

NAVA BHARAT VENTURES LIMITED

NAVA BHARAT CHAMBERS, RAJ BHAVAN ROAD, HYDERABAD-500 082, A.P., INDIA

NAVA BHARAT

NBV/SECTL/468/2014-15
July 14, 2014

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra Kurla Complex, Bandra (E)
MUMBAI – 400 051.

Kind attn: Sri K.Hari, Vice President

Dear Sir,

Sub: Submission of Form – A pursuant to Clause 31 of the Listing Agreement.

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We have submitted six copies of Annual Reports vide letter No.NBV/SECTL/ 467/2014-15 dated July 14, 2014 together with Notice of the 42nd Annual General Meeting convened to be held on 08.08.2014. Form – A duly signed under Clause 31 of the Listing Agreement, as prescribed, is furnished herewith together with a copy of the Independent Auditor's Report including Annexure thereto on the Financial Statements of the Company for the Financial Year 2013-14 and also Independent Auditor's Report on the Consolidated Financial Statements of the Company for the Financial Year 2013-14.

Thanking you,

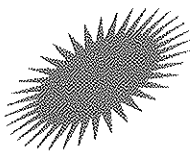
Yours faithfully,
for NAVA BHARAT VENTURES LTD

Company Secretary
& Vice President

Encl: 1. Form 'A'
2. Independent Auditor's Report - Standalone
3. Independent Auditor's Report - Consolidated

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E-mail : nbvl@nbv.in Website : www.nbventures.com
Corporate Identity No. : L27101AP1972PLC001549

ISO 9001 ISO 14001



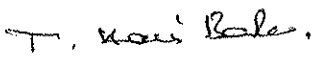
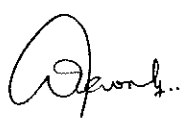
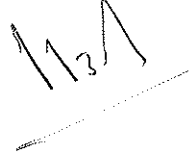
NAVA BHARAT VENTURES LIMITED

NAVA BHARAT CHAMBERS, RAJ BHAVAN ROAD, HYDERABAD-500 082, A.P., INDIA

NAVA BHARAT

FORM A

Format of covering letter of the annual Audit Report
to be filed with the Stock Exchanges

1.	Name of the Company	M/s. Nava Bharat Ventures Limited
2.	Annual financial statements for the year ended	31 st March 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by:	
	(P. TRIVIKRAMA PRASAD) Managing Director	
	(T. HARI BABU) Chief Financial Officer	
	(P. CHANDRAMOULI) Auditor of the Company	
	(K.BALARAMA REDDI) Audit Committee Chairman	



CHARTERED ACCOUNTANTS

VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU, ALSO AT CHENNAI, BANGALORE AND ADONI.

INDEPENDENT AUDITOR'S REPORT

To the Members of NAVA BHARAT VENTURES LIMITED, HYDERABAD.

Report on the Financial Statements:

We have audited the accompanying financial statements of NAVA BHARAT VENTURES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"), read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Page 1 of 2

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b. in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956; read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441 A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place : Hyderabad
Date : May 30, 2014

for BRAHMAYYA & CO.
Chartered Accountants
Firm's Registration Number: 000513S

(P. CHANDRAMOULI)

Partner

Membership Number: 025211

Annexure to the Auditor's Report:

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of NAVA BHARAT VENTURES LIMITED, HYDERABAD, for the year ended March 31, 2014.,

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b. As explained to us, the management has physically verified the fixed assets during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. No discrepancies were noticed on such verification.
c. The plant and machinery disposed off during the year by the Company is not substantial and hence, it has not affected the going concern status of the Company.
2. a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
b. In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
c. The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and book records were not material.
3. a. During the year, the Company has neither granted nor taken any loans, secured or unsecured to/from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
b. In view of our comment in paragraph (a) above, (III) (b), (c), (d), (e), (f) and (g) of paragraph 4 of the aforesaid order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. a. In our opinion and according to the information and explanations given to us by the Management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register to be maintained under that section.
b. In respect of the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs entered into during the financial year, in the absence of any comparable quotes, we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public. Hence the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules, 1975, do not apply to this Company.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.



8. We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 in respect of sugar, distillery, power and Ferro alloys and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or Complete. The Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for any other products of the Company.
9. a. According to the records of the Company, the Company is regular (but for what is stated in Para (b) below) in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty and Cess were in arrears as at March 31, 2014 for a period of more than six months from the date they became payable except the following:

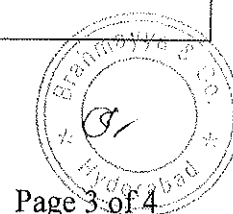
Name of the Statute	Nature of the dues	Amount ₹	Period to which the amount relates	Due Date	Date of payment
AP AL(CFNAP) Act, 2006	Land Conversion Tax	64,74,049	2010 -11		Not paid
Orissa Electricity Duty Act, 1961	Electricity Duty	10,91,227 3,25,551 90,239	2008-09 2009-10 2012-13	30.04.2009 30.04.2010 30.04.2013	Not paid
Customs Act, 1962	Customs Duty	17,61,860	1985 – 87		Not paid
GoAP (I & CAD Dept)	Water Charges	3,04,945 1,56,781 1,56,867 2,60,127 1,31,924	2008-09 2009-10 2010-11 2011-12 2012-13	30.04.2009 30.04.2010 30.04.2011 30.04.2012 30.04.2013	Not paid
OSPCB	Water Cess	52,560 60,994 11,518	2008-09 2009-10 2011-12	30.04.2009 30.04.2010 30.04.2012	Not paid
GoAP, APPCB	Water Cess	12,484 30,219 24,309	2008-09 2011-12 2012-13	31.03.2009 31.03.2012 31.03.2013	Not paid
The A.P. Electricity Duty Act, 2003	Electricity Duty	72,60,282	2003-08	15.04.2008	Not paid
- do -	- do -	4,07,520	2008- 09	30.04.2009	Not paid
- do -	- do -	4,37,520 2,51,868 5,35,680 5,14,944 53,24,777	May 2010 Jun 2010 July 2010 Aug 2010 Sept 2010	30.06.2010 31.07.2010 31.08.2010 30.09.2010 31.10.2010	Not paid
- do -	- do -	52,39,126	2003-.04 to 2010-11	30.04.2012	Not paid



- do -	- do -	48,979 6,45,905 4,95,380	April 2011 May 2011 March 2012	31.05.2011 30.06.2011 30.04.2012	Not paid
- do -	- do -	7,12,759	2012-13	30.05.2013	Not paid
AP Municipalities Act, 1965	Property Tax	1,52,854 4,16,377 10,94,253	2011-12 2012-13 2013-14	31.03.2012 31.03.2013 31.03.2014	Not paid
O S Govt.	Ground Rent	7,592 5,955	2009-10 2011-12	31.03.2010 31.03.2012	Not paid
East Coast Railways	Water way line Charges	1,80,932	2002-03 to 2009-10	31.03.2010	Not paid

- c. According to the records of the Company and the information and explanations given to us, the dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess, which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of Dues	Amount ₹	Period to which the amount relates	Forum where dispute is pending
AP (Ag. Produce & Live Stock) Marketing Act, 1966	Agricultural Market Cess	28,15,396	1980-81 to 1989-90	The Secretary, Agricultural Marketing Committee, Visakhapatnam
AP Municipalities Act, 1965	Property Tax	1,49,952	1995-96 to 2000-01	Hon'ble High Court of AP
-do-	-do-	2,00,798	1995-96 to 2000-01	Hon'ble High Court of AP
Various Sales Tax Acts	Central Sales Tax	2,20,130	2004-05	Asst. Commissioner of Sales Tax, Range-II, Cuttack
		64,87,532	2000-01	STAT, Hyderabad
	APGST	79,35,607	2003-04	Asst. Commissioner of Commercial Taxes, Warangal
Central Excise Act, 1944	Excise Duty	163,46,052	2004-05 to 2009-10	CESTAT, Bangalore
		747,92,553	2012-13	CESTAT, Bangalore
		55,29,064	1997-98	CESTAT, New Delhi
		1,36,90,286	2000-01 to 2001-02	Hon'ble High Court of AP
		3,43,697	2000-01	CESTAT, Bangalore
		11,20,603	2000-01 to 2005-06	Commissioner of Central Excise (Appeals), Visakhapatnam
		4,78,018	Oct 2007 – Oct 2012	Commissioner of Central Excise (Appeals), Visakhapatnam
		22,87,627	Oct 2007 – March 2013	
	Service Tax	41,77,411 129,18,565	2000-01 to 2010-11 1996-97 to 2010-11	Hon'ble High Court of A.P. Hon'ble High Court of A.P.
The A.P. Electricity Duty Act, 2003.	Electricity Duty	260,70,764	2003-04 to 2012-13	Hon'ble High Court of AP
The AP Non-Agricultural Land Assessment Act, 1963	NALA TAX	12,25,116	1993-94 to 1998-99	Hon'ble High Court of AP



10. The Company has no accumulated losses as at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions and Banks.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
14. The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. In our opinion, the terms and conditions on which the Company has given guarantees for the loans taken by Others from banks and financial institutions are not prima facie prejudicial to the interest of the Company.
16. In our opinion and according to the information and explanations given to us the term loans were applied for the purpose for which the loans were raised.
17. In our opinion and according to the information and explanations given to us, the funds raised on short-term basis have not been used for long-term investment.
18. During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year, therefore the question of creating security or charge in respect thereof does not arise.
20. During the year, the Company has not made any public issue, therefore the question of disclosing the end use of money raised by public issue does not arise.
21. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

Place : Hyderabad
Date : May 30, 2014

for BRAHMAYYA & CO;
Chartered Accountants
Firm's Registration Number: 000513S


(P. CHANDRAMOULI)
Partner

Membership Number: 025211



CHARTERED ACCOUNTANTS

VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU, ALSO AT CHENNAI, BANGALORE AND ADONI.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of NAVA BHARAT VENTURES LIMITED, HYDERABAD.

We have audited the accompanying consolidated financial statements of NAVA BHARAT VENTURES LIMITED ("the Company"), and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2014, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements:

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Page 1 of 3

Opinion:

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of the reports of the other auditors and Management Certificates on the consolidated financial statements of the subsidiaries as stated below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- b. in the case of the consolidated Statement of Profit and Loss , of the Profit for the year ended on that date; and
- c. in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date

Other Matters:

We did not audit the consolidated financial statements of one of the subsidiaries viz., Nava Bharat (Singapore) Pte. Ltd. Singapore (the group), whose financial statements reflect total assets of USD 387,260,565 equivalent to Rs. 232,007.82 Lakhs, total revenue of USD 59,241,588 equivalent to Rs. 35,491.62 Lakhs and net cash flows amounting to USD (6,849,024) equivalent to Rs. (4,103.25) Lakhs .The consolidated financial statements as per the Indian GAAP , of the said subsidiary for the year ended 31st March, 2014 were certified and furnished to us by the Management . Out of the 8 Companies considered for Consolidation only 2 Companies viz. Nava Bharat (Singapore) Pte. Limited and Maamba Collieries Limited, whose financial statements reflect total assets of USD 477,418,098 equivalent to Rs. 286,021.18 Lakhs, total revenue of USD 59,241,588 equivalent to Rs. 35,491.64 Lakhs and net cash flows amounting to USD (6,902,932) equivalent to Rs. (4,135.55) Lakhs have been audited by other auditors whose reports have been furnished to us and for other 6 Companies the Management has certified the financial information as no audit is required in the Countries where the said Companies are located.

The auditors of Nava Bharat (Singapore) Pte. Ltd. Singapore (the Company) without qualifying their opinion on the financial Statements drew the attention to the following .

1. *Financial support from holding company for working capital and loans:*

The Company is dependent on its holding company to give financial support for its ongoing Investments. In addition, the subsidiaries were in their preliminary stages of operations. Therefore, the validity of the going concern assumption on which the financial statements are prepared depends on the successful generation of income from these new businesses and continuous availability of the financial support from the holding company. The holding company undertakes to give continuous financial support to meet its obligation as and when required.



2. *Amount due from subsidiaries:*

As mentioned above, the subsidiaries are in their initial stages of operations. The amounts due from subsidiaries are dependent on the outcome of their business and the directors are of the view that the business of these subsidiaries will be successful. In the event that these outcomes are not favourable, allowances for impairment for these receivables need to be done during subsequent years.

3. *Legal and other expenses claims:*

The Company is involved in lawsuits for claims against third parties amounting to US\$ 7,058,735 equivalent to Rs. 4,228.89 Lakhs. The Management is of the view that it has ground to these claims and based on their lawyer's assessment, the management believes it has strong case against the third parties. Should the event turns out adversely in subsequent years, the legal and other expenses including the claims recoverable will be expensed off.

Our opinion, insofar as it relates to the amounts included in respect of these subsidiaries is solely based on and subject to the report of the other auditors and Management. Our opinion is not qualified in respect of this matter.

Place : Hyderabad
Date : May 30, 2014

for BRAHMAYYA & CO.
Chartered Accountants
Firm's Registration Number: 0005135


(P. CHANDRAMOULI)
Partner

Membership Number: 025211