NAVA BHARAT VENTURES LIMITED

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

NAVA BHARAT

NBV/SECTL/ 1050 /2015-16
February 11, 2016

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,

We enclose herewith a Press Release on the Unaudited Financial Results for the Third Quarter / Nine Months ended 31st December, 2015, for your kind information and records, please.

Thanking you,

Yours faithfully,
for NAVA BHARAT VENTURES LTD

Company Secretary
& Vice President

Encl : as above.

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ISO 9001 ISO 14001

PRESS RELEASE

9M FY16 Standalone Total Income at ₹ 6870.68 Mn
9M FY16 Standalone Profit After Tax at ₹ 535.75 Mn

Hyderabad, Thursday, February 11, 2016:

Nava Bharat Ventures Limited (NBVL) announced its unaudited financial results for the quarter and nine months ended 31st December 2015.

Q3 & 9M FY16 (standalone) review:

NBVL reported financial results for Q3 and 9M of FY16 with Operational Income standing at ₹ 2444.60 Mn and ₹ 6870.68 Mn and Net Profit standing at ₹ 212.63 Mn and ₹ 535.75 Mn respectively. The drop in Total Income of about 21.32% relative to the corresponding nine month period was due to the declining trend of Ferro alloy prices world-wide in the midst of the severe commodity price index correction and adverse exchange variations impacting the principal producing countries like South Africa and Ukraine. The drop in Net Profits was accentuated to about 54.62% during the 9 months period owing to adverse pressure in Sugar business also and consequent value erosion in the opening inventory of finished goods coupled with one-off price reduction on manganese alloys.

Q3 & 9M FY16 (consolidated) review:

Consolidated Operational Income for Q3 & 9M FY16 stood at ₹ 4042.84 Mn and ₹ 11688.80 Mn respectively. This was driven by Nava Bharat Energy's (NBEIL) 150 MW power plant in Telangana and positive overseas operations in the aggregate. Net Profit on a consolidated basis for Q3 & 9M FY16 stood at ₹ 759.48 Mn and ₹ 1844.40 Mn respectively.

NAVA BHARAT VENTURES LIMITED HYDERABAD

Power business

The Company obtained reasonable value for captive power in Odisha power works through Conversion arrangement. Optimal capacity utilization could not however be achieved with restricted generation to comply with captive regulations and merchant power rates trailing a distinctly weak trend. The second 60 MW power unit has received all the requisite clearances and is awaiting better merchant power rates to recover at least a part of the fixed costs to commence operations. The 90 MW capacity in Odisha had therefore operated at a low PLF of 45.79 %. The 114 MW captive power works catered mostly to the Grid requirement which remained robust during the period under review while consumption for production of manganese alloys was regulated in line with demand. The Company refurbished the oldest 50 MW power plant in Telangana, aimed at operational efficiency and longevity during the period under review. The 20 MW power unit at Dharmavaram in Andhra Pradesh, having been dedicated to the Grid, achieved PLF of 83.08 % during the period, reflective of the occasional grid curtailments.

Ferro Alloy business

The sharpness in correction for steel demand in China has had a knock-on effect on pricing of steel and Ferro alloys as well as their inputs in global markets. The rally of US Dollar against currencies of the dominant producing countries like South Africa and Ukraine had adversely affected the alloy prices to a point where the recovery of full costs inclusive of transfer price for power remained a serious concern. While the Conversion arrangement helped the Company to some extent, the brunt of commodity crisis was evident in the weakening trend reflected by reduced realisations and slow off take.

Sugar business

The Company witnessed widely fluctuating free sale sugar prices during the nine month period. The pricing scenario improved considerably at the end of third quarter from dismally low prices prevailing in Q1 and Q2. With the firmed up Ethanol prices and improved sugar prices, the Company is hopeful of recouping a major part of the deficit of the nine month period in the balance period of FY16.

Operations of 150 MW of NBEIL

The 150 MW merchant power unit of Nava Bharat Energy India Limited turned out satisfactory performance for Q3 and 9M of FY16 with operational income of ₹ 1382.70 Mn and ₹ 3989.05 Mn respectively reporting Net Profit of ₹ 536.18 Mn and ₹ 1256.93 Mn respectively. The subsidiary company was benefited by the availability of indigenous coal through e-auction as a substitute for imported coal while the low price trends for the latter look promising enabling the unit to contain the fuel costs in the near to medium term.

International business:

Zambian Coal & Power Project

After the Financial closure of the 300 MW integrated coal & power project of the Zambian subsidiary, the implementation gained pace and the power project is set to go on stream by July 2016 as per schedule. **Maamba Collieries Limited is the proud recipient of the widely acclaimed award for "Power Deal of Africa in 2015" from "Project Finance International of Thompson Reuters"** reflecting the innovative and path breaking nature of project financing of this African project and one of its kind with an Indian Corporate House being the lead sponsor. The coal operations of MCL had remained positive and contributed to the consolidated performance during the period under review.

Laos Hydro Power Project

The step down Subsidiary in Laos is taking effective steps for construction contracts and financing, as required under the Concession Agreement for the 150 MW Hydro Power Project.

Commercial Agriculture projects in Tanzania

Allocation of land and related matters are still underway in Tanzania pending which investments including that for pilot plants are yet to be firmed up.

Q3 & 9M FY16 quantitative data table

Table on Production/Generation and Sales Volumes for the quarter and half year ended December 31, 2015:

	Q3 FY 16	9M FY 16	9M FY 15
A. Production / Generation			
Silico Manganese (MT)	9431	28465	58812
Ferro Chrome (MT)	418	19511	9561
Ferro Chrome (Conversion) (MT)	15559	16473	14022
Power (MU) (Net)	296.22	854.85	913.15
Sugar (MT)	7126	7126	10675
Molasses (MT)	2719	2719	4521
Spirit (b.litres)	419400	1656500	1422400
Ethanol	730980	1425680	1402000
B. Sales			
Silico Manganese (MT)	8648	32405	53076
Ferro Chrome (MT)	6270	17046	10590
Ferro Chrome (Conversion) (MT)	15559	16473	14022
Power (MU)			
- Captive Consumption	100.04	261.52	346.65
- Merchant Sale (including purchased power)	197.53	598.49	570.42
Sugar (MT)	8164	28099	31844
Molasses (MT)	1871	2093	1862
Spirit (b.litres)	41950	45841	69523
Ethanol	812000	1710000	1567600
C. Closing Stock			
Silico Manganese (MT)	5303	5303	7648
Ferro Chrome (MT)	2465	2465	506
Sugar (MT)	7091	7091	6401
Molasses (MT)	3558	3558	5450
Spirit (b.litres)	277388	277388	102383
Ethanol	406600	406600	113420

Nava Bharat Energy India Limited:

	Q3 FY 16	9M FY 16	9M FY 15
Production / Generation:			
Power (MU) (Net)	246.02	737.54	787.59
Sales:			
Power (MU) Merchant Sale	246.63	738.70	789.48



About Nava Bharat Ventures Limited (Nava Bharat)

Nava Bharat Ventures is a power focused company with interests in ferro alloys and sugar. The Group has total installed power generation capacity of 442 MW in Telangana, AP and Odisha. 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 4,000 TCD integrated plant. Nava Bharat has investments and operations through Subsidiaries in India, Singapore, Laos, Zambia and Tanzania.

Additional information on Nava Bharat Ventures Limited:

Corporate Identification No: L27101AP1972PLC001549
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 Limited would not be liable for any action undertaken based on such 'forward-looking' statements and does not commit to revising/updating them publicly.*

For NAVA BHARAT VENTURES LIMITED

Executive Director