

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 40th Annual General Meeting of the Members of Nava Bharat Ventures Limited will be held on Wednesday, the 8th August, 2012 at 10.00 a.m. at Marigold Hotel, By and Beside Green Park Hotel, 7-1-25, Greenlands, Begumpet, Hyderabad – 500 016 to transact the following business:

Ordinary Business:

1. To receive, consider, approve and adopt the Audited Statement of Profit and Loss for the year ended 31st March, 2012 and the Balance Sheet as at that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on the Equity Shares.
3. To appoint a Director in place of Sri G.R.K.Prasad, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr.D.Nageswara Rao, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

Special Business:

6. Borrowing powers:

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

“RESOLVED THAT in supersession of all resolutions passed earlier in this regard, the consent of the Company be and is hereby accorded to the Board of Directors of the Company in terms of Section 293(1)(d) and all other applicable provisions, if any, of the Companies Act, 1956, to borrow periodically from time to time for the purpose of the business of the Company such sums of money, including without limitation, from any Banks and/or public financial institutions as defined under Section 4A of the Companies Act, 1956 and/or any foreign financial institution(s) and/or any entity/entities or authority/authorities and/or through suppliers credit, Securities including FCCBs, instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments, etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution(s), either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board of Directors for an aggregate amount not exceeding ₹ 10,000 Crores (Rupees Ten Thousand Crores Only) notwithstanding that the money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.”

7. Constitution of Nava Bharat Ventures Employee Welfare Trust:

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 and in terms of the Memorandum and Articles of the Association of the Company and any other law in force, and subject to such other approvals, consents, permissions and sanctions, if any, as may be required from appropriate authorities and subject to such other conditions and modifications, as may be considered necessary by the Board of Directors of the Company (hereinafter referred to as “The Board” which term shall include any Committee of the Board including Remuneration/Compensation Committee), the formation or creation of Nava Bharat Ventures Employee Welfare Trust, (hereinafter referred to as “The Trust”) be and is hereby approved on such terms and in such manner as decided by the Board of Directors of the Company.”

“FURTHER RESOLVED THAT the appointment of Barclays Wealth Trustees (India) Private Limited as Trustee, to act in accordance with the “Nava Bharat Ventures Employee Welfare Trust Deed”, be and is hereby approved.”

“FURTHER RESOLVED THAT the Trust created by the Company for the welfare and benefit of the existing and future employees of the Company and its affiliates shall, inter-alia, make investment by subscribing to and/or purchasing fully paid-up shares of the Company and as well as the shares of the other listed companies and hold the same for the welfare and benefit of the employees of the Company and its Affiliates and may invest proceeds thereof remaining surplus in such securities as may be recommended to it by an Investment Committee set up in accordance with the Employee Welfare Scheme(s) devised from time to time and in the manner and on the terms and conditions provided in the Trust Deed for the welfare and benefit of the employees of the Company.”

“RESOLVED FURTHER THAT the Master Scheme in relation to the Trust known as Nava Bharat Ventures Employee Welfare Trust – Employee Welfare Master Scheme (s), as framed by the Board of Directors, be and is/are hereby approved and consent of the Company be and is hereby accorded to formulate any further employee welfare scheme(s) / plan(s) by whatever name called, pursuant to the Nava Bharat Ventures Employee Welfare Trust – Employee Welfare Master Scheme(s) being administered through the Trust to extend inter-alia, the incentives, benefits and amenities to such eligible employees of the Company, as may be determined or decided from time to time.”

“RESOLVED FURTHER THAT for implementing the Employee Welfare Master Scheme, or such further Schemes/Plans as may be formulated, the Company may from time to time provide Loans to the Trust not exceeding ₹ 50 crores on such terms and conditions as may be mutually agreed. The Trust is hereby authorised to accept Loans or make fresh borrowings/raise funds, and such trust funds may be invested in all avenues including deposits, mutual funds, money market instruments, shares, debentures, convertible instruments or any other investment grade assets or securities of any company including the Company or its subsidiary companies, affiliate companies, or group companies as may be permissible for the purposes of generating value for employee welfare activities.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to formulate, frame, evolve, decide upon, join and bring into effect Employee Welfare Master Scheme/Plan or such further Welfare Schemes/ Plans on such broad terms and conditions as it deems fit in its own discretion from time to time and to make any modification(s)/ variations(s)/ alterations(s) / revision(s) in the terms and conditions of any such Employee Welfare Schemes/Plans from time to time, including but not limiting to make amendment(s) to eligibility criteria or to suspend, withdraw, terminate or revise any Employee Welfare Scheme/ Plan.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolutions and to settle any question, difficulty or doubt that may arise in this regard, the Board of Directors of the Company or the Chairman or Managing Director as delegated by the Board be and is hereby authorized severally to do all such act(s), deed(s), matter(s) and thing(s) and execute deeds, agreements, all such documents, authorization letters, instruments and writings as they may in their sole and absolute discretion deem fit, necessary or expedient.”

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

Hyderabad
May 30, 2012

M. Subrahmanyam
Company Secretary & Vice President

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 commencement of the Meeting.
3. The Share Transfer Register and the Register of Members of the Company will remain closed from 01.08.2012 to 08.08.2012 (both days inclusive) in connection with the Annual General Meeting and Dividend.
4. The dividend for the year ended 31st March, 2012 as recommended by the Board, i.e. ₹ 4/- per Equity Share of ₹ 2/- each (200%) 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 31.07.2012. 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 31.07.2012 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 16.08.2012.
5. The unclaimed equity dividend for the year ended 31st March, 2005 will be transferred on 27th August, 2012 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 27th August, 2012, 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:
Sri G.R.K.Prasad, Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. 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. Sri G.R.K.Prasad is highly experienced over 3 decades in all facets of finance, Corporate Affairs and he is a Director on the Board of Maamba Collieries Limited.
Directors commend the re-appointment of Sri G.R.K.Prasad, as Director liable to retire by rotation.
Dr.D.Nageswara Rao, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Dr.D.Nageswara Rao is a Post Graduate in Electronic Engineering from Birla Institute of Science & Technology, Pilani, and a Doctorate from University of Strathclyde, UK with over 37 years of experience.
Directors commend the re-appointment of Dr.D.Nageswara Rao, as 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, Sri G.R.K.Prasad and Dr.D.Nageswara Rao, who are proposed to be appointed / re-appointed, are given below:

a	Name	Sri G.R.K. Prasad	Dr.D.Nageswara Rao
b	Brief Resume:		
	i) Age	54 years	64 years
	ii) Qualification	B.Sc., FCA, FCS	M.E., Ph.D
	iii) Experience in Specific Functional area	31 years	37 years
	iv) Date of appointment on the Board of the Company (Nava Bharat Ventures Ltd.)	28.06.2003	25.07.2008
c	Nature of expertise in Specific Functional areas	Highly experienced over 31 years in all facets of Finance, Corporate Affairs and Overseas Operations	Expertise in Electronic Engineering, Science and Technology, Electricity Equipment, monitoring and management systems and power plant operations
d	Name(s) of other Companies in which Directorships held (as per Sections 275 and 278 of the Companies Act, 1956)	M/s.Maamba Collieries Limited	M/s.X_Design Ventures Pvt.Ltd.
		M/s.Nava Bharat Kobe Green Power Pte.Limited	M/s.Kushaiguda Electronics Pvt. Ltd.
		M/s.Nava Bharat Projects Limited	M/s. Jayem Automotives Limited
		M/s.Nava Bharat Energy India Limited	M/s.Jayem Aerospace India Limited
		M/s. Brahmani Infratech Private Limited	M/s.Drive Lozics Private Limited
		M/s. PT Nava Bharat Indonesia	
		M/s. PT Nava Bharat Walalindo	
		M/s.PT Nava Bharat Sungai Cuka	
e	Name(s) of companies in which Committee Membership(s)/ Chairmanship(s) held	Chairman of the Audit Committee of M/s.Nava Bharat Energy India Limited Allotment Committee of Nava Bharat Ventures Limited	Nil
f	No. of shares of ₹ 2/- each held by :		Nil
	the Director	32,586	
	his relatives	1,08,000	
	Total	1,40,586	
g	No. of ESOPs granted on 05.01.2007 and converted into equity	39,600	Nil
h	Relationship between Directors inter se (As per Section 6 and Schedule 1A of the Companies Act, 1956)	Nil	Nil

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

Borrowing powers:

In addition to the existing capital intensive projects, the Company has plans to take up other expansion, modernization and diversification schemes in the near future. The Company has to raise necessary funds, inter-alia through borrowings by way of Term Loans / Debentures / Deferred Payment Guarantees / Equipment Finance / Asset Credit Schemes of Financial Institutions / Euro Convertible Bonds / Global Deposit Receipts and other debt instruments. The Members at the Extraordinary General Meeting held on 30th June, 2006 authorised the Board of Directors in terms of Section 293 (1) (d) of the Companies Act, 1956, to borrow monies in excess of the paid up equity share capital and free reserves upto a limit of ₹ 3,000 crores (Rupees Three thousand crores). It is now proposed to increase this limit to ₹ 10,000 crores (Rupees Ten thousand crores only).

The Board commends the Ordinary Resolution for members' approval.

None of the Directors of the Company is concerned or interested in the Resolution.

Item No.7

Constitution of Nava Bharat Ventures Employee Welfare Trust:

Nava Bharat Ventures Limited by itself and through its affiliates has its operations spread in India, Southeast Asia and Africa. In order to manage these geographically dispersed operations, the Group positioned key management personnel with professional competence in the respective functional areas. However, employee retention poses a significant challenge in the backdrop of potential competition and wide ranging needs of employees, which may not conform to a standard across the Group. To meet such challenge, the Board of Directors decided on 3rd October, 2011 to constitute "Nava Bharat Employee Welfare Trust" under "Nava Bharat Employee Welfare Scheme" as a globally positioned entity to cater to the needs of employees of the group at various levels and across business segments. In order that the welfare scheme and the Trust constituted thereunder discharge their set objectives effectively, the Trust should be provided with reasonable disposable fund/securities. Such fund/securities would enable the Welfare Trust to make reasonable surpluses in course of time and such surplus could form the core of the corpus of the Trust eventually.

The Trust initially invested in the shares of the Company to afford good potential for capital appreciation in view of the ongoing and planned investment initiatives of the Group across India, Southeast Asia and Africa. The Trust holds the investment in the shares of the Company for a reasonable length of time before unlocking the value and form the corpus. Till such time as the intended targeted objective was achieved, all accruals and benefits related to those holdings could be made use of by the Trust in pursuit of the welfare of the employees of the Group.

In order that the Trust was able to operate on a reasonable scale, the Board approved to extend a loan upto ₹ 50 Crores from the internal generations of the company to the Trust with a direction that the Trust should deploy the proceeds of the loan initially in secondary market including the purchase of the Company's shares. The Trust should repay the loan extended by the Company by liquidating such shares as are necessary for such repayment and to retain the surplus. Such surplus would constitute the core corpus of the Trust, which the Trust would be free to deploy in various investments including in the shares of the Company from time to time while meeting the employee welfare needs of the group.

Such extension of loan, though attracting the provisions of the Section 77 of the Companies Act, 1956 which prohibits purchase by the Company of its own shares, was exempted under the same Section as it was deemed to be a 'Loan to Employees' Shareholding Trust' as provided therein.

Your Company has always believed in motivating employees and always cared for welfare of its employees for their continuous hard work, dedication and support, which has led the Company on the growth path. To enable more and more employees to enjoy the fruit of the growth which the Company has witnessed in the recent past, your Company proposed to implement several schemes relating to welfare measures for extending, inter alia, various incentives, benefits and amenities for the employees under any employee welfare plan(s) set up/to be set up by the Company either individually or in conjunction with the subsidiary companies, affiliate companies or group companies. Such Plan(s)/Schemes may be amended from time to time in a manner prescribed under the plan/trust deed.

It is expected that such employee welfare measures will create a sense of commitment and partnership among the employees towards the Company, paving the way for long term association and for further fuelling the growth of the Company. The benefits will be extended to such employees of Company or its Subsidiary Companies and Directors, (excluding promoter Directors) including all their respective families as may be defined under the Employee Welfare Master Scheme or subsequent welfare schemes.

The beneficiaries under the welfare scheme/plans may be determined on the basis of seniority, performance, position and responsibilities, nature of service to the Company or its group companies, period of service of the Employees and the Employees' present and potential contribution to the growth and success of the Company or its subsidiary companies, and other similar parameters. Your Company therefore proposed to implement the Employee Welfare Master Scheme through a Trust, either existing or to be set up for various classes of Employees.

The Scheme/ Plan would be to deploy the funds of the Trust in all avenues (including deposits, mutual funds, money market instruments, shares, debentures, convertible instruments or any other investment grade assets or securities of any company including the Company, its subsidiary companies, affiliate companies and group companies whether by a fresh subscription or secondary acquisition) and to ultimately build up the holdings in a suitable manner with the objective of employee welfare. Where required, the investment decisions of the Trust could be supported by expert advice and the Trust may in its own discretion, devise a fund utilization strategy and review it at periodical intervals and all modifications to the Employee Welfare Master Scheme or formation of further welfare schemes will be subject to approval of the Board or any Committee thereof.

Pursuant to the recommendations of the Remuneration Committee and subject to and in compliance with the Companies Act, 1956, Indian Trusts Act, 1882, and other applicable laws, if any, the Memorandum of Association of the Company and Articles of Association of the Company, the approval of the Board was accorded to create the "Nava Bharat Ventures Employee Welfare Trust" for implementing the "Nava Bharat Ventures Employee Welfare Master Scheme" and any other welfare scheme as may be envisaged thereunder from time to time for the benefit of the employees of the Company and its Affiliates upon the terms and conditions set out in the Trust Deed.

"Nava Bharat Ventures Employee Welfare Trust Deed" and "Nava Bharat Ventures Employee Welfare Master Scheme" were approved by the Board and the Chairman, Managing Director and Executive Director were severally authorised to finalise the same after making such modifications as they may severally deem fit.

Barclays Wealth Trustees (India) Private Limited was appointed as the Trustee, to act in accordance with the "Nava Bharat Ventures Employee Welfare Trust Deed" and M/s.Khaitan & Co., Solicitors & Advocates, Mumbai, was appointed as the Legal Counsels.

A loan not exceeding ₹ 50 crores was sanctioned which may be disbursed in one or more tranches to "Nava Bharat Ventures Employee Welfare Trust" by the Board on such terms with the Trustees of the "Nava Bharat Ventures Employee Welfare Trust" as mutually agreed upon.

The Chairman, Managing Director and Executive Director were severally authorised to do all such acts, deeds and things and execute all such documents as may be deemed necessary to conclude the transaction, form and constitute the "Nava Bharat Ventures Employee Welfare Master Scheme", "Nava Bharat Ventures Employee Welfare Trust" and also to provide the loan not exceeding ₹ 50 crores in one or more tranches to the "Nava Bharat Ventures Employee Welfare Trust".

The Company extended a loan of ₹ 28.70 crores to the Trust initially, and the Trust acquired 14,00,000 equity shares of the Company through the Trustee, "Barclays Wealth Trustees (India) Private Limited" from the secondary market on 9th March, 2012.

In this regard, your Company seeks the approval of its members to authorize the Board of Directors of the Company to implement Employee Welfare Master Scheme or other Welfare Schemes/Plans through "Nava Bharat Ventures Employee Welfare Trust" and to give a loan of not exceeding ₹ 50 crores in one or more tranches.

The copies of the Trust Deed, Welfare Scheme and other documents mentioned above are available for inspection at the Registered Office of the company on all working days except holidays between 11.00 A.M and 1.00 P.M till the passing of the resolutions.

The Board commends the Special Resolution for members' approval.

None of the Directors of the Company is in any way, concerned or interested in the resolutions, except to the extent of their shareholding in the Company and/or to the extent of the benefits that may be offered to them under the Employee Welfare Master Scheme/such further Welfare Schemes/Plans as may be formulated from time to time.

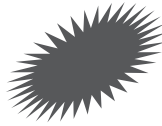
By order of the Board
For **NAVA BHARAT VENTURES LIMITED**

Hyderabad
May 30, 2012

M. Subrahmanyam
Company Secretary & Vice President

Registered Office:

6-3-1109/1
'Nava Bharat Chambers'
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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 8th August, 2012 at 10.00 a.m. at Marigold Hotel, By and Beside Green Park Hotel, 7-1-25, Greenlands, Begumpet, Hyderabad – 500 016

Name of the Shareholder

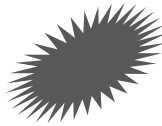
Folio No./Client I.D.No.
No. of Shares :

- 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 time fixed for commencement of the meeting. Please ensure that the proxy brings this Attendance Slip for the meeting.

I hereby record my presence at the 40th Annual General Meeting of the Company, on 8th August, 2012.

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.....ofin 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 40th Annual General Meeting of the Company to be held on the 8th August,
2012 and at any adjournment thereof.

Signed this.....day of2012 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 fixed for commencement of the Meeting.

