



Surana Group

SURANA TELECOM AND POWER LTD.

(Formerly Surana Telecom Ltd.)

ISO 9001-2000 Certified Company

(Power Cable Division)

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Sardar Patel Road,

Secunderabad-500 003. A.P., India.

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FOR THE ATTENTION OF COMPANY'S SHAREHOLDERS

The Hon'ble High Court of A.P. vide its order dated 28.06.2010 has approved the Scheme of Arrangement between M/s Surana Telecom and Power Limited (STPL) and Surana Ventures Limited (SVL) and their respective shareholders and creditors under Section 391 to 394 of the Companies Act, 1956 for the Demerger of 'Solar Division' of STPL and transfer and vesting of the said undertaking in favour of SVL w.e.f 01.10.2009 (appointed date). The said scheme became effective upon filing of the order of court with ROC, Hyderabad on 28.07.2010.

The Company had announced 19.08.2010 as the record date to determine its Shareholders who would be entitled to issuance of Shares by SVL pursuant to the Scheme.

SVL shall allot its equity shares to the shareholders of STPL in the ratio of 3(three) equity shares of Rs.10/- each for every 4(four) Equity shares held in STPL as on record date.

This Notice is issued to inform the shareholders of the STPL, the method of calculation and apportionment of cost of acquisition of STPL shares between STPL and SVL as per the provisions of Income Tax Act, 1961.

For the purpose of determining the Post Demerger Cost of Acquisition of Equity Shares of STPL under Income Tax Act, 1961, the shareholders are advised to apportion their pre-demerger cost of acquisition of Company's shares in the following manner:

Name of the Company	% of Cost of Acquisition of STPL shares
Surana Telecom and Power Limited	85.95%
Surana Ventures Limited	14.05%
Total	100%



The Company has been advised that as per Section 47(vi) (d) of the Income Tax Act, 1961 in a Scheme of Demerger, the issue of shares by the Transferee Company to the Shareholders of the transferor company in consideration of demerger of the undertaking will not be regarded as transfer. Accordingly date of acquisition of shares of the transferee Company will be deemed to be the date when the equity shares of the Company were actually acquired.

The Communication is for the benefit of the shareholders and Company takes no express or implied liability in providing this guidance.

For Surana Telecom And Power Limited



**Pavani Akilla
Company Secretary**

