



SVSM/RO/SEC/BSE/2013-14

6th January, 2014

The Executive Director
BSE Limited
P J Towers, Dalal Street
Mumbai-400 001

Dear Sir,

Sub: Outcome of the Board Meeting held on 6th January, 2014
Ref: BSE Scrip Code - 514140

We would like to inform you that the meeting of the Board of Directors of the Company held today; 6th January, 2014 wherein the following were approved:

A. Proposal of Demerger:

Demerger of Suryavanshi Spinning Mills Limited in accordance with provisions of Section 391 to 394 of the Companies Act, 1956, by division of its more identifiable existing six (6) business units into two separate Resulting Companies apart from the demerged company, Details of Demerger are as follows:

- (a) Transfer of Yarn Unit at Bhongir, Andhra Pradesh of Suryavanshi Spinning Mills Limited to Aananda Lakshmi Spinning Mills Limited (Resulting Company-1).
- (b) Transfer of Yarn Unit at Rajna, Madhya Pradesh and Garment Units at Aliabad and Bhongir, Andhra Pradesh of Suryavanshi Spinning Mills Limited to Sheshadri Industries Limited (Resulting Company- 2).
- (c) Yarn Unit and Medical Textile unit at Aliabad, Medchal, Ranga Reddy Dist., Andhra Pradesh will be retained by Suryavanshi Spinning Mills Limited (Demerged Company).

The 'Appointed Date' for the proposed Scheme of Arrangement (Scheme) is 1st April, 2013.

Share Exchange Ratio is 37:26:37 i.e., a shareholder will be issued and allotted the equity shares of Rs.10/- each fully paid in the following manner in lieu of the existing 100 (hundred) shares held in the Demerged Company:

- i. 37 (Thirty Seven) new equity shares by Demerged Company.
- ii. 26 (Twenty Six) equity shares by Resulting Company-1
- iii. 37 (Thirty Seven) equity shares by Resulting Company-2.

A Govt. Recognised Export House,

Regd. Office : Surya Towers, 6th Floor, 105, Sardar Patel Road, Secunderabad - 500 003. A.P. India
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Pursuant to SEBI circulars no. CIR/CFD/DIL/5/ 2013 dated 4th February, 2013, as amended the draft Scheme as recommended by the Audit Committee was also approved by the Board of Directors.

The Board further issued authority in favour of Sri. Badrinarayan Agarwal, Chairman and Managing Director, Sri. Rajender Kumar Agarwal, Joint Managing Director, Sri. Jeetender Kumar Agarwal, Executive Director, Sri B.R.S. Reddy, Company Secretary & Vice President (Corporate Affairs) of the Company be and is hereby authorized severally to take all necessary steps to finalize the Scheme in the light of all the approvals of the regulatory and statutory authorities and do all such acts, deeds and things as may be required to obtain requisite approvals to the Scheme and implementation of the Scheme.

B. Took note of circular resolution passed on 28th November, 2013 for the appointment of Sri Pankaj Goel as an additional Director of the company w.e.f. 28th November, 2013.

C. Reconstitution of Committees:

(i) Reconstitution of the Audit committee with the following directors:

- Sri R. Surender Reddy - Chairman - Non-executive - Independent
- Dr. Akkineni Nageswara Rao - Non-executive - Independent
- Sri J.K. Agarwal - Executive promoter director
- Sri Surender Kumar Agarwal - Non-executive - Independent
- Sri Pankaj Goel - Non-executive - Independent

(ii) Reconstitution of the Remuneration committee with the following directors:

- Dr. Akkineni Nageswara Rao - Non-executive - Independent
- Sri R. Surender Reddy - Non-executive - Independent
- Sri Surender Kumar Agarwal - Non-executive - Independent
- Sri Pankaj Goel - Non-executive - Independent

This is for your information and record.

For Suryavanshi Spinning Mills Limited


(B.R.S. Reddy)

Company Secretary and Vice President (Corporate Affairs)

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