PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF

BELL CERAMICS LIMITED

Registered Office: Dora Village, Amod Taluka, Bharuch - 392230, Gujarat

CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM EQUITY SHAREHOLDERS OF BELL CERAMICS LIMITED

This Public Announcement ("PA") is being issued by Centrum Capital Limited ("Centrum" or the "Manager to the Offer") on behalf of Orient Ceramics And Industries Limited (the "Acquirer" or "OCIL") along with Mr. Mahendra K. Daga, Ms. Sarla Daga, Freesia Investment And Trading Company Limited and Morning Glory Leasing And Finance Limited, the Persons Acting in Concert ("PACs"), to the equity shareholders of Bell Ceramics Limited (the "BCL"/ "Target Company") pursuant to and in compliance with, regulation 10 and 12 and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ("**SEBI (SAST) Regulations**").

1. Background to the Offer

1.1 The Open Offer (the "Offer") is being made by Orient Ceramics and Industries Limited, the Acquirer to the Offer along with Mr. Mahendra K. Daga, Ms. Sarla Daga, Freesia Investment And Trading Company Limited and Morning Glory Leasing And Finance Limited, the PACs to the Offer, to the equity shareholders of Bell Ceramics Limited.

1.2 OCIL is the acquirer within the meaning of regulation 2(1)(b) of the SEBI (SAST) Regulations. Mr. Mahendra K. Daga, Ms. Sarla Daga, Freesia Investment And Trading Company Limited and Morning Glory Leasing And Finance Limited are the persons acting in concert as defined in regulation (2)(1)(e) of the SEBI (SAST) Regulations. BCL is the target company as defined in regulation (2)(1)(o) of the SEBI (SAST) Regulations.

1.3 The Offer is being made by the Acquirer along with the PACs under regulation 10 & 12 of the SEBI (SAST) Regulations pursuant to the following:

a. The Acquirer, vide share purchase agreement dated September 20, 2010 (the "**SPA**") executed amongst the Acquirer, the Target Company and Mr. Shiv Kumar Jatia (the "**Seller**"), agreed for the acquisition of 76,59,925 equity shares in the Target Company of face value ₹ 10 (Rupees Ten only) each (the "**SPA Shares**"), representing 62.92% of the existing share capital at a price of ₹ 20.69 (Rupees Twenty and Sixty Nine Paise only) per equity share (the "**Negotiated Price**") for a aggregate purchase consideration of ₹ 15,69,89,699/- (Rupees Fifteen Crores Sixty Nine Lacs Eighty Nine Thousand Six Hundred and Ninety Nine only) (the "**Acquisition**") payable in cash. Out of 76,59,925 equity shares 72,216 equity shares are pledged with IDBI Bank, which would be transferred by the Seller to the Acquirer after the bank release such shares a the price of ₹ 20.69 per equity share. The acquisition shall be at a price per equity share of ₹ 20.69/-. In addition to the Sale Consideration, the Acquirers will be paying an amount of ₹ 10,00,000/- to the Sellers as and by way of a non-compete fee in consideration for the Sellers

b. The Acquirer and the Seller have also entered into an escrow agreement on September 20, 2010 with YES Bank Limited having its registered office at Nehru Centre, 9th Floor, Discovery of India Bldg., Dr. Annie Besant Road, Worli, Mumbai 400 018 (the "**Escrow Agent**") and Centrum Capital Limited pursuant to which, the aforesaid SPA Shares will be held in an escrow account (the "Sale Share Escrow") administered by the Escrow Agent, and will continue to remain in the escrow account until completion of the Offer formalities.

1.4 The salient features of the SPA are as under:

a. The Acquirer is entitled to appoint additional directors on board of the Target Company at any time after the expiry of 21 days from the date of this PA. In terms of the second proviso to regulation 22(7) of the SEBI (SAST) Regulations the Acquirer has deposited in escrow account 100% (One Hundred Percent) of the consideration payable to the shareholders in this Offer.

b. Within 30 Business Days after the Completion Date and subject to the Seller furnishing the Bank Guarantee (unconditional and irrevocable guarantee, from a scheduled bank for an amount of ₹ 3 Crore, in favour of the Acquirer which will be provided by the Seller) in accordance with this Agreement, the Target Company shall, subject to receipt of consent from the Lenders, repay the loan of ₹ 12,37,40,595, along with interest outstanding as on the date of repayment, to WEL Intertrade Private Limited in accordance with the terms of the Inter Corporate Loan Repayment Agreement.

c. The Seller and the Seller's relative have pledged an aggregate of 72,216 equity shares held by them in the Target Company to IDBI Bank. The Seller undertakes that upon IDBI Bank releasing its pledge over the pledged shares, the Seller shall procure the transfer of such shares to the Acquirer, free and clear of any encumbrance, for an amount of ₹ 20.69 per pledged share, to be paid by the Acquirer, simultaneous with such transfer.

d. In consideration of the aggregate purchase price and non-compete fee being received by the Seller under the SPA from the Acquirer, the Seller has agreed to undertake customary non-competition and non-solicitation obligations for the period of 5 (five) years.

e. Seller shall deliver to the Acquirer no objection letters from the Lenders of the Target Company, stating that the Lenders have no objection to the transfer of the Sale Shares by the Seller to the Acquirer and to the resulting change in control of BCL no later than 3 days following the expiry of a period of 21 days from the date of the Public Announcement.

f. The Seller undertakes to procure that (except as otherwise agreed in writing with the Acquirer) no member of the Seller's group will either directly or indirectly and either solely or jointly with any other person (either on its own account or as the agent of any other person) and in any capacity whatsoever for a period of 5 years from Completion:

   a. For a period of 5 years from Completion carry on or be engaged or concerned or (except as the holder of shares in a listed company which confer not more than 5% of the votes which can generally be cast at a general meeting of the company) interested in a business which competes with the type of business carried on by the Company at Completion in India
   b. For a period of 5 years from Completion solicit or otherwise deal with any person in respect of goods or services competitive with those manufactured or supplied by the Company for period of 5 months immediately prior to Completion, such person having been a customer of the Company in respect of such goods or services during such period;
   c. For a period of 5 years from Completion solicit or endeavour to entice to leave the service or employment of the Company or employ, any person who during the period of 12 months immediately prior to Completion was an employee of the Company;
   d. For a period of 5 years from Completion directly or indirectly, acquire or attempt to acquire any shares or security interest in the Company; or
   e. use any Intellectual Property, trade or domain name (including the expression 'Bell') or e-mail address used by the Company either at Completion or at any time during 3 years immediately preceding the Completion or any other name intended or likely to be confused with any such Intellectual Property, trade or domain name or e-mail address

g. The SPA also contains customary provisions including provisions in relation to representations, warranties and related indemnity obligations.

1.5 The acquisition shall be at a price per equity share of ₹ 20.69/-. In addition to the Sale Consideration, the Acquirers will be paying an amount of ₹ 10,00,000/- to the Sellers as and by way of a non-compete fee in consideration for the Sellers.

1.6 As on the date of this PA, the Acquirer does not own any shares or securities of the Target Company except as stated in clause 1.3 above. As on date of this PA, the PACs hold 80,141 equity shares representing 0.66% of the issued and paid-up share capital of the Target Company in following manner:

PACs	No. of equity shares held
Mr. Mahendra K. Daga	14,759
Ms. Sarla Daga	19,084
Freesia Investment And Trading Company Limited	35,497
Morning Glory Leasing And Finance Limited	10,801

1.7 In view of the aforesaid substantial acquisition of equity shares in, and change in control of the Target Company in terms of the SEBI (SAST) Regulations, this Offer is being made in compliance with regulations 10 and 12 read with other applicable provisions of the SEBI (SAST) Regulations.

2. The Offer

2.1 The Acquirer along with the PACs are hereby making the Offer to all the shareholders of BCL (other than the parties to the SPA) to acquire from them up to 24,34,762 equity shares of BCL of face value ₹ 10/- each (representing 20% of issued and paid-up equity capital of BCL) at a price of ₹ 24.95 (Rupees Twenty Four and paise Ninety Five only) (the "**Offer Price**") per equity share payable in cash in terms of regulation 20 and 21 of the SEBI (SAST) Regulations. The Offer is computed based on the issued equity capital of the Target Company as on the date of this PA.

2.2 As on the date of this PA, the Acquirer and the PACs or directors thereof does not hold any equity shares of BCL and they have not acquired and/or allotted equity shares of BCL during the 12 months preceding the date of this PA save and except those acquired as stated in clause 1.3 and clause 1.6 above. Due to the operation of regulation 2(1)(e)(2) of the SEBI (SAST) Regulations, apart from the PACs there may be one or more person(s) deemed to be acting in concert with the Acquirer. However, such persons are not acting in concert with the Acquirer in the Offer.

2.3 The Manager to the Offer does not hold any equity shares of the Target Company as on the date of this PA.

2.4 This is not a Competitive Bid.

2.5 The Offer is subject to the terms and conditions set out herein and in the LOF that would be sent to the shareholders of BCL.

2.6 This Offer is subject to receipt of the statutory and other approvals mentioned in Clause 7 of this PA. In terms of regulation 27 of the SEBI (SAST) Regulations, if any such statutory approvals are refused, the Offer would stand withdrawn.

2.7 The Offer is in compliance with the SEBI (SAST) Regulations and subsequent amendments thereof.

2.8 The Offer is not conditional upon any minimum level of acceptance.

2.9 The equity shares will be acquired by the Acquirer and PACs as fully paid-up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

3. Offer Price

3.1. The equity shares of the Target Company were listed on the National Stock Exchange ("**NSE**"), Bombay Stock Exchange ("**BSE**"), Ahmedabad Stock Exchange, Vadodara Stock Exchange and the Delhi Stock Exchange. Subsequently, pursuant to the special resolution passed at the general meeting held on September 27, 2003, equity shares were delisted from Ahmedabad Stock Exchange, Vadodara Stock Exchange and Delhi Stock Exchange. The Target Company had filed a Scheme of Arrangement under Sections 391 to 394 and Sections 100 to 104 of the Companies Act, 1956 ("Scheme") before the Gujarat High Court for reduction and consolidation of share capital which was approved on July 02, 2010. Pursuant to the Scheme, the face value of equity shares of ₹10 each was reduced to ₹ 3.33/- per equity share and thereafter every 3 equity shares of ₹3.33/- each were consolidated into 1 (one) equity share of ₹10/- each. Further, 1,50,00,000 outstanding preference shares of ₹ 10 each were converted into 50,00,000 equity shares of ₹10 each at a premium of ₹ 20/- per share. The Scheme was implemented and the new equity shares were allotted by the board of directors of the Target Company on August 02, 2010. The equity shares of the Target Company were suspended w.e.f. July 26, 2010 for implementation of the scheme andthe new equity shares issued pursuant to the Scheme were listed and permitted for trading w.e.f. September 8, 2010 on the NSE and the BSE. Accordingly, as there is no trading history available for the continuous preceding twenty six weeks hence for the purpose of this Offer, the equity shares are deemed to be infrequently traded within the meaning of regulation 20(5) of the SEBI (SAST) Regulations.

3.2. The Offer Price of ₹ 24.95 (Rupees Twenty Four and paise Ninety Five only) per share is justified in terms of regulation 20 (5) of SEBI (SAST) Regulations being higher than the following:

Negotiated Price	₹ 20.69 per share
Highest price paid by the Acquirer/PACs for acquisition including by way of allotment in a public or rights or preferential issue during 26 week period prior to the date of this PA	Not Applicable
Other parameters based on the audited financial results for the year ended on March 31, 2010:	
Book Value per Share	₹ 5.25
Return on Net Worth	(56.42)%
Earning per Share	₹ (3.61)
P/E Ratio	Not Applicable
Fair Value per Share*	₹ 23.50

** Fair value of the shares has been determined vide valuation report dated September 21, 2010 issued by Mr. Rajesh Kumar Jain, Partner, (Membership No. 095764), M/s. A. Pujari & Associates, Chartered Accountants, 1C Vandhna, Tolstoy Marg, New Delhi-110001 an independent Chartered Accountant, taking into consideration the parameters set out by the Hon'able Supreme Court of India in the case of Hindustan Lever Employee Union v. Hindustan Lever Limited, (1995) 83 Comp Case 30. The said valuation report, prepared on the basis of Net Asset Value ₹ 20.64 per share, Profit Earning Capacity Value Nil and Market Value ₹ 24.93, indicates that the fair value of the shares based on the audited financial statements of the Target Company as on March 31, 2010 is ₹ 23.50 per share.*

3.3. The Acquirer and PACs may purchase additional equity shares of the Target Company in accordance with the SEBI (SAST) Regulations. In the event that the Acquirer and PACs purchase additional equity shares of the Target Company during the offer period, such purchase shall be disclosed to the stock exchanges where the equity shares of Target Company are listed and to the Manager to the Offer in accordance with regulation 22(17) of the SEBI (SAST) Regulations.

3.4. If the Acquirer and PACs acquires equity shares of the Target Company after the date of this PA and up to 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid applications received under the Offer.

4. Information about the Acquirer and the PACs

Orient Ceramics And Industries Limited

4.1. The Acquirer, Orient Ceramics And Industries Limited, is a public limited company incorporated on May 18, 1977 under the Companies Act, 1956. The Corporate Identification Number of the Acquirer is L14101UP1977PLC021546 and its registered office is at 8, Industrial Area, Sikandrabad 203205, U.P Tel: 05735-222203 Fax: 05735-222642 and corporate office is at Iris House, 16, Business Centre, Nangal Raya, New Delhi - 110046. The equity shares of the Acquirer are listed on the BSE, NSE and Calcutta Stock Exchange (CSE). The Acquirer has applied to CSE for voluntary delisting of its equity shares and the confirmation of voluntary delisting from CSE is awaited.

4.2. The Acquirer is in the business of manufacturing and trading of ceramic tiles in India.

4.3. The names of the board of directors of the Acquirer are as follows: Mr. Mahendra K. Daga, Mr. R. N. Bansal, Mr. Madhur Daga, Mr. Dhruv M. Sawhney and Mr. N. R. Srinivasan.

4.4. The promoter and promoter group of the Acquirer includes Mr. Mahendra K Daga, Mr. Madhur Daga, Ms. Sarla Daga, Ms. Roma Monisha Sakraney Daga, Mahendra K Daga HUF, Good Team Investment And Trading Company Pvt Ltd, Freesia Investment And Trading Company Ltd, Alfa Mercantile Ltd, Iris Designs Pvt Ltd, Morning Glory Leasing And Finance Ltd and has aggregate holding of 78,70,274 equity shares representing 74.74% of the paid up share capital of the Acquirer.

4.5. The standalone financial highlights of the Acquirer are given below:

(All figures in ₹ lacs, except per share data & ratio)

Particulars	March 31, 2008 (audited)	March 31, 2009 (audited)	March 31, 2010 (audited)
Net Sales	21,456.80	22,414.30	25,393.51
Profit After Tax	259.22	636.87	1,145.93
Equity Share Capital	1,053.00	1,053.00	1,053.00
Reserves and Surplus	3,745.18	4,197.25	5,097.59
Earning Per Share (₹)	2.46	6.05	10.88
Book Value per Share (₹)	45.57	49.86	58.41
Return on Net Worth (%)	5.40	12.13	18.63
Number of Shares	1,05,30,000	1,05,30,000	1,05,30,000

Source: Annual Reports

4.6. The Acquirer has not been prohibited by SEBI from dealing in securities market, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other regulation made under the SEBI Act.

Mr. Mahendra K. Daga

4.7. Mr. Mahendra Daga, S/o Late Mr. B. D. Daga is an Indian national residing at D-1/6, Vasant Vihar, New Delhi - 110 057, Tel No: 011-28520168, Fax No.: 011-28521273.

4.8. Mr. Sanjeev Jain, Chartered Accountant, Membership No. 89320 having office at E-35, Green Park Main, New Delhi-110016, Tel No. 011-46067777, Fax No.: 011-46067736 has certified vide his certificate dated September 13, 2010 that the Net Worth of Mr. Mahendra K. Daga as on the date of certificate is ₹ 10,60,69,249.69/- (Rupees Ten Crore Sixty Lacs Sixty Nine Thousand Two Hundred Forty Nine and Paise Sixty Nine Only).

4.9. Mr. Mahendra K. Daga is the Managing Director of OCIL (Acquirer), husband of Ms. Sarla Daga (PAC) and promoter and shareholder of the other PACs.

4.10. Mr. Mahendra K. Daga is a graduate with an Arts degree from St. Xaviers College, Kolkata and is a fellow member of the Institute of Materials, U.K. He has over 42 years of experience in ceramics industry.

4.11. As on the date of this PA, Mr. Mahendra K. Daga holds 14,759 equity shares in BCL.

4.12. Besides OCIL, Mr. Mahendra K. Daga holds directorship in Freesia Investment And Trading Co. Ltd, Good Team Investment And Trading Co. Pvt. Ltd, Orient Rave Mercantile Limited, Triveni Engineering And Industries Ltd, Indian Council of Ceramic Tiles and Sanitarywares.

4.13. Mr. Mahendra K. Daga has promoted OCIL, Freesia Investment And Trading Co. Ltd, Morning Glory Leasing And Finance Limited which are listed entities and Orient Rave Mercantile Limited, is not listed on any stock exchange.

4.14. Mr. Mahendra K. Daga has not been prohibited by SEBI from dealing in securities market, in terms of directions issued under Section 11B of the SEBI Act or under any other regulation made under the SEBI Act.

Ms. Sarla Daga

4.15. Ms. Sarla Daga, w/o Mahendra Daga is an Indian national residing at D-1/6, Vasant Vihar, New Delhi - 110 057, Tel. No: 011-28520168, Fax No.: 011-28521273.

4.16. Mr. Sanjeev Jain, Chartered Accountant, Membership No. 89320 having office at E-35, Green Park Main, New Delhi-110016, Tel No. 011-46067777, Fax No.: 011-46067736 has certified vide his certificate dated September 13, 2010 that the Net Worth of Ms. Sarla Daga as on the date of certificate is ₹ 5,26,61,723.90/- (Rupees Five Crore Twenty Six Lacs Sixty One Thousand Seven Hundred Twenty Three and Paise Ninety Only).

4.17. Ms. Sarla Daga is wife of Mr. Mahendra K. Daga (PAC) and is also shareholder of Freesia Investment And Trading Co. Ltd (PAC) and Morning Glory Leasing & Finance Limited (PAC).

4.18. As on the date of this PA, Ms. Sarla Daga holds 19,084 shares in BCL.

4.19. Ms. Sarla Daga holds directorship in Iris Designs Pvt. Ltd, which is not listed on any stock exchange.

4.20. Ms. Sarla Daga has not promoted any company.

4.21. Ms. Sarla Daga has not been prohibited by SEBI from dealing in securities market, in terms of directions issued under Section 11B of the SEBI Act or under any other regulation made under the SEBI Act.

Freesia Investment And Trading Company Limited (FITL)

4.22. FITL was incorporated on April 24, 1982 under the Companies Act, 1956 and has its registered office at Iris House, 16, Business Centre, Nangal Raya, New Delhi - 110 046, Tel No: 011-28520168, Fax No: 011-28521273.

4.23. FITL is in the business of investment and finance.

4.24. Shares of FITL are listed on Delhi Stock Exchange.

4.25. As on the date of this PA, FITL holds 35,497 shares in BCL.

4.26. The board of directors of FITL consists of Mr. Mahendra K. Daga, Mr. Sri Ram Sharma and Mr. Alok Chakraborty.

4.27. The promoter and promoter group entities includes Alfa Mercantile Limited, Mr. Madhur Daga, Mr. Mahendra K. Daga, Mahendra K. Daga (HUF), Morning Glory Leasing And Finance Ltd, Ms. Sarla Daga with aggregate shareholding of 83.30% of the share capital of FITL.

4.28. The financial highlights of the FITL are given below:

(All figures in ₹ lacs, except per share data & ratio)

Particulars	March 31, 2008 (audited)	March 31, 2009 (audited)	March 31, 2010 (audited)
Total Revenue	43.77	73.77	95.57
Profit After Tax	(2.61)	16.41	37.44
Equity Share Capital	50.00	50.00	50.00
Reserves and Surplus	186.49	202.91	240.34
Earning Per Share (₹)	(0.73)	3.28	7.49
Book Value per Share (₹)	47.30	50.58	58.07
Return on Net Worth (%)	NA	0.06	0.13
Number of Shares	5,00,000	5,00,000	5,00,000

Source: Annual Reports

4.29. FITL has not been prohibited by SEBI from dealing in securities market, in terms of directions issued under Section 11B of the SEBI Act or under any other regulation made under the SEBI Act.

Morning Glory Leasing And Finance Limited (MGLF)

4.30. MGLF was incorporated on August 3, 1984 under the Companies Act, 1956 and has its registered office at Iris House, 16, Business Centre, Nangal Raya, New Delhi - 110 046, Tel. No:- 011-28520168, Fax No:- 011-28521273.

4.31. MGLF is in the business of investment and finance.

4.32. Shares of MGLF are listed on Delhi Stock Exchange.

4.33. As on the date of this PA, MGLF holds 10,801 shares in BCL.

4.34. The board of directors of MGLF consists of Mr. Anil Agarwal, Ms. Roma Monisha Sakraney Daga and Mr. Rajesh Bagri.

4.35. The promoter and promoter group entities includes Alfa Mercantile Limited, Mr. Madhur Daga, Mr. Mahendra K. Daga (HUF), Ms. Sarla Daga, Iris Designs Pvt. Limited., Freesia Investment And Trading Co. Limited with aggregate shareholding of 60.24% of the share capital of MGLF.

4.36. The financial highlight of MGLF is given below:

(All figures in ₹ lacs, except per share data & ratio)

Particulars	March 31, 2008 (audited)	March 31, 2009 (audited)	March 31, 2010 (audited)
Total Revenue	7.67	5.50	8.22
Profit After Tax	4.81	2.52	5.65
Equity Share Capital	24.90	24.90	24.90
Reserves and Surplus	23.07	25.59	31.24
Earning Per Share (₹)	1.93	1.01	2.27
Book Value per Share (₹)	19.26	20.28	22.55
Return on Net Worth (%)	10.03	5.00	10.06
Number of Shares	2,49,000	2,49,000	2,49,000

Source: Annual Reports

4.37. MGFL has not been prohibited by SEBI from dealing in securities market, in terms of directions issued under Section 11B of the SEBI Act or under any other regulation made under the SEBI Act.

5. Information about the Target Company

5.1 Bell Ceramics Limited is a Company incorporated on October 18, 1985 under the Companies Act, 1956 and having its registered office at Dora village, Amod taluka, Bharuch district -392230, Gujarat.

5.2 The Target Company is engaged in the business of manufacturing ceramic glazed floor and wall tiles.

5.3 All the equity shares issued by the Target Company are listed on BSE and NSE.

5.4 The Target Company had filed a Scheme of Arrangement under Sections 391 to 394 and Sections 100 to 104 of the Companies Act, 1956 ("Scheme") before the Gujarat High Court for reduction and consolidation of share capital which was approved on July 02, 2010. Pursuant to the Scheme, the face value of equity shares of ₹10 each was reduced to ₹ 3.33/- per equity share and thereafter every 3 equity shares of ₹ 3.33/- each were consolidated into 1 equity share of ₹10/- each. Further, 1,50,00,000 outstanding preference shares of ₹ 10 each were converted into 50,00,000 equity shares of ₹10 each at a premium of ₹ 20/- per share. The Scheme was implemented and the new equity shares were allotted by the board of directors of the Target Company on August 02, 2010.

5.5 The total issued, subscribed and paid up equity capital of the Target Company as on the date of this PA is ₹ 12,17,38,070 consisting of 1,21,73,807 equity shares of face value ₹ 10/- each. The Offer is computed based on the issued equity capital of the Target Company.

5.6 The Promoters and Promoter Group entities of the Target Company collectively held 78,23,933 equity shares constituting 64.27% of equity capital of the Target Company. As explained in Clause 1.3, the Seller, who is one of the Promoters of the Target Company, has agreed to sell 76,59,925 equity shares constituting 62.92% of equity capital of the Target Company.

5.7 There are currently no outstanding partly paid up shares or any other instruments convertible into equity shares of the Target Company at a future date.

5.8 The names of the directors on the board of the Target Company are as follows: Mr. Kashinath Pai, Mr. Sudhir Vyas, Mr. Rameshwarlal Maheshwari, Ms. Anita Thaper and Mr. Pawan Agarwal.

5.9 The standalone financial highlights of BCL are given below:

(All figures in ₹ lacs except per share data & ratio)

Particulars	March 31, 2008 (audited)	March 31, 2009 (audited)	March 31, 2010 (audited)
Net Sales	16,184.21	18,880.80	15,330.19
Profit After Tax	(2,182.43)	33.30	(637.33)
Equity Share Capital	2,152.14	2,152.14	2,152.14
Reserves and Surplus	(419.15)	(385.85)	(1,023.18)
Earning per Share (₹)	(11.16)	(0.5)	(3.61)
Book Value per Share (₹)	8.05	8.21	5.25
Return on Net Worth (%)	(125.93)	1.89	(56.45)
No. of shares	2,15,21,425	2,15,21,425	2,15,21,425

Source: Annual Reports

5.10 The Target Company has not been prohibited by SEBI from dealing in securities market, in terms of directions issued under Section 11B of the SEBI Act or under any other regulation made under the SEBI Act.

6. Reason for Acquisition and Offer

6.1 The Offer is being made pursuant to acquisition of 76,59,925 equity shares representing 62.92% of the issued and paid up equity share capital through SPA. This will result in substantial acquisition of equity shares in and change in control of the Target Company in terms of the SEBI (SAST) Regulations. Hence, the Offer is being made in compliance with regulations 10 and 12 read with other applicable provisions of the SEBI (SAST) Regulations.

6.2 The Acquirer is in the business of manufacturing and trading of ceramic tiles and has a strong market presence in North and East India. The Target Company has plants and strong market presence in South and West India. Hence, the Acquirer believes that the Target Company's business fits into its overall strategy to strengthen its presence across India and helps accelerate its growth strategy.

6.3 To the extent required and to optimize the value to all shareholders, the Acquirer may, subject to applicable shareholders' consent, enter into any compromise or arrangement, reconstruction, restructuring, merger, rationalizing and / or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. The board of directors of the Target Company will take appropriate decisions in these matters. The Acquirer and the PACs do not have any plan to dispose off or otherwise encumber any asset of the Target Company in the next two years except in the ordinary course of business of the Target Company and except to the extent mentioned above.

6.4 The Acquirer and the PACs undertake that they shall not sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company, to the extent required by the then applicable law.

7. Statutory/Other Approvals required for the Offer

7.1 The Offer is subject to the Acquirer obtaining all approvals under foreign exchange laws including approval from Reserve Bank of India and the Foreign Investment Promotion Board if any, for acquiring shares in the Offer.

7.2 The Acquirer and the PACs will make the above application at an appropriate time.

7.3 Except as mentioned hereinabove in paragraph 7.1, to the best of the knowledge of the Acquirer and the PACs there are no other statutory approvals required for the purpose of this Offer. The Offer would be subject to all statutory approvals that may become applicable at a later date.

7.4 The Acquirer and the PACs shall complete all procedures relating to the Offer within a period of 15 days from the closure of the Offer.

7.5 In case of delay, due to non-receipt of statutory approvals, as per regulation 22(12) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of the approvals was not due to willful default or negligence, grant an extension for the purpose of completion of the Offer provided the Acquirer and the PACs agree to pay interest to the shareholders beyond 15 days.

7.6 If the Acquirer and the PACs fail to obtain the requisite approvals in time due to willful default or neglect or inaction or non-action on his part, the amount lying in the escrow account shall be forfeited in the manner provided in regulation 28 (12) (e) of the SEBI (SAST) Regulations.

7.7 The Acquirer and the PACs reserve the right to withdraw the Offer in the event of the requisite statutory approvals being refused. In the event of withdrawal, a public announcement will be made in the same newspapers in which this PA is being made.

8. Disclosure in terms of regulation 21(2)

8.1 The minimum public shareholding required for continuous listing of the equity shares of the Target Company is 25% (twenty five percent) of the share capital.

8.2 The Acquirer and the PACs does not intend to delist the Target Company as a result of the Offer. In the event the shareholding of the Acquirer and the PACs were to exceed the threshold specified in the listing agreement for delisting, the Acquirer and the PACs will take the necessary steps in terms of the provisions of regulation 21(2) of SEBI (SAST) Regulations and as per the listing agreements prescribed by the stock exchanges to maintain a minimum threshold of public shareholding for listing on a continuous basis, within the timeframe specified therein.

9. Funding Arrangement for the Offer

9.1 The Acquirer and the PACs has made firm financial arrangements for financing the acquisition of equity shares under the Offer, in terms of regulation 16 (xiv) of the SEBI (SAST) Regulations. The maximum fund requirement for the acquisition of 24,34,762 equity shares of the Target Company of face value ₹ 10/- each at the offer price of ₹ 24.95 per equity share assuming full acceptance of the shares tendered would be ₹ 6,07,47,312. The funding would be through the existing cash balances.

9.2 In accordance with regulation 28 of the SEBI (SAST) Regulations, The Acquirer has deposited '₹ 6,07,47,312 with YES Bank Limited, Maneckji Wadia Building, Ground Floor, Nanik Motwani Marg, Mumbai - 400001 ("**the Escrow Bank**") in an escrow account (the "**OCIL - BCL - Open Offer - Escrow Account**"), which constitutes 100% of the consideration payable to the shareholders in this Offer, under the terms of the Escrow agreement dated September 21, 2010 entered into between the Acquirer, the Manager to the Offer and the Escrow Bank. The Manager to the Offer has been empowered to operate the escrow account in terms of the SEBI (SAST) Regulations.

9.3 Ms. Pallavi Dinodia, Membership No. 500618 of M/s S. R. Dinodia & Co., Chartered Accountants, located at K-39, Connaught Place, New Delhi-110001 has by its letter dated September 21, 2010, certified that Acquirer has adequate resources to meet the financial requirements of the Offer.

9.4 Based on the above, the Manager to the Offer, has satisfied itself that the Acquirer and the PACs have adequate and firm financial arrangements to implement the Offer in accordance with the SEBI (SAST) Regulations.

10. Other Terms of the Offer

10.1 The Offer will be made to the shareholders of the Target Company and the LOF together with the Form of Acceptance cum Acknowledgement ("**FOA**") will be mailed to those shareholders of the Target Company (other than parties to the SPA), whose names appear on the register of members of the Target Company and the beneficial owners of the shares whose names appear on the beneficial records of the respective depositories, at the close of business hours of September 27, 2010 (the "**Specified Date**").

Accidental omission to dispatch the LOF to any member entitled to this Offer or non-receipt of the LOF by any member entitled to this Offer shall not invalidate the Offer in any manner whatsoever. The Offer is subject to terms and conditions set out herein and in the LOF that would be sent to the shareholders of BCL as on the Specified Date.

10.2 The Acquirer and the PACs has appointed Link Intime India Pvt Ltd (formerly known as Intime Spectrum Registry Limited) as Registrars to the Offer.

10.3 Shareholders who wish to tender their equity shares, held in physical form, will be required to send the FOA, original share certificate(s) and transfer deed(s) duly signed to the registrar to the Offer, Link Intime India Private Limited, either by hand delivery on weekdays or by Registered Post, at their sole risk, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e., no later than November 29, 2010 in accordance with the instructions to the specified in the LOF and in the FOA.

10.4 Link Intime India Pvt Ltd has set up the following centres to collect the acceptances being tendered in this Offer.

Sr. No	Collection centre	Contact Person	Address of collection centre ,Tel. No., Fax No., E-mail ID	Mode of Delivery
1.	Mumbai	Vivek Limaye	Link Intime India Pvt. Ltd, C-13, Panalal Silk Mills Compound, L B S Marg, Bhandup (W), Mumbai - 400078. 022-25960320, 022-25960329 nilesh.chalke@linkintime.co.in	Hand Delivery & Registered Post
2.	Baroda	Alpesh Gandhi	Link Intime India Pvt. Ltd., First Floor, Jaldhara Complex, Nr. Manisha Society, Old Padara Road, Vadodara -390015. 0265-2250241 / 3249857, 0265-2250246 (Telefax) vadodara@linkintime.co.in	Hand delivery
3.	New Delhi	Swapan Naskar	Link Intime India Pvt. Ltd., A-40, 2nd Floor, Naraina Industrial Area, Phase II, Near Batra Banquet, New Delhi - 110028. 011-41410592/93/94, 011-41410591 delhi@linkintime.co.in	Hand delivery
4.	Bangalore	Prashant D. Shedbal	Link Intime India Pvt. Ltd., 543/A, 7TH Main , 3rd Cross, Hanumanthanagar, Bangalore - 560 019. 080-26509004, 080-26509004 bangalore@linkintime.co.in	Hand Delivery
5.	Kolkata	Debu Ghosh	Link Intime India Pvt. Ltd, 59C Chowringhee Road, 3rd Floor, Kolkata -700020. 033-22890539/40, 033-22890539/40 kolkata@linkintime.co.in	Hand Delivery

The documents can be tendered at the above centres between 10.00 am to 1.00 pm and 2.00 pm to 4.30 pm from Monday to Friday. The centres will be closed on Saturday, Sundays and public holidays.

10.5 All owners of equity shares demat/physical, registered/unregistered (other than parties to the SPA) are eligible to participate in the Offer anytime before closure of the Offer. All registered owners can send duly completed FOA, filled and signed in accordance with the instructions contained in the LOF and FOA, to the Registrar to the Offer, Link Intime India Pvt Ltd, at the collection centres mentioned in 10.4, before the closure of the Offer i.e. November 29, 2010. No indemnity shall be required from the unregistered shareholders.

10.6 The Manager to the Offer, on behalf of the Acquirer and the PACs, has opened a special depository account with following details:

DP Name	FCH Centrum Wealth Managers Limited
DP ID	12065100
Client ID	00053224
Account Name	Special Depository CENTRUM CAPITAL LIMITED - ORIENT CERAMICS AND INDUSTRIES LIMITED OPEN OFFER ESCROW
Depository	Central Depository Services (I) Ltd. ("**CDSL**")

*Shareholders having their beneficiary account in National Securities Depository Ltd. ("**NSDL**") have to use inter-depository delivery instruction slips for crediting their equity shares in favour of the special depository account with* CDSL.

10.7 The shareholders tendering shares in demat form should ensure the credit of shares in favor of the special depository account mentioned above, before the close of business hours on the date of closure of the Offer i.e. November 29, 2010.

FOA in respect of dematerialized equity shares not credited to the above special depository account before the closure of Offer is liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions at least 2 working days prior to the date of closure of the Offer.

10.8 The shareholders tendering equity shares of the Target Company in the dematerialised form, will be required to send the FOA along with counterfoil/ photocopy of the delivery instructions (in "Off-market" mode) in favour of special depository account mentioned above, duly acknowledged by the Depository Participant ("DP"), to the Registrar either by hand delivery or by registered post on or before the closure of the Offer.

For shareholders of the Target Company holding physical certificates and who wish to accept the Offer and tender their shares will be required to send the FOA together with the share certificate (s) and transfer deed(s) to the Registrar.

10.9 In case of non-receipt of the LOF/FOA, the eligible persons may download the same from SEBI website or obtain a copy of the same by writing to the Registrar to the Offer, Link Intime India Pvt Ltd, at any of the collection centers clearly marking the envelope "BCL Offer" or make an application on a plain paper duly signed and stating Name/Address/No. of shares offered/DP Name/DP ID/ together with the counterfoil/photocopy of the delivery instructions in "off market" in favor of special depository account mentioned above, duly acknowledged by the Depository Participant ("DP").

Unregistered owners holding shares in physical form can send their application in writing on plain paper, duly signed and stating Name/Address/No. of shares offered/ Share Certificate No.(s)/Distinctive (No).s/Folio (No).s together with the original Share Certificate(s), valid transfer deeds as received from the broker (**Columns meant for transferee / buyer should be kept blank)** to the Registrar to the Offer.

10.10 In case any person has lodged shares of the Target Company for transfer and the transfer has not yet been effected, the concerned person may apply on plain paper giving details as stated above along with a transfer deed duly signed (Columns meant for transferee / buyer should be kept blank) and the acknowledgement of the lodgment of shares of transfer. Such person should also instruct BCL and its Registrar and Transfer agents to send the transferred share certificate(s) directly to the collection center as mentioned in 10.4. The applicant should ensure that the certificate(s) reach the designated collection center before the closure of the Offer.

In case any person has lodged shares of the Target Company for dematerialization and the dematerialization has not yet been effected, the concerned person should send the completed FOA together with the photocopy of the dematerialization request form acknowledged by shareholder's DP. The shareholder should ensure the credit of shares in favor of the special depository account mentioned above, before the closure of the Offer. A copy of the delivery instructions acknowledged by the DP should also be forwarded along with the FOA and other documents.

10.11 If the number of shares tendered by the shareholders are more than the Offer size, the acquisition from each shareholder will be as per regulation 21(6) on a proportionate basis in consultation with the Manager to the Offer taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. Provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot.

10.12 The Manager to the Offer will hold in trust the share certificates, transfer deeds, shares lying in credit of the special depository account, FOA on behalf of the shareholders of the Target Company who have accepted the Offer, till the Acquirer completes the Offer obligations in accordance with the SEBI (SAST) Regulations.

10.13 Equity shares tendered by the shareholders of the Target Company in the Offer shall be free from lien, charges and encumbrances of any kind whatsoever.

Equity shares, that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the shareholder(s) of the Target Company may be precluded from transferring the equity shares during pendency of the said litigation, are liable to be rejected unless directions/orders regarding the free transferability of such equity shares are received together with the equity shares tendered under the Offer prior to the date of closure of the Offer.

10.14 As per the provisions of Section 196D(2) of the Income Tax Act, 1961, and as amended (the "Income Tax Act"), no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor ("FII") as defined in section 115AD of the Income Tax Act. However, while tendering their equity shares under the Offer, Non Resident Individuals, Overseas Corporate Bodies and other non-resident shareholders will be required to submit a No Objection Certificate ("NOC") or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate from Income Tax authorities under the Income Tax Act indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. In case the aforesaid NOC or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders on the entire consideration amount payable to such shareholders. Non Resident shareholders should also submit copy of the permission received from Reserve Bank of India for acquisition of the shares of the Target Company. In case of its non-submission, Acquirer reserves their right to reject the shares tendered in the Offer.

10.15 The Acquirer and the PACs will purchase the shares from the shareholders of the Target Company who have validly tendered the shares in the Offer (i.e. equity shares and/or other documents are in order in terms of the Offer) and remit the consideration in respect thereof within 15 days from Offer closure by crossed account payee cheques/demand drafts. Consideration in excess of ₹1,500/-, unaccepted share certificates, transfer deeds and other documents, if any, will be returned by registered post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder/unregistered owner. All despatches involving payment of a value up to ₹1,500/- will be made under certificate of posting at the shareholders' sole risk.

Equity shares held in dematerialised form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished in the FOA.

10.16 The Acquirer and the PACs will not be responsible in any manner for any loss of share certificate(s) and/or Offer acceptance documents during transit and the shareholders of the Target are advised to adequately safeguard their interest in this regard. A schedule of some of the key events in respect of the Offer is given below:

Specified Date*	Friday, September 24, 2010
Last Date for Competitive Bid, if any	Wednesday, October 13, 2010
Last date by which Letter of Offer will be dispatched to shareholders of the Target	Wednesday, November 03, 2010
Date of Opening of the Offer	Wednesday, November 10, 2010
Last date for revising the Offer Price / No. of equity Shares	Friday, November 19, 2010
Last date of withdrawal of tendered application by the shareholders of BCL	Thursday, November 25, 2010
Date of Closing of Offer	Monday, November 29, 2010
Date by which acceptance / rejection under the Offer would be intimated and the corresponding payment for the acquired equity shares and/or the unaccepted equity shares / share certificate(s) will be dispatched / credited	Wednesday, December 15, 2010

** Specified Date is only for the purpose of determining the names of the shareholders as on such date to whom the LOF will be sent and all owners (registered or unregistered) of the shares of the Target Company (other than the parties to the SPA) are eligible to participate in the Offer anytime before the closure of the Offer.*

11. General

11.1 In accordance with regulation 22(5A) of the SEBI (SAST) Regulations, the shareholders who have accepted the Offer by tendering the requisite documents in terms of this PA /LOF, can withdraw the same up to three working days prior to the date of closure of the Offer.

The withdrawal option can be exercised by submitting the form of withdrawal. In case of non-receipt of the form of withdrawal, the withdrawal option can be exercised by making an application on plain paper, giving the following details:

In case of Demat Shareholders:	Name, Address, DP name, DP ID, Beneficiary A/c no., No. of shares Tendered/ Withdrawn, Counterfoil/Photocopy of the delivery instructions.
In case of Physical Shareholders:	Name, Address, Folio No.(s), Distinctive No.(s), No. of shares Tendered/Withdrawn.

11.2 If the Acquirer and the PACs decides to make upward revisions in the Offer Price / Number of equity shares to be acquired, in accordance with regulation 26 of the SEBI (SAST) Regulations, such upward revision will be made not later than seven working days prior to the date of closure of the Offer. Such revisions/amendments would be effected by making a public announcement in the same newspapers in which this PA has appeared. In case of an upward revision in the Offer price, the revised price will be payable to all the shareholders (who have validly tendered their shares in the Offer period) to the extent of their shares being accepted.

11.3 If there is a competitive bid:

The Public Offer under all the subsisting bids shall close on the same date.

As the Offer Price cannot be revised during the 7 working days prior to the closing date of the Offers/Bids, it would, therefore, be in the interest of shareholders to wait until the commencement of that period to know the final Offer price of each bid and tender their acceptances accordingly.

11.4 Pursuant to regulation 13 of the SEBI (SAST) Regulations, the Acquirer has appointed Centrum Capital Limited, as Manager to the Offer.

11.5 The Acquirer and the PACs and their respective Directors severally and jointly accept full responsibility for the information contained in this PA and also for the obligations of the Acquirer and the PACs as laid down in the SEBI (SAST) Regulations.

11.6 For further details please refer to the LOF, the FOA and the Form of Withdrawal.

11.7 This PA would also be available on SEBI's website (www.sebi.gov.in). Eligible persons to the Offer may also download a copy of the LOF, FOA and the Form of Withdrawal which will be available on SEBI's website at (www.sebi.gov.in) from the Offer opening date i.e. November 10, 2010. A copy of FOA may also be obtained from the Registrar to the Offer.

Issued by the Manager to the Offer

For and on behalf of the Acquirer

CENTRUM

Centrum Capital Limited

Centrum House, CST Road, Kalina, Santacruz (E), Mumbai - 400 098

Tel.: +91-22-4215 9000 **Fax**: +91-22-4215 9707

Contact Person: Rachna Nawhal / Vikas Gulechha

Email: ocil_openoffer@centrum.co.in

Date : September 22, 2010

Place : Mumbai

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