NAVA BHARAT VENTURES LIMITED

NAVA BHARAT CHAMBERS, RAJ BHAVAN ROAD, HYDERABAD-500 082, TELANGANA, INDIA

NAVA BHARAT

NBV/SECTL/220/2015-16
May 29, 2015

Addressed to :

Sri K.Hari, Vice President
National Stock Exchange
of India Limited
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block
Bandra Kurla Complex, Bandra (E)
MUMBAI – 400 051
NSE Symbol : 'NBVENTURES'

General Manager –
Dept. of Corporate Services
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street
MUMBAI – 400 001

Scrip Code: '513023' / 'NBVENTURE'

Dear Sirs,

Sub: Outcome of the Meeting - Alignment of Nava Bharat Ventures Employee Welfare Trust / General Employee Benefits Scheme with SEBI (Share Based Employee Benefits) Regulations, 2014.

This is to inform you that the Board of Directors of the Company in their meeting held on 29th May, 2015:

(i) Approved, subject to the approval of the shareholders, Nava Bharat General Employee Benefits Scheme, 2015 ("**Scheme**"), *inter alia*, to provide welfare benefits such as medical, housing and education related assistance to employees of the Company ("**Employees**"); and utilizing and applying the assets of existing trust settled by the Company called Nava Bharat Ventures Employee Welfare Trust ("**Trust**") for the purposes of implementing Scheme in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**Regulations**").

(ii) Approved to undertake such steps and actions to enable the Company and the Trust to conform to the Regulations in its entirety within the five year period as envisaged in the Regulations.

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E-mail : nbvl@nbv.in Website : www.nbventures.com
Corporate Identity No. : L27101TG1972PLC001549

ISO 9001 ISO 14001

Background

Noted that the Trust through the Trustees, Barclays Wealth Trustees (India) Pvt.Ltd., holds 14 lakh equity shares bought from secondary market in March, 2012 (1.57% of equity capital *vis-à-vis* the total share capital of the Company as on 31st March 2012) for implementing welfare schemes exclusively for Employees other than promoter directors.

As per Regulation 3(11) of the Regulations, a trust implementing general employee benefits scheme ("**GEBS**") of a listed company is not allowed to acquire shares more than 2% of the total paid up share capital of the company through secondary acquisition, which is as on the date when shareholders' approval was granted to the trust for making such secondary acquisition. Furthermore, pursuant to Regulations 31(2)(b)(ii) the trust cannot hold shares of the company exceeding 10% of the total assets of the GEBS. The Regulations granted a period of five years to comply with these requirements.

The Company is in compliance with Regulation 3(11) of the Regulations. However, in order to ensure compliance with Regulations 31(2)(b)(ii) of the Regulations, the Board decided to undertake such steps and actions to enable the Company and the Trust to conform to the Regulations in its entirety within the five year period as envisaged in the Regulations."

Thanking you,

Yours faithfully,
for NAVA BHARAT VENTURES LIMITED

Company Secretary
& Vice President