



Surana Industries Limited



CIN : L27104TN1991PLC020533

Regd. Cum Corp. H.O. : # 29, Whites Road, II Floor,
Royapettah, Chennai - 600 014. ☎ : 2852 6336, 2852 5127

Fax : 044-28520713 ★ Grams : "GURUHASTI"

E-mail : surana@suranaind.com ★ Website : www.suranaind.com

February 18, 2015

Vishnu Vyas**Assistant Manager - Listing Compliance**

National Stock Exchange of India Limited

Exchange Plaza, Bandra-Kurla Complex,

Bandra (E), Mumbai - 400 051.

Dear Sirs,

Sub: Clarification – Reg**Ref: Scrip Code: 513597, Scrip ID: SURANAIND, Symbol: SURANAIND**

With reference to your email dated February 17, 2015 regarding announcement dated February 14, 2015 wherein "The Board considered and approved the disposal/disinvestment in following subsidiaries: 1. M/s. Surana Power Limited (SPL), Chennai, Tamilnadu, India. 2. M/s. Surana Green Power Limited (SGPL), Chennai, Tamilnadu, India. 3. M/s. Surana Mines & Minerals Limited (SMML), Singapore.

We wish to provide you with the following clarifications:

1. The Company is under the Corporate Debt Restructuring (CDR) framework of Reserve Bank of India (RBI) and the company's CDR Package had been approved by the CDR Cell and CDR EG on February 26, 2014 and March 7, 2014 respectively. Further, the Company's, entire management team is fully concentrating on the implementation of the CDR Scheme as approved by CDR EG and the Consortium of Bankers, and consequent efforts are being taken by our management for the revival of our manufacturing operations at our Integrated Steel Complex at Raichur and the business of our Company.
2. The Company, since quite some time, has been taking various initiatives for liability management. In this scenario it is now proposed to divest the holdings of M/s. Surana Industries Ltd. in the following subsidiaries:
 - a) M/s. Surana Power Ltd., Chennai,
 - b) M/s. Surana Green Power Ltd., Chennai and
 - c) M/s. Surana Mines & Minerals Ltd., Singapore.
3. There are several options which continue to be explored for monetizing the company's both domestic and international assets including partial or complete divestment. The funds to be raised by such complete or partial divestment are proposed to be used by the Company towards repayment of a portion of its debts and for the business growth of the Company. Having paid-off such Rupee debts, there would be substantial saving in interest cost and the Company would be in a better position to focus on business.

Contnd...



GURUDEV



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4. Further the company is in the process of finding the suitable buyers for the divestment of subsidiaries and the approval sought at the Board Meeting held on 14th February, 2014 was just an in principle approval and necessary disclosures in respect of the buyers, percentage of divestment of stake and the consideration would be made at the appropriate time.
5. We also wish to inform you that necessary approvals from shareholders will be obtained before making such divestment of the subsidiaries and the necessary information will be shared to the exchange at the appropriate time.

This is for your information and records.

Thanking you,

Yours faithfully,
For Surana Industries Limited



D. Hem Senthil Raj
D. Hem Senthil Raj
Company Secretary & Compliance Officer
M.No: A25451