



NOVOPAN INDUSTRIES LIMITED

CS/SE

8th October, 2013

Mr. S Subramanian, DCS – CRD
Bombay Stock Exchange Limited
1st Floor, New Trading Ring,
Dalal St., Routunda Bldg.,
P.J.Towers, Fort
Mumbai – 400001

The Secretary
National Stock Exchange of India
Limited Exchange Plaza, 5th Floor, Plot
No.C/1G Block, Bandra-Kurla Complex,
Bandra (E)
Mumbai – 400051

BSE Code : 500310

NSE Code : NOVOPANIND

Dear Sir

Sub: Submission of Minutes of Proceedings conducted through Postal Ballot – Reg.

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Please find enclosed herewith copy of the Minutes of Proceedings conducted through Postal Ballot of our company held on 5th October, 2013 for your information and records.

You are requested to kindly acknowledge the same.

Thanking you

Yours faithfully
For Novopan Industries Limited

MSBM Somayajulu
Secretarial Executive

MINUTES OF THE PROCEEDINGS CONDUCTED THROUGH POSTAL BALLOT ON MONDAY, THE 7TH OCTOBER, 2013 AT 10.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT IDA, PHASE -II, PATANCHERU, MEDAK DISTRICT - 502319.

DIRECTORS PRESENT

Sri G V Krishna Reddy	-	Chairman
Sri S A Naqui	-	Executive Director

ALSO PRESENT

Mr. P S Rao, Partner, P S Rao & Associates	-	Scrutinizers
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SPECIAL BUSINESS

The Chairman stated that the Company had despatched postal ballot notice to all the shareholders dated 14th August, 2013 under the provisions of section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules 2011 and Regulation 8(1) (b) of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 as amended from time to time, for obtaining the consent of the shareholders to the following Special Resolution by means of Postal Ballot.

RESOLUTION NO: 1

TO VOLUNTARY DELIST THE EQUITY SHARES OF THE COMPANY FROM BSE LIMITED & NATIONAL STOCK EXCHANGE OF INDIA LIMITED.

"RESOLVED THAT pursuant to: (i) the letter of intent dated 8th August, 2013 from GVK Projects & Technical Services Ltd., ("**Promoter**") holding 89,06,555 equity shares, representing 74.78% of the issued and paid-up share capital of the Company, conveying its intention to voluntarily delist the equity shares of the Company from BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") ("**Delisting Offer**") in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("**Delisting Regulations**"), and (ii) the approval of the Board of Directors of the Company ("**Board**", which term shall be deemed to include any person authorized by the Board to exercise powers conferred on the Board by way of this resolution) dated 14th August, 2013 to the Delisting Offer; and (iii) Regulation 8(l)(b) of the Delisting Regulations, and Listing Agreement (s) and subject to the applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactments for the time being in force and as may be enacted hereinafter), and Memorandum and Articles of Association of the Company and receipt of all necessary approvals of BSE and NSE and such other authorities as may be required and subject to such conditions and modifications, as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board, the voluntary delisting of the equity shares of the Company

from the BSE and NSE be and is hereby approved, and the Company (which term shall be deemed to include the Board and any person(s) authorized by the Board thereof) shall take all necessary actions and make all necessary filings to facilitate such delisting in accordance with the conditions specified in the Delisting Regulations and the applicable provisions of the Companies Act, 1956,"

"RESOLVED FURTHER THAT *for the purpose of giving effect to the voluntary delisting of the equity shares as described herein above, Mr. S A Naqui, Executive Director, Mrs. G. Indira Krishna Reddy, Mr. A. Issac George and Mr. Y Rama Murty, Directors of the Company, be and are hereby authorized severally on behalf of the Company to do all such acts, matters, deeds and things as they may at their discretion deem necessary or desirable for such purpose, including making applications to BSE / NSE seeking their in-principle and final approval for the proposed voluntary delisting of the equity shares of the Company, and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard as they may in their absolute discretion deem fit."*

"RESOLVED FURTHER THAT *the Board be and is hereby authorized to delegate all or any powers conferred by this resolution on it to any Director(s), Officer(s) or Authorized Representatives of the Company to give effect to the aforesaid resolution."*

Explanatory Statement

Pursuant to Section 173(2) of the Companies Act, 1956

Item No.1

Voluntary delisting of the equity shares of the Company from BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") as described in the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("Delisting Regulations").

The equity shares ("Equity Shares") of Novopan Industries Limited ("Company") are currently listed on BSE & NSE.

GVK Projects & Technical Services Ltd., ("Acquirer/Promoter") holds 89,06,555 Equity Shares of the Company representing 74.78% of the issued and paid-up equity share capital of the Company as on June 30, 2013.

The Promoter in its letter to the Company dated 8th August, 2013, has conveyed its intention to voluntarily delist the Equity Shares of the Company from BSE and NSE ("Delisting Offer") in accordance with the Delisting Regulations vide the Delisting Offer; the Promoter has made an offer to acquire (either by itself or through persons acting in concert) the Equity Shares of the Company held by the public shareholders thereby providing an exit opportunity to the public shareholders of the Company in terms of the provisions of the Delisting Regulations.

The objective of the Delisting Offer is:

- 1. To provide an exit opportunity to the public shareholders of the Company considering the declining performance of the Company over the past few financial years which has also adversely impacted the liquidity status of Company's shares since a long time; and*
- 2. To obtain full ownership of the Company, which will provide the Promoter group with requisite flexibility to decide on the future course of action with regard to the operations of the company.*

As per the Delisting Regulations, a company may voluntarily delist its equity shares from the Stock Exchange where its equity shares are listed, if the acquirer provides an exit opportunity to the shareholders of the company and accepts the exit price for delisting the equity shares in accordance with the reverse book building process prescribed in the Delisting Regulations and subject to the other terms and conditions contained therein (including the making of a public announcement containing the requisite information as prescribed in the Delisting Regulations).

In terms of Regulation 8(l)(b) of the Delisting Regulations, the Delisting Proposal requires the approval of the members of the Company byway of a Special Resolution passed through postal ballot. Further, as per Regulation 8(l)(b) of the Delisting Regulations, the Special Resolution passed by the members may be acted upon only if the votes cast by the public shareholders in favour of the delisting proposal amount to at least two times the number of votes cast by the public shareholders against it.

The Floor price for the Delisting Offer will be determined as per Regulation 15(2)(b) of the Delisting Regulations as the shares of the Company are infrequently traded on BSE and NSE. The Floor price, as determined, will be disclosed in the public announcement and letter of offer as per Regulation 15(1) of the Delisting Regulations.

The shareholders may tender their Equity Shares during the reverse book building process at a price they elect, independent of the Floor Price. The Floor Price is the minimum price at which Equity Shares may be acquired and is not a ceiling or maximum price.

The final price payable by the Acquirer for the Equity Shares tendered in the Delisting Offer will not be less than the price at which the maximum number of Equity Shares has been tendered pursuant to the reverse book building process ("Discovered Price"). If the Discovered Price is accepted by the Acquirer, then the Acquirer shall accept all Equity Shares tendered where the corresponding bids placed are at the Discovered Price or at a price which is lesser than the Discovered Price. The Acquirer may, at its discretion, fix the final price which is higher than the Discovered Price.

The Delisting Offer is conditional upon:

- a) *The Promoter accepting the Discovered Price determined by the reverse book building process in accordance with the Delisting Regulations;*
- b) *The number of Equity Shares validly tendered in the Delisting Offer being sufficient to result in the Delisting Offer being successful as per the Delisting Regulations;*
- c) *The Promoter and the Company having obtained necessary regulatory and statutory approvals required under the applicable laws including the Delisting Regulations; and*
- d) *Such other terms and conditions as may be set out in the public announcement or the letter of offer to be sent to the shareholders are met.*

In the event that the Special Resolution is passed by the members as set out above, subject to receipt of the in-principle approval of BSE / NSE and applicable statutory approvals, a public announcement ("Public Announcement") of the Delisting Offer may be made by the Promoter in accordance with the Delisting Regulations followed by despatch of letter of offer to all public shareholders. Thereafter the Delisting Offer will be conducted in accordance with the Delisting Regulations.

Shareholders may please note that, the passing of the Special Resolution is enabling in nature, and it will allow the Promoter (if it chooses to) to proceed with the Delisting Offer in the twelve month period following the passing of the Special Resolution. The passing of the special resolution will not, and should not be construed in any manner as a commitment, or an undertaking of the Promoter to acquire or delist the Equity Shares of the Company. In accordance with the Delisting Regulations, the Promoter reserves the right not to proceed with the Delisting Offer in the event the Discovered Price is not acceptable to the Promoter.

Accordingly, the approval of the members is sought for the aforesaid Special Resolution, after which, the Acquirer will proceed, at its discretion, to make a Delisting Offer to the members of the Company and purchase the Equity Shares at the Discovered Price or such higher price as the case may be, in accordance with the Delisting Regulations.

The Board recommends the aforesaid Special Resolution for your consideration and approval. None of the Directors of the Company are concerned or interested in this resolution except Mr. G V Krishna Reddy and Mrs. G Indira Krishna Reddy who may be deemed to be interested in their capacity as Promoters of the Company / shareholders of GVK Projects & Technical Services Limited.

The Chairman stated that it was instructed in the Postal Ballot notice dated 14th August, 2013, that the duly completed and signed Postal Ballot forms should reach the scrutinizers not later than the close of working hours on 5th October, 2013.

Mr. P.S. Rao, Partner, P.S. Rao & Associates, Company Secretaries, was appointed as scrutinizers for the purpose of conducting postal ballot to give effect to the completion of postal ballot process in respect of obtaining the approval of the members to voluntary delisting of the equity shares of the company from BSE Limited and National Stock Exchange of India Limited in terms of the provisions of section 192A of the Companies Act, 1956 and all other applicable provisions, if any, read with the Companies (Passing of Resolution by Postal Ballot) Rules 2011 and Regulation 8(1) (b) of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 as amended from time to time, has submitted his report on 5th October, 2013.

After examining the said report, Dr. G V Krishna Reddy, Chairman announced the following result of the Postal ballot on Monday, the 7th October, 2013 at 10.00 a.m. at the registered office of the company situated at IDA Phase-II, Patancheru, Medak District-502319.

RESOLUTION 1:

TO VOLUNTARY DELIST THE EQUITY SHARES OF THE COMPANY FROM BSE LIMITED & NATIONAL STOCK EXCHANGE OF INDIA LIMITED.

Particulars	Public Shareholding		Promoter		Total	
	No. of Postal Ballot Forms	No. of Shares	No. of Postal Ballot Forms	No. of Shares	No. of Postal Ballot Forms	No. of Shares
Total number of Postal Ballot Forms	141	1279747	Nil	Nil	141	1279747
Less: Invalid Postal Ballot Form*	10	235	Nil	Nil	10	235
Valid Postal Ballot Form	131	1279512	Nil	Nil	131	1279512
Postal Ballot Forms with assent to the Resolution	103	1278683	Nil	Nil	103	1278683
Postal Ballot Forms with dissent to the Resolution	28	829	Nil	Nil	28	829
Percentage of votes with assent to the Resolution	99.94%		Nil		99.94%	
Percentage of votes with dissent to the Resolution	0.06%		Nil		0.06%	

**Votes rejected for reasons such as either no mention of Assent / Dissent or voted for both Assent and Dissent or for signature mismatch or for any other valid reasons.*

As per the Report dated 05.10.2013 of the Scrutinizer, the Special Resolution has been duly approved by the requisite majority under the provisions of Section 189 of Companies Act, 1956 (now section 114 of the Companies Act, 2013 notified on 12.09.2013) and as the number of votes cast by Postal Ballot by public shareholders in favour of the Special Resolution being greater than two times of the number of the

votes cast by the public shareholders against the Special Resolution, the requirement of the proviso to Regulation 8(1)(b) of the Delisting Regulations is satisfied. Consequently, in terms of the proviso to Regulation 8(1)(b) of the Delisting Regulations, the Special Resolution shall be acted upon / given effect to.

Thereafter, Mr. S A Naqui, Executive Director has thanked the Chairman for the proceedings.

Place: Hyderabad
Date: 07.10.2013

Sd/-
Chairman