



Date: 16<sup>th</sup> January, 2017

Department of Corporate Services, Bombay Stock Exchange Limited, Phiroze Jeebhoy Towers, Dalal Street, Mumbai – 400001	Listing Department, National Stock Exchange of India Ltd, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
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Dear Sir,

**Sub:** Press release


**Ref:** Scrip Code / Symbol: 532486/ POKARNA

Please find the enclosed press release, which is proposed to be issued by the Company today.

This is for your record and dissemination.

Thanking you,

**For Pokarna Limited**

  
**Vinay Paruchuru**  
Company Secretary  
Encl: a/a



## **Pokarna Limited**

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CIN: L14102TG1991PLC013299

## **POKARNA TO REMAIN EXCLUSIVE LICENSEE OF BRETONSTONE TECHNOLOGY IN INDIA;**

### ***TO EXPAND QUARTZ SURFACES CAPACITY BY 130%***

**Secunderabad, 16<sup>th</sup> January, 2017:** Pokarna Limited (“Pokarna”) has announced today that Pokarna Engineered Stone Limited (“PESL”), the wholly owned subsidiary, has secured exclusive right to use Bretonstone technology in India through March 2020. Pokarna has used Bretonstone technology since 2009, when the company first began processing quartz in its Visakapatnam production facility.

PESL plans to expand quartz surfaces production capacity by 130% by building a greenfield production facility (“New Facility”) with investment of Rs.325 crores. This investment is expected to be completed by June 2018 and PESL will finance this capacity expansion through a combination of free cash flow/internal accruals (Rs. 75 Crores) and loan facilities (Rs. 250 Crores). PESL has secured sanction from its lead banker for the term loan of Rs. 250 Crores for funding this capacity expansion.

The Investment in New Facility is part of the strategic plan to maintain both export and domestic competitiveness, whilst increasing capacity to meet the growing demands for quartz surfaces in Indian and global market. The New Facility will be one of the most-advanced Bretonstone plants of its kind in the world, covering a production area of approximately 50,000 square meters and deploying the latest generation machines and state of the art robots.

The expansion combined with newer technology and exclusive license for India will not only increase PESL’s production capacity, but also will provide competitive and strategic benefits that will serve its long-term growth plans, most significantly the related improvement in delivery times, tapping India market and realizing growth strategy for long term shareholder value creation.

**Commenting on this development, Mr. Gautam Chand Jain, Managing Director of PESL** said: *“We remain committed towards investing in business expected to create significant value for our stakeholders in the long term and we firmly believe that Quartz Surfaces business is primed for growth. Securing exclusive license for Bretonstone technology for India was an integral piece of our strategy and we are pleased to be Breton’s only India bretonstone technology partner”*.

**Commenting on this development, Mr. Dario Toncelli, Director Breton S.p.A** said: *“We are delighted to continue our excellent partnership with Pokarna Group, a prestigious and very well established player in premium quality quartz surfaces market. Technology and innovation are strategic priorities for us and we are proud to consolidate our relationship with Pokarna as they share the same vision. We very much look forward to new exciting developments in this fruitful collaboration”*.



**About Pokarna:**

Pokarna Limited, headquartered in Secunderabad, processes granite at its two state-of-the-art manufacturing facilities with raw material majorly sourced from its own quarries. The Company's Quartz operations are handled by its wholly owned subsidiary Pokarna Engineered Stone Limited.

**About Breton:**

Breton S.p.A., is leader in the market of engineered stone manufacturing plants and stands alone worldwide in its technological know-how. Breton's engineered stone plants produce high-quality, technologically advanced and decorative products for the building and furnishing industry, which are widespread, well known and appreciated worldwide. To know more about Breton, please log on to [www.breton.it](http://www.breton.it).

**For more information about us, please visit [www.pokarna.com](http://www.pokarna.com) or [www.quantra.in](http://www.quantra.in) OR contact:**

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A handwritten signature in black ink is written over a purple circular stamp. The stamp contains the text "POKARNA LIMITED" around the top edge, "SEC-BAD" in the center, and a small star at the bottom.