

Minutes of the proceedings passed at the 31<sup>th</sup> Annual General Meeting of Murudeshwar Ceramics Limited held on September 27, 2014, Saturday at 04.00 PM. at R N Shetty Kalyana Mantap, opp: Indira Glass House, Hubli-580029

**Members Present**

63 members were present including 3 members representing their proxy.

**In addition following directors/CFO/CS were present:**

Shri. Satish R Shetty : Managing Director & CEO (Member)  
Shri. Sunder Naik : Independent Director (Audit Committee Chairman)  
Dr.S.S.Hiremath : Independent Director (Member)  
Shri.Annappayya K : Independent Director  
Shri.Sankappa K Shetty : Independent Director  
Smt.Sarvani Alva : Independent Director  
Shri.N M hedge : Vice President (Finance) & CFO (Member)  
Shri. Lakshmisha Babu.S : Company Secretary & Compliance Officer

Mr. M/s M A Narasimhan & Co., Chartered Accountants (ICAI Registration No. 002347S), Statutory Auditors of the Company and Mr. Sunil J. Shah,(Membership No. ACS:8717, COP No.3289) Practicing Company Secretary acting as Scrutinizer for e-voting and poll were also present by invitation.

Chairman of the Meeting.

Mr. Satish R Shetty took the Chair.

The following documents and registers were placed on the table:

- 1) Directors' Report for the year ended March 31, 2014
- 2) The Audited Accounts and Auditors' Report thereon for the year ended March 31, 2014.
- 3) The Proxy Register and 3 valid proxies lodged with the Company in connection with this Annual General Meeting (remained open for inspection during the meeting).
- 4) The Register of Directors' Shareholdings (remained open for inspection during the meeting).

At 04.00 P.M., the Chairman welcomed the Members, Board of Directors and other invitees. The Chairman then announced that the requisite quorum, being present, the meeting is called to order.

The Chairman requested the members that the Notice convening the 31<sup>st</sup> Annual General Meeting along with the explanatory statement may be taken as read and members agreed for the same. The Company Secretary then read the Auditors Report for the year ended March 31, 2014.

The Chairman then delivered his speech, the brief highlights of his speech was as follows:



### **Financial Performance**

Your Company has earned an income of Rs.14,605.45 lakhs. The expenses of the Company were Rs. 11,451.13 lakhs. Expenses were in tune with the revenue. Finance Cost and Depreciation/amortization expenses were Rs.2,099.70 lakhs and Rs.904.55 lakhs respectively. Profit before tax was Rs.150.07 lakhs and after tax was Rs.116.80 lakhs as compare to Rs.83.71 lakhs of the previous year. Your Company has adopted various cost cutting measures to increase the profits in the mere future.

### **Business Promotion**

The Company has realized that profits are more in value added products and is concentrating on bigger size tiles such as 800 mm X 800 mm. The Company is also manufacturing Nano series vitrified tiles of 600 mm X 600 mm. The Company is also very keen on Glazed Vitrified Tiles and Digital Vitrified Tiles of 600 mm X 800 mm. The Company has also outsourced manufacturing of tiles in the Company's brand name.

### **Preferential Allotment of shares and convertible share warrants**

During the year your Company has issued 20,35,000 equity shares on 30.07.2013 by converting the Convertible Share Warrants into equity shares to Murudeshwar Power Corporation Limited and the amount arrived was utilized for repayment of debts and working capital purposes.

### **Current year performance**

Your Company during the first quarter of 2014-15 has earned an income of Rs.3,214.82 lakhs and incurred an expenditure of Rs.3,194.51 lakhs including Depreciation and Finance Cost. Your Company has earned a profit of Rs.20.31 lakhs. Your Directors are expecting increased turnover and more profits in the coming quarters.

### **Prospects**

The Company is expecting a better growth in the mere future since the Karaikal unit is functioned with improved gas allocation. Liquefied Natural Gas (LNG) allocation for Hubli Unit is expected to arrive by December 2014. The Management is constantly exploring various ways to reach rural areas, since



demand in rural areas is increasing constantly. Advertisement and Publicity is under the control of professional team.

**Company Secretary then briefed the members about e-voting and poll**

The Company Secretary informed that as per the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the company extended E-Voting facility to the members of the Company (who were holding shares as on August 22, 2014) in respect of the businesses to be transacted at the Annual General Meeting. He also informed e-voting commenced at 9.00 a.m on 21.09.2014 and ended at 6.00 p.m. on 23.09.2014. For this purpose, the Company has appointed Scrutinizer Mr.Sunil J Shah, Practicing Company Secretary for scrutinizing the e-voting process. He further informed that pursuant to Section 107 of the Companies Act, 2013, the resolutions shall not be passed by show of hands as Company provided e-voting facility. However, for the benefit of shareholders who were present at the meeting and who had not cast their votes through E-voting, a poll has been arranged and members who did not participate can exercise their votes. The poll papers were distributed to the members. Mr. Sunil J Shah, Practicing Company Secretary, who has been appointed as Scrutinizer for E-voting process looked after the polling process at the meeting.

The Chairman addressed the members and requested the members to raise any clarification/queries if they have with regard to the Annual Report and performance of the Company. No clarifications/queries were raised by the members. He thanked the members for their trust and support extended to the Company and its management in this journey.

The Chairman ordered the poll on the resolutions of Ordinary and Special Business set out in items from 1 to 10 as mentioned in the notice of Annual General Meeting.

The Chairman requested all members, who have not voted through e-voting mechanism, to participate in poll and cast their votes in proportion of their shares of the paid-up equity share capital of the Company as on the cut-off date.

The Chairman also requested Mr.Sunil J Shah , Scrutinizer to orderly conduct of the voting and submit report on e-voting and poll immediately.

The Chairman informed that the combined result of e-voting and the poll would be declared after the poll. He also informed that the combined results along with report of scrutinizer will be informed to Stock Exchanges (NSE and BSE) along with report of Scrutinizer for e-voting and the poll within 48 hours after concluding this meeting. He also informed the same report will be made available on the website of the Company.

The scrutinizer then submitted his report and the chairman announced the combined results as follows:



Agenda Items	Promoter/Public	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes - in favour	No. of votes - against	% of Votes in favour on votes polled	% of votes against on votes polled
		[1]	[2]	[3]=([2]/[1])*100	[4]	[5]	[6]=([4]/[2])*100	[7]=([5]/[2])*100
<b>Resolution No.1</b>	Promoter and Promoter group	25033286	25020986	99.951%	25020986	0	100.000%	0.000%
Adoption of Financial Statements for the year ended March 31, 2014 (Ordinary Resolution)	Public - Institutional Holders	215287	0	0.000%	0	0	0.000%	0.000%
	Public -others	15564349	532871	3.424%	532471	400	99.925%	0.075%
	<b>Total</b>	40812922	25553857	62.612%	25553457	400	99.998%	0.002%
<b>Resolution No.2</b>	Promoter and Promoter group	25033286	24433134	97.603%	24433134	0	100.000%	0.000%
Re-appointment of Shri Naveen R Shetty (DIN 00058779) who retires by rotation (Ordinary Resolution)	Public - Institutional Holders	215287	0	0.000%	0	0	0.000%	0.000%
	Public -others	15564349	532871	3.424%	530040	2831	99.469%	0.531%
	<b>Total</b>	40812922	24966005	61.172%	24963174	2831	99.989%	0.011%
<b>Resolution No.3</b>	Promoter and Promoter group	25033286	25020986	99.951%	25020986	0	100.000%	0.000%
Appointment of M/s. M A Narasimhan and Co, Chartered Accountants as the Statutory Auditors of the Company (Ordinary Resolution)	Public - Institutional Holders	215287	0	0.000%	0	0	0.000%	0.000%
	Public -others	15564349	532851	3.424%	532051	800	99.850%	0.150%
	<b>Total</b>	40812922	25553837	62.612%	25553037	800	99.997%	0.003%
<b>Resolution No.4</b>	Promoter and Promoter group	25033286	25020986	99.951%	25020986	0	100.000%	0.000%
Appointment of Shri Kudlu Sunder Naik (DIN 00042986 ) as Independent Director (Ordinary Resolution)	Public - Institutional Holders	215287	0	0.000%	0	0	0.000%	0.000%
	Public -others	15564349	502871	3.231%	502471	400	99.920%	0.080%
	<b>Total</b>	40812922	25523857	62.539%	25523457	400	99.998%	0.002%
<b>Resolution No.5</b>	Promoter and Promoter group	25033286	25020986	99.951%	25020986	0	100.000%	0.000%
Appointment of Dr. Shivabasayya Siddaramayya Hiremath (DIN 02272897) as Independent Director (Ordinary Resolution)	Public - Institutional Holders	215287	0	0.000%	0	0	0.000%	0.000%
	Public -others	15564349	532851	3.424%	532451	400	99.925%	0.075%
	<b>Total</b>	40812922	25553837	62.612%	25553437	400	99.998%	0.002%
<b>Resolution No.6</b>	Promoter and Promoter group	25033286	25020986	99.951%	25020986	0	100.000%	0.000%
Appointment of Shri Annappayya Kundapur (DIN 03558522) as Independent Director (Ordinary Resolution)	Public - Institutional Holders	215287	0	0.000%	0	0	0.000%	0.000%
	Public -others	15564349	532871	3.424%	532471	400	99.925%	0.075%
	<b>Total</b>	40812922	25553857	62.612%	25553457	400	99.998%	0.002%
<b>Resolution No.7</b>	Promoter and Promoter group	25033286	25020986	99.951%	25020986	0	100.000%	0.000%

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Appointment of Shri Sankappa Keremane Shetty (DIN 00894366) as Independent Director (Ordinary Resolution)	Public - Institutional Holders	215287	0	0.000%	0	0	0.000%	0.000%
	Public -others	15564349	532871	3.424%	532471	400	99.925%	0.075%
	<b>Total</b>	<b>40812922</b>	<b>25553857</b>	<b>62.612%</b>	<b>25553457</b>	<b>400</b>	<b>99.998%</b>	<b>0.002%</b>
<b>Resolution No.8</b>	Promoter and Promoter group	25033286	25020986	99.951%	25020986	0	100.000%	0.000%
Appointment of Smt Sarvani Alva (DIN 06896403) as Independent Director (Ordinary Resolution)	Public - Institutional Holders	215287	0	0.000%	0	0	0.000%	0.000%
	Public -others	15564349	532871	3.424%	532471	400	99.925%	0.075%
	<b>Total</b>	<b>40812922</b>	<b>25553857</b>	<b>62.612%</b>	<b>25553457</b>	<b>400</b>	<b>99.998%</b>	<b>0.002%</b>
<b>Resolution No.9</b>	Promoter and Promoter group	25033286	25020986	99.951%	25020986	0	100.000%	0.000%
Resolution under Section 180(1)(a) of the Companies Act, 2013 (Special Resolution)	Public - Institutional Holders	215287	0	0.000%	0	0	0.000%	0.000%
	Public -others	15564349	532771	3.423%	528677	4094	99.232%	0.768%
	<b>Total</b>	<b>40812922</b>	<b>25553757</b>	<b>62.612%</b>	<b>25549663</b>	<b>4094</b>	<b>99.984%</b>	<b>0.016%</b>
<b>Resolution No.10</b>	Promoter and Promoter group	25033286	25020986	99.951%	25020986	0	100.000%	0.000%
Resolution under Section 180(1)(c) of the Companies Act, 2013 (Special Resolution)	Public - Institutional Holders	215287	0	0.000%	0	0	0.000%	0.000%
	Public -others	15564349	532771	3.423%	528002	4769	99.105%	0.895%
	<b>Total</b>	<b>40812922</b>	<b>25553757</b>	<b>62.612%</b>	<b>25548988</b>	<b>4769</b>	<b>99.981%</b>	<b>0.019%</b>

The Chairman then declared that all the resolution as mentioned in the notice of the Annual General Meeting was passed.

The Chairman thanked the shareholders for their participation in the annual general meeting of the company.

There being no other business, the meeting concluded with a vote of thanks to the Chair.

Date: September 27, 2014

Place : Hubli



CHAIRMAN OF THE MEETING

**DETAILS OF THE VOTING RESULTS**

Sr/ No.	Description	Particlars
1.	Date of the AGM	27 <sup>th</sup> September 2014
2.	Total number of shareholders on record date (Record date: 22 August 2014)	11,085
3.	No. of shareholders present in the meeting either in person or through proxy:	66
	Promoter and Promoter Group:	2
	Public:	64
4.	No. of shareholders present in the meeting Video Conferencing	NA

The mode of voting for all resolutions was e-voting and Poll conducted at the meeting.

Si. No.	Item	Resolution Required (Ordinary /Special)	Mode of voting (show of hands /poll/Postal Ballot/e-voting)	Remarks
1.	Adoption of Accounts and Reports thereon	Ordinary	Poll & e-voting	The resolution was passed
2.	To appoint a Director in place of Naveen Rama Shetty ( DIN 00058779), who retires by rotation	Ordinary	Poll & e-voting	The resolution was passed
3.	Appointment of M/s NArasimhan & Co., Chartered Accountants (ICAI Reg.No.002347S) as statutory auditors	Ordinary	Poll & e- voting	The resolution was passed
4.	Appointment of Shri. Kundlu Sunder Naik(DIN 00042986) as an Independent Director	Ordinary	Poll & e- voting	The resolution was passed
5.	Appointment of Dr. Shivabasayya Siddaramayya Hiremath(DIN 02272897) as an Independent Director	Ordinary	Poll & e- voting	The resolution was passed
6.	Appointment of Shri . Annappayya Kundapur(DIN 03558522) as an Independent Director	Ordinary	Poll & e- voting	The resolution was passed
7.	Appointment of Shri. Sankappa	Ordinary	Poll & e- voting	The resolution



	Keremane Shetty(DIN 00894366) as an Independent Director			was passed
8.	Appointment of Smt. Sarvani Alva(DIN 06896403) as an Independent Director	Ordinary	Poll & e-voting	The resolution was passed
9.	Resolution under Section 180(1)(a) of the Companies Act,2013	Special	Poll & e-voting	The resolution was passed
10.	Resolution under section 180(1)(c) of the Companies Act, 2013	Special	Poll & e-voting	The resolution was passed

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