NAVA BHARAT VENTURES LIMITED

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

NAVA BHARAT

NBV/SECTL/ 1278 /2013-14
November 16, 2013

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: Letter to Shareholders along with Unaudited Financial Results of the Company for the 2nd quarter and half year ended 30th September, 2013.

We enclose herewith the communication letter dated 6th November, 2013 from our Chairman along with unaudited financial results of the Company for the 2nd quarter and half year ended 30th September, 2013, being sent to all shareholders, 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) 23402064, 23403501, 23403540 Fax : (040) 23403013
E-mail : nbvl@nbv.in Website : www.nbventures.com

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NAVA BHARAT VENTURES LIMITED

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

NAVA BHARAT

06th November, 2013

Dear Shareholder,

The highlights of financial results for the second quarter and half-year ended 30th September, 2013 , as set out in the attached statement are given below.

(Rs. in crore)

	Q2	Q2	H1	H1
	2013-14	2012-13	2013-14	2012-13
Net Sales	247.5	294.2	499.9	565.6
Net Profit	47.2	62.5	97.4	127.5
EPS (Diluted)	5.3	6.99	10.91	14.28

The comparative performance should be considered satisfactory when reviewed in the back drop of arduous sector challenges in all the three business segments coupled with seasonal patterns resulting in sharp fall of profit.

- Merchant power rates are at their nadir despite huge demand - supply gap, owing to the weak financial position of the Utilities across the country which have pursued active demand management.
- As the merchant power rates are far from being cost reflective, the Company had to resort to self-curtailment, especially in Odisha power plants.
- Maintenance outages and grid curtailment during heavy monsoon period affected generation volume in AP Power plants.
- Owing to supply side constraints of Tata Steel on the supply of chrome ore, Ferro chrome conversion had to be stopped for almost four months, depriving the Company of value addition for power through captive usage.
- Subdued demand for steel forced the manganese ferro alloy prices to remain flat and lack of ferro chrome conversion resulted in under recovery of fixed costs in Odisha.
- As the surplus cash got deployed in projects towards equity, other income was lower.
- The performance of Sugar Division remained muted on account of lower realizations.

Many of the foregoing factors were external to the Company which had to adjust its businesses as per these expediencies.

I am however happy that the investment in the 150 MW Unit of our subsidiary Nava Bharat Energy India Limited was timely as the unit had started merchant power operations from April this year. Notwithstanding the initial stabilization issues, we are confident that it will turn out good performance in the very first year.

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The Zambian project has obtained good traction with revival of coal mine and rehabilitation work having almost been completed and the 300 MW Power Project having reached erection stage. The subsidiary expects to achieve financial closure for long term debt finance of US$ 560 Million shortly in the overall project outlay of US$ 800 Million with participation of leading Development Financial Institutions like African Development Bank, ECA facility provider from China and Commercial banks using this ECA cover.

Other overseas projects are in various stages of development with our Singapore Subsidiary having active interaction with relevant Government agencies in Tanzania and Laos.

Yours sincerely,
for NAVA BHARAT VENTURES LIMITED

D. Ashok
Chairman

Encl: as above.

NAVA BHARAT VENTURES LIMITED

Regd.Office:6-3-1109/1, 'Nava Bharat Chambers', Raj Bhavan Road, Hyderabad - 500 082

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Statement of Unaudited Financial Results for the Quarter/Half-year ended 30th September, 2013

PART - I (₹ in Lacs)

Particulars	STANDALONE					
	QUARTER ENDED			HALF-YEAR ENDED		YEAR ENDED
	30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
	(Unaudited)			(Unaudited)		(Audited)
1. Income from Operations						
(a) Net Sales/Income from Operations (Net of excise duty)	24,751.66	25,237.11	29,420.65	49,988.77	56,564.79	112,419.63
(b) Other Operating Income	--	--	--	--	--	--
Total Income from Operations (net)	24,751.66	25,237.11	29,420.65	49,988.77	56,564.79	112,419.63
2. Expenses						
(a) Cost of Materials consumed	12,176.41	12,100.80	15,045.14	24,277.21	28,594.75	61,210.44
(b) Purchase of stock-in-trade	59.87	108.82	62.20	168.69	253.91	461.62
(c) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	1,368.63	3,169.09	1,934.33	4,537.72	2,952.43	(2,316.68)
(d) Employee benefits expense	1,597.61	1,574.72	1,440.85	3,172.33	3,014.11	7,186.68
(e) Depreciation and amortisation expense	1,114.55	1,101.03	1,089.73	2,215.58	2,203.81	4,825.71
(f) Foreign Exchange fluctuations	(141.83)	(632.40)	361.63	(774.23)	694.94	(208.34)
(g) Other expenses	3,641.26	3,020.40	3,406.02	6,661.66	6,496.80	16,141.64
Total Expenses (a to g)	19,816.50	20,442.46	23,339.90	40,258.96	44,210.75	87,301.07
3. Profit from operations before other income, finance costs and exceptional items (1-2)	4,935.16	4,794.65	6,080.75	9,729.81	12,354.04	25,118.56
4. Other Income	656.36	928.53	1,457.16	1,584.89	3,079.15	5,976.84
5. Profit from ordinary activities before finance costs and exceptional items (3±4)	5,591.52	5,723.18	7,537.91	11,314.70	15,433.19	31,095.40
6. Finance Costs	335.40	362.60	309.32	698.00	728.60	1,381.62
7. Profit from ordinary activities after finance costs but before exceptional items (5±6)	5,256.12	5,360.58	7,228.59	10,616.70	14,704.59	29,713.78
8. Exceptional Items - Income/(expenditure)	9.83	318.10	--	327.93	--	(39.25)
9. Profit from ordinary activities before tax (7±8)	5,265.95	5,678.68	7,228.59	10,944.63	14,704.59	29,674.53
10. Tax expense						
- Current Tax	1,125.00	1,200.00	1,450.00	2,325.00	2,950.00	5,975.00
- Deferred Tax	(122.04)	(240.51)	(0.56)	(362.55)	(9.31)	(77.54)
- Earlier years	--	--	(49.05)	--	(49.05)	525.87
- MAT Credit Entitlement	(455.00)	(305.00)	(420.00)	(760.00)	(940.00)	(580.00)
Net Tax	547.96	654.49	980.39	1,202.45	1,951.64	5,843.33
11. Net Profit from ordinary activities after tax (9±10)	4,717.99	5,024.19	6,248.20	9,742.18	12,752.95	23,831.20
12. Extraordinary Items (net of tax expense)	--	--	--	--	--	--
13. Net Profit for the period (11±12)	4,717.99	5,024.19	6,248.20	9,742.18	12,752.95	23,831.20
14. Share of profit / (loss) of associates	--	--	--	--	--	--
15. Minority Interest	--	--	--	--	--	--
16. Net Profit after taxes, minority interest and share of profit of associates (13±14±15)	4,717.99	5,024.19	6,248.20	9,742.18	12,752.95	23,831.20
17. Paid-up equity share capital (Face value:₹2/-per share)	1785.75	1,785.75	1785.75	1,785.75	1785.75	1,785.75
18. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	--	--	--	--	--	228,722.49
19.i Earnings Per Share [before extraordinary items] (of ₹2/- each) (not annualised):						
(a) Basic	5.28	5.63	6.99	10.91	14.28	26.69
(b) Diluted	5.28	5.63	6.99	10.91	14.28	26.69
19.ii Earnings Per Share [after extraordinary items] (of ₹2/- each) (not annualised):						
(a) Basic	5.28	5.63	6.99	10.91	14.28	26.69
(b) Diluted	5.28	5.63	6.99	10.91	14.28	26.69

D.ASHOK
CHAIRMAN

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PART - II	Select information for the Quarter and Six months ended 30th September, 2013					
Particulars	QUARTER ENDED			HALF-YEAR ENDED		YEAR ENDED
	30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
A PARTICULARS OF SHAREHOLDING						
1 Public Shareholding						
- Number of Shares	50,609,215	50,669,932	51,505,219	50,609,215	51,505,219	50,709,041
- Percentage of Shareholding	56.68	56.75	57.68	56.68	57.68	56.79
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	38,678,526	38,617,809	37,782,522	38,678,526	37,782,522	38,578,700
- 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)	43.32	43.25	42.32	43.32	42.32	43.21

B. Information on Investors' complaints for the Quarter ended 30th September, 2013

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	5	5	0

D.ASHOK
CHAIRMAN

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

(₹ In Lacs)

Particulars	STANDALONE					
	QUARTER ENDED			HALF-YEAR ENDED		YEAR ENDED
	30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
	(Unaudited)			(Unaudited)		(Audited)
1. Segment Revenue (Net Sales/Income from each segment)						
a) Ferro Alloys	11,948.79	9,633.25	14,423.08	21,582.04	26,404.96	50,951.55
b) Power	15,437.79	15,768.42	16,716.24	31,206.21	33,417.62	67,208.97
c) Sugar	3,169.36	2,990.19	4,648.93	6,159.55	7,858.23	15,283.54
d) Others	--	--	--	--	--	--
e) Unallocated	--	--	--	--	--	--
Total	30,555.94	28,391.86	35,788.25	58,947.80	67,680.81	133,444.06
Less: Inter Segment Revenue	5,804.28	3,154.75	6,367.60	8,959.03	11,116.02	21,024.43
Net Sales/Income from Operations	**24,751.66**	**25,237.11**	**29,420.65**	**49,988.77**	**56,564.79**	**112,419.63**
2. Segment Results (Profit before Tax and Finance charges from each segment)						
a) Ferro Alloys	622.77	663.40	885.83	1,286.17	3,037.17	5,207.77
b) Power	4,601.00	4,919.16	5,455.32	9,520.16	10,611.01	21,698.43
c) Sugar	280.28	274.30	713.87	554.58	984.81	2,357.51
d) Others	(13.38)	(12.97)	(9.09)	(26.35)	(17.98)	(43.30)
e) Unallocated	--	--	--	--	--	--
Total	5,490.67	5,843.89	7,045.93	11,334.56	14,615.01	29,220.41
Less: i) Finance charges	335.40	362.60	309.32	698.00	728.60	1,381.62
ii) Other Un-allocable Expenditure net off	--	--	--	--	--	10.52
Add: Un-allocable Income	110.68	197.39	491.98	308.07	818.18	1,846.26
Total Profit before Tax	**5,265.95**	**5,678.68**	**7,228.59**	**10,944.63**	**14,704.59**	**29,674.53**
3. Capital Employed (Segment Assets minus Segment Liabilities)						
a) Ferro Alloys	31,311.26	31,397.18	30,752.67	31,311.26	30,752.67	30,823.64
b) Power	90,926.54	91,636.45	90,065.16	90,926.54	90,065.16	89,473.16
c) Sugar	13,293.85	16,460.82	13,107.00	13,293.85	13,107.00	14,843.61
d) Others	(11.52)	(11.14)	(44.45)	(11.52)	(44.45)	(46.59)
e) Unallocated	108,831.15	100,702.30	102,578.13	108,831.15	102,578.13	105,550.15
Total	**244,351.28**	**240,185.61**	**236,458.51**	**244,351.28**	**236,458.51**	**240,643.97**

NOTES:

1. The above financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on 06.11.2013. The Statutory Auditors of the Company have carried out a Limited Review of the results.

2. (a) Employees retirement benefits for the Quarter and half year ended 30th September, 2013 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.

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

D.ASHOK
CHAIRMAN

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STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lacs)

	Particulars	As at 30.09.2013 (Unaudited)		As at 31.03.2013 (Audited)	
A	**EQUITY AND LIABILITIES**				
1	**Shareholders' funds**				
	(a) Share Capital	1,787.01		1,787.01	
	(b) Reserves and surplus	238,464.70		228,722.49	
	(c) Money received against share warrants	--		--	
	Sub-total - Shareholders' funds		**240,251.71**		**230,509.50**
2	**Share application money pending allotment**	--		--	
3	**Minority Interest ***	--		--	
4	**Non-current liabilities**				
	(a) Long-term borrowings	30.01		4,527.57	
	(b) Deferred tax liabilities (net)	3,031.19		3,393.74	
	(c) Other long-term liabilities	261.94		242.47	
	(d) Long-term provisions	968.00		968.00	
	Sub-total - Non-current liabilities		**4,291.14**		**9,131.78**
5	**Current liabilities**				
	(a) Short-term borrowings	10,291.53		8,169.65	
	(b) Trade payables	8,190.11		7,291.33	
	(c) Other current liabilities	4,344.84		5,321.76	
	(d) Short-term provisions	1,114.59		5,655.50	
	Sub-total - Current liabilities		**23,941.07**		**26,438.24**
	TOTAL - EQUITY AND LIABILITIES		**268,483.92**		**266,079.52**
B	**ASSETS**				
1	**Non-current assets**				
	(a) Fixed assets	88,818.04		90,652.82	
	(b) Goodwill on consolidation*	--		--	
	(c) Non- current investments	71,086.73		47,432.27	
	(d) Deferred tax assets (net)	--		--	
	(e) Long-term loans and advances	4,972.73		4,937.17	
	(f) Other non-current assets	17,448.56		16,534.41	
	Sub-total - Non-current assets		**182,326.06**		**159,556.67**
2	**Current assets**				
	(a) Current investments	10,351.83		--	
	(b) Inventories	28,522.70		29,264.06	
	(c) Trade receivables	15,282.79		16,596.66	
	(d) Cash and cash equivalents	14,804.36		46,370.77	
	(e) Short-term loans and advances	14,130.65		12,052.24	
	(f) Other current assets	3,065.53		2,239.12	
	Sub-total - Current assets		**86,157.86**		**106,522.85**
	TOTAL ASSETS		**268,483.92**		**266,079.52**

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

for Nava Bharat Ventures Limited

D.ASHOK
CHAIRMAN

Hyderabad
06.11.2013