

Sujana Towers Limited

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Date: 6th May, 2015

To The Department of Corporate Services –CRD, Bombay Stock Exchange Ltd, P.J.Towers, Dalal Street, MUMBAI – 400 001.	To National Stock Exchange of India Ltd, 5 th floor, Exchange Plaza, Bandra (E), MUMBAI - 400 051.
Scrip Code: 532887	Scrip Symbol: SUJANATOW

Dear Sir/Madam,

Sub: Outcome of the Meeting of Board of Directors of the Company held on 06th May, 2015- Reg .

In terms of Clause 47 & 36 of Listing Agreement, we would like to inform you that the Board of Directors of the Company at their meeting held on Wednesday, 06th May, 2015 at its Registered Office, Plot No. 18, Nagarjuna Hills, Panjagutta, Hyderabad-500082 has decided the following:

1. Appointment of Mr. Pathan Apser Hussen as Company Secretary & Key Managerial Person u/s 203 of the Companies Act, 2013 w.e.f. 24th April 2015., in place of Mr. L. Narasimha Rao who has tendered his resignation.
2. Considering the opportunities, the Board has decided to cede Tower business vertical of the Company.

Details as required under Clause 36 of the Listing Agreement

S. No	Particulars	Disclosure
01.	Details of Assets/Divisions/Business verticals proposed to be hived off	<p>The Company proposes to divest its Transmission & Telecom Tower Business along with that of Transmission EPC & Outsourcing business situated at the following locations:</p> <ol style="list-style-type: none"> a) Unit – I : Plot No. 9, Survey No. 172/E,U,UU, IDA Bollaram, Jinnaram Mandal, Medak Dist.Telangana; b) Unit – II: Plot No. 10A, Survey No. 172, IDA Bollaram, Jinnaram Mandal, Medak Dist, Telangana; c) Unit – III: Plot No. 128/A, Survey No. 172/B, IDA Bollaram, Jinnaram Mandal, Medak Dist, Telangana; & d) Unit – V: Survey No. 321, Turkala Khanapur, Hathnoora Mandal, Medak Dist, Telangana.

02.	The amount and percentage of the turnover or revenue or income and net worth contributed by each of such unit or division in the last financial year	For the Financial Year Ended 31 st March 2015, the above Units have achieved a total turnover of Rs. 2066.13 Cr., out of the total net turnover of Rs. 2114.40 Cr., which translates to 97.7%. However, these operations have not contributed to the profitability.
03.	Rationale for the proposed transaction	<p>a. The Company is under CDR package and due to this fact, it is becoming increasingly difficult for it to get orders for transmission towers from international as well as domestic customers.</p> <p>b. The telecom tower business has flattened out all over the globe. Only replacement / residual business is existing in this sector.</p> <p>c. It is felt prudent to hive off the towers & related business verticals to a suitable buyer, clear-off majority of the debt with the proceeds and to focus on other value added businesses such as TSF and Speciality Structural Steel Manufacture.</p> <p>The proposed transaction also makes commercial sense for the company and helps to grow by exploring opportunities available and use its strengths on the basis of SWOT analysis for the development of the retained and possible new business verticals.</p>
04.	Date on which the agreement for sale has been entered/proposed to be entered	<p>It is expected that the agreements will be made within 60 days from the date of approval by the Board and / or other required approvals.</p> <ul style="list-style-type: none"> Value of Assets proposed to be transferred: Rs. 2040.09 Cr Value of the Liabilities proposed to be transferred: Rs. 1674.9 Cr (out of which Rs. 1474.94 Cr are secured loans and Rs. 199.96 Cr are Creditors) The net consideration expected is Rs. 340.00 Cr.
05.	The expected date of completion of sale/disposal and brief details of the approvals required for completing the proposed transaction	The date of completion (closure) depends upon the receipt of various statutory and other applicable approvals, such as Shareholders' approval; CDR / Lenders' approval and including but not limited to that from the Hon'ble Competition Commission of India. It is expected that these processes may take upto 240 days from the date of agreement.

06.	Consideration received/to be received from such sale/disposal	Consideration will be received as per the terms of the definitive Agreement, either in cash/ listed securities or a combination of both.
07.	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies/Key Managerial Person or their related group. If yes, details thereof.	M/s Agarwal Steel Structures (India) Private Limited, Hyderabad (The Buyer) and it is not related to the Promoters and the Promoters' Group or Key Managerial Person/its Group.
08.	Whether the transaction would fall within related party transactions?, If so, whether the same is done at arm's length	Not a related party transaction.
09.	Is the definition of Slump Sale satisfied	Yes. The Proposed Transaction is as "on going concern" basis as a Slump Sale.
10.	Brief details of change in shareholding pattern (if any) of the promoters & company;	There will be no change in the shareholding pattern of the Promoters in the company, as the proposed transaction is only a slump sale.

This is for your information and record.

Kindly acknowledge the same.

Thanking You,

Yours faithfully,

For Sujana Towers Limited


P. ANSER HUSSEN
Company Secretary

