



NAVA BHARAT

NAVA BHARAT VENTURES LIMITED

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

NBV/SECTL/ 185 / 2019-20
May 29, 2019

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' / 'NBVENTURE'

Dear Sirs,

Sub: Press Release - Audited Financial Results – March 31, 2019.

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Please find enclosed the press release in connection with announcement of Audited Financial Results (Standalone and Consolidated) for the quarter and year ended March 31, 2019.

Kindly take the same on record and acknowledge the receipt.

Thanking you,

Yours faithfully,
for NAVA BHARAT VENTURES LTD.,

VSN Raju
Company Secretary
& Vice President



Encl : as above.



NAVA BHARAT VENTURES LIMITED

Perspective Presentation on Operations and Financials of NBV Group FY2019

Hyderabad, Wednesday, May 29 2019 – Nava Bharat Ventures Ltd. has announced its audited consolidated and standalone financial results for the quarter and year ended March 31 2019.

Key Business Highlights

Riding on strong operating fundamentals Nava Bharat posted excellent financial results both on Stand Alone and Consolidated basis for the Financial Year 2019.

Consolidated performance

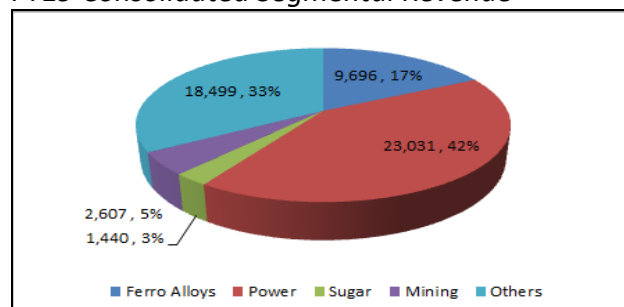
- Revenue from operations registered a growth of 32% in FY19 at Rs.31,034.6 Mn (Rs.23,477.8 Mn in FY18)
- Consolidated PBT up by 830 bps in FY19 at Rs,7,768 Mn (Rs.3,876 Mn in FY18)
- 300 MW power plant of MCL operated at 74.6% PLF in FY19 (62.1%, FY18) with a plant availability at 86.9% (69.4%, FY18)
- Overall debt of MCL has come down by \$ 59 Mn during FY19
- The quarter performance of MCL impacted with the provision for mark-to-market loss (non-cash charge) on USD debt.
- 150 MW power plant recorded robust performance amid a challenging business environment during the year registering a cash profit of Rs.300 Mn.

Standalone performance

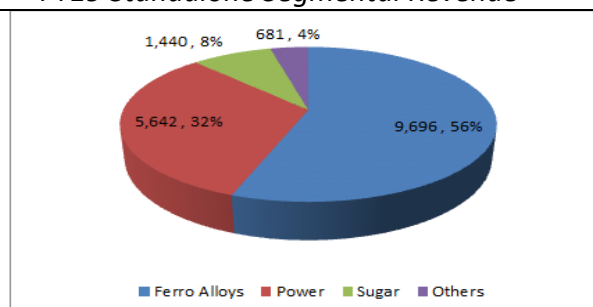
- Revenue from operations registered a growth of 4% in FY19 at Rs.13,587.1 Mn (Rs.13,086.4 Mn in FY18)
- All time high Silico Manganese production and sale in FY19 exceeding 1.05 lacs MT
- Sugar bucked sector trend riding on By-products reported segment profit of Rs.54.3 Mn in FY19 (Rs.2.8 Mn in FY18)
- PBT up by 50 bps in FY19 at Rs.2,587 Mn (Rs.2,371 Mn in FY18)
- Final Dividend recommended at 75% (Rs.1.50 per equity share) for FY19
- Board approved the buy-back of fully paid equity shares at a price not exceeding Rs.160 per equity share, for an aggregate amount not exceeding Rs.250 Mn through open market route

(Rs.in Mn)

FY19 Consolidated Segmental Revenue



FY19 Standalone Segmental Revenue





Consolidated and Standalone Financials

(Rs.in Mn.)

As per Ind AS	Consolidated							
	Q4FY19	Q3FY19	Q4FY18	QoQ%	YoY%	FY19	FY18	YoY%
Turnover	7,737.0	8,185.7	8,848.0	-5%	-13%	31,034.6	23,477.8	32%
PBT	1,843.1	2,370.7	2,748.3	-22%	-33%	7,768.5	3,876.2	100%
Tax expense	1,052.9	1,071.6	623.7	-2%	69%	3,120.2	1,096.4	185%
PAT	790.2	1,299.1	2,124.6	-39%	-63%	4,647.9	2,779.8	67%
EPS (Rs.)	4.27	6.28	10.46			21.56	14.35	

(Rs. in Mn.)

As per Ind AS	Standalone							
	Q4FY19	Q3FY19	Q4FY18	QoQ%	YoY%	FY19	FY18	YoY%
Turnover	3,463.4	3,494.2	4,086.5	-1%	-15%	13,587.1	13,086.4	4%
PBT	586.7	513.8	1,011.4	14%	-42%	2,586.7	2,371.5	9%
Tax expense	212.5	179.5	343.0	18%	-38%	924.8	755.9	22%
PAT	374.2	334.3	668.4	12%	-44%	1,661.9	1,615.6	3%
EPS (Rs.)	2.26	2.02	4.03			10.02	9.74	

Maamba Collieries Limited –Zambia

Particulars	Q4FY19	Q3FY19	Q4FY18	QoQ%	YoY%	FY19	FY18	YoY%
Turnover (\$ Mn)	50.6	59.9	57.4	-16%	-12%	222.1	122.7	81%
PBT (\$ Mn)	13.1	22.8	21.1	-43%	-38%	74.0	21.4	246%
Tax expense (\$ Mn)	9.9	12.6	3.5	-21%	183%	29.7	3.5	749%
PAT (\$ Mn)	3.3	10.2	17.6	-68%	-81%	44.3	17.8	149%
Receivables (\$ Mn)	-	-	-			165.7	80.4	106%
Average Availability %	76.6	88.0	99.3			86.9	69.4	
Average PLF%	72.0	85.0	84.6			74.6	62.1	

*Corresponding period variances are not comparable as the 300 MW Power Plant commenced commercial operations from August 2017.

Summary of Financial Position:

(Rs.in Mn.)

Particulars	Overall Debt		Cash & bank balances	
	2018-19	2017-18	2018-19	2017-18
Stand Alone	3,203.6	3,337.7	331.3	321.3
Consolidated	36,006.7	39,827.6	3,973.8	4,778.5

The following commentary supplements the figures depicted above and is to be read together.

Consolidated financials:

300 MW integrated Power Plant of Maamba Collieries Limited,-Zambia

Maamba Collieries Limited (MCL) has operated the integrated 300 MW (2X150 MW) coal fired power plant at 76.6% Availability and 72.0% PLF for Q4 of FY 2019 while those for FY 2019 were - 86.9 and 74.6 respectively.

MCL has posted excellent financial results for the first full year of commercial operations with revenues of US\$222.1Million, Profit before Tax of US\$ 74.0Million and Profit after Tax of US\$ 44.3Million. MCL has surplus of US\$ 44.3 Million as at 31st March 2019 the distribution against which can happen in due course after MCL complying with the prescribed covenants under the Term Loan financing. Nava Bharat has 65% equity stake in MCL through its wholly owned subsidiary in Singapore.

Nava Bharat does not have any more equity commitments to MCL which runs on its own course.

MCL commenced billing for power from the Synchronization of the Power Unit with the Zambian Grid in July 2016 and has realized 70.2% of the amounts billed, as at 31st March 2019. This is quite satisfactory considering the severe systemic imbalance being suffered by the Local Utility, ZESCO, on account of substantial delay in tariff rationalization over the similar period. Both ZESCO and the Government of Zambia which extended Sovereign Guarantee against ZESCO's payment obligations under the PPA with MCL, stand committed to discharge the remaining dues.

Meanwhile, MCL has been able to pare its long term debt by 25% and obtained certain cost competitiveness in the region enabling it to look at modified avenues of power offtake which should afford it with better payment security and long term sustenance. While discussions and efforts are underway, MCL is gratified that demand for power continues to grow not only from the local grid but also from bulk consumers in Zambia and surrounding region for direct consumption with Grid facilitating transmission and wheeling.

As the long term debt continues to be serviced on track and reduced on an ongoing basis, MCL expects to have a reasonably better offtake arrangement with the Grid and/ or others soon, paving way for distribution of returns to shareholders, from FY 21 onwards.

Pictures depicting MCL Plant



Proposed Farm Block and Processing in Kawambwa Sugar Limited, Zambia

Nava Bharat considers the 25,000 Acre Luana Farm Block of Kawambwa Sugar Limited in North Western Zambia to be the springboards for lucrative and emerging value add opportunities in commercial agricultural processing at a time when good quality agrarian resources are fast diminishing across the world.

KSL has pursued with the infrastructure development comprising site development, internal roads and preparations for farm block within the Farm Block and taken up with the Government for proper approach road and power connectivity to the site. These are expected to continue throughout FY 2020. Pilot plantation of sugar with minimal capital outlay will go on and core investment decision will be taken and pursued only after all the open issues are tied up satisfactorily. Nava Bharat will leverage upon its existing sugar operations to the extent feasible, if the Sugar Project in Zambia is found investment worthy.

Healthcare Enabled Services in APAC region under TIASH, Singapore

The Healthcare Enabled Service under TIASH, a joint venture holding company in Singapore entails low capital out lay, principally for marketing, distribution and administration of the IV Iron medicine in APAC region, known for premium lifestyle healthcare. It has made good marketing strides in Malaysia where exclusive distribution rights exist for the World's leading medicine in this space and being positioned similarly like Pfizer in Canada and Lupin In India. During the short time of its existence, TIASH has obtained good traction and is being sounded of other innovations for marketing in APAC region by reputed manufacturers.

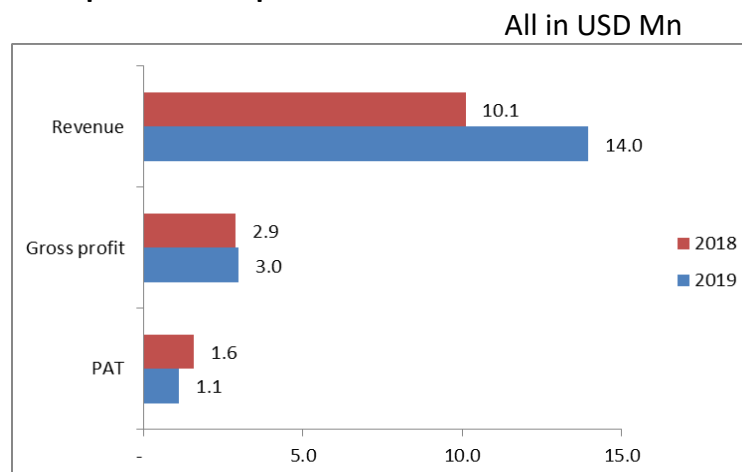
Operation & Maintenance Services of NEPL, Singapore

Nava Energy Pte. Limited, Singapore renders O& M Services for the 300 MW power Plant of MCL in Zambia. The Technical Support for the O& M operations of the Zambian Company are done both on-site and off-site and will be dynamically adjusted to meet the inflationary and statutory



changes in respective geographic areas, but ensuring that the revenue remains intact and range bound.

O& M earnings of NEPL depicted in Graph



Procurement Strategy for Imported Lime Stone

The Company considers that it is prudent to have captive resource of lime stone, in the long run, for usage in its coal fired power plants to meet the revised Emission standards being applied to all coal fired power stations in India pushing up demand. The step down subsidiary is evaluating certain potential resources in Malaysia, known for quality lime stone deposits. During FY 2020 expenditure is likely to be confined to pre-development stage and so will be minimal.

150 MW Power Plant–Telangana, India

The 150 MW Unit of Nava Bharat Energy India Limited (NBEIL), performed reasonably well in FY 2019, made cash profit of about Rs.300 Mn and closed the year with near break-even numbers. This company strives hard to contain the coal cost despite there being no linkage. Through a mix of washery rejects and coal, the company has been able to obtain variable cost to be within lower quadrant for plants of similar size and higher. This has also enabled it to remain successful in the tenders for short term procurement of power and sale through IEX and to register average PLF of 49.32% in FY 2019.

The Ash Products Plant attached to this power plant has obtained traction with acceptance of its products, tiles and pavers, in the construction and infrastructure space based on their relative merits over conventional alternatives.



Financials of other Indian subsidiaries

Nava Bharat Projects Limited, engaged in Project Management and Technical Support Services and Brahmani Infratech Pvt. Limited, a 65% subsidiary, have posted profits contributing to the consolidated financials.

There are certain litigations in these companies which remained sub-judice as at 31st March 2019. The respective managements consider that these litigations would not affect the reported financials, excepting their previous reserves in as yet unforeseen and unlikely outcomes.

Standalone financials:

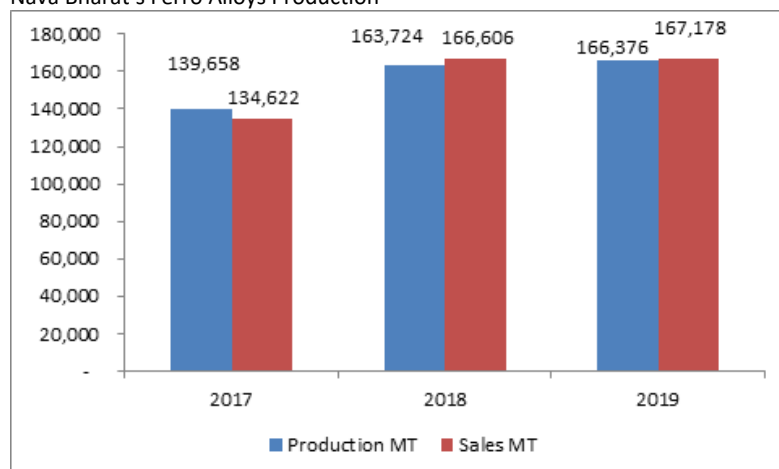
Ferro Alloys

The Company has registered the largest production ever of Manganese Alloys and matching sales for FY 2019 with Conversion arrangement chipping in with good volume, notwithstanding planned furnace outages. This performance ensured high productivity and decent profitability after considering the cost of input power on an arm's length basis.

The operations and profitability of the Ferro alloy units in Telangana and Odisha are critically dependent on evolving sector dynamics in the primary steel and stainless steel which have been strong in recent periods.

Graph of production and sales of Manganese and Chrome Alloys over the last two years

Nava Bharat's Ferro Alloys Production



Power

Profitability of the Power division with 284 MW capacity, stems from pricing of power on par with Grid tariff and the Company's ability to obtain maximum coal through lower cost means. Though Company suffers from higher plant heat rates, the relative smaller sizes of the power plants and boiler technology afford it with greater flexibility and resilience to overcome the sector volatility. The captive power plants remain agile to exploit periodic spurts in merchant power rates for surplus power while core captive consumption continues.

This division has two idle independent power assets aggregating to 80 MW , operation of which requires sustained better pricing under merchant power route and judicial orders (in Odisha). The captive power operations are also regulated in order to be compliant of extant regulations concerning captive consumption.

Pictures of the power plants in Telangana and Odisha

Paloncha



Odisha



Sugar

The 4000 TCD integrated sugar posted positive results for FY 2019 despite the pressures on margins in the initial part of the Financial Year 2019. However the Company does not see long term prospects for this Industry in India and remains vigilant for any other opportunity to exploit this asset.

Pictures of Sugar Division



O&M Support Services

A significant part of back end technical support for the O& M operations of the 300 MW power Plant in Zambia has been rendered by the Company deriving a separate revenue stream which constitutes a significant portion of Other Income albeit with a fair degree of consistency owing to its nature. The Company considers this to be a robust model to expand further in this business at the Group level.

Monetization of Idle Assets

The Company's stated objective of monetization of idle assets requires multipronged approaches based on the type of asset, regulatory issues, relative opportunities and time lines. While the Company is committed to pursue this activity, the relevant processes do take time and extended pursuits.

The Company has outsourced certain of the areas in this pursuit of monetization to reputed consultants and expects to achieve reasonable progress in FY 2020.

Value unlocking of these assets should address the low returns on capital employed in due course.

Location map of Dharmavaram with 20 MW PP and Nacharam land may be given here

Dharmavaram site



Nacharam Site



Medium term plan for Disposition of Resources

Deployment of resources should result in enhancement of return on equity and sustainable growth. Out of the current operations and monetization proceeds, the Company plans to set apart a certain amount towards building growth capital. This is necessary as the Company and the Group embark on the next phase of growth in core areas and emerging new opportunities. A certain amount is being set apart to meet the ongoing capex requirements in the existing operations and the development initiatives undertaken in overseas entities.

Besides equity dividend @ 75%, the Board of Directors proposed certain corporate actions aimed at shareholder value accretion.

Corporate actions

a. Selective reduction of capital

The current shareholding of the Company comprises two trust holdings, one by Nav Energy Private Ltd and the other by the Employees welfare Trust. The former is created in an erstwhile merger to benefit the Company and its shareholders. The later was created to provide a corpus to benefit the employees of the company and its subsidiaries by the Company extending a loan to the Welfare Trust. Taking into account the prevailing SEBI guidelines precluding the continuation of Employee Welfare Trust and as a long term measure, the Board has decided to extinguish the two trusts and their shareholding by way of reduction of capital along with the Loan to the Employees Welfare Trust. This measure is expected to improve the return on equity for the existing shareholders, going forward.

**b. Buy-back of Equity Shares**

Considering the current market price vis-à-vis book value, the Board has also decided to make a buy-back of equity shares at a maximum price upto Rs.160, which is rounded book value as of 31st March 2019. The proposed Buy-back is considered to reflect a fair price for the shares and provides return for this buy-back amount.

Quantitative Data Table

Table on Production / Generation for the quarter and year ended March 31, 2019:

Particulars	Q4 FY19	Q3 FY19	Q4 FY18	FY19	FY18
A. Production / Generation					
Silico Manganese (MT)	27,782	23,751	28,207	1,05,032	95,301
Ferro Manganese (MT)	--	--	--	--	--
Ferro Chrome (MT)	--	84	133	173	423
Ferro Chrome (Conversion) (MT)	16,275	16,958	16,770	61,171	68,000
Power (MU) (net)	257.97	271.34	286.86	1085.35	1085.87
Power (MU) (net) – NBEIL	173.62	120.42	214.94	574.07	713.96
Sugar (MT)	31,003	12,341	31,408	43,344	47,418
Molasses (MT)	11,673	5,026	12,117	16,699	18,650
Spirit (Bulk Litres)	18,00,000	5,50,000	18,00,000	37,32,000	30,31,000
Ethanol (Bulk Litres)	18,86,000	3,42,000	19,53,500	35,40,000	28,67,000

About Nava Bharat Ventures Limited:

Nava Bharat Ventures Limited is a power focused company with interests in Ferro alloys and sugar. The Group has total installed power generation capacity of 442MW 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, Zambia, Singapore and Malaysia.

For more information about the Company and its businesses, please visit us at www.nbventures.com

<p>For further information please contact VSN Raju / PJV Sarma / MN Rao/T Hari Babu Nava Bharat Ventures Ltd CIN No: L27101TG1972PLC001549 Email id: secretarial@nbv.in Tel No: +91 40 23403501 / +91 40 67283333</p>
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