NAVA BHARAT VENTURES LIMITED

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

NAVA BHARAT

NBV/SECTL/682/2015-16
October 23, 2015

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: Announcement regarding surplus shares held by Nava Bharat Ventures Employee Welfare Trust ('Trust') required to be disposed of in terms of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

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Nava Bharat Ventures Limited ('the Company') settled a trust called Nava Bharat Ventures Employee Welfare Trust ('Trust') vide Indenture of Trust dated 25 January 2012. The Trust, through Barclays Wealth Trustees (India) Private Limited acting in the capacity of Trustee ('Trustee'), holds Trust Property comprising 14,00,000 Equity Shares of the Company (1.57% of the paid up equity) ['Trust Property'] purchased from the secondary market, which was approved vide a Special Resolution of the Members dated 8th August, 2012.

SEBI notified the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('Regulations') on 28th October, 2014 which provided certain thresholds in relation to implementation of employee benefits schemes by the listed companies. The Regulations further provided that the listed companies which have already implemented schemes either directly or through Employee Welfare Trust ('EWT") are required to align their schemes with the Regulations within one year from the date of notification of the Regulations. The Company obtained necessary approvals from the Members by way of Special Resolutions passed at the AGM held on 27th August, 2015.

In the cases of companies with existing EWT holding shares of the companies acquired from the secondary market for the purposes of general employee benefits scheme, the companies would have a period of five years for the following purposes.

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- To bring down the holding in shares of the Company by the EWT if its holding in the shares of the Company is beyond the permissible threshold limits;

- To bring down the holding in shares by EWT implementing General Employee Benefits Scheme ("GEBS") and Retirement Benefit Schemes if the investment by such EWT in the shares of the Company or its holding Company, earmarked for GEBS exceed 10% of the total assets of the EWT held for such GEBS/RBS;

The Company has accordingly reconstituted and aligned the General Employee Benefits Scheme with the current Regulations, falling under Part D of the Regulations.

Presently, the Trust holds Equity Shares of NBVL constituting above 90% of the total assets of the EWT for GEBS which is required to be reduced to 10% of the total assets within a period of 5 years from the date of Regulations dated 28.10.2014, i.e. before 28.10.2019.

Therefore, the Company and the Trust shall, after retaining 12,175 shares which it is eligible to retain under the Regulations, have to sell the surplus 13,87,825 shares within a period of five years from the date of the Regulations i.e. before 28.10. 2019.

This is for your kind information and records, please.

Thanking you,

Yours faithfully,
For NAVA BHARAT VENTURES LIMITED

G.R.K.PRASAD
EXECUTIVE DIRECTOR

Encl : Statement of Equity Shares held by the Trust, Shares that can be retained and Shares to be disposed of before 28th October, 2019.

Nava Bharat Ventures Employees Welfare Trust - SEBI Rgulations Compliance

Condition 1 - The no. of shares held in the welfare trust should not exceed 2% of total paid up no. of shares of the settlor company						
Asset Class	**Name**	**Units**	**Paid up Shares**	**% holding**	**Complied**	**Market Price as on 31.03.2015**
Equity Shares	Nava Bharat Ventures Limited	1,400,000.00	2,800,000.00	1.57%	YES	Rs.178.75

Condition 2 - The shares of the company or shares of its listed holding company shall not exceed ten per cent of the book value or market value or fair value of the total assets of the scheme, whichever is lower, as appearing in its latest balance sheet at any point of time						
Asset Class	**Name**	**Units**	**Book Value 31-03-2015**	**Market/Fair Value 31.03.2015**	**Lower of Book/ Market Value**	**Specified Limit by 28.10.2019 - Post disposal of surplus shares**
A. Equity	Nava Bharat Ventures Limited	1,400,000	287,833,591	250,250,000	250,250,000	Rs. 2,176,378 (10%)
B. Other Assets			Rs.	Rs.	Rs.	
Mutual Funds	HDFC CASH MANAGEMENT FUND SAVINGS PLAN - DAILY DIVIDEND	1,193,708	12,696,752	12,696,752	12,696,752	
	FRANKLIN INDIA ULTRA SHORT BOND FUND - SUPER INSTITUTIONAL - DAILY DIVIDEND	659,171	6,625,207	6,643,980	6,643,980	
Bank Balance	Barclays Bank PLC	-	246,674	246,674	246,674	
B. Total			**19,568,633**	**19,587,406**	**19,587,406**	**Rs. 19,587,406 (90%)**
Total Assets A + B			**307,402,224**	**269,837,406**	**269,837,406**	**Rs. 21,763,784 (100%)**
10% of the total assets						**Rs. 2,176,378**
No. of shares that can be retained (at Rs.178.75)						**12,175**
Surplus shares to be disposed off by 28-10-2019						**1,387,825**

Note : The exact number of equity shares of NBVL that can be retained and disposed of will be reckoned on the basis of market value of the shares of NBVL and remaining assets as per the Balance Sheet as on 31.03.2019 in order to conform to the specified threshold limits by 28.10.2019.

NAVA BHARAT VENTURES LIMITED HYDERABAD

For Nava Bharat Ventures Limited

G.R.K.PRASAD
EXECUTIVE DIRECTOR