NAVA BHARAT VENTURES LIMITED

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

NAVA BHARAT

NBV/SECTL/1539/ 2011-12
October 31, 2011

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,

We enclose herewith a Press Release on the Unaudited Financial Results for the quarter ended 30th September, 2011 *under the caption:*

"Q2 FY2012 Total Income at Rs.259.7 crore";

"Q1 FY2012 Profit after Tax at Rs.24.5 crore"

This is for your kind information and records, please.

Thanking you,

Yours faithfully,
for NAVA BHARAT VENTURES LTD

M. Subrahmanyam
Company Secretary
& Vice President

Encl : as above.

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ISO 9001 ISO 14001

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NAVA BHARAT

PRESS RELEASE

Q2 FY2012 Total Income at Rs. 259.7 crore

Q2 FY2012 Profit after Tax at Rs. 24.5 crore

Hyderabad, October 29, 2011:

Nava Bharat Ventures (Nava Bharat) today announced its results for the quarter ended 30th September 2011.

Q2 FY2012 financial review:

The total income was at Rs. 259.7 crore. The revenues from Power at Rs. 119.4 crore were reflective of lower generation on account of maintenance and unscheduled outages and lower average realisation in merchant power sale. Ferro Alloys business on the other hand delivered better performance with revenues of Rs. 138.3 crore with higher production and sales volumes of Manganese Alloys. Sugar business showed improved revenues at Rs. 28 crore with a steady realisation during the quarter. While the PBT for the quarter stood at Rs. 33.7 crore, relative higher tax incidence compared to the corresponding period resulted in net profit of Rs. 24.5 crore and the Diluted EPS at Rs. 3.0 in Q2 FY2012 after absorbing higher coal cost and adverse forex fluctuations.

H1 FY2012 financial review:

The performance for the half year with total income of Rs. 497.2 crore and net profit of Rs. 76 crore is on account of reduced generation, owing to turbine overhauls and reduced average realisation in Power segment. Contribution from Ferro alloys and Sugar segments neutralised the adverse impact in Power business to some extent resulting in an EPS of Rs.9.75 for the half year.

Update on FCCBs:

The company converted 323 FCCBs into equity shares and redeemed 29 FCCBs during the half year resulting in extinguishment of the entire debt of Rs. 140 crore and accretion to the net worth improving the general financial position.

Commenting on Nava Bharat's second quarter results, Mr. D. Ashok, Chairman said:

"Our power business' performance was constrained by continued lower realisations and higher average fuel cost incidence. We have been able to sustain operating momentum through the use of a combination of linkage coal, washery rejects and coal from e-auctions. Though the coal situation is under stress, the gradual increase in the merchant power rates going forward will translate into better operating dynamics for the balance period of FY12. Meanwhile, I am pleased to share that the implementation of 150MW at Paloncha is on track.

In Zambia, the high grade coal extraction will commence by November this year with commencement of the CHPP at the location. The first contribution from the sale of high-grade coal is expected to accrue from the fourth quarter onwards. We have made good progress on the 300 MW Power plant in Zambia as well with execution of vital project documents like Power Purchase Agreement, Implementation Agreement and Development and Connection agreement with Government of Zambia and its Agencies. The company also awarded letter of intent to Chinese EPC contractor for EPC works of the power plant. In Indonesia we have signed an SPA with a new set of buyers, which entails in the Singapore subsidiary recovering the amount invested as on date with fuel off take arrangement of about one million tons per annum, besides continuing an economic interest of 20%. .

Mr P. Trivikrama Prasad, Managing Director added:

"Nava Bharat's top line performance has been moderated given strong headwinds in the power business. The power sector continues to be impacted with tempered realisations and unfortunate events like strikes in the Telangana region of Andhra Pradesh that have limited the availability of coal. We are confident, nevertheless that on the merchant realizations front one can expect stabilization in realisation as the incremental power generation will have higher cost incidence resulting in proportionally higher realisations and the SEB's have commenced steps towards tariff rationalisation. Our Ferro Alloy's operation is delivering along expectations and is being anchored by the Manganese Alloy business. The strategic tie up for conversion of Ferro Chrome with Tata Steel is expected to contribute during the second half of the year. Overall we expect to show relatively improved performance in this business."

-ENDS-

Q2 FY2012 quantitative data table

Table on Production/Generation and Sales Volumes for quarter-ended period with comparative numbers:

	Q2 FY2012	H1 FY2012	H1 FY2011
A. Production / Generation			
Silico Manganese (MT)	20,718	36,316	26,328
Ferro Manganese (MT)	-	-	5,645
Ferro Chrome (MT)	776	2,750	7,893
Power (MU) (Net)	373.02	716.54	834.04
Purchased Power (MU)	1.35	4.38	1.44
Sugar (MT)	-	-	-
Molasses (MT)	-	1,611	-
Spirit (b.Litres)	-	458,300	-
B. Sales			
Silico Manganese (MT)	22,310	37,976	23,908
Ferro Manganese (MT)	-	-	1,911
Ferro Chrome (MT)	2,443	2,443	8,439
Power (MU)			
-Captive Consumption (MU)	93.29	172.49	164.00
-Merchant Sale (MU)	281.08	548.43	671.48
Sugar (MT)	9,422	20,573	17,934
Molasses (MT)	1,911	4,746	4,268
Spirit (B. Litres)	222,123	429,084	678,877
Co-gen Power (KWH)	-	838,803	-
C. Closing Stock			
Silico Manganese (MT)	1724	1724	6058
Ferro Manganese (MT)	--	--	3734
Ferro Chrome (MT)	308	308	3020
Sugar (MT)	12987	12987	4168
Molasses (MT)	9435	9435	4910
Spirit (B. Litres)	44832	44832	1397

NAVA BHARAT VENTURES LIMITED * HYDERABAD

About Nava Bharat Ventures Limited (Nava Bharat)

Nava Bharat Ventures is a power focused company with interests in ferro alloys and sugar. The Company has total installed power generation capacity of 237 MW in AP and Orissa. Nava Bharat is one of the leading ferro alloy producers in India with about 125,000 MT of Manganese and about 75,000 MT of Chrome Alloy capacities. Nava Bharat also undertakes production of sugar and allied products in its 3,500 TCD integrated plant. The Power business has been fuelling the Company's growth and sustained profitability. Additional information on Nava Bharat Ventures Limited is available on the Company website ***www.nbventures.com***

Investor contacts

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Note: This document contains 'forward-looking' statements at places. The Company has operations across several segments of business and remains subject to undetermined contingencies and risks. Nava Bharat Ventures would not be liable for any action undertaken based on such 'forward-looking' statements and does not commit to revising/updating them publicly.

NAVA BHARAT VENTURES LIMITED HYDERABAD

For NAVA BHARAT VENTURES LIMITED

Managing Director