NAVA BHARAT

NAVA BHARAT VENTURES LIMITED

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

NBV/SECTL/778/2015-16
November 17, 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: Letter to Shareholders along with Unaudited Financial Results of the Company for the Second Quarter and Half Year ended 30th September, 2015.

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We enclose herewith the communication letter dated 16th November, 2015 from our Chairman along with Unaudited Financial Results of the Company for the Second Quarter and Half Year ended 30th September, 2015, which will be mailed / dispatched to all the shareholders shortly, for your kind information and dissemination on your website.

Thanking you,

Yours faithfully,
For NAVA BHARAT VENTURES LIMITED

Company Secretary
& Vice President

Encl: as above

Telephone : (040) 23403501, 23403540 Fax : (040) 23403013
E-mail : nbvl@nbv.in Website : www.nbventures.com
Corporate Identity No. : L27101TG1972PLC001549

ISO 9001 ISO 14001

NAVA BHARAT VENTURES LIMITED

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

NAVA BHARAT

16th November, 2015

Dear Shareholder,

I would like to share with you the highlights of financial results for the second quarter and half-year ended 30th September, 2015 and the operational performance (Standalone) of the Company:

(₹ in crore)

	Q2 2015-16	Q2 2014-15	H1 2015-16	H1 2014-15
Net Sales	242.05	289.00	442.61	595.19
Net Profit	19.35	32.31	32.31	88.55
EPS (Diluted)	2.17	3.62	3.62	9.92

Members are well aware that the primary steel, stainless steel, merchant power and sugar sectors have been under severe stress for various systematic reasons. Your Company's performance is critically dependent upon these sectors. The apparent deceleration in the profits should, therefore, be viewed in the context of the prevailing subdued trends in the ferro alloys and sugar businesses and consequent lower value addition for captive power during H1 of FY 2016. The power operations in Telangana and A.P, however, helped the Company to withstand these commodity pressures and return reasonable financials for H1, notwithstanding loss of generation on account of planned outage of the 50 MW Power Unit in Telangana, aimed at efficiency improvement, in the months of August to October 2015.

It is, however, heartening to report healthy Consolidated financials with total income and Profit After Tax of Rs. 764.60 Crs and Rs.108.49 Crs respectively for H1, comprising good performance by the Indian power subsidiary, NBEIL operating 150 MW in Telangana and positive contribution from Maamba Collieries Limited, Zambia. This augurs well and is in line with envisaged future profitability of the Group being driven by performance of Indian and overseas subsidiaries as a significant portion of overall profitability.

I am equally pleased with MCL having achieved the major milestone of Financial Closure for loans of US$ 515 Million in the aggregate for the integrated coal & 300 MW power project in Zambia from a group of International Development Financial Institutions and Commercial banks. We can take pride for many firsts in this endeavor as under;

- It is the first coal fired Independent Power Project in Zambia with an investment outlay of USD 840 million including contingencies.
- It is the first private power project in Africa to have obtained the SINOSURE (China) cover in a project financing deal.
- It is a unique project in Africa where the sponsors are from Singapore and Zambia, Principal Contractors are from China and is one funded by Financial Institutions across the globe.
- Your Company would be one of the very few Corporate Houses in India to have successfully set up a large greenfield venture in Africa, a true testimony for export of project management and operational skills.

Resumption of Conversion Arrangement for High Carbon Ferro Chrome with Tata Steel Limited from the end of September 2015 should help the Company achieve reasonable stability with a degree of insulation against market vagaries of this product. That the Company would be able to utilize at least 40% of the power generation in Odisha in this arrangement is another redeeming feature.

The Company expects the commodity pressures in manganese alloys and sugar to continue for some more time and is adjusting its operating plans accordingly to achieve value addition for power and by-products to the maximum extent possible.

Yours sincerely,

D. Ashok
Chairman

Encl: Unaudited Financial Results
for Q2 & H1 of 2015-16 ended on 30th September 2015

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NAVA BHARAT

Statement of Unaudited Financial Results for the Quarter/Half-year ended 30th September, 2015

PART - I (₹ in Lakhs)

PARTICULARS	STANDALONE					
	Quarter ended			Half-year ended		Year ended
	30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
	(Unaudited)			(Unaudited)		(Audited)
1. Income from Operations						
(a) Net Sales/Income from Operations (Net of excise duty)	24,205.87	20,054.95	28,900.56	44,260.82	59,519.76	115,293.88
(b) Other Operating Income	–	–	–	–	–	–
Total Income from Operations (net)	**24,205.87**	**20,054.95**	**28,900.56**	**44,260.82**	**59,519.76**	**115,293.88**
2. Expenses						
(a) Cost of Materials consumed	14,599.98	13,239.93	17,680.15	27,839.91	33,978.44	75,139.23
(b) Purchase of stock-in-trade	50.42	60.62	17.02	111.04	132.60	270.59
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,159.56	(25.71)	1,791.54	2,133.85	3,231.29	(3,056.57)
(d) Other manufacturing expenses	1,492.74	1,174.66	1,589.23	2,667.40	3,375.27	7,885.27
(e) Employee benefits expense	1,623.99	1,772.07	1,577.37	3,396.06	3,395.14	7,281.67
(f) Depreciation and amortisation expense	722.14	716.92	749.20	1,439.06	1,565.07	3,627.84
(g) Other expenses	2,640.55	2,251.49	2,475.82	4,892.04	4,788.69	11,109.70
Total Expenses (a to g)	**23,289.38**	**19,189.98**	**25,880.33**	**42,479.36**	**50,466.50**	**102,257.73**
3. Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	**916.49**	**864.97**	**3,020.23**	**1,781.46**	**9,053.26**	**13,036.15**
4. Other Income	1,738.70	1,188.41	1,149.15	2,927.11	2,031.69	5,100.81
5. Profit/(Loss) from ordinary activities before finance costs and exceptional items (3±4)	**2,655.19**	**2,053.38**	**4,169.38**	**4,708.57**	**11,084.95**	**18,136.96**
6. Finance Costs	621.19	593.83	725.99	1,215.02	1,484.64	2,824.35
7. Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5±6)	**2,034.00**	**1,459.55**	**3,443.39**	**3,493.55**	**9,600.31**	**15,312.61**
8. Exceptional Items - Income/(expenditure)	–	–	(21.70)	–	(21.70)	(41.66)
9. Profit/(Loss) from ordinary activities before tax (7±8)	**2,034.00**	**1,459.55**	**3,421.69**	**3,493.55**	**9,578.61**	**15,270.95**
10. Tax expense						
- Current Tax	475.00	335.00	710.00	810.00	2,010.00	3,310.00
- Deferred Tax	94.31	163.04	(109.61)	257.35	(237.19)	198.76
- Earlier years	–	–	–	–	–	15.27
- MAT Credit Entitlement	(471.00)	(334.00)	(410.00)	(805.00)	(1,050.00)	(2,500.00)
Net Tax	98.31	164.04	190.39	262.35	722.81	1,024.03
11. Net Profit/(Loss) from ordinary activities after tax (9±10)	**1,935.69**	**1,295.51**	**3,231.30**	**3,231.20**	**8,855.80**	**14,246.92**
12. Extraordinary items (net of tax expense)	–	–	–	–	–	–
13. Net Profit/(Loss) for the period (11±12)	**1,935.69**	**1,295.51**	**3,231.30**	**3,231.20**	**8,855.80**	**14,246.92**
14. Share of profit /(loss) of associates	–	–	–	–	–	–
15. Minority Interest	–	–	–	–	–	–
16. Net Profit/(Loss) after taxes, minority interest and share of profit of associates (13±14±15)	**1,935.69**	**1,295.51**	**3,231.30**	**3,231.20**	**8,855.80**	**14,246.92**
17. Paid-up equity share capital (Face value: ₹2/-per share)	1,785.75	1,785.75	1,785.75	1,785.75	1,785.75	1,785.75
18. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	–	–	–	–	–	251,678.24
19. i. Earnings Per Share [before extraordinary items] (of ₹2/- each) {not annualised}:						
(a) Basic	2.17	1.45	3.62	3.62	9.92	15.96
(b) Diluted	2.17	1.45	3.62	3.62	9.92	15.96
19. ii. Earnings Per Share [after extraordinary items] (of ₹2/- each) {not annualised}:						
(a) Basic	2.17	1.45	3.62	3.62	9.92	15.96
(b) Diluted	2.17	1.45	3.62	3.62	9.92	15.96

PART - II (₹ in Lakhs)

Select information for the Quarter and Six months ended 30th September, 2015

PARTICULARS	Quarter ended			Half-year ended		Year ended
	30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
A. PARTICULARS OF SHAREHOLDING						
1. Public Shareholding						
- Number of Shares	49,949,501	49,949,501	50,464,007	49,949,501	50,464,007	49,949,501
- Percentage of Shareholding	55.94	55.94	56.52	55.94	56.52	55.94
2. Promoters and Promoter Group Shareholding						
a) Pledged/Encumbered						
- Number of Shares	–	–	–	–	–	–
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	–	–	–	–	–	–
- Percentage of shares (as a % of the total share capital of the Company)	–	–	–	–	–	–
b) Non - encumbered						
- Number of Shares	39,338,240	39,338,240	38,823,734	39,338,240	38,823,734	39,338,240
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
- Percentage of shares (as a % of the total share capital of the Company)	44.06	44.06	43.48	44.06	43.48	44.06

B. Information on Investors' complaints for the Quarter ended 30th September, 2015

Pending at the beginning of the Quarter	Received during the Quarter	Disposed of during the Quarter	Remaining unresolved at the end of the Quarter
0	3	3	0

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT

(₹ in Lakhs)

PARTICULARS	STANDALONE					
	Quarter ended			Half-year ended		Year ended
	30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
	(Unaudited)			(Unaudited)		(Audited)
1. Segment Revenue (Net Sales/Income from each segment)						
a) Ferro Alloys	11,932.43	8,349.72	17,294.14	20,282.15	32,240.38	62,801.63
b) Power	13,497.58	14,040.83	13,590.32	27,538.41	31,065.96	62,692.42
c) Sugar	3,912.81	1,317.42	3,770.71	5,230.23	8,272.79	13,779.05
d) Others	–	–	–	–	–	–
e) Unallocated	–	–	–	–	–	–
Total	29,342.82	23,707.97	34,655.17	53,050.79	71,579.13	139,273.10
Less: Inter Segment Revenue	5,136.95	3,653.02	5,754.61	8,789.97	12,059.37	23,979.22
Net Sales/Income from Operations	**24,205.87**	**20,054.95**	**28,900.56**	**44,260.82**	**59,519.76**	**115,293.88**
2. Segment Results (Profit before Tax and Finance charges from each segment)						
a) Ferro Alloys	(1,876.03)	(1,958.87)	920.34	(3,834.90)	1,314.87	(270.94)
b) Power	4,742.21	4,295.09	2,874.99	9,037.30	9,019.14	18,036.90
c) Sugar	(212.66)	(268.61)	270.00	(481.27)	633.57	(234.78)
d) Others	(19.58)	(14.23)	(64.89)	(33.81)	(75.74)	(98.22)
e) Unallocated	–	–	–	–	–	–
Total	2,633.94	2,053.38	4,000.44	4,687.32	10,891.84	17,432.96
Less: i) Finance charges	621.19	593.83	725.99	1,215.02	1,484.64	2,824.35
ii) Other Un-allocable Expenditure net off	–	–	–	–	–	–
Add: Un-allocable income	21.25	–	147.24	21.25	171.41	662.34
Total Profit before Tax	**2,034.00**	**1,459.55**	**3,421.69**	**3,493.55**	**9,578.61**	**15,270.95**
3. Capital Employed (Segment Assets minus Segment Liabilities)						
a) Ferro Alloys	34,271.31	33,721.88	37,240.38	34,271.31	37,240.38	40,095.84
b) Power	77,772.52	79,546.94	89,249.93	77,772.52	89,249.93	82,825.73
c) Sugar	10,254.41	13,822.59	10,413.10	10,254.41	10,413.10	13,925.12
d) Others	100.66	84.52	47.68	100.66	47.68	88.37
e) Unallocated	142,939.57	136,244.53	129,612.38	142,939.57	129,612.38	132,068.94
Total	**265,338.47**	**263,420.46**	**266,563.47**	**265,338.47**	**266,563.47**	**269,004.00**

NOTES:

1. (a) Employees retirement benefits for the Quarter and half year were provided on an estimated basis as actuarial valuation is deferred to year end.
   (b) Diminution in the value of investments, if any, will be considered at year end.
   (c) Transitional deffered tax originated during the tax holiday period relating to one of the Power generation units is being recognised over the four quarters equally in current financial year.

2. The figures for the previous year/period have been restated/regrouped wherever necessary to make them comparable with those of the current period.

3. The text of the above statement was reviewed and recommended by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on 9th November, 2015. The Auditors have carried out 'Limited Review' of the results.

STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

	PARTICULARS	As at 30.09.2015 (Unaudited)		As at 31.03.2015 (Audited)	
A.	**EQUITY AND LIABILITIES**				
1	**Shareholders' funds**				
	(a) Share Capital	1,787.01		1,787.01	
	(b) Reserves and surplus	254,909.45		251,678.24	
	(c) Money received against share warrants	–		–	
	Sub-total - Shareholders' funds		**256,696.46**		**253,465.25**
2.	**Share application money pending allotment**	–		–	
3.	**Minority Interest***	–		–	
4.	**Non-current liabilities**				
	(a) Long-term borrowings	1,095.51		2,848.83	
	(b) Deferred tax liabilities (net)	3,182.75		2,925.41	
	(c) Other long-term liabilities	43.46		42.55	
	(d) Long-term provisions	1,788.70		1,788.70	
	Sub-total - Non-current liabilities		**6,110.42**		**7,605.49**
5.	**Current liabilities**				
	(a) Short-term borrowings	14,908.94		6,316.65	
	(b) Trade payables	14,863.20		7,554.92	
	(c) Other current liabilities	11,424.40		12,803.36	
	(d) Short-term provisions	-		5,073.93	
	Sub-total - Current liabilities		**41,196.54**		**31,748.86**
	TOTAL - EQUITY AND LIABILITIES		**304,003.42**		**292,819.60**
B.	**ASSETS**				
1.	**Non-current assets**				
	(a) Fixed assets	84,838.34		83,293.80	
	(b) Goodwill on consolidation*	–		–	
	(c) Non- current investments	107,043.60		105,781.33	
	(d) Deferred tax assets (net)	–		–	
	(e) Long-term loans and advances	5,430.75		4,999.12	
	(f) Other non-current assets	21,331.42		20,536.15	
	Sub-total - Non Current assets		**218,644.11**		**214,610.40**
2.	**Current assets**				
	(a) Current investments	–		–	
	(b) Inventories	24,793.92		34,383.76	
	(c) Trade receivables	14,960.40		22,013.27	
	(d) Cash and cash equivalents	8,434.45		3,711.65	
	(e) Short-term loans and advances	34,193.80		16,930.83	
	(f) Other current assets	2,976.74		1,169.69	
	Sub-total - Current assets		**85,359.31**		**78,209.20**
	TOTAL ASSETS		**304,003.42**		**292,819.60**

*Applicable in the case of consolidated statement of assets and liabilities.

For **Nava Bharat Ventures Limited**

Hyderabad
9th November, 2015

D. ASHOK
CHAIRMAN