



NAVA BHARAT VENTURES LIMITED

NAVA BHARAT CHAMBERS, RAJ BHAVAN ROAD, HYDERABAD-500082, TELANGANA, INDIA

NAVA BHARAT

NBV/SECTL/ 373/2020-21

November 11, 2020

Listing Department
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’

Dept.of Corp.Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
MUMBAI – 400 001

Scrip Code : ‘513023’ / ‘NBVENTURES’

Dear Sir,

Sub: Outcome of the Board meeting
Ref: Regulation 30 of SEBI (LODR) Regulations, 2015.

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This is to inform that the Board of directors of the Company at its meeting held today (November 11, 2020) has inter-alia approved the Un-audited Financial Results (Standalone and Consolidated) for the quarter and six months ended September 30, 2020, pursuant to Regulation 33 (3) of SEBI (LODR) Regulations, 2015. The statement of financial results along with segment report, statement of Assets & Liabilities, cash flow statements and limited review reports are enclosed as **Annexure-1**.

The Board meeting commenced at 10:30 a.m. and concluded at 2:15 p.m.

This is for your kind information and records please.

Thanking you,

Yours faithfully,
For Nava Bharat Ventures Limited

VSN Raju
Company Secretary
& Vice President

Encl: as above.

Walker Chandiook & Co LLP
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White House, Kundan Bagh,
Begumpet
Hyderabad – 500 016
India
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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Nava Bharat Ventures Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Nava Bharat Ventures Limited ('the Company') for the quarter ended 30 September 2020 and the year to date results for the period 1 April 2020 to 30 September 2020, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Walker Chandiook & Co LLP

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013



Digitally signed
by Sanjay
Kumar Jain
Date:
2020.11.11
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Sanjay Kumar Jain

Partner

Membership No.: 207660

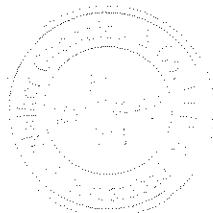
UDIN : 20207660AAAAEE4685

Place : Hyderabad

Date : 11 November 2020

NAVA BHARAT VENTURES LIMITED							
Regd. Office: 6-3-1109/1, 'Nava Bharat Chambers', Raj Bhavan Road, Hyderabad - 500 082							
Corporate Identity Number: L27101TG1972PLC001549; Tel. Nos. 040-23403501/23403540; e-Fax No. 080-66886121							
E-mail I.D: investorservices@nbv.in; Website: nbventures.com							
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020							
(Amount in lakhs of ₹ unless otherwise stated)							
Sl. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
1	Revenue from operations	24,500.27	15,276.85	25,950.83	39,777.12	55,051.82	107,999.18
2	Other Income	857.06	1,495.63	2,984.72	2,352.69	4,016.86	5,221.62
	Total Income (1+2)	25,357.33	16,772.48	28,935.55	42,129.81	59,068.68	113,220.80
3	Expenses						
	(a) Cost of materials consumed	14,348.78	8,925.34	17,905.00	23,274.12	34,153.41	62,596.12
	(b) Changes in inventories of finished goods and work-in-progress	(1,805.11)	(1,796.54)	(2,832.93)	(3,601.65)	(2,760.45)	(1,512.59)
	(c) Manufacturing expenses	2,045.35	1,305.52	2,029.44	3,350.87	3,946.09	7,564.05
	(d) Employee benefits expense	2,050.69	2,065.92	1,982.53	4,116.61	4,056.44	8,320.49
	(e) Finance costs	335.36	470.48	531.40	805.84	1,127.42	2,052.07
	(f) Depreciation and amortisation expense	813.04	796.53	800.48	1,609.57	1,591.13	3,188.32
	(g) Other expenses	2,142.59	1,504.71	3,213.01	3,647.30	5,938.65	11,114.22
	Total Expenses (a to g)	19,930.70	13,271.96	23,628.93	33,202.66	48,052.69	93,322.68
4	Profit before exceptional items and tax from continuing operations (1+2-3)	5,426.63	3,500.52	5,306.62	8,927.15	11,015.99	19,898.12
5	Exceptional Items, net (refer notes 10 and 11)	207.73	-	-	207.73	-	-
6	Profit before tax from continuing operations (4+5)	5,634.36	3,500.52	5,306.62	9,134.88	11,015.99	19,898.12
7	Tax expense:						
	(a) Current tax	2,384.82	1,162.97	1,663.37	3,547.79	3,630.74	6,912.96
	(b) Deferred tax expense/(benefit)	(425.62)	32.86	123.91	(392.76)	187.79	(115.94)
8	Profit for the period from continuing operations (6-7)	3,675.16	2,304.89	3,519.34	5,979.85	7,197.46	13,101.10
9	Discontinued operations (refer note 8)						
	Profit/(loss) before tax for the period from discontinued operations	117.36	(102.49)	(447.63)	14.87	(576.81)	(377.02)
	Tax (benefit)/ expense of discontinued operations	41.01	(35.81)	(156.42)	5.20	(201.56)	(131.75)
	Profit (loss) for the period from discontinued operations	76.35	(66.68)	(291.21)	9.67	(375.25)	(245.27)
10	Profit for the period (8+9)	3,751.51	2,238.01	3,228.13	5,989.52	6,822.21	12,855.83
11	Other comprehensive income						
	(i) Items that will not be reclassified to profit or loss, net of income tax	-	-	-	-	-	50.63
12	Total Comprehensive Income for the period (10+11)	3,751.51	2,238.01	3,228.13	5,989.52	6,822.21	12,906.46
13	Paid-up Equity Share Capital (Face value of ₹ 2/- each)	3,525.60	3,525.60	3,525.60	3,525.60	3,525.60	3,525.60
14	Other equity						291,808.50
15	Earnings per Equity Share (EPES) (refer note 6) (Face value of ₹ 2/- each)						
	Earnings per share for continuing operations						
	- Basic EPES (in absolute ₹ terms)	2.25	1.41	2.14	3.66	4.37	7.98
	- Diluted EPES (in absolute ₹ terms)	2.25	1.41	2.14	3.66	4.37	7.98
	Earnings per share for discontinued operations						
	- Basic EPES (in absolute ₹ terms)	0.05	(0.04)	(0.18)	0.01	(0.23)	(0.15)
	- Diluted EPES (in absolute ₹ terms)	0.05	(0.04)	(0.18)	0.01	(0.23)	(0.15)
	Earnings per share for continuing and discounting operations						
	- Basic EPES (in absolute ₹ terms)	2.30	1.37	1.96	3.67	4.14	7.83
	- Diluted EPES (in absolute ₹ terms)	2.30	1.37	1.96	3.67	4.14	7.83

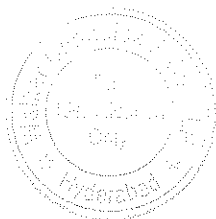
See accompanying notes to the standalone financial results.



Statement of Standalone Assets and Liabilities

(Amount in lakhs of ₹)

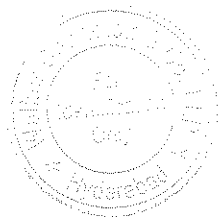
Sl. No.	Particulars	As at	
		30/09/2020 (Unaudited)	31/03/2020 (Audited)
A	ASSETS		
1	Non - Current Assets		
	(a) Property, plant and equipment	68,589.14	69,947.64
	(b) Capital work-in-progress	959.80	835.81
	(c) Investment Property	256.56	237.30
	(d) Other Intangible assets	360.37	323.23
	(e) Financial Assets		
	i) Investments	176,547.97	176,357.60
	ii) Loans	11,484.73	12,784.40
	iii) Other financial assets	2,283.35	1,627.82
	(f) Deferred tax assets (net)	2,768.82	3,907.04
	(g) Non-current tax assets (net)	1,018.29	1,028.07
	(h) Other non-current assets	434.59	436.92
	Total non-current assets	264,703.62	267,485.83
2	Current Assets		
	(a) Inventories	30,120.22	32,476.07
	(b) Financial assets		
	i) Investments	7,532.65	-
	ii) Trade receivables	16,468.42	19,366.86
	iii) Cash and cash equivalents	1,429.12	2,712.55
	iv) Bank balances other than (iii) above	1,163.78	1,297.28
	v) Loans	3,295.13	2,654.98
	vi) Other financial assets	1,066.07	1,392.06
	(c) Other current assets	3,484.45	5,495.79
	Assets of a disposal group classified as held for sale (refer note 8)	5,819.18	5,844.38
	Total current assets	70,379.02	71,239.97
	Total Assets	335,082.64	338,725.80
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share Capital	3,525.60	3,525.60
	(b) Other equity	297,798.02	291,808.50
	Total equity	301,323.62	295,334.10
2	Non - Current Liabilities		
	(a) Financial liabilities		
	i) Borrowings	12,442.39	13,947.80
	ii) Other financial liabilities	11.20	11.20
	(b) Provisions	1,689.90	1,689.90
	Total non-current liabilities	14,143.49	15,648.90
3	Current Liabilities		
	(a) Financial liabilities		
	i) Borrowings	3,040.34	8,800.66
	ii) Trade Payables		
	(a) total outstanding dues of micro and small enterprises	502.10	950.54
	(b) total outstanding dues other than (ii) (a) above	3,196.68	4,144.06
	iii) Other financial liabilities	6,679.64	11,086.54
	(b) Other current liabilities	1,520.51	1,643.57
	(c) Provisions	3,367.32	866.46
	(d) Current tax liabilities (net)	1,308.94	250.97
	Total current liabilities	19,615.53	27,742.80
	Total Equity and Liabilities	335,082.64	338,725.80



Standalone Statement of Cash Flows for the six months period ended 30 September 2020

(Amount in lakhs of ₹)

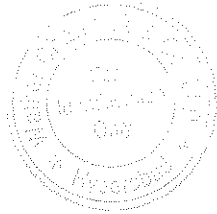
Particulars	For the six months period ended	
	30-09-2020 (Unaudited)	30-09-2019 (Unaudited)
Cash flow from operating activities		
Profit before tax for the year from continuing operations	9,134.88	11,015.99
Profit/(loss) before tax for the year from discontinued operations	14.87	(576.81)
Profit before tax	9,149.75	10,439.18
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	1,609.57	1,798.72
Employee benefits expense	59.32	97.84
Provision for litigation settlement	2,441.53	-
Bad debts written-off	9.89	(8.92)
Liabilities no longer required written back	(6.89)	-
Unrealised derivative (gain)/loss on forward contracts	4.61	(758.49)
Foreign exchange fluctuations gain, net	(15.69)	(1,026.40)
Interest income	(886.81)	(1,735.07)
Changes in fair value of investments	(224.91)	(173.79)
Gain on sale of investments	(10.16)	-
Dividend Income	(760.16)	(760.57)
Loss on sale of property, plant and equipment	7.89	0.64
Interest expense	851.44	1,277.52
Operating cash flows before changes in working capital	12,229.38	9,150.66
Adjustment for changes in working capital:		
Decrease in inventories	2,355.84	4,096.49
Decrease in trade receivables	2,892.57	3,191.45
Decrease/(increase) in other financial assets	138.17	(147.40)
Decrease in other assets	2,004.74	177.33
Decrease in trade payables	(1,395.82)	(2,915.38)
Decrease in other financial liabilities	(347.37)	(1,644.68)
(Decrease)/increase in other current liabilities	(123.10)	(411.44)
	5,525.03	2,346.37
Cash generated from operations	17,754.41	11,497.03
Income taxes paid	(978.76)	(2,202.12)
Net cash generated from operating activities	16,775.65	9,294.91
Cash flow from investing activities		
Purchase of property, plant and equipment	(468.05)	(423.18)
Proceeds from sale of property, plant and equipment	0.22	-
Repayment of loans by related party	659.52	19.37
(Increase)/decrease in other bank balances	(474.07)	29.97
Investments made in subsidiaries during the year	-	(1,329.00)
Investments made in other than subsidiaries during the year	(10,497.72)	-
Proceeds from sale of investments	3,009.78	-
Dividend income received	760.16	760.56
Interest income received	1,020.97	949.92
Net cash generated from/(used in) investing activities	(5,989.19)	7.64



Standalone Statement of Cash Flows for the six months period ended 30 September 2020

(Amount in lakhs of ₹)

Particulars	For the six months period ended:	
	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)
Cash flow from financing activities		
Proceeds from long-term borrowings	-	1,550.00
Repayment of long-term borrowings	(5,464.73)	(5,495.38)
Proceeds from/(repayment of) short-term borrowings, net	(5,763.54)	2,008.69
Buyback of equity shares	-	(2,248.95)
Dividend paid for the year, including dividend distribution tax	-	(3,015.30)
Interest paid	(827.49)	(1,346.58)
Net cash used in financing activities	(12,055.76)	(8,547.52)
Net increase/(decrease) in cash and cash equivalents	(1,269.30)	755.03
Cash and cash equivalents at the beginning of the year	2,712.55	1,478.35
Unrealised foreign exchange fluctuation gain	(14.13)	7.78
Cash and cash equivalents at the end of the year	1,429.12	2,241.16
Components of cash and cash equivalents		
Cash on hand	7.78	4.97
Balances with banks	1,421.34	2,236.19
Total cash and cash equivalents	1,429.12	2,241.16



Standalone segment information

(Amount in lakhs of ₹ unless otherwise stated)

Sl. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
1	Segment Revenue						
	a) Ferro Alloys	21,110.81	12,142.22	20,363.67	33,253.03	43,324.99	88,308.44
	b) Power	10,338.89	6,426.39	13,488.71	16,765.28	26,977.10	50,464.25
	c) Unallocated	2,827.87	2,895.98	1,794.84	5,723.85	3,565.88	7,250.35
	Total	34,277.57	21,464.59	35,647.22	55,742.16	73,867.97	146,023.04
	Less: Inter Segment Revenue	(9,777.30)	(6,187.74)	(9,696.39)	(15,965.04)	(18,816.15)	(38,023.86)
	Net Sales/Income from Operations	24,500.27	15,276.85	25,950.83	39,777.12	55,051.82	107,999.18
2	Segment Results (Profit/(loss) before tax, other income and finance costs from each segment)						
	a) Ferro Alloys	1,967.89	458.45	38.17	2,426.34	1,851.19	3,950.56
	b) Power	1,549.65	88.34	2,038.44	1,637.99	4,864.80	10,007.32
	c) Unallocated	1,595.12	1,928.58	776.69	3,523.70	1,410.56	2,770.69
	Total	5,112.66	2,475.37	2,853.30	7,588.03	8,126.55	16,728.57
	Less: Finance costs	335.36	470.48	531.40	805.84	1,127.42	2,052.07
	Add: Other income	857.06	1,495.63	2,984.72	2,352.69	4,016.86	5,221.62
	Total Profit before Tax from continuing operations	5,634.36	3,500.52	5,306.62	9,134.88	11,015.99	19,898.12
3	Segment Assets						
	a) Ferro Alloys	56,240.80	48,641.00	55,027.32	56,240.80	55,027.32	43,464.67
	b) Power	69,900.99	71,764.99	74,295.88	69,900.99	74,295.88	73,957.80
	c) Unallocated	210,488.45	204,742.70	201,777.64	210,488.45	201,777.64	203,699.34
	Total	336,630.24	325,148.69	331,100.84	336,630.24	331,100.84	321,121.81
	Add: Assets of discontinued sugar operations (refer note B) **	12,395.10	15,137.99	15,717.28	12,395.10	15,717.28	17,849.19
	Total	349,025.34	340,286.68	346,818.12	349,025.34	346,818.12	338,971.00
4	Segment Liabilities						
	a) Ferro Alloys	9,069.48	8,014.03	6,774.09	9,069.48	6,774.09	9,570.66
	b) Power	16,750.15	9,356.18	16,196.96	16,750.15	16,196.96	5,650.65
	c) Unallocated	19,954.37	23,077.75	28,836.74	19,954.37	28,836.74	24,299.20
	Total	45,774.00	40,447.96	51,807.79	45,774.00	51,807.79	39,520.51
	Add: Liabilities of discontinued sugar operations (refer note B)	1,927.72	2,269.08	2,753.74	1,927.72	2,753.74	3,916.39
	Total	47,701.72	42,717.04	54,561.53	47,701.72	54,561.53	43,436.90

** including non-current assets of discontinued operations held for sale amounting to ₹5,819.18 lakhs, ₹5,844.38 lakhs and ₹5,844.38 lakhs as on 30 September 2020, 30 June 2020 and 31 March 2020, respectively.



Notes:

- The unaudited standalone financial results for the quarter ended 30 September 2020 and year to date results for the period 1 April 2020 to 30 September 2020 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on 11 November 2020.
- The results for the quarter ended 30 September 2020 and year to date results for the period 1 April 2020 to 30 September 2020 presented were subjected to a "Limited Review" by the Statutory Auditors of the Company. An unqualified report was issued by them thereon.
- These standalone results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India.
- The financial results for the quarter and half year ended 30 September 2020 has been prepared considering the impact of Covid-19 using the relevant internal and external information available to the Company. The outbreak of Covid-19 and the measures to curtail it has caused significant impact on the operations of the Company and the overall economic environment owing to scaling down, suspending the production of ferro alloys due to supply chain constraints, shortage of workforce and lack of demand for electricity. The operations of the Company at its facilities has however been resumed during May 2020 pursuant to the receipt of necessary approvals from the concerned authorities. The management, on the basis of its judgements, estimates and other assumptions including sensitivity analysis, is confident of fully recovering the carrying amount of receivables, investments and other assets. As the outbreak continues to evolve, the Company shall closely monitor any material changes to future economic conditions.
- The impact of foreign currency fluctuations and re-measurement of derivative contracts on the financial results are as follows:

(₹ in lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Foreign exchange gain/(loss)	65.81	4.02	793.78	69.83	146.88	(93.68)
Re-measurement gain/(loss) on derivative contracts	(31.69)	27.06	363.07	(4.61)	756.49	751.28

Note: Gain has been included in Other income and loss has been included in Other expenses.

- The EPES for quarters are not annualized.
- The Board of Directors of the Company, at their meeting held on 8 August 2019, have approved a Scheme of Capital Reduction (Scheme), pursuant to which 9,947,020 and 2,800,000 number of equity shares of Company held by Nav Energy Private Limited and Nava Bharat Ventures Employees Welfare Trust, respectively would be cancelled. During the year ended 31 March 2020, no adverse observation letter for the Scheme has been received from the Stock Exchanges and necessary filings with National Company Law Tribunal of the Ministry of Corporate Affairs, Government of India have been completed and its sanction is awaited.
- The sugar operations of the Company has been ceased at its sugar manufacturing facility located at Samalkot, Andhra Pradesh, pursuant to a resolution passed by the Board of Directors at their meeting held on 2 March 2020. Pursuant to the aforesaid resolution, management is in the process of disposing the non-current assets of the said sugar division comprising of the underlying land and the other property, plant and equipment available in Samalkot. Accordingly, the financial performance of the sugar division have been presented as discontinued operations in the financial results for all the periods presented in accordance with the provisions of Ind AS 105 – Non-Current Assets Held for Sale and Discontinued Operations and also leading to non-disclosure of the financial information of the aforesaid Sugar division in the Segment related disclosures furnished.

The details of income and expenses relating to the aforesaid discontinued operations are as follows:

(₹ in lakhs)

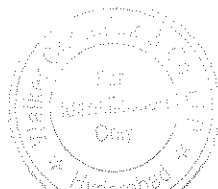
Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Total Income	2,207.13	3,147.38	2,788.27	5,354.51	6,030.42	12,853.71
Total Expenses	2,089.77	3,249.87	3,235.91	5,339.64	6,607.24	13,197.34
Profit/(loss) before tax	117.36	(102.49)	(447.63)	14.87	(576.81)	(377.02)
Tax expense/(benefit)	41.01	(35.81)	(156.42)	5.20	(201.56)	(131.75)
Profit/ (loss) after tax	76.35	(66.68)	(291.21)	9.67	(375.25)	(245.27)

- Other income for the quarters ended 30 June 2020, 30 September 2019 and half years ended 30 September 2020, 30 September 2019 and year ended 31 March 2020 includes dividend received from a subsidiary company amounting to ₹757.65 lakhs, ₹709.51 lakhs, ₹757.65 lakhs, ₹709.51 lakhs and ₹709.51 lakhs, respectively.
- Pursuant to developments in the current quarter, in respect of an on-going litigation with the concerned Power Utility of the State of Odisha, Management is of the view that the ultimate outcome of the matter, being a contingent liability in the earlier periods, is likely to be settled between the Parties. Based on advice from in-house legal counsel, a sum of ₹2,441.53 lakhs has been assessed and provided for as an expense, as a probable aggregate obligation towards the disputed charges on consumption in earlier years. In view of the materiality of amount involved, and considering the non-recurring nature of the obligation, the expenditure has been presented as an exceptional item in these unaudited standalone financial results.
- On the basis of an advice from the Independent Goods and Services Tax (GST) expert, and management's assessment regarding recoverability of cess expensed off in the statement of profit and loss in the previous years, management had lodged a claim of ₹2,649.26 lakhs with the GST authorities in the year ended 31 March 2020. During the quarter ended 30 September 2020, the GST authorities assessed and acknowledged the claim, and authorised refund of the aforesaid amount. However, in view of the materiality of amount involved, and considering the non-recurring nature of the operating income, it has been presented as an exceptional income in the aforesaid standalone financial results.

Place : Hyderabad
Date : 11 November 2020

By Order of the Board
For Nava Bharat Ventures Limited

D. Ashok
Chairman



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Independent Auditor’s Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Nava Bharat Ventures Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Nava Bharat Ventures Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 September 2020 and the consolidated year to date results for the period 1 April 2020 to 30 September 2020, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to:
 - (i) note 4 to the accompanying consolidated financial results of the Holding Company, which describes the uncertainty related to the outcome of the lawsuit filed by and against a subsidiary Company, Brahmani Infratech Private Limited. Pending final outcome of the aforesaid matter, which is presently unascertainable, the Holding Company have considered this matter as contingent liability/asset and have not recorded any adjustment in the consolidated financial results.
 - (ii) note 5 to the accompanying consolidated financial results of the Holding Company, which describes the uncertainty related to the outcome of proceedings pending against a subsidiary Company, Nava Bharat Projects Limited, regarding the attachment of the equity shares invested in by such subsidiary company in a step-down subsidiary company, Nava Bharat Energy India Limited. Pending final outcome of the aforesaid matter, which is presently unascertainable, no adjustments have been recorded in the consolidated financial results.
 - (iii) note 6 to the accompanying Statement which describes the uncertainty in relation to recoverability of the trade and other receivables amounting to ₹264,810.80 lakhs due from a customer of Maamba Collieries Limited, a step-down subsidiary of the Holding Company as at 30 September 2020 which are substantially overdue. These amounts have been considered as good and realisable by the management on the basis of their assessment of the status of discussions and follow up with the customer, the sovereign guarantee issued by the Government of Zambia for such receivables and the arbitration process initiated by the step-down subsidiary and accordingly no adjustments have been made in the accompanying Statement.
 - (iv) note 13 to the accompanying Statement relating to restatement of comparative financial information in accordance with the principles of Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

Our conclusion is not modified in respect of the above matters.

Walker Chandiook & Co LLP

6. The Statement includes the interim financial information of ten subsidiaries, which have not been reviewed/audited by their auditors, whose interim financial information reflects total assets of ₹16,057.76 lakhs as at 30 September 2020, total revenues of ₹6,454.59 lakhs and ₹12,957.00 lakhs, net profit after tax of ₹458.57 lakhs and ₹880.92 lakhs, total comprehensive income of ₹ 16.47 lakhs and ₹494.30 lakhs for the quarter and six months period ended 30 September 2020 respectively, cash flow (net) of ₹2,070.92 lakhs for the period ended 30 September 2020 as considered in the Statement, and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, are based solely on such unaudited/unreviewed interim financial information. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

Our conclusion is not modified in respect of this matter with respect to our reliance on the financial information certified by the Board of Directors.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013



Digitally signed
by Sanjay
Kumar Jain
Date:
2020.11.11
12:44:19 +05:30

Sanjay Kumar Jain

Partner

Membership No.: 207660

UDIN : 20207660AAAAEF7254

Place : Hyderabad

Date : 11 November 2020

Walker Chandio & Co LLP

Annexure 1

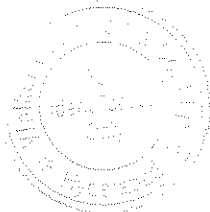
List of subsidiaries included in the Statement

1. Nava Bharat Energy India Limited, India
2. Nava Bharat Projects Limited, India
3. Brahmani Infratech Private Limited, India
4. Maamba Collieries Limited, Zambia
5. Nava Energy Zambia Limited, Zambia
6. Kawambwa Sugar Limited, Zambia
7. Nava Bharat (Singapore) Pte. Limited, Singapore
8. Nava Energy Pte. Limited, Singapore
9. Nava Agro Pte. Limited, Singapore
10. Nava Holding Pte. Limited, Singapore
11. Tiash Pte. Limited, Singapore
12. TIS Pte. Limited, Singapore
13. The Iron Suites Pte. Limited, Singapore
14. Compai Pharma Pte. Limited, Singapore
15. Compai Healthcare Sdn. Bhd., Malaysia

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020
 (Amount in lakhs of ₹ unless otherwise stated)

Sl. No.	Particulars	Quarter ended		Half Year ended		Year ended	
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited) (Restated)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited) (Restated)	31.03.2020 (Audited)
1	Revenue from operations	60,038.95	59,932.10	67,165.63	119,971.05	143,967.73	275,872.09
2	Other Income	7,260.67	3,160.16	3,408.63	9,439.39	1,416.48	12,220.06
	Total Income (1+2)	67,299.62	63,092.26	70,574.26	129,410.44	145,384.21	288,092.17
3	Expenses						
	(a) Cost of materials consumed	14,574.45	9,085.49	21,349.08	23,659.94	44,341.73	79,121.00
	(b) Changes in inventories of finished goods and work-in-progress	(1,642.72)	(1,972.81)	(2,711.81)	(3,615.53)	(1,606.06)	(637.39)
	(c) Manufacturing expenses	6,749.97	5,994.82	6,732.88	12,744.79	13,158.34	26,029.06
	(d) Employee benefits expense	4,092.15	3,956.83	3,967.36	8,048.98	8,002.75	16,199.43
	(e) Finance costs	8,550.56	10,627.37	8,263.12	19,177.93	18,257.66	31,876.79
	(f) Depreciation and amortisation expense	7,542.73	7,640.21	7,316.81	15,182.94	14,453.10	28,864.50
	(g) Other expenses	12,147.03	14,626.56	9,888.74	25,792.15	18,126.35	47,351.96
	Total Expenses (a to g)	52,014.17	49,968.47	54,806.18	100,991.20	112,733.87	228,805.36
4	Profit before exceptional items and tax from continuing operations (1+2-3)	15,285.45	13,133.79	15,768.08	28,419.24	32,650.34	59,286.81
5	Exceptional items, net (refer notes 14 and 15)	207.73	-	-	207.73	-	-
6	Profit before tax from continuing operations (4+5)	15,493.18	13,133.79	15,768.08	28,626.97	32,650.34	59,286.81
7	Tax expense						
	(a) Current tax	4,246.83	3,440.92	2,691.38	7,667.75	5,696.26	9,716.34
	(b) Deferred tax expense/(benefit)	(2,061.49)	83.22	(1,267.94)	(1,998.27)	(1,954.25)	(3,749.25)
8	Profit for the period from continuing operations (6-7)	13,327.64	9,699.65	14,344.64	22,937.49	28,986.33	53,320.72
9	Discontinued operations (refer note 12)						
	Profit/(loss) before tax for the period from discontinued operations	117.36	(102.49)	(447.63)	14.87	(576.81)	(377.02)
	Tax expense/(benefit) of discontinued operations	41.01	(35.81)	(156.42)	5.20	(201.56)	(131.75)
	Profit/(loss) for the period from discontinued operations	76.35	(66.68)	(291.21)	9.67	(375.25)	(245.27)
10	Profit for the period (8+9)	13,404.19	9,542.97	14,053.43	22,947.16	28,533.08	53,075.45
11	Net Profit attributable to:						
	- Shareholders of the Holding Company	10,159.81	6,876.93	9,471.98	17,036.74	20,493.25	39,545.50
	- Non-controlling interest	3,244.38	2,666.04	4,581.45	5,910.42	8,039.83	13,529.95
12	Other Comprehensive income/(loss) [refer note 7]						
	(i) Items that will not be reclassified to profit or loss, net of income tax	(1,272.73)	74.50	944.76	(1,198.23)	848.18	4,020.64
	(ii) Items that will be subsequently reclassified to profit or loss, net of income tax	(5,895.20)	413.75	4,733.95	(5,481.45)	4,252.65	18,275.95
13	Total Comprehensive Income for the period (10+12)	6,236.26	10,031.22	19,732.14	16,267.48	33,633.91	75,372.04
14	Total comprehensive income attributable to						
	- Shareholders of the Holding Company	4,264.61	7,290.68	14,205.93	11,555.29	24,745.90	57,866.65
	- Non-controlling interest	1,971.65	2,740.54	5,526.21	4,712.19	8,888.01	17,505.39
15	Total comprehensive income attributable to shareholders of the Holding Company from						
	- Continuing operations	4,188.26	7,357.36	14,497.14	11,545.62	25,121.15	58,111.92
	- Discontinuing operations	76.35	(66.68)	(291.21)	9.67	(375.25)	(245.27)
16	Paid-up Equity Share Capital (Face value of ₹2/- each)	3,525.60	3,525.60	3,525.60	3,525.60	3,525.60	3,525.60
17	Other equity						414,989.08
18	Earnings per Equity Share (EPES) (Refer notes 9 & 13) (Face value of ₹2/- each)						
	Earnings per share for continuing operations						
	- Basic EPES (in absolute ₹ terms)	6.17	4.25	5.97	10.42	12.67	24.25
	- Diluted EPES (in absolute ₹ terms)	6.17	4.25	5.97	10.42	12.67	24.25
	Earnings per share for discontinued operations						
	- Basic EPES (in absolute ₹ terms)	0.05	(0.04)	(0.18)	0.01	(0.23)	(0.15)
	- Diluted EPES (in absolute ₹ terms)	0.05	(0.04)	(0.18)	0.01	(0.23)	(0.15)
	Earnings per share for continuing and discounting operations						
	- Basic EPES (in absolute ₹ terms)	6.22	4.21	5.79	10.43	12.44	24.10
	- Diluted EPES (in absolute ₹ terms)	6.22	4.21	5.79	10.43	12.44	24.10

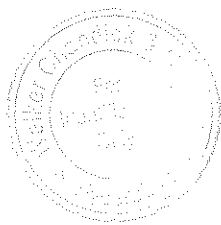
See accompanying notes to the consolidated financial results.



Statement of Consolidated Assets and Liabilities

(Amount in lakhs of ₹)

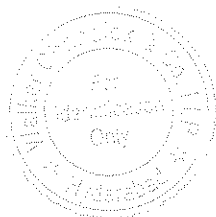
Sl. No.	Particulars	As at:	
		30.09.2020 (Unaudited)	31.03.2020 (Audited)
A	ASSETS		
1	Non - Current Assets		
	(a) Property, plant and equipment	532,051.75	554,004.76
	(b) Capital work-in-progress	1,610.04	1,685.52
	(c) Investment Property	4,973.60	4,997.71
	(d) Goodwill	40,810.12	41,688.33
	(e) Right-of-use assets	604.02	703.92
	(f) Other Intangible assets	503.62	510.43
	(g) Financial Assets		
	i) Investments	1,368.08	1,155.58
	ii) Trade receivables (refer note 17)	149,993.71	-
	iii) Other financial assets	2,134.48	1,470.59
	(h) Deferred tax assets	8,153.87	8,338.54
	(i) Non-current tax assets	1,256.50	1,766.95
	(j) Other non-current assets	436.57	438.90
	Total non-current assets	743,896.36	616,761.23
2	Current Assets		
	(a) Inventories	38,605.38	39,863.14
	(b) Financial assets		
	i) Investments	22,548.23	11,265.47
	ii) Trade receivables (refer note 17)	94,367.41	219,343.30
	iii) Cash and cash equivalents	19,430.24	27,813.97
	iv) Bank balances other than (iii) above	2,178.62	1,343.37
	v) Loans	91.27	94.43
	vi) Other financial assets	1,355.20	1,460.17
	(c) Other current assets	9,724.33	12,801.09
	Assets of a disposal group classified as held for sale (refer note 12)	5,819.18	5,844.38
	Total current assets	194,119.86	319,829.32
	Total Assets	938,016.22	936,590.55
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share capital	3,525.60	3,525.60
	(b) Other equity	426,544.39	414,989.08
	Equity attributable to equity shareholders of holding company	430,069.99	418,514.68
	(c) Non controlling interests	59,782.91	55,070.72
	Total Equity	489,852.90	473,585.40
2	Non - Current Liabilities		
	(a) Financial liabilities		
	i) Borrowings	243,248.98	255,589.12
	ii) Lease liability	301.01	280.66
	iii) Other financial liabilities	5,640.07	4,954.58
	(b) Other non-current liabilities	9,250.40	-
	(c) Provisions	5,807.35	5,775.56
	(d) Deferred tax liabilities	29,768.73	31,071.74
	Total non-current liabilities	294,016.54	297,671.66
3	Current Liabilities		
	(a) Financial liabilities		
	i) Borrowings	11,805.40	19,192.25
	ii) Trade Payables		
	(a) total outstanding dues of micro and small enterprises	502.10	950.54
	(b) total outstanding dues other than (ii) (a) above	8,222.22	9,670.74
	iii) Other financial liabilities	110,806.87	113,717.23
	(b) Other current liabilities	15,500.81	19,204.31
	(c) Provisions (refer note 14)	3,392.40	877.58
	(d) Current tax liabilities	3,916.98	1,720.84
	Total Equity and Liabilities	938,016.22	936,590.55



Consolidated Statement of Cash Flows for the six months period ended 30 September 2020

(Amount in lakhs of ₹)

Particulars	For the six months period ended	
	30.09.2020 (Unaudited)	30.09.2019 (Unaudited) (Restated)
Cash flow from operating activities		
Profit before tax for the year from continuing operations	28,626.97	32,650.34
Profit/(loss) before tax for the year from discontinued operations	14.87	(576.81)
Profit before tax	28,641.84	32,073.53
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	15,182.94	14,660.69
Employee benefits expense	73.29	109.26
Provision for decommissioning and restoration cost	92.46	276.49
Provision for litigation settlement	2,441.53	-
Allowance for credit loss	17,565.04	4,095.12
Liabilities no longer required written back	(6.89)	(8.92)
Unrealised loss/(gain) on forward contracts	(850.79)	1,261.55
Unrealised foreign exchange gain	(2,030.50)	(390.21)
Interest income	(5,749.43)	(408.34)
Changes in fair value of investments	(622.87)	(357.71)
Gain on sale of investments	-	(23.80)
Dividend Income	(2.51)	(131.43)
Bad debts written-off	9.89	-
Loss on sale of property, plant and equipment	7.89	(0.18)
Exchange differences on translation of foreign operations	(352.20)	-
Interest expense	19,091.50	15,983.97
Operating cash flows before changes in working capital	73,491.19	67,140.02
Adjustment for changes in working capital:		
Decrease in inventories	1,160.72	4,857.06
Increase in trade receivables	(41,671.20)	(42,334.59)
Decrease/(increase) in other financial assets	48.89	(105.42)
Decrease/(increase) in other assets	3,016.38	(1,102.36)
Decrease in trade payables	(1,792.68)	(3,836.66)
(Decrease)/increase in other financial liabilities	(154.68)	11,919.65
Increase in other current liabilities	7,970.20	6,500.75
	(31,422.37)	(24,101.57)
Cash generated from operations	42,068.82	43,038.45
Income taxes paid	(3,468.72)	(3,989.83)
Net cash generated from operating activities	38,600.10	39,048.62



Consolidated Statement of Cash Flows for the six months period ended 30 September 2020

(Amount in lakhs of ₹)

Particulars	For the six months period ended	
	30.09.2020 (Unaudited)	30.09.2019 (Unaudited) (Restated)
Cash flow from investing activities		
Purchase of property, plant and equipment	(1,824.43)	(1,032.31)
Receipt of loans from related party	2.98	3.46
(Decrease)/increase in other bank balances	(1,442.83)	13.52
Investments made during the year	(21,225.60)	(5,217.34)
Proceeds from sale of investments	10,353.13	8,980.70
Dividend income received	2.51	131.43
Interest income received	128.69	357.14
Net cash generated from/(used in) investing activities	(14,005.55)	3,236.60
Cash flow from financing activities		
Proceeds from long-term borrowings	6,568.63	1,550.00
Repayment of long-term borrowings	(5,805.44)	(5,393.35)
(Proceeds from)/repayment of short-term borrowings, net	(7,231.27)	659.05
Buyback of equity shares	-	(2,248.95)
Repayment of lease liabilities	(89.14)	-
Dividends paid for the year, including dividend distribution tax	-	(3,022.63)
Interest paid	(26,013.87)	(14,990.25)
Net cash used in financing activities	(32,571.09)	(23,446.13)
Net increase/(decrease) in cash and cash equivalents	(7,976.54)	18,839.09
Cash and cash equivalents at the beginning of the period	27,813.97	22,618.59
Unrealised foreign exchange fluctuations	(407.19)	630.20
Cash and cash equivalents at the end of the period	19,430.24	42,087.88
Components of cash and cash equivalents at the end of the period		
Cash on hand	20.56	17.70
Balances with banks	19,409.68	42,070.18
Total cash and cash equivalents	19,430.24	42,087.88

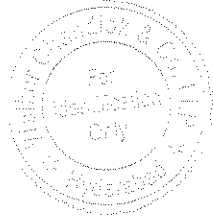


Consolidated segment information

(Amount in lakhs of ₹ unless otherwise stated)

Sl. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited) (Restated)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited) (Restated)	31.03.2020 (Audited)
1	Segment Revenue						
	a) Ferro Alloys	21,110.81	12,142.22	20,363.67	33,253.03	43,324.99	88,308.44
	b) Power	45,507.58	50,747.10	54,219.75	96,254.68	114,593.73	217,130.11
	c) Mining	6,748.32	11,422.97	7,759.69	20,171.29	15,587.85	29,107.76
	d) Unallocated	6,373.07	6,352.54	4,377.17	12,725.61	9,262.13	19,956.29
	Total	81,739.78	80,664.83	86,720.28	162,404.61	182,768.70	354,504.60
	Less: Inter Segment Revenue	(21,700.83)	(20,732.73)	(19,554.65)	(42,433.56)	(38,800.97)	(78,632.51)
	Net Sales/Income from Operations	60,038.95	59,932.10	67,165.63	119,971.05	143,967.73	275,872.09
2	Segment Results (Profit before tax, other income and finance costs from each segment)						
	a) Ferro Alloys	1,967.89	458.45	38.17	2,426.34	1,851.19	3,950.56
	b) Power	7,519.15	9,931.61	16,454.70	17,450.76	37,723.84	54,209.06
	c) Mining	5,259.59	7,396.28	3,505.18	12,655.87	6,354.79	14,112.50
	d) Unallocated	2,036.44	2,814.66	624.52	5,832.54	1,561.70	6,671.40
	Total	16,783.07	20,601.00	20,622.57	38,365.51	47,491.52	78,943.52
	Less: Finance costs	8,550.56	10,827.37	8,263.12	19,177.93	16,257.66	31,876.79
	Add: Other income	7,260.67	3,160.16	3,408.63	9,439.39	1,416.48	12,220.08
	Total Profit before Tax from continuing operations	15,493.18	13,133.79	15,768.08	28,626.97	32,650.34	59,286.81
3	Segment Assets						
	a) Ferro Alloys	56,240.80	48,641.00	55,027.33	56,240.80	55,027.33	43,464.67
	b) Power	761,192.84	776,281.58	729,650.88	761,192.84	729,650.88	763,118.19
	c) Mining	112,630.35	112,357.90	93,591.35	112,630.35	93,591.35	103,655.18
	d) Unallocated	46,472.96	37,797.23	32,335.21	46,472.96	32,335.21	37,112.06
	Total	976,536.95	975,077.71	910,604.77	976,536.95	910,604.77	947,350.10
	Add: Assets of discontinued sugar operations (refer note 12) **	12,395.10	15,137.99	16,468.46	12,395.10	16,468.46	17,649.19
	Total	988,932.05	990,215.70	927,073.23	988,932.05	927,073.23	964,999.29
4	Segment Liabilities						
	a) Ferro Alloys	9,069.48	8,014.03	6,774.09	9,069.48	6,774.09	9,570.66
	b) Power	439,005.93	442,177.81	426,736.04	439,005.93	426,736.04	422,763.50
	c) Mining	23,414.01	24,749.47	21,610.13	23,414.01	21,610.13	24,241.84
	d) Unallocated	25,661.37	29,361.69	34,126.71	25,661.37	34,126.71	30,921.50
	Total	497,150.79	504,303.00	489,246.97	497,150.79	489,246.97	487,497.50
	Add: Liabilities of discontinued sugar operations (refer note 12)	1,928.36	2,289.08	2,979.63	1,928.36	2,979.63	3,916.39
	Total	499,079.15	506,592.08	492,226.60	499,079.15	492,226.60	491,413.89

** including non-current assets of discontinued operations held for sale amounting to ₹5,819.18 lakhs, ₹5,844.38 lakhs and ₹5,844.38 lakhs as on 30 September 2020, 30 June 2020 and 31 March 2020, respectively.



Notes:

- The Unaudited consolidated financial results for the quarter ended 30 September 2020 and the year to date results for the period 1 April 2020 to 30 September 2020 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on 11 November 2020.
- The consolidated results for the quarter ended 30 September 2020 and the year to date results for the period 1 April 2020 to 30 September 2020 presented were subjected to a "Limited Review" by the Statutory Auditors of the Company. An unqualified report was issued by them thereon.
- These consolidated financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India.
- Brahmani Infratech Private Limited (BIPL), a subsidiary of the Holding Company is a defendant in a proceedings against a claim lodged by Mantri Technology Parks Private Limited (MTPPL) regarding disputes, claims and counter claim in relation to the development agreement between BIPL and MTPPL being a co-developer of a project. The matter is currently sub-judice with the Honourable High Court of Telangana. However, the management on the basis of its internal assessment of the case and basis an opinion received from an independent legal advisor, is confident of a positive outcome in favour of BIPL and accordingly, no adjustments are deemed necessary to these financial results in this regard.
- Nava Bharat Projects Limited (NBPL), a subsidiary of the Holding Company, had set up a joint venture for setting up of a power plant, and it had then obtained various key clearances including coal linkage from Mahanadi Coalfields Limited along with allotment of a captive coal block. However, due to certain developments the interest in the said joint venture was transferred for a consideration of ₹14,800.00 lakhs, net of tax, and the entire proceeds from such sale being invested in the equity shares of Nava Bharat Energy India Limited (NBEIL). Subsequently, based on the findings of investigation agencies, it was alleged that the aforesaid joint venture entity had made misrepresentation regarding allocation of coal block. Accordingly, necessary proceedings were initiated against the joint venture by the Enforcement Directorate (ED), Government of India. Further, the ED has attached the entire equity shares held by NBPL in NBEIL. Management, on the basis of its internal assessment of the facts of the case, is of the view that the charges alleged and levied by the authorities are not tenable in law, and is confident of resolving the case in favor of the NBPL. The matter is currently sub-judice with the Special Court of Central Bureau of Investigation and there have been no further developments on the same during the quarter and half year ended 30 September 2020.
- Trade receivables as at 30 September 2020 includes receivables amounting to ₹264,810.80 lakhs representing dues from ZESCO Limited (ZESCO), a customer of Maamba Collieries Limited ("MCL") against sale of power and interest on delayed payments in accordance with the terms of the power purchase agreement. Based on the acknowledgement of the outstanding debt by ZESCO, and in view of the debt being secured by way of a sovereign guarantee issued by the Government of Zambia, management is of the view that these amounts are good and recoverable, though there has been significant delays in realization. Further, management of MCL has initiated arbitration proceedings against the customer in relation to realisability of these dues. Taking cognizance of further delays in collection of dues, management has recognized allowances for credit losses aggregating to ₹39,112.83 lakhs as at 30 September 2020, including amounts of ₹8,075.09 lakhs, ₹9,489.95 lakhs, ₹17,565.04 lakhs and ₹15,604.68 lakhs during the quarters ended 30 September 2020, 30 June 2020, half year ended 30 September 2020 and year ended 31 March 2020, respectively.
- The other comprehensive income includes foreign currency translation gain/(loss) on conversion of the financial information of the overseas subsidiaries of the Group from their functional currency to Indian Rupee, to the tune of the following:

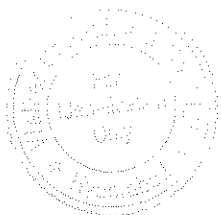
Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Foreign exchange gain/(loss)	(7,167.93)	488.25	5,678.71	(6,679.68)	5,100.83	22,634.74

- The impact of foreign currency fluctuations and re-measurement of derivative contracts on the consolidated financial results are as follows:

Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Foreign exchange gain/(loss)	2,086.54	(31.45)	(744.89)	2,055.09	(1,447.86)	3,012.25
Re-measurement gain/(loss) on derivative contracts	1,832.23	(981.44)	2,478.63	850.79	(1,261.55)	(11,023.08)

Note: Gain has been included in Other income and loss has been included in Other expenses.

- The EPES for quarters are not annualized.
- The Board of Directors of the Holding Company, at their meeting held on 8 August 2019, have approved a Scheme of Capital Reduction (Scheme), pursuant to which 9,947,020 and 2,800,000 number of equity shares of the Holding Company held by Nav Energy Private Limited and Nava Bharat Ventures Employees Welfare Trust, respectively would be cancelled. During the year ended 31 March 2020, no adverse observation letter for the Scheme has been received from the Stock Exchanges and necessary filings with National Company Law tribunal of the Ministry of Corporate Affairs, Government of India have been completed and its sanction is awaited.
- The consolidated financial results for the quarter and half year ended 30 September 2020 has been prepared considering the impact of Covid-19 using the relevant internal and external information available to the Group. The outbreak of Covid-19 and the measures to curtail it has caused significant impact on the operations of the Group and the overall economic environment owing to scaling down, suspending the production of ferro alloys due to supply chain constraints, shortage of workforce and lack of demand for electricity in India. The operations of the Group at its facilities in India has however been resumed during May 2020 pursuant to the receipt of necessary approvals from the concerned authorities. The management, on the basis of its judgements, estimates and other assumptions including sensitivity analysis, is confident of fully recovering the carrying amount of receivables, investments and other assets. As the outbreak continues to evolve, the Group shall closely monitor any material changes to future economic conditions.



- 12 The sugar operations of the Holding Company has been ceased at its sugar manufacturing facility located at Samalkot, Andhra Pradesh, pursuant to a resolution passed by the Board of Directors at their meeting held on 2 March 2020. Pursuant to the aforesaid resolution, management is in the process of disposing the non-current assets of the said sugar division comprising of the underlying land and the other property, plant and equipment available in Samalkot. Accordingly, the financial performance of the sugar division have been presented as discontinued operations in the financial results for all the periods presented in accordance with the provisions of Ind AS 105 – Non-Current Assets Held for Sale and Discontinued Operations and also leading to non-disclosure of the financial information of the aforesaid Sugar division in the Segment related disclosures furnished.

The details relating to the discontinued sugar operations is as follows:

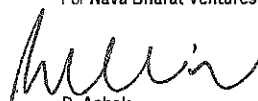
Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Total Income	2,207.13	3,147.38	2,788.27	5,354.51	6,030.42	12,853.71
Total Expenses	2,089.77	3,249.87	3,235.91	5,339.64	6,607.24	13,197.34
Profit/(loss) before tax	117.36	(102.49)	(447.63)	14.87	(576.81)	(377.02)
Tax expense / (benefit)	41.01	(35.81)	(156.42)	5.20	(201.56)	(131.75)
Profit/ (loss) after tax	76.35	(66.68)	(291.21)	9.67	(375.25)	(245.27)

- 13 In accordance with the requirements of the accounting policies of the Holding Company, the management has restated the consolidated financial results of the Holding Company, pursuant to a restatement in the comparative financial information of MCL for the quarter and half year ended 30 September 2019 with respect to the following errors identified in the financial information of MCL:

S No.	Particulars	Quarter ended	Half Year ended
		30.09.2019	30.09.2019
		(Unaudited)	(Unaudited)
1	Restatement on account of accounting for transaction costs of borrowings in accordance with Ind AS 109 and recomputing finance cost using effective interest method		
	(i) Increase/(decrease) of the balance of property, plant and equipment	249.01	496.69
	(ii) Increase/decrease in the balance of borrowings	(13.87)	(120.59)
	(iii) Recognition of finance cost under effective interest method	13.87	120.59
	(iv) Reduction of depreciation charge	(249.01)	(496.69)
2	Increase in revenue from operations owing to adjustment of liability in relation to sale of power to the balance of other equity as at 31 March 2019	(1,865.02)	(1,865.02)
3	Reversal of deferred taxes	(2,039.03)	(4,134.90)
4	Impact of the above on the basic and diluted EPES	1.63	2.50

- 14 Pursuant to developments in the current quarter, in respect of an on-going litigation with the concerned Power Utility of the State of Odisha, Management of the Holding Company is of the view that the ultimate outcome of the matter, being a contingent liability in the earlier periods, is likely to be settled between the Parties. Based on advice from in-house legal counsel, a sum of ₹2,441.53 lakhs has been assessed and provided for as an expense, as a probable aggregate obligation towards the disputed charges on consumption in earlier years. In view of the materiality of amount involved, and considering the non-recurring nature of the obligation, the expenditure has been presented as an exceptional item in these unaudited consolidated financial results.
- 15 On the basis of an advice from the independent Goods and Services Tax (GST) expert, and management's assessment regarding recoverability of cess expensed off in the statement of profit and loss in the previous years, the Holding Company's management had lodged a claim of ₹2,649.26 lakhs with the GST authorities in the year ended 31 March 2020. During the quarter ended 30 September 2020, the GST authorities assessed and acknowledged the claim, and authorised refund of the aforesaid amount. However, in view of the materiality of amount involved, and considering the non-recurring nature of the operating income, it has been presented as an exceptional income in the aforesaid consolidated financial results.
- 16 During the quarter ended 30 September 2020, MCL has serviced normal interest on loans in full and has sought moratorium from payment of certain principal instalments commencing from March 2020 and restructuring of the balance loans in accordance with revised cash flow projections. MCL expects the Lenders to consider its request following cash flow certainty arising out of prospective power tariff adjustment with ZESCO which is underway. On the basis of a collective assessment of the terms of the loan agreements, the timelines associated with ongoing tariff negotiation with ZESCO and the engagement with its lenders, management has continued to classify the outstanding balance of borrowings owed to these lenders in accordance with the terms of the original loan agreements entered into with them.
- 17 During the quarter ended 30 September 2020, MCL has initiated the international arbitration proceedings against its customer ZESCO limited (ZESCO) for recovery of dues arising out of power purchase agreements entered into with them for sale of power. Consequently, the balance of trade and other receivables from the said customer expected to be realised after twelve months from the reporting date have been classified as non-current assets in the Statement of Consolidated Assets and Liabilities as at 30 September 2020.

By Order of the Board
For Nava Bharat Ventures Limited


D. Ashok
Chairman

Place : Hyderabad
Date : 11 November 2020

