajaria	Executive Director	Member	1
Mr. Rishi Kajaria	Executive Director	Member	1
Dr. Rajveer Choudhary	COO (Works)	Member	1
Mr. Bhupendra Vyas	COO (Marketing)	Member	1
Mr. Rajeev Gupta	V.P. (HR)	Member	1

Terms of reference of the Committee, inter-alia, includes the following:

- o To oversee the implementation of the Business Responsibility Policy;
- o To review the Business Responsibility performance of the Company; and
- o To carry out such acts as may be delegated by the Board of Directors or as may be prescribed by the law.

MANAGEMENT COMMITTEE

The Company has a Management Committee of Board of Directors set up to, inter-alia, oversee routine operations that arise in the normal course of the business such as decision on banking related matters, delegation of operational powers, authorisation for various acts / under statutes, etc. The Committee comprises of three Executive Directors of the Company. The Committee functions under the guidance/supervision of the Board and the minutes of meetings of this Committee are also placed before the Board.

ETHICS / GOVERNANCE POLICIES

1. Code of Business Conduct and Ethics

In compliance with the Listing Regulations and the Companies Act, 2013, the Company has framed and adopted a Code of Business Conduct and Ethics ('the Code'). The Company has in place a comprehensive Code of Conduct applicable to all Senior Management Personnel which would include the Directors of the Company, the Top Management Personnel and all functional head (including Management Personnel with Functional reporting to Directors and Top Management Personnel). The Code gives guidance and support needed for ethical conduct of business and compliance of laws. The Code reflects the values of the Company, viz. the Company value, Ownership Mind-set, Respect, Integrity, One team and Excellence.

A Code of Business Conduct and Ethics is available on the Company's website <https://www.kajariaceramics.com/pdf/CodeofBusinessConductethics.pdf>

The Code has been circulated to all the Directors and Senior Management Personnel. All members of the Board and Senior Officers have affirmed compliance to the Code as on 31st March, 2020.

A declaration signed by the Company's Chairman & Managing Director is published in this report.

2. Insider Trading Code

As per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (including amendments thereto), the Company has adopted the Code of Conduct for Prevention of Insider Trading and the Code of Fair Disclosure. The Code of Conduct for Prevention of Insider Trading is applicable to all Designated Persons as defined in the above Code, who are expected to have access to unpublished Price Sensitive Information relating to the Company. The Company Secretary of the Company is the Compliance officer for ensuring/monitoring the adherence to the said code/regulations.

3. Material Subsidiary Policy

The Company has adopted Material Subsidiary Policy. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The Material Subsidiary Policy is available on the Company's website at <https://www.kajariaceramics.com/pdf/MaterialSubsidiaryPolicy-kajaria.pdf>

4. Related Party Transaction Policy

In compliance with the Listing Regulations and the Companies Act, 2013, the Company has adopted Related Party Transaction Policy. This Policy is available at Company's website at <https://www.kajariaceramics.com/pdf/RelatedPartyTransactionPolicy.pdf>

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its Related Party(ies). The Policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, a statement on related party transactions is presented before the Audit Committee on a quarterly basis for its review.

5. Dividend Distribution Policy

Pursuant to the Regulation 43A of the Listing Regulations, the Company has adopted the Dividend Distribution Policy. The said

policy is uploaded at the Company's website i.e. https://www.kajariaceramics.com/pdf/Dividend_Distribution_Policy.pdf. The details of the said policy are given as **Annexure-A**.

6. Risk Management Policy

The Company has adopted the Risk Management Policy and the same is uploaded at the Company's website i.e. https://www.kajariaceramics.com/pdf/Risk_Management_Policy.pdf

7. Business Responsibility Report

Pursuant to the Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective in the format as specified by the SEBI is given as **Annexure- B**. The Company has also framed and adopted the Business Responsibility Policy and the same is uploaded at the Company's website i.e. <https://www.kajariaceramics.com/pdf/BusinessResponsibilityPolicy.pdf>

GENERAL BODY MEETINGS

a) The last three Annual General Meetings of the Company were held as per details given below:

Year	Date	Time	Venue	Details of Special Resolutions Passed, if any.
2018-19	26th August, 2019	3:00 p.m.	Crowne Plaza Today, Sector-29, National Highway-8, Gurgaon, Haryana – 122001	<ul style="list-style-type: none"> Re-appointment of Mrs. Sushmita Singha as an Independent Director of the Company
2017-18	27th August, 2018	3:00 p.m.	Crowne Plaza Today, Sector-29, National Highway-8, Gurgaon, Haryana – 122001	<ul style="list-style-type: none"> Re-appointment of Mr. Chetan Kajaria as Joint Managing Director of the Company Re-appointment of Mr. Rishi Kajaria as Joint Managing Director of the Company Re-appointment of Mr. H. Rathnakar Hegde as an Independent Director of the Company
2016-17	10th August, 2017	3:00 p.m.	Crowne Plaza Today, Sector-29, National Highway-8, Gurgaon, Haryana – 122001	<ul style="list-style-type: none"> To amend and adopt new Articles of Association of the Company.

b) Special Resolution passed through Postal Ballot:

During the year 2019-20, no Special Resolution has been passed through Postal Ballot.

c) Special Resolution proposed to be conducted through Postal Ballot:

There is no Special Resolution proposed to be conducted through Postal Ballot.

d) Procedure for Postal Ballot:

- In compliance with Regulation 44 of the Listing Regulations read with Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and the Secretarial Standard on General Meetings ('SS-2'), the Company provides facility for casting votes by way of e-voting and/or postal ballot to all its shareholders. The Company engages the services of National Securities Depository Limited ('NSDL') for the purpose of providing

e-voting facility to all its shareholders. The shareholders will have the option to vote either by physical ballot or e-voting.

- The Company dispatches postal ballot notices and postal ballot form along with postage prepaid business reply envelopes to its shareholders whose names appear on the Register of Members / List of Beneficiaries as on the Cut-off date. The Postal Ballot Notice is sent to the shareholders in electronic form at the e-mail addresses registered with their depository participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding). Physical copy of notice is sent to the shareholders, whose email is not registered or who has requested for physical copy of notice. The Company also publishes a notice in the newspaper(s) declaring the details of completion of dispatch and other requirements as mandated under the Companies Act, 2013 and other applicable rules and regulations.

- Voting rights are reckoned on the paid-up value of the shares registered in the names of the shareholders as on the cut-off date. Shareholders desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the Scrutiniser on or before the closure of the voting period. Shareholders desiring to exercise their votes by electronic mode are requested to vote before the closure of the voting period.
- In compliance with the applicable laws, the Scrutiniser submits his report to the Chairman or a person authorised by the Chairman, after the completion of scrutiny, and consolidated results of the voting by postal ballot and e-voting are announced by the Chairman or a person authorised by the Chairman to do the same. The results are also displayed at the Company's Registered Office & the Corporate Office and also on the Company's website i.e. www.kajariaceramics.com, besides being communicated to the Stock Exchange(s), within the prescribed timeline.
- Except as stated above, the Company did not hold Extra-Ordinary General Meeting of the Shareholders.

Disclosures

a) Materially Significant Related party transactions

During the year 2019-20, there are no materially significant transactions with the related parties' viz. Promoters, Directors or the Management, their subsidiaries or relatives that had potential conflict with the Company's Interest.

Suitable disclosure as required by Indian Accounting Standard ('Ind AS-24') has been made under Note No. 40 of the Financial Statements. The Related Party Transaction Policy is available on the Company's Website: <https://www.kajariaceramics.com/pdf/RelatedPartyTransactionPolicy.pdf>

- ### b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange(s) or the SEBI or any statutory authority, on any matter related to Capital Markets, during last three years:

The Company has complied with all the requirements of the Listing Agreements with the Stock Exchange(s) as well as regulations and guidelines of the SEBI. No penalties have been imposed or stricture has been issued by the SEBI, the Stock

Exchange(s) or any Statutory Authorities on matters relating to Capital Markets during the last three years.

c) Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) and 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy with vigil mechanism for the Directors and Employees of the Company to report to the management about the genuine concerns, unethical behaviour, fraud or violation of Company's Code of Conduct, leakage or suspected leakage of Unpublished Price Sensitive Information with respect to the Company. The mechanism provides for adequate safeguards against victimization of employees and directors who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. No complaint has been received during the year 2019-20.

The details of establishment of vigil mechanism (Whistle Blower Policy) have been disclosed by the Company on its website i.e. https://www.kajariaceramics.com/pdf/whistleblowing_policy.pdf and in the Directors' Report.

- ### d) A certificate on compliance with the conditions of the Corporate Governance under the Listing Regulations issued by Mr. Rupesh Agarwal, Managing Partner of M/s Chandrasekaran Associates, Company Secretaries, Delhi, forms part of this report.
- ### e) In accordance with the SEBI's Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Annual Secretarial Compliance Report for the year 2019-20 has been issued by Mr. Rupesh Agarwal, Managing Partner of M/s Chandrasekaran Associates, Company Secretaries, Delhi, which forms part of this report.
- ### f) A certificate issued by Mr. Rupesh Agarwal, Managing Partner of M/s Chandrasekaran Associates, Company Secretaries, Delhi that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/the Ministry of Corporate Affairs or any such statutory authority, which forms part of this report.

g) The Board of the Company considered the declarations submitted by all Independent Directors of the Company that:

- They meet the criteria of independence as provided in Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013.
- They are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence as provided under the Listing Regulations.

Accordingly, in the opinion of the Board of the Company, all Independent Directors of the Company fulfill the conditions/criteria specified in the Listing Regulations read with the Companies Act, 2013 and they are also independent of the management.

Further, in the opinion of the Board of Directors of the Company, all Independent Directors of the Company have integrity, expertise, experience as prescribed under the Companies (Appointment and Disqualification of Directors) Rules, 2014 read with the Companies (Accounts) Rules, 2014 (including amendment thereof).

h) During the year 2019-20, the Board of the Company had accepted all recommendations of the Committee(s) of the Board of the Company.

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

The Company has adopted the Policy for Prevention of Sexual Harassment at the Workplace is available on the website of the Company at https://www.kajariaceramics.com/pdf/prevention_of_sexual_harassment_at_workplace.pdf

Details of compliant under said Policy read with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as under:

- Number of complaints filed during the year 2019-20 : Nil
- Number complaints disposed of during the year 2019-20 : Nil

- Number of complaints pending as on end of the year 2019-20 : Nil

j) Details all credit ratings obtained by the Company along with any revisions thereto during year 2019-20, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad:

During the year 2019-20, the Company has not issued any debt instruments or fixed deposit programme/scheme and no proposal of mobilization of fund by the Company. Thus, the Company has not obtained Credit rating for the above said purpose.

k) During the year 2019-20, total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to M/s. Walker Chandio & Co LLP, Chartered Accountants, the Statutory Auditors of the Company and all entities in the network firm/network entity of which the Statutory Auditors is a part:

A. Payment to M/s. Walker Chandio & Co LLP, Chartered Accountants, Statutory Auditors of the Company

Sr. No.	Particulars	₹ in Lakhs (exclusive of applicable taxes)
1	Audit Fee of Financial Statements (Standalone & Consolidated) for the financial year 2019-20 including Limited Review	65.00
2	Other Services and out of pocket expenses	8.10
Total		73.10

B. No Payment made to the network firm of M/s. Walker Chandio & Co LLP, Chartered Accountants, the Statutory Auditors of the Company

l) The Board of Directors of the Company had identified Core Skills/Practical Experience/Competencies as required in the context of its business(es) and sector(s) for it to function effectively and the names of Directors who have such skills/expertise/competence are as given below:

Skills/ Expertise/ Competencies	Mr. Ashok Kajaria	Mr. Chetan Kajaria	Mr. Rishi Kajaria	Mr. Dev Datt Rishi	Mr. Raj Kumar Bhargava	Mr. Debi Prasad Bagchi	Mr. H. Rathnakar Hegde	Mrs. Sushmita Singha
Technology	Yes	Yes	Yes	Yes				
Manufacturing process	Yes	Yes	Yes	Yes				
Accountancy	Yes	Yes	Yes		Yes	Yes	Yes	
Finance and financial management	Yes	Yes	Yes		Yes	Yes	Yes	Yes
Law	Yes	Yes	Yes		Yes	Yes	Yes	Yes
Economics	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Business Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Risk Management	Yes	Yes	Yes	Yes	Yes		Yes	Yes
Administration	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Human Resources	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

m) Disclosures of transactions of the Company with the person or entity belonging to the Promoter/Promoter Group of the Company which hold(s) 10% or more shareholding in the Company are as under:

Sr. No.	Name of Entity belongs to Promoter/Promoter Group of the Company	Category	Nature of Transaction during the financial year 2019-20	Amount of Transaction during the financial year 2019-20 (₹ in Crores)
1	CK Trustees Private Limited (in its capacity as sole trustee of Chetan Kajaria Family Private Trust) #	Promoter Group	Dividend Paid*	15.52
2	RK Trustees Private Limited (in its capacity as sole trustee of Rishi Kajaria Family Private Trust) \$	Promoter Group	Dividend Paid*	15.52

During the year 2019-20, name of Trustee has been changed to CK Trustees Private Limited from Professional Home Solutions Private Limited.

\$ During the year 2019-20, Trustees of Rishi Kajaria Family Private Trust have been changed from Mrs. Versha Kajaria and Mr. Chetan Kajaria (former joint trustees of the Rishi Kajaria Family Private Trust) to RK Trustees Private Limited in its capacity as the sole trustee of the Rishi Kajaria Family Private Trust.

* Includes Final Dividend for the year ended 31st March, 2019 and Interim Dividend for the year ended 31st March, 2020.

n) The Company has complied with all the corporate governance mandatory requirements specified in the Listing Regulations and following are the details of non-mandatory/discretionary requirements:

Details of Compliance with discretionary requirements as specified in Part E of Schedule II of the Listing Regulations:

The status of compliance with discretionary requirements of Part E of Schedule II of Listing Regulations is provided below:

- The Board:** The Company has appointed an Executive Chairman, being the promoter of the Company.
- Shareholders' Rights:** As the quarterly, half yearly and annual financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to each household of the shareholders.
- Modified opinion(s) in Audit Report:** The Audit Reports on the Financial Statements (Standalone & Consolidated) for the year ended 31st March, 2020, do not contain any modified opinion.

d. Reporting of Internal Auditor: Independent Internal Auditor has been appointed and is reporting directly to the Audit Committee.

o) CEO / CFO Certificate

The Chairman & Managing Director and CFO of the Company have given the annual certification on the financial reporting and internal controls to the Board of Directors in accordance with the Listing Regulations. The Chairman & Managing Director and CFO of the Company also give quarterly certification on financial results while placing the financial results before the Board in terms of the Listing Regulations. The Annual Certificate given by the Chairman & Managing Director and CFO of the Company is published in this report.

p) During the year 2019-20, the Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of Listing Regulations.

MEANS OF COMMUNICATION

Quarterly, Half-Yearly & Annual Financial Results:

The quarterly, half yearly, nine months ended and annual financial results of the Company are sent to the Stock Exchange(s) immediately through permitted mode, immediately after approval of the Board. These are widely published in the Economic Times, The Financial Express/Jansatta and Business Standard (both English & Hindi). These results are simultaneously posted on the website of the Company at www.kajariaceramics.com

Investor Release

The official release, if any, made to institutional Investors/Analysts, if any, are sent to the Stock Exchange(s) and also posted on the Company's website.

GENERAL SHAREHOLDERS INFORMATION

Notice relating to the 34th Annual General Meeting is sent to the members at their registered address/email address available with the Depositories / the Company.

Date, time and venue of the 34th Annual General Meeting ('AGM')

Day & Date : Monday, 28th September 2020
Time : 3.00 p.m.

Venue Registered Office of the Company will be deemed as the venue of the Annual General Meeting.

Dates of Book closure Tuesday, 22nd September, 2020 to Monday, 28th September, 2020 (Both days Inclusive)

Financial Year : April 1 to March 31

Financial Calendar (Tentative)

First Quarter Results : 1st week of August, 2020
Second Quarter / Half Yearly Results : 4th week of October 2020
Third Quarter / Nine Months Results : 4th week of January 2021
Fourth Quarter / Annual Results for the year ending 31st March 2021 :

Dividend history for the last 5 years is as under:

Year	Dividend Rate (%)	In per Share (Face value of ₹2/- upto F.Y. 2015-16 and ₹1/- from F.Y. 2016-17)	Dividend Amount (₹ in Crores)
2018-19	300	₹ 3.00	47.69
2017-18	300	₹ 3.00	47.69
2016-17	300	₹ 3.00	47.68
2015-16	250	₹ 5.00	39.73
2014-15	200	₹ 4.00	31.79

During the year 2019-20, the Company has also paid Interim Dividend@₹3 per shares (i.e. 300%), aggregating to ₹47.69 crores.

Unpaid / Unclaimed Dividend:

The entire unpaid / unclaimed dividend up to the financial year 2012-13 has been transferred to Investor Education and Protection Fund ('IEPF'). No claims will lie against the Company in respect of unclaimed amount so transferred.

The unclaimed dividend declared in respect of the financial year 2013-14 will be due to be transferred to the Investor Education and Protection Fund as per the applicable laws.

Transfer of equity shares to Investor Education and Protection Fund ('IEPF') Authority:

The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 including

its amendment (the 'IEPF Rules'), amongst other matters, provide for transfer of the shares, in respect of which dividend has not been paid or claimed for seven or more consecutive years, to IEPF Authority and the shares shall be credited to the Demat Account of IEPF Authority, within 30 days of such shares becoming due to be transferred to the IEPF.

Accordingly, the Company had transferred total 508182 equity shares of Re. 1/- each, in respect of which dividend had not been claimed by the shareholders for 7 consecutive years or more (i.e. During the year 2020-21: 54470 equity shares, During the year 2019-20: 36618 equity shares, During the year 2018-19: 53362 equity shares and during the year 2017-18: 363732 equity shares) to IEPF Authority.

Pursuant to the IEPF Rules, the unclaimed dividend for the financial year 2013-14 will become due for transfer in favour of the IEPF Authority on 31st July, 2021 (i.e. Due date) and accordingly, both the unclaimed dividend and shares in respect of which dividend had not been claimed by the shareholders for 7 consecutive years or more will be transferred to the IEPF Authority within 30 days of the Due date.

Market Price Data: Monthly High and Low quotation of shares traded on BSE/ NSE during the year 2019-20:

Month	BSE		NSE	
	High	Low	High	Low
April, 2019	634.05	581.15	635.00	581.00
May, 2019	648.85	544.75	649.65	543.15
June, 2019	648.00	559.05	648.60	559.10
July, 2019	599.40	450.40	599.60	450.00
August, 2019	509.00	453.90	505.00	451.05
September, 2019	605.75	442.75	605.70	443.00
October, 2019	579.40	539.00	580.00	537.55
November, 2019	574.95	507.60	574.65	507.10
December, 2019	542.00	501.00	539.90	501.20
January, 2020	590.00	522.50	590.00	520.40
February, 2020	594.15	518.10	595.95	517.10
March, 2020	554.20	330.00	554.00	332.30

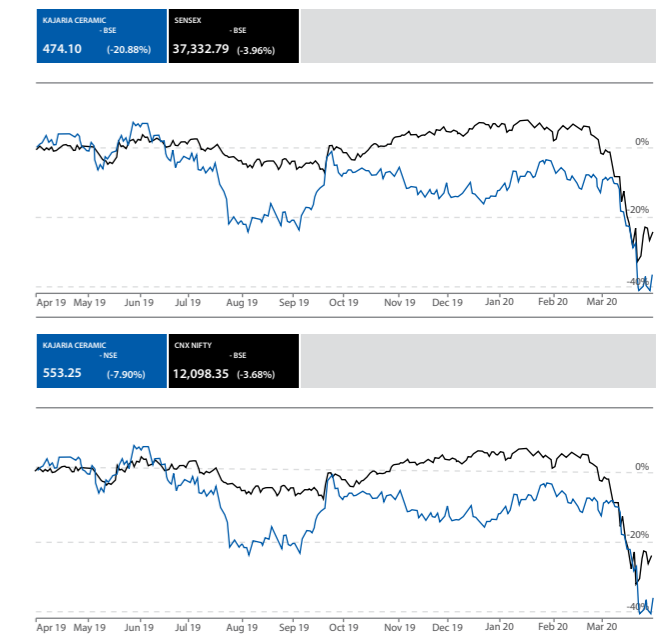
Listing on Stock Exchanges:

- BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 ('BSE').
- National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 ('NSE')

Listing fees for the financial year 2020-21 have been paid by the Company within the stipulated time.

Stock Code : 500233 (BSE) / KAJARIACER (NSE)
ISIN : INE217B01036

Performance in comparison to Broad Based Indices of BSE & NSE:



Registrar & Share Transfer Agent

The correspondence address of the Company's Registrar and Share Transfer Agent, i.e. MCS Share Transfer Agent Limited is as follows:

MCS Share Transfer Agent Limited
F- 65, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020
Phone No.: +91-11-41406149-52, Fax No.: +91-11-41709881
E-mail ID: admin@mcsregistrars.com

Share Transfer System

MCS Share Transfer Agent Limited is the Registrar and Share Transfer Agent ('RTA') for handling the share registry work relating to shares held in physical and electronic format at single point. The applications and request received by the Company/the Registrar and Share Transfer Agent for the transfer of shares held in physical

form are processed and the share certificate for the same are sent to the transferee within the stipulated period. A summary of all the share transfers, etc. processed by the RTA and approved by the Stakeholders Relationship Committee is placed before the Board of Directors, from time to time.

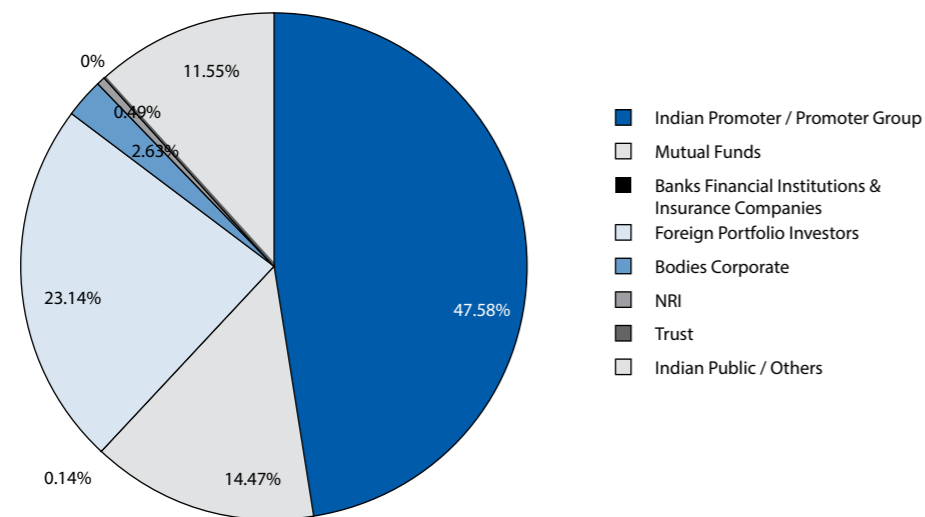
Pursuant to the amendment in the Regulation 40 of the Listing Regulations, with effect from 1st April, 2019, any request for

transfer of shares held in physical form shall not be processed, except in case of transmission or transposition of shares or in case of transfer deed(s) once lodged with the Company prior to 1st April, 2019 and returned due to deficiency in the documents. Thus, the Members holding shares in physical form are requested to dematerialised their shareholding, as the shares of the Company are under compulsory demat trading.

Shareholding Pattern as on 31.03.2020

Category	No. of Shares Held	Percentage of Shareholding
Promoters/Promoter Group:		
Indian Promoter / Promoter Group	75625231	47.58
Institutional Investors & Others:		
Mutual Funds	23001521	14.47
Banks, Financial Institutions & Insurance Companies	216409	00.14
Foreign Portfolio Investors	36783496	23.14
Bodies Corporate	4181377	02.63
NRI	783126	00.49
Trust	890	00.00
Indian Public /Others	18365150	11.55
Total	158957200	100.00

Shareholding Pattern as on 31/03/2020



Distribution of shareholding as on 31.03.2020

Category Range	No. of Shareholders		No. of shares	
	Total	% of shareholders	Total	% of share capital
1-500	60101	90.88	5765112	03.63
501-1000	3126	04.73	2396436	01.51
1001-2000	1503	02.27	2280038	01.43
2001-3000	491	00.74	1252249	00.79
3001-4000	227	00.34	810757	00.51
4001-5000	154	00.23	711643	00.45
5001-10000	243	00.37	1722005	01.08
10001 and above	291	00.44	144018960	90.60
Total	66136	100.00	158957200	100.00

Dematerialisation of shares and liquidity

The shares of the Company are in compulsory demat segment and are available for trading in depository systems of both the National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). As at 31st March 2020, 157733856 equity shares out of 158957200 equity shares of the Company, forming 99.23% of the Company's paid up capital is held in dematerialised form. The status of shares held in demat and physical format is given below:

Particulars	No. of Shares	%
Shares in Demat Form		
NSDL	150288962	94.55
CDSL	7444894	4.68
Shares in Physical Form		
	1223344	0.77
Total	158957200	100.00

Outstanding GDRs / ADRs / Warrants or other Convertible Instruments

The Company has not issued any GDR/ADR/Warrants or other convertible instruments during the year 2019-20.

Other Information

a) Corporate Identification Number (CIN):

L26924HR1985PLC056150

b) Reconciliation Audit for Share Capital as on 31st March, 2020

Reconciliation Audit for Share Capital is carried out at every quarter and the report thereon is submitted to the Stock Exchanges and

is also placed before the Board of the Company. The said Report, inter-alia, confirms that the total listed and paid up capital of the Company is an agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and in physical form.

Foreign Exchange Risk & Hedging Activities

There is no foreign currency loan outstanding as on 31st March 2020. The details of foreign currency exposure as on 31st March 2020 is provided in Note No. 48 of the Financial Statements. All import liabilities are unhedged because cost of forward premium was higher. However, all import liabilities are paid on the due date. There is no commodity price risk and commodity hedging risk during the FY 2019-20.

Plant Locations

The plants of the Company are located as under:

- A-27 to 30, Industrial Area, Sikandrabad, Distt.: Bulandshahr (U.P.) - 203205.
- 19 KM Stone, Bhiwadi - Alwar Road, Village: Gailpur, Distt.: Alwar (Rajasthan) - 301707.
- Alwar Shahpura Road, Village & Post: Malootana, Tehsil: Thanagazi, Distt.: Alwar (Rajasthan) -301022.

Subsidiary Companies

As on 31st March, 2020, the Company has one material unlisted subsidiary - Jaxx Vitrified Private Limited ('Jaxx') as per the provisions of Regulation 16(1)(c) of the Listing Regulations. Pursuant to the provisions of Regulation 24A of the Listing Regulations, Secretarial Audit Report of Jaxx for the year ended 31st March, 2020 issued by Ms. Dhara Patel, Company Secretary, Ahmedabad, forms part of the Directors Report.

Address for Correspondence

i. Registered Office:

Kajaria Ceramics Limited
SF-11, Second Floor,
JMD Regent Plaza,
Mehrauli Gurgaon Road,
Village Sikanderpur Ghosi,
Gurgaon, Haryana-122001
Telefax: +91 - 124 - 4081281

ii. Corporate Office:

Kajaria Ceramics Limited
 J-1/B-1 (Extn.), Mohan Co-operative Industrial Estate,
 Mathura Road, New Delhi - 110044
 Phone: +91 - 11 - 26946409
 Fax: +91 - 11 - 26946407

Email ID for Investors

The Company has designated investors@kajariaceramics.com as an email address especially for investors' grievance(s).

Declaration related to code of conduct to Directors/ Senior Management

In accordance with the Listing Regulations, I hereby declare that all Directors and Senior Management Personnel of the Company have confirmed the compliance with the Code of Conduct as adopted by the Company.

For and on behalf of the Board

Ashok Kajaria
Chairman & Managing Director
 DIN: 00273877

Place : New Delhi
 Date : August 7, 2020

CEO & CFO CERTIFICATE

To,
The Board of Directors of
Kajaria Ceramics Limited

Dear Sirs,

This is to certify that:

- A. We have reviewed financial statements and the cash flow statement of Kajaria Ceramics Limited for the year ended 31st March, 2020 and that to the best of our knowledge and belief we state that:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2020, which are fraudulent, illegal or in violation of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
1. significant changes in internal control over financial reporting during the year ended 31st March, 2020;
 2. significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances to significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi
 Date : June 26, 2020

Ashok Kajaria
 Chairman & Managing Director

Sanjeev Agarwal
 CFO