



13th, 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,

Subject: Increase of capacity by wholly-owned subsidiary, Pokarna Engineered Stone Limited.

Ref:

- a) Scrip code / Symbol: 532486 / POKARNA
- b) Regulation 30 read with Schedule III of SEBI (LODR) Regulations, 2015.

This is to inform you that:

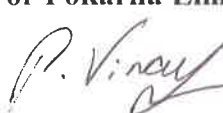
Pokarna Engineered Stone Limited (“PESL”), our wholly owned subsidiary, plans to expand quartz surfaces production capacity by 130% with investment of Rs.325 crore in a greenfield facility. This investment is expected to be completed by June 2018 and PESL would finance this project through a combination of free cash flow/internal accruals (Rs. 75 Crores) and loan facilities (Rs. 250 Crores); PESL is in receipt of financial sanction from its lead banker, for the term loan of Rs. 250 Crores, for funding the project.

Further Pokarna Limited’s Board has approved extending Corporate Guarantee for the loan facilities to be extended to PESL. Disclosure under Regulation 30(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 will be given as and when documentation related to Corporate Guarantee is executed.

This is for your information and dissemination to the concerned.

Thanking you.

**Yours faithfully,
For Pokarna Limited**


**Vinay Paruchuru
Company Secretary**



Pokarna Limited

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