

CERA

CSL/2016-17/095
May 14, 2016

BSE Limited
Surveillance Dept.,
Floor 25, P J Towers
Dalal Street, Fort
Mumbai - 400 001.
Scrip Code :532443
Scrip ID:CERASAN
Fax:022-22723353

Kind Attn : Ms. Usha Sharma – Dy. General Manager (Surveillance)
Ms. Tina Jain – Associate Manager (Surveillance)

Dear Madam

Sub: Clarification / Confirmation on news item appearing in "Times of India"

This refers to your letter bearing reference L/DOSS/ONL/RV/GM/2016-17/28 dated May 03, 2016. (Received by us on 11.05.2016)

We here below offer our submissions and clarifications:

1. Govt. of Rajasthan in its attempt to promote Ceramic based manufacturing in the state had made announcement of policy guidelines in middle of 2015 towards encouragement to support investments. As a sequel to this policy, Rajasthan Govt. offered very good infrastructure and tax exemptions for Ceramic Zone.
2. Our company, being one of the leading manufacturers of ceramic products, has qualified for putting up ceramic based product – viz. Vitrified and Ceramic Tiles. Accordingly, the company had made application with token money of only Rs. 71.25 Lacs for allotment of land in Ceramic Zone in Rajasthan on 9th September 2015. The cost of the land is Rs. 712.50 lacs which has not been paid so far, since the Government of Rajasthan is still developing the said Ceramic Zone near Bijaynagar (Dist. Ajmer) Rajasthan. It will still take 6 – 8 months in creating infrastructure in the said Zone by Government.
3. We may further add that it will take at least 18 -24 months by the time project at Rajasthan will take off. It would be too early to conclude any positive effects on company's share price which can solely be attributed to the news flash as realty market is quite subdued and sluggish for quite some time with no sign of any drastic revival in immediate future.
4. Further, we have to inform you that the Company has made necessary disclosures under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as and when it was required.

Cera Sanitaryware Limited

Sales & Marketing Office: Madhusudan House, Opp. Navrangpura Telephone Exchange, Navrangpura, Ahmedabad 380 006
Tel: +91 79 26449781, 26449789 Fax: +91 79 26569259 Email: marketing@cera-india.com www.cera-india.com

Registered Office & Works: 9, GIDC Industrial Estate, Kadi 382715, District Mehsana, North Gujarat

CIN: L26910GJ1998PLC034400

5. Regarding increase in the scrip price of the Company on May 3, 2016, it seems it is governed by the market forces. It would be more relevant to say that the recent upward movement in share price of the company of 7.38 % intraday is purely after the announcement of good result and handsome dividend payout announced by the Board and based on strong fundamentals as way forward on its sustainability with existing manufacturing facilities and product mix. Further, we understand that it has also happened in the past too.

We hope you will find above clarification to your satisfaction.

Thanking You.

Yours faithfully,
For, Cera Sanitaryware Limited



Narendra N. Patel
President and Company Secretary

Cera Sanitaryware Limited

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