



Surana Group

# BHAGYANAGAR INDIA LIMITED

ISO 9001 - 2008 Certified Company

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**BIL/SECT/048/15-16**

**Date: 12<sup>th</sup> October, 2015**

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| The Secretary<br>National Stock Exchange of India Limited<br>Exchange Plaza, 5 <sup>th</sup> Floor, Plot C/1,<br>G Block, Bandra – Kurla Complex,<br>Bandra (E), MUMBAI – 400 023 | The Secretary,<br>Bombay Stock Exchnage Limited<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street,<br>MUMBAI – 400 001 |
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Dear Sir/Madam,

**Sub: Outcome of Board Meeting – Reg.,**

With reference to the above cited subject, the Board of Directors of the Company at their meeting held on Monday the 12<sup>th</sup> October, 2015, interalia has finalised and approved the proposal for demerger of Solar Business to Surana Telecom and Power Limited and Real Estate Business to Bhagyanagar Properties Private Limited in terms of the Scheme of Arrangement pursuant to the provisions of the Companies Act, 1956 / 2013 ('the **Scheme**')

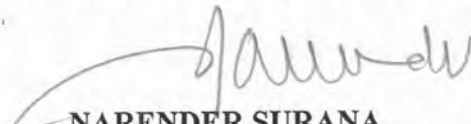
In this connection, please find attached a brief note.

The scheme as finalised would be filed with Stock Exchanges as per Clause 24(f) of the Listing Agreement, in due course of time.

The intimation is being issued pursuant to the provisions of the Listing Agreement.

Thanking you,

Yours faithfully,  
For **BHAGYANAGAR INDIA LIMITED**

  
**NARENDER SURANA**  
**MANAGING DIRECTOR**



## **BHAGYANAGAR INDIA TO DEMERGE IT'S SOLAR BUSINESS & REAL ESTATE BUSINESS INTO SURANA TELECOM AND BHAGYANAGAR PROPERTIES**

The Board of Directors of Bhagyanagar India Limited (**Bhagyanagar India**) and Surana Telecom and Power Limited (**Surana Telecom**) and Bhagyanagar Properties Private Limited (**Bhagyanagar Properties**) in their respective meetings held today approved a proposal to demerge the Solar Business of Bhagyanagar India into Surana Telecom, and Real Estate Business in to Bhagyanagar Properties.

Pursuant to the scheme of arrangement, the existing shareholders of Bhagyanagar India for every 6 (six) equity shares will continue to hold 3 (three) equity shares of Rs.2/- each of Bhagyanagar India and will get 4 (four) equity shares of Re.1/- each of Surana Telecom and 3 (three) equity shares of Rs.2/- each of Bhagyanagar Properties.

### **The Scheme of Arrangement:**

According to the Scheme of Arrangement approved by the respective Board of Directors, the demerger is proposed to be undertaken through a Court Approved Scheme of Arrangement under sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 2013/ 1956, if any. The appointed date for the transaction is 1<sup>st</sup> April, 2016.

Under the Scheme, Bhagyanagar India will transfer its Solar Business to Surana Telecom, and Real Estate Business to Bhagyanagar Properties. In consideration, Surana Telecom will issue 2 (two) equity shares of Re.1/- each credited as fully paid up to the shareholders of Bhagyanagar India for every 3 (three) equity shares they hold in Bhagyanagar India as of the Record Date; as well for consideration of transfer of real estate business, Bhagyanagar Properties will issue 1 (one) equity share of Rs.2/- each credited as fully paid up to the shareholders of Bhagyanagar India for every 1 (one) equity share they hold in Bhagyanagar India as of the Record Date.

As part of the scheme of arrangement, the existing paid up share capital of Bhagyanagar India is proposed to be reduced to 50% of 6,39,90,000 equity shares of Rs.2/- each (i.e., 3,19,95,000 equity shares of Rs.2/- each), without affecting overall holding levels of Promoters and Public.

Post the scheme, the promoters' shareholding in Bhagyanagar India & Bhagyanagar Properties will remain 74.21% as earlier and in case of Surana Telecom it will reduce from 74.59% to 72.42%.

M/s Karvy Financial Services Ltd, Merchant Bankers has provided a fairness opinion based on the valuation report of M/s Komandoor & Co, Chartered Accountants, Hyderabad.

### **Listing:**

On completion of the demerger, Bhagyanagar Properties is proposed to be listed in BSE and NSE after the scheme is made effective.

### **Advisors to the Restructuring:**

M/s V.S.Raju & Co., Advocates & Advisors, Hyderabad are legal advisors to the restructuring.

### **Approval of the Hon'ble High Court:**

The proposed Scheme of Arrangement will be subject to the approval of the Hon'ble High Court of Andhra Pradesh and Telangana at Hyderabad. The restructuring will be further subject to various statutory approvals, including those from the shareholders and the lenders/creditors.

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