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Press Release-For Immediate Release

Orient Ceramics takes over Bell Ceramics

*OCIL to Acquire Majority Stake in Bell Ceramics
Becomes the Tile Manufacturer in India with the largest installed capacity*

New Delhi, September 22, 2010: Orient Ceramics and Industries Ltd. (**OCIL**), one of the largest manufacturers of Non-Vitrified, Vitrified, Ultra Vitrified and 3rd Fired Decorative Tiles for walls, floors & facades, has announced that it has entered into Share Purchase Agreement with Bell Ceramics Ltd. (**BCL**) and S.K. Jatia, Promoter of BCL, to acquire 76,59,925 equity shares of Rs 10 each constituting 62.92% of total equity shares capital of BCL at a price of Rs 20.60.

OCIL also said that it would also make an open offer to the shareholders of BCL for the acquisition of up to 24,34,762 shares or 20% of voting rights.

Maple Capital Advisors were the sole advisors for the deal.

BCL as a company was started in 1985 to manufacture world-class ceramic glazed tiles. It has two strategically located plants near major Indian markets – One near Vadodra in Gujarat and the other near Bangaluru, Karnataka in Southern India one of the largest consumers of ceramic tiles in India. The total installed capacity of both the plants is 146 lacs sq meters per annum. The range offered varies from Ceramic Glaze Wall Tiles, Ceramic Glazed Floor Tiles, Edge Cut Floor Tiles etc to name a few. It is also a pioneer in making Non-Skid Group-V Series, Floor Tiles. It also has a well-spread and well-connected distribution network comprising 24 Depots, active dealer network of 732 Dealers and 1410 exclusive retailers to ensure optimal delivery and exports to some of the most demanding markets of the world.

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The acquisition of majority of stake in **BCL** is in line with **OCIL**'s inorganic growth strategy. The combined turnover of OCIL and BCL will make OCIL the fourth largest tile company in the country and the one with the largest installed capacity amongst all tile manufacturers in India and also the only one to have plants in North, West and South India.

OCIL has its plant in North India and majority of sales in North and East India whereas BCL has plants in West and South India where most of its market is. This translates into excellent synergy for the combined business of OCIL.

OCIL places a lot of values on excellent BCL resources in the form of its employees, systems, business partners and market potential. OCIL will be working with the management of BCL to realize the synergies of business and to make BCL a stronger player in the market by investing in more capex and capacity expansion for which there is scope at each of BCL plants. A large part of the gas requirement of Gujarat plant is met through lower cost APM gas. Hoskote plant runs on LPG but being dry process plant requires much less fuel than wet process plants. Apart from this, GAIL's Natural Gas pipeline from Ratnagiri to Bangalore will be operational in 2012 which will reduce fuel costs for Hoskote plant (which presently uses LPG) by Rs 10 crore per annum. There is availability of 5000 KVA high quality grid power directly from 66 KV HT line available in Hoskote which can support expansion of Hoskote production by 4 million m² pa.

Speaking on the occasion, Mr. Madhur Daga, Executive Director, OCIL, said,

'I am proud to be part of a team which has participated in the Indian tile industry's first consolidation. In a distribution intensive industry like tiles, proximity to consumers is a key to success. BCL offers us the perfect platform to gain market share rapidly &

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profitably in the rich tile consuming geographies of South & West India via its plants & focused distribution network. I am confident that the successful integration of this acquisition will enable Orient to extend its leadership across all parts of India in the near future.”

Speaking on the occasion, Mr. Vijay Shankar Sharma, CFO, OCIL, said,

“We have chosen to grow inorganically for faster speed to market where the combined value of OCIL and BCL business is far in excess of the individual businesses due to excellent business synergies. With OCIL manufacturing experience and enhanced market potential for both the companies, we are confident of doing a turnaround of BCL performance and enhance OCIL’s own financial performance and provide better shareholder returns to investors of both companies”.

Speaking on the Occasion: Mr. Pankaj Karna, Managing Director-Maple Capital Advisors Said “ *The deal presents a fantastic synergy in market, manufacturing and brand presence. It provides an optimal route to expansion, in what will be a strongly value accretive play post integration. Orient has emerged as one of the most efficient players in the sectors and its best practices will certainly unlock significant value at Orient and Bell Ceramics ”*

About Orient Ceramics and Industries Ltd:

Orient Ceramics and Industries Ltd (OCIL) pioneers in manufacturing ultra vitrified tiles in India was formed in 1977 as a public limited company and has been at the forefront of innovation in home décor ever since. The company is accredited with ISO 9001:2000, ISO 14001 and ISO 18001 certifications for quality control management systems. Having a base of more than 900 retail outlets and more than 2000 secondary retailers



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spread all over the country and also a wide customer base ranging from Middle East to Europe. For more details about OCIL please visit www.orienttiles.com

About Maple Capital Advisors:

Maple Capital Advisors is a boutique investment banking firm based in New Delhi focused on Mergers & Acquisitions, Private equity and structured debt advisory with highly entrepreneurial professionals from successful track records in banking, investment banking and consulting. Maple focuses significantly on owner managed companies across manufacturing, consumer businesses, hospitality and healthcare. For more details please visit www.maple-advisors.com .

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