

**NAVA BHARAT**

**Nava Bharat Ventures Limited**

Registered Office: 6-3-1109/1, 'Nava Bharat Chambers' Raj Bhavan Road  
Hyderabad – 500 082

**NOTICE TO SHAREHOLDERS**

NOTICE is hereby given that the 39th Annual General Meeting of the Members of Nava Bharat Ventures Limited will be held on Thursday, the 28th July, 2011 at 9.30 a.m. at Hotel Green Park, 7-1-26, Greenlands, Begumpet, Hyderabad – 500 016 to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2011 and the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare Dividend on the Equity Shares.
3. To appoint a Director in place of Dr.M.V.G.Rao, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Sri K.Balarama Reddi, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

**Special Business:**

**6. Increase of Limits for investment by FIIs:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED that pursuant to the applicable provisions of the Companies Act, 1956, Foreign Exchange Management Act, 1999 (FEMA), issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Mechanism) Scheme 1993, the applicable Rules, Guidelines, Regulations, Notifications and Circulars, if any, of the Reserve Bank of India, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 and applicable Master Circulars and the Consolidated FDI Policy issued by the Ministry of Commerce & Industry from time to time, the limit for the total holding of securities in the Company by all the Foreign Institutional Investors (FIIs)/sub accounts of FIIs put together, be and is hereby increased to 60% of the aggregate paid up share capital of the company.”

“RESOLVED that pursuant to the provisions of FEM (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 and applicable Master Circulars, the total holding of securities in the Company by all NRIs put together, be limited to 24% of the aggregate paid up share capital of the company.”

“FURTHER RESOLVED that such increased limits of the holdings of FIIs/sub accounts of FIIs and NRIs be subject to such conditions as may be imposed by Reserve Bank of India or any other Statutory Authority whose permission or sanction may be required under any Law.”

“FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorized to take all necessary action to give effect to this Resolution.”

## **7. Appointment of Sri G.R.K.Prasad, Director (Finance & Corporate Affairs) as Executive Director:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals and consents as may be required, the consent and approval of the Company be and is hereby accorded to the appointment of Sri G.R.K.Prasad, as Executive Director, with effect from 29th October, 2010 for the balance of his tenure i.e. upto 27th June, 2013 on the terms and conditions, remuneration, perquisites/allowances payable to him as approved by the General Body earlier i.e., upto 31st March, 2011 and as may be revised thereafter.”

“RESOLVED FURTHER THAT the remuneration aforesaid including the perquisites and other allowances shall be paid and allowed to Sri G.R.K. Prasad, Executive Director, as minimum remuneration during the currency of his tenure, in the event of loss or inadequacy of profits in any financial year for a period not exceeding three years.”

## **8. Revision of remuneration payable to Sri G.R.K.Prasad, Executive Director:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals and consents as may be required, the consent and approval of the Company be and is hereby accorded to revise and enhance the remuneration, perquisites and other allowances payable to Sri G.R.K.Prasad, Executive Director, with effect from 1st April, 2011 for the remainder of his tenure i.e. upto 27th June, 2013 as mentioned below:

- A. Salary : Salary in the range of ₹ 5,50,000/- to ₹ 10,00,000/- per month, as may be decided by the Board from time to time and ₹ 5,50,000/- per month with effect from 1st April, 2011.
- B. Perquisites : In addition to the Salary, he shall be entitled to the allowances and other perquisites as set out below which shall be computed on the enhanced salary from time to time.
- C. Incentive : In addition to the salary and perquisites/allowances, Sri G.R.K. Prasad will also be allowed and paid an incentive of ₹ 60,00,000/- per annum with effect from 1st April, 2011.
  - a) Housing:
    - i) Where accommodation in the Company owned house is provided, he shall pay to the Company, by way of rent 10% of the Salary;
    - ii) Where hired accommodation is provided, the expenditure incurred by the Company on hiring furnished accommodation for him will be subject to a ceiling of 60% of the Salary;
    - iii) In case, the Company does not provide accommodation, House rent allowance shall be paid @ 60% of the Salary; and
    - iv) The expenditure incurred by the Company on gas, electricity, water and furnishing will be subject to a ceiling of 10% of the Salary.
  - b) Medical Reimbursement / Allowance for self and family: Reimbursement of expenses actually incurred for self and family or medical allowance, the total cost of which to the Company shall not exceed one month's salary in a year or three months' salary over a period of three years;
  - c) Leave Travel Concession or Allowance: For self and family, once in a year either in India or abroad in accordance with the rules of the Company;
  - d) Club fees : Fees of Clubs, subject to a maximum of two clubs;
  - e) Personal accident insurance: As per the rules of the Company;
  - f) Car: Free use of Company's car with driver;
  - g) Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per the rules of the Company;
  - h) Gratuity payable, shall not exceed, half a month's salary, for each completed year of service;

- i) Communication Facilities: Free communication facilities like Telephones/ Internet / Mobiles / Fax at residence;
- j) Leave on full pay and allowances as applicable to other employees of the Company but not exceeding one month for every 11 months' service;
- k) He shall also be entitled to reimbursement of expenses actually and properly incurred for the business of the Company; and
- l) Any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time."

"RESOLVED FURTHER THAT the remuneration aforesaid including the perquisites, other allowances and incentive shall be allowed and paid to Sri G.R.K. Prasad, Executive Director, as minimum remuneration during the currency of his tenure, in the event of loss or inadequacy of profits in any financial year for a period not exceeding three years."

**9. Revision of remuneration payable to Sri C.V. Durga Prasad, Director (Business Development):**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals and consents as may be required, the consent and approval of the Company be and is hereby accorded to revise and enhance the remuneration, perquisites and other allowances payable to Sri C.V. Durga Prasad, Director (Business Development), with effect from 1st April, 2011 for the remainder of his tenure i.e. upto 27th June, 2013 as mentioned below:

- A. Salary : Salary in the range of ₹ 5,50,000/- to ₹ 10,00,000/- per month, as may be decided by the Board from time to time and ₹ 5,50,000/- per month with effect from 1st April, 2011.
- B. Perquisites : In addition to the Salary, he shall be entitled to the allowances and other perquisites as set out below which shall be computed on the enhanced salary from time to time.
  - a) Housing:
    - i) Where accommodation in the Company owned house is provided, he shall pay to the Company, by way of rent 10% of the Salary;
    - ii) Where hired accommodation is provided, the expenditure incurred by the Company on hiring furnished accommodation for him will be subject to a ceiling of 60% of the Salary;
    - iii) In case, the Company does not provide accommodation, House rent allowance shall be paid @ 60% of the Salary; and
    - iv) The expenditure incurred by the Company on gas, electricity, water and furnishing will be subject to a ceiling of 10% of the Salary.
  - b) Medical Reimbursement / Allowance for self and family: Reimbursement of expenses actually incurred for self and family or medical allowance, the total cost of which to the Company shall not exceed one month's salary in a year or three months' salary over a period of three years;
  - c) Leave Travel Concession or Allowance: For self and family, once in a year either in India or abroad in accordance with the rules of the Company;
  - d) Club fees : Fees of Clubs, subject to a maximum of two clubs;
  - e) Personal accident insurance: As per the rules of the Company;
  - f) Car: Free use of Company's car with driver;
  - g) Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per the rules of the Company;
  - h) Gratuity payable, shall not exceed, half a month's salary, for each completed year of service;
  - i) Communication Facilities: Free communication facilities like Telephones/ Internet / Mobiles / Fax at residence;
  - j) Leave on full pay and allowances as applicable to other employees of the Company but not exceeding one month for every 11 months' service;

- k) He shall also be entitled to reimbursement of expenses actually and properly incurred for the business of the Company; and
- l) Any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time.”

“RESOLVED FURTHER THAT the remuneration aforesaid including the perquisites and other allowances shall be allowed and paid to Sri C.V. Durga Prasad, Director (Business Development), as minimum remuneration during the currency of his tenure, in the event of loss or inadequacy of profits in any financial year for a period not exceeding three years.”

**10. Re-appointment of and remuneration payable to Sri P.Trivikrama Prasad as Managing Director:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 314 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals and consents as may be required, the consent and approval of the Company be and is hereby accorded to the re-appointment of Sri P.Trivikrama Prasad as Managing Director, not liable to retire by rotation, with effect from 19th March, 2012 for a further period of 5 years on the remuneration, commission, perquisites and other allowances payable to him as mentioned below:

- A. Salary : ₹ 5,00,000/- per month
- B. Commission : @ 2% on the net profits of the Company for each/every financial year; and
- C. Perquisites : In addition to the Salary and Commission, he shall be entitled to the allowances and other perquisites as set out below:
  - a) Housing:
    - i) Where accommodation in the company owned house is provided, he shall pay to the Company, by way of rent 10% of the salary;
    - ii) Where hired accommodation is provided, the expenditure incurred by the Company on hiring furnished accommodation for him will be subject to a ceiling of 60% of salary;
    - iii) In case, the Company does not provide accommodation, House rent allowance shall be paid @ 60% of the salary; and
    - iv) The expenditure incurred by the Company on gas, electricity, water and furnishing will be subject to a ceiling of 10% of the salary.
  - b) Medical Reimbursement/Allowance for self and family: Reimbursement of expenses actually incurred for self and family or medical allowance, the total cost of which to the Company shall not exceed one month’s salary in a year or three months’ salary over a period of three years;
  - c) Leave Travel concession or Allowance: For self and family, once in a year either in India or abroad in accordance with the rules of the Company;
  - d) Club fees: Fees of clubs, subject to a maximum of two clubs;
  - e) Personal accident insurance: As per the rules of the Company;
  - f) Car: Free use of Company’s car with driver;
  - g) Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per the rules of the Company;
  - h) Gratuity payable, shall not exceed, half a month’s salary, for each completed year of service;
  - i) Communication Facilities: Free communication facilities like Telephones / Internet / Mobiles / Fax at residence;
  - j) Leave on full pay and allowances as applicable to other employees of the Company but not exceeding one month for every 11 months’ service;
  - k) He shall also be entitled to reimbursement of expenses actually and properly incurred for the business of the Company; and

- l) Any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time.”

“RESOLVED FURTHER THAT the remuneration aforesaid including the perquisites and other allowances shall be paid and allowed to Sri P.Trivikrama Prasad, Managing Director, as minimum remuneration during the period of his tenure, in the event of loss or inadequacy of profits in any financial year for a period not exceeding 3 years.”

**11. Revision of remuneration payable to Sri D Ashwin, Chief Executive Officer, Nava Bharat (Singapore) Pte. Limited:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT the Company approves, pursuant to Section 314(1)(b) and other applicable provisions, if any, of the Companies Act, 1956 and subject to such consents, approvals and permissions as may be required, the revision/ enhancement of remuneration payable to Sri D Ashwin, one of the Directors of the Company’s Subsidiary, Nava Bharat (Singapore) Pte. Limited, relative of the Chairman, and to hold an office or place of profit in the company’s Subsidiary, Nava Bharat (Singapore) Pte. Limited, as Chief Executive Officer on the following enhanced remuneration with effect from 1st April, 2011:

Salary : USD 450,000 per annum with an Annual Increment not exceeding 30% of the prevailing salary as may be decided by the Board.”

By order of the Board

For **NAVA BHARAT VENTURES LIMITED**

**M. Subrahmanyam**

Company Secretary & Vice President

Hyderabad  
May 28, 2011

**Registered Office:**

6-3-1109/1  
‘Nava Bharat Chambers’  
Raj Bhavan Road  
HYDERABAD – 500 082

## NOTES

1. The Explanatory Statement in respect of the special business in the Notice, pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
2. A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote on a poll only, on his/her behalf and such Proxy need not be a Member of the Company. The Proxy Form duly completed and signed must be deposited at the Registered Office of the Company not later than 48 hours before the Meeting.
3. The Share Transfer Register and the Register of Members of the Company will remain closed from 20.07.2011 to 28.07.2011 (both days inclusive) in connection with the Annual General Meeting and Dividend.
4. The dividend for the year ended 31st March, 2011 as recommended by the Board, if sanctioned at the meeting, will be paid to those members whose names appear in the Company's Register of Members after effecting valid transfers received upto the close of business hours on 19.07.2011. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details provided as at the close of business hours on 19.07.2011 by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose. The dividend on Equity Shares, if declared at the meeting, will be credited / dispatched on 5th August, 2011.
5. The unclaimed equity dividend for the year ended 31st March, 2004 will be transferred on 24th August, 2011 to the 'Investor Education and Protection Fund' on expiry of 7 years from the date of transfer to the Unpaid Dividend Account, pursuant to Section 205C of the Companies Act, 1956. It may be noted that after the expiry of the said period of 7 years on 24th August, 2011, no claim shall lie in respect of unclaimed dividend. Members who have not encashed their Dividend Warrants for the said financial year or subsequent year(s) are requested to send the same for revalidation to the Company.
6. Members are requested to furnish change of address, details of their bank accounts viz., name of bank, full address of the branch, account number and folio number for Incorporation on the dividend warrant, to the Company's Registrars and Transfer Agents, M/s Karvy Computershare Private Limited, Plot No.17 to 24, Near Image Hospital, Vittalrao Nagar, Madhapur, Hyderabad - 500 081.
7. Members seeking any information or clarification on the accounts are requested to send in writing queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries, at the meeting.
8. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrars and Transfer Agents enclosing their share certificates to enable consolidation of their shareholdings in one folio.
9. Pursuant to the directions/notifications of SEBI and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated.

Securities and Exchange Board of India, vide Circular ref.no.MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the current circular, all share transfer requests should therefore be accompanied with PAN details.

10. Registration of e-mail addresses for sending Annual Reports, communications, etc:  
Members are requested to register their e-mail addresses and changes therein from time to time with the Registrars and Transfer Agents (in case of physical shares) or with the concerned Depository Participant (in case of electronic holdings) so that the Company will use the same for sending Notices, Annual Reports and other communications.
11. Retirement of Directors by Rotation:  
Dr.M.V.G.Rao, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Dr.M.V.G.Rao is Doctorate in Chemical Engineering with over 46 years of industrial experience. He has held various positions in several Companies including as Managing Director of M/s.Vera Laboratories Limited, M/s.A.P.Paper Mills Limited, Executive Director of M/s.Tamilnadu Newsprint and Papers Limited, etc.  
Directors commend the re-appointment of Dr.M.V.G.Rao, as a Director, liable to retire by rotation.  
Sri K. Balarama Reddi, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Sri K. Balarama Reddi is an eminent Electrical Engineer with over 48 years of experience in power sector and was the Chairman of the erstwhile APSEB till 1995. He has been functioning as Senior Consultant to the Administrative Staff College of India, since then.

Directors commend the re-appointment of Sri K. Balarama Reddi, as a Director, liable to retire by rotation.

12. Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

As required under the Listing Agreement, the particulars of Directors, Dr.M.V.G.Rao, Sri K.Balarama Reddi, Sri G.R.K.Prasad and Sri P.Trivikrama Prasad, who are proposed to be appointed / re-appointed, are given below:

a	Name	Dr. M.V.G.Rao	Sri K.Balarama Reddi	Sri GRK. Prasad	Sri P.Trivikrama Prasad
b	Brief Resume:				
i)	Age	70 Years	82 Years	53 years	58 Years
ii)	Qualification	B.Sc.(Hons) (Chemical Engg.) F.I.E., DFRI (Pulp & Paper Technology) D.Sc (Honoris Causa)	B.E. Electrical	B.Sc., FCA, FCS	M.B.A
iii)	Experience in Specific Functional area	46 years	48 years	30 years	29 Years
iv)	Date of appointment on the Board of the Company (Nava Bharat Ventures Limited)	25.09.1997	25.07.1998	28.06.2003	19.03.1992
c	Nature of expertise in specific functional areas	Vast experience in manufacturing industry	Eminent Electrical Engineer with vast experience in power sector	Highly experienced over three decades in all facets of finance and Corporate Affairs	Chief Executive of the Company heading all the disciplines and functional departments monitoring the operations of all the Plants
d	Name(s) of other Companies in which Directorships held (as per Sections 275 and 278 of the Companies Act, 1956)	M/s. Vamshadhara Paper Mills Limited	M/s. Trident Power Systems Limited	M/s. Nava Bharat Realty Limited	M/s.Kinnera Power Company Limited
		M/s.Regma Ceramics Limited	M/s. G.V.K. Express Way Private Limited	M/s. Nava Bharat Projects Limited	M/s.Brahmani Infratech Private Limited
		M/s.Regency Ceramics Limited	M/s. GVK Industries Limited	M/s.Nava Bharat Energy India Limited	M/s.Nava Bharat (Singapore) Pte. Limited
		M/s.Nava Bharat Energy India Limited	M/s. Gautami Power Limited	M/s.Nava Bharat Sugar and Bio Fuels Limited	M/s.Nav Developers Limited
		M/s.Nava Bharat Sugar and Bio Fuels Limited	M/s. Nava Bharat Realty Limited	M/s.Brahmani Infratech Pvt. Limited	M/s.Nava Bharat Realty Limited
		M/s.Brahmani Infratech Pvt. Limited	M/s.Nava Bharat Projects Limited	M/s.PT Nava Bharat Indonesia	M/s.Nava Bharat Projects Limited
		M/s.Kinnera Power Co. Limited		M/s.PT Nava Bharat Walalindo	M/s.V9 Avenues Private Limited
				M/s.PT Nava Bharat Sungai Cuka	M/s.A9 Homes Private Limited
				M/s.Maamba Collieries Limited	M/s. AV Dwellings Private Limited
				M/s.Nava Bharat Kobe Green Power Pte. Limited	M/s.V9 Infra Ventures Private Limited

	Name	Dr. M.V.G.Rao	Sri K.Balarama Reddi	Sri GRK. Prasad	Sri P.Trivikrama Prasad
					M/s.Malaxm Highway Limited
					M/s.Nava Bharat Natural Resources India Limited
					M/s.Nava Bharat Energy India Limited
					M/s.Nava Bharat Sugar and Bio Fuels Limited
					M/s.Nava Bharat Kobe Green Power Pte. Limited
					M/s.Nava Bharat Africa Resources Pvt. Limited
					M/s. GSR Trust
					Dr.Devineni Subbarao Trust
e	Name(s) of companies in which Committee Membership(s)/ Chairmanship(s) held	Member of Audit Committee of M/s.Regma Ceramics Limited	Chairman of the Audit Committee of M/s. GVK Industries Limited	Chairman of the Audit Committee of M/s. Nava Bharat Energy India Limited	Member of Shareholders'/ Investors' Grievances Committee of Nava Bharat Ventures Limited
		Member of Audit Committee of M/s. Regma Ceramics Limited	Chairman of Audit Committee of M/s. Gautami Power Limited	Member of Allotment committee of Nava Bharat Ventures Limited	
			Chairman of the Audit Committee of M/s. Nava Bharat Ventures Limited		
			Chairman of the Remuneration Committee of M/s. Nava Bharat Ventures Limited		
			Chairman of Shareholders'/ Investors' Grievances Committee of Nava Bharat Ventures Limited		
			Member of Audit Committee of M/s. GVK Express Way Private Limited		
f	No. of shares of ₹ 2/- each held by :				
	the Director	7,780	Nil	30,586	18,79,137
	his relatives	Nil	Nil	1,06,000	36,65,260
	Total	7,780	Nil	1,36,586	55,44,397
g	No. of ESOPs granted on 05.01.2007 and converted into equity	Nil	Nil	39,600	Nil
h	Relationship between Directors inter se (As per Section 6 and Schedule 1A of the Companies Act, 1956)	Nil	Nil	Nil	Related to Sri D.Ashok (Wife's brother)

13. Members are requested to bring their copies of the Annual Report to the Meeting.



## **Explanatory Statement (Pursuant to Section 173 (2) of the Companies Act, 1956)**

### **Item No.6:**

#### **Increase of Limits for investment by FIIs:**

The Company raised FCCBs to an extent of JPY 6 billion at an initial conversion price of ₹ 136.50. The existing total holdings of all FIIs of about 24% would go upto 35% of the aggregate paid up share capital approximately upon conversion.

As per the provisions of the FEM (Transfer or Issue of Security by a person Resident outside India) Regulations, 2000 and applicable Master Circulars, the holding of the shares by FIIs/sub-accounts is subject to a limit of 24% of the paid up share capital of the Company. The same Regulations and applicable Master Circulars and the Consolidated FDI Policy issued by the Ministry of Commerce & Industry from time to time, provide that the limit for the holdings of the FIIs/sub accounts of the FIIs put together can be increased upto the prescribed sectoral cap or statutory ceilings, provided that such increase is approved by the Board of Directors and the shareholders through a Special Resolution.

Similarly, in case of NRIs, ordinarily the aggregate paid-up value of shares/ convertible instruments purchased by all NRIs is subject to a limit of 10% of the paid-up capital, however, this limit can be increased to 24% if a special resolution to that effect is passed by the General Body.

The members at the AGM on 27th July, 2007, approved to enhance the limits of FIIs holdings to 40% and NRIs holdings to 24%. RBI vide letter No.FE.CO.FID/4738/11.01.008/2009-10 dated 17.08.2009 approved the said enhancement in the limits of FIIs and NRIs holdings. It is now proposed to further increase the limits of FIIs to 60% and the total holdings of all NRIs be limited to 24%.

Your Directors wish to permit the maximum permissible investment and also ensure compliance with the aforesaid Regulations and applicable Master Circulars and the Consolidated FDI Policy issued by the Ministry of Commerce & Industry from time to time, by enabling investment by the FIIs/sub accounts of FIIs upto a level of 60% of the paid up share capital of the Company, and by NRIs upto a level of 24% of the paid up share capital of the Company. The proposed Resolution seeks your approval for increase of such limits.

Your Directors recommend that the Resolution be passed.

None of the Directors is interested in the proposed Resolution.

### **Item Nos.7&8:**

#### **Appointment of Sri G.R.K.Prasad, Director (Finance & Corporate Affairs) as Executive Director and increase in remuneration with effect from 1st April, 2011:**

Sri G. R. K. Prasad is a Fellow Member of The Institute of Chartered Accountants of India and The Institute of Company Secretaries of India and has over 3 decades of varied professional experience and has been in charge of Finance & Accounts of the Company since August, 1995 and additionally Corporate Affairs as Director (Finance & Corporate Affairs) with effect from 28.06.2003.

Sri G.R.K.Prasad was re-appointed as Director (Finance & Corporate Affairs) by the members with effect from 28th June, 2008 for a period of 5 years and his remuneration was approved by the members at the AGM held on 25th July, 2008.

Pursuant to the recommendations of the Remuneration Committee, the Board revised on 30th May, 2009 the salary of Sri G.R.K. Prasad to Rs.4,00,000/- per month with effect from 1st April 2009 which was within the salary range earlier approved by the General Body. The allowances and perquisites as approved by the General Body earlier are computed on the enhanced salary with effect from 1st April 2009.

The Board at its meeting held on 29th October, 2010 approved the change in the designation of Sri G.R.K.Prasad as Executive Director subject to the approval of the General Body. He will continue to be the Chief Financial Officer of the Company. The tenure, terms and conditions, salary and perquisites/allowances payable to him, as approved by the Board/General Body earlier, remained the same upto 31st March, 2011.

Pursuant to the recommendations of the Remuneration Committee, the Board took up the review of remuneration payable to Sri G.R.K. Prasad as Executive Director with effect from 1st April 2011. In appreciation of the enhanced role,

responsibilities and contributions made by Sri G.R.K. Prasad for setting up various projects undertaken by the Company, its subsidiaries, and the international ventures and expansions, the Remuneration Committee recommended to enhance the salary, perquisites, allowances and special incentive payable to Sri G.R.K. Prasad as mentioned in the proposed resolution.

He holds Directorships in the following Companies:

1. M/s.Maamba Collieries Limited
2. M/s.Nava Bharat Kobe Green Power Pte.Limited
3. M/s.Nava Bharat Projects Limited
4. M/s.Nava Bharat Energy India Limited
5. M/s.Nava Bharat Sugar and Bio Fuels Limited
6. M/s.Brahmani Infratech Private Limited
7. M/s.Nava Bharat Realty Limited
8. M/s.PT Nava Bharat Indonesia
9. M/s.PT Nava Bharat Walalindo
10. M/s.PT Nava Bharat Sungai Cuka

The resolutions set out at Item Nos.7&8 together with this Explanatory Statement constitute the abstract of terms of the appointment and remuneration and Memorandum of Interest of the Executive Director under Section 302 of the Companies Act, 1956.

Your Directors recommend that the Resolutions be passed.

Except Sri G. R. K. Prasad, no other Director is deemed to be interested or concerned in the Resolutions.

#### **Item no.9**

##### **Revision of remuneration payable to Sri C.V. Durga Prasad, Director (Business Development):**

Sri C.V. Durga Prasad was appointed by the Members as Director (Business Development) with effect from 28th June 2003 and was re-appointed as such with effect from 28th June 2008. His remuneration was revised with effect from 1st April 2009 by the Board within the range of salary as approved by the General Body. Sri C.V. Durga Prasad is highly experienced and has substantially contributed to the growth of the Company by his rich experience. He is a Director on the Board of M/s.Nava Bharat (Singapore) Pte. Limited.

Pursuant to the recommendations of the Remuneration Committee, the Board took up the review of remuneration payable to Sri C.V. Durga Prasad as Director (Business Development) with effect from 1st April 2011. In appreciation of active participation and contributions made by Sri C.V. Durga Prasad for the growth and development of the Company, the Remuneration Committee recommended to enhance the salary, perquisites and allowances payable to Sri C.V. Durga Prasad as mentioned in the proposed resolution.

The resolution set out at Item No.9 together with the explanatory statement constitute abstract of terms of the remuneration and the Memorandum of Interest of the Director (Business Development) under Section 302 of the Companies Act 1956.

Your Directors recommend that the Resolution be passed.

Except Sri C.V. Durga Prasad no other Director is deemed to be interested or concerned in the Resolution.

#### **Item No.10:**

##### **Re-appointment of and remuneration payable to Sri P.Trivikrama Prasad as Managing Director:**

Sri P. Trivikrama Prasad is an M.B.A. from U.S.A, joined the Company in 1981 and was appointed as Executive Director in 1992 and as Managing Director by the members with effect from 29th January, 2009. He has vast experience of about 29 years holding responsible positions. He is incharge of all the disciplines and functional aspects of the Company and monitors the operations of all the Plants.

The Salary, commission and perquisites/allowances payable to him were approved and revised by the General Body from time to time.

Sri P.Trivikrama Prasad being experienced professional, has substantially contributed to the development of the Company by his rich experience and expertise and the Company has derived considerable benefits and achieved enormous growth in terms of diversification, turnover and profitability during his tenure.

Pursuant to the recommendation of Remuneration Committee, the Board at its meeting held on May 28, 2011 re-appointed Sri P.Trivikrama Prasad as Managing Director for a period of 5 years from 19th March, 2012 on the remuneration, commission, perquisites and allowances as enumerated in the resolution placed before you for approval.

He holds Directorships in the following Companies/Trusteeship in the Trust and membership on the Shareholders/ Investors' Grievances Committee of the Company:

1. M/s.Nava Bharat (Singapore) Pte.Limited
2. M/s.Nava Bharat Kobe Green Power Pte.Limited
3. M/s.Nava Bharat Africa Resources Pvt.Limited
4. M/s.Kinnera Power Company Limited
5. M/s.Brahmani Infratech Private Limited
6. M/s.Nav Developers Limited
7. M/s.A9 Homes Private Limited
8. M/s.AV Dwellings Private Limited
9. M/s.V9 Avenues Private Limited
10. M/s.Nava Bharat Realty Limited
11. M/s. Malaxmi Highway Limited
12. M/s.Nava Bharat Projects Limited
13. M/s.Nava Bharat Natural Resources India Limited
14. M/s.Nava Bharat Energy India Limited
15. M/s.Nava Bharat Sugar and Bio Fuels Limited
16. M/s.V9 Infra Ventures Private Limited
17. Dr.Devineni Subbarao Trust
18. M/s.G.S.R.Trust

The resolution set out at Item No.10 together with this Explanatory Statement constitute abstract of terms of appointment and remuneration and the Memorandum of Interest of the Managing Director and also the Chairman under Section 302 of the Companies Act, 1956.

Your Directors recommend that the Resolution be passed.

Except Sri P.Trivikrama Prasad, Managing Director and Sri D. Ashok, Chairman, being related, no other Director is deemed to be interested or concerned in the Resolution.

#### **Item no.11**

##### **Revision of remuneration payable to Sri D Ashwin, Chief Executive Officer, Nava Bharat (Singapore) Pte. Limited:**

Sri D.Ashwin, son of the Chairman of the Company, is a Director on the Board of Nava Bharat (Singapore) Pte. Limited, a Subsidiary of the Company with effect from 7th April 2008. He was appointed as Chief Executive Officer of Nava Bharat (Singapore) Pte. Limited with effect from 1st October, 2008. Pursuant to the approval of the Board of Directors, special resolution was passed by the Members on 31st July 2009 as required in terms of Section 314(1)(b) of the Companies Act 1956 for holding office or place of profit by a relative of the Director, in the subsidiary of the Company.

Sri D.Ashwin holds a Graduate degree in Industrial Engineering from the University of Washington and has work experience in U.S., Europe and Far East. His last position held was Director (Business Development) at Hewlett Packard (based in Singapore).

The Members approved on 31st July 2009 a remuneration of SGD 20,000 per month with annual increment of not exceeding

30% as may be decided by the Board. The Board approved the enhancement of his remuneration to SGD 25,000 per month with effect from 1st October 2009 and to SGD 32,500 per month with effect from 1st October 2010.

The Company has been undertaking various new ventures, expansions and exploring various business opportunities internationally and all such projects are evaluated and undertaken by the Singapore subsidiary of the Company under the stewardship of Sri D Ashwin as CEO of the subsidiary company. He has also assumed the responsibility of M/s. Maamba Collieries Limited as its Director In-charge besides functioning as CEO, Nava Bharat Africa Resources Pvt. Limited.

The Board of your Company approved to revise the remuneration payable to Sri D Ashwin subject to your consent as mentioned in the resolution by way of special resolution as required in terms of Section 314(1)(b) of the Companies Act 1956 for holding office or place of profit by a relative of the Director in the subsidiary of the company at an enhanced remuneration.

The resolution set out at Item No.11 together with explanatory statement constitute abstract of terms of the remuneration and the Memorandum of Interest of the Chairman and also the Managing Director under Section 302 of the Companies Act 1956.

Your Directors recommend that the Resolution be passed.

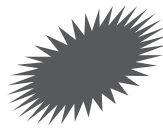
Except Sri D Ashok, Chairman and Sri P. Trivikrama Prasad, Managing Director, being relatives, no other Director is deemed to be interested or concerned in the Resolution.

By order of the Board  
For **NAVA BHARAT VENTURES LIMITED**

**M. Subrahmanyam**  
Company Secretary & Vice President

Hyderabad  
May 28, 2011

**Registered Office:**  
6-3-1109/1  
'Nava Bharat Chambers'  
Raj Bhavan Road  
HYDERABAD – 500 082



**NAVA BHARAT**

**Nava Bharat Ventures Limited**

Registered Office:6-3-1109/1, `Nava Bharat Chambers`, Raj Bhavan Road, Hyderabad – 500 082  
Telephone Nos.(040) 23403501, 23403540; Fax No.(040) 23403013; E-mail: nbvl@nbv.in; Website: www.nbventures.com

**ATTENDANCE SLIP**

Annual General Meeting on 28th July, 2011 at 9.30 a.m. at Hotel Green Park, 7-1-26, Greenlands,  
Begumpet, Hyderabad – 500 016

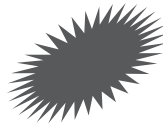
Name of the Shareholder

Folio No./Client I.D.No.  
No. of Shares :

- A member/proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the entrance.
  - If you intend to appoint a proxy, please complete the Proxy Form below and deposit it at the Company's Registered Office 48 hours before the meeting. Please ensure that the proxy brings this Attendance Slip for the meeting.
- I hereby record my presence at the 39th Annual General Meeting of the Company, on 28th July 2011.

Name of the Proxy (if any) in Block Letters

Signature of the Member / Proxy :



**NAVA BHARAT**

**Nava Bharat Ventures Limited**

Registered Office:6-3-1109/1, `Nava Bharat Chambers`, Raj Bhavan Road, Hyderabad – 500 082  
Telephone Nos.(040) 23403501, 23403540; Fax No.(040) 23403013; E-mail: nbvl@nbv.in; Website: www.nbventures.com

**PROXY FORM**

Folio No./Client I.D.No.  
No. of Shares :

I/We.....of .....in the district of .....  
..... being a member/members of NAVA BHARAT VENTURES LIMITED,  
hereby appoint.....of..... in the district of..... or failing  
him.....of ..... in the district of ..... as my / our proxy  
to attend and vote for me/us on my/our behalf at the 39th Annual General Meeting of the Company to be held on the  
28th July 2011 and at any adjournment thereof.

Signed this.....day of .....2011 Signature:.....

Affix  
₹ 1/-  
Revenue  
Stamp

Note: The Proxy Form duly completed, must be deposited at the Regd. Office of the Company at 6-3-1109/1, 'Nava Bharat Chambers', Raj Bhavan Road, Hyderabad – 500 082 not less than 48 hours before the time for holding the Meeting.