

NAVA BHARAT VENTURES LIMITED

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

NAVA BHARAT

NBV/SECTL/1756/2013-14

March 1, 2014

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,

This is to inform that a Presentation on the Company for information of Investors is placed on the Company's Website: www.nbventures.com under **Investors → Investor Presentation**, for your kind information.

The same is also attached hereto for your records, please.

Thanking you,

Yours faithfully,
for NAVA BHARAT VENTURES LTD

Company Secretary
& Vice President

Encl : as above.

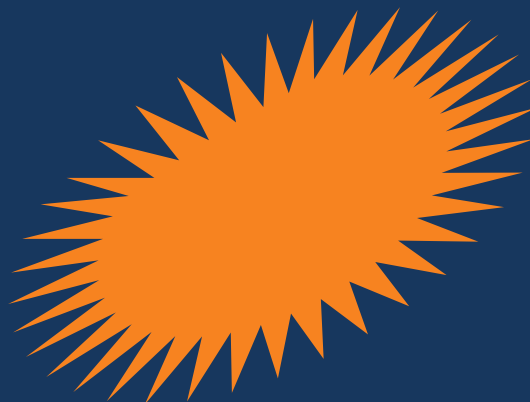
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ISO 9001

ISO 14001



NAVA BHARAT



NAVA BHARAT VENTURES LIMITED

Investor Presentation

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Mission Statement



We will provide innovative and cost-effective solutions for value addition and sustainable local growth

We will achieve this through efficient utilisation of natural resources, leveraging our strengths in design, engineering, project execution and operation and maintenance

- Large industrial conglomerate with interests across power, coal mining, ferro alloys and sugar
- Headquartered at Hyderabad in India
- Presence across India, Africa and South East Asia
- Around USD 1 billion investments proposed in natural resources and power generation
- Accredited with ISO 9001, ISO 14001 , ISO 18001 and ISO 50001

At a glance



US\$ 207 Mn (Rs 11.24 Bn) top line for FY 2013

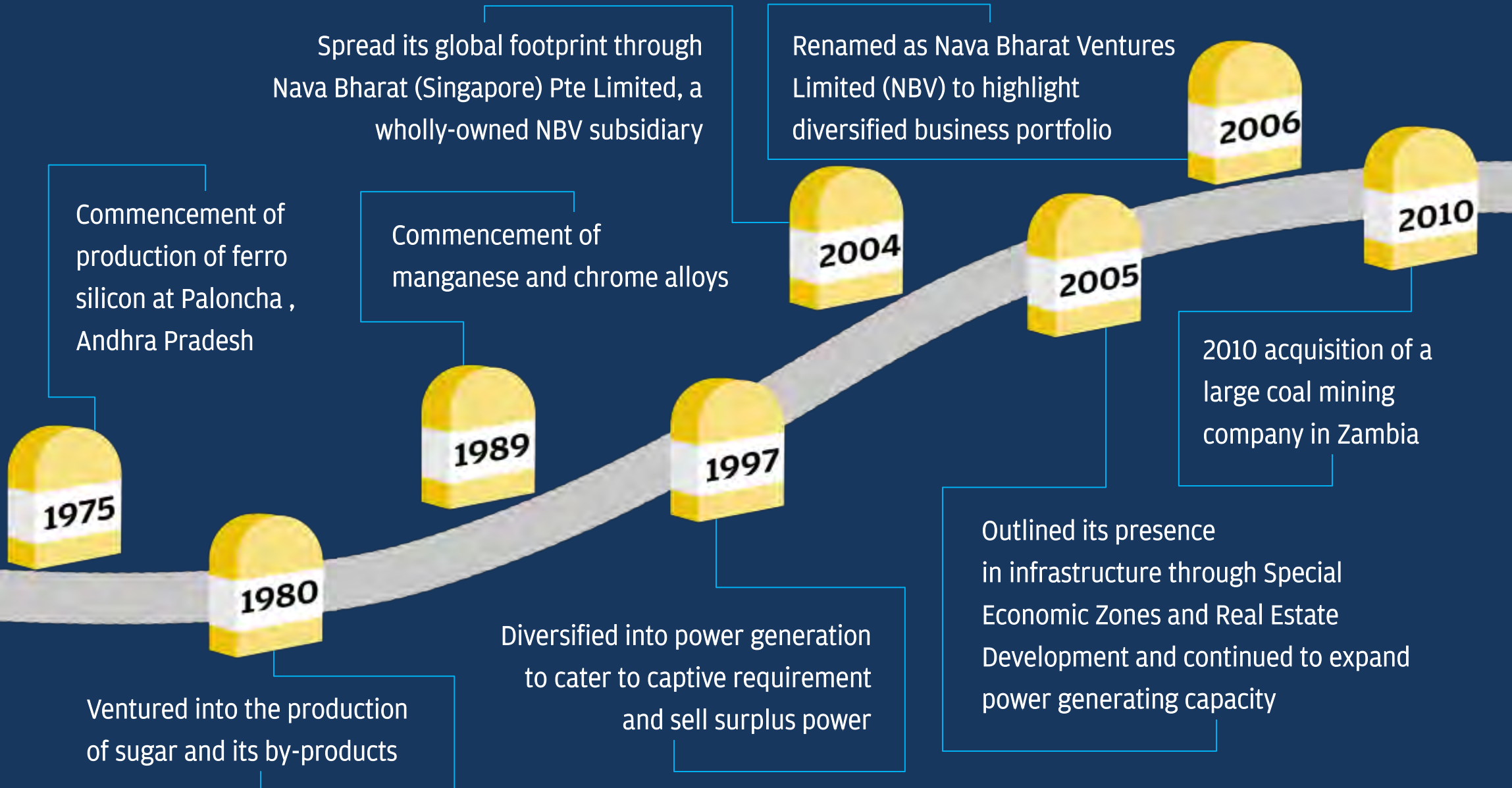
US\$ 44 Mn (Rs 2.38 Bn) bottom line for FY 2013

US\$ 221 Mn (Rs 13.79 Bn) market capitalisation (as on 21/02/14)

38 years of excellence



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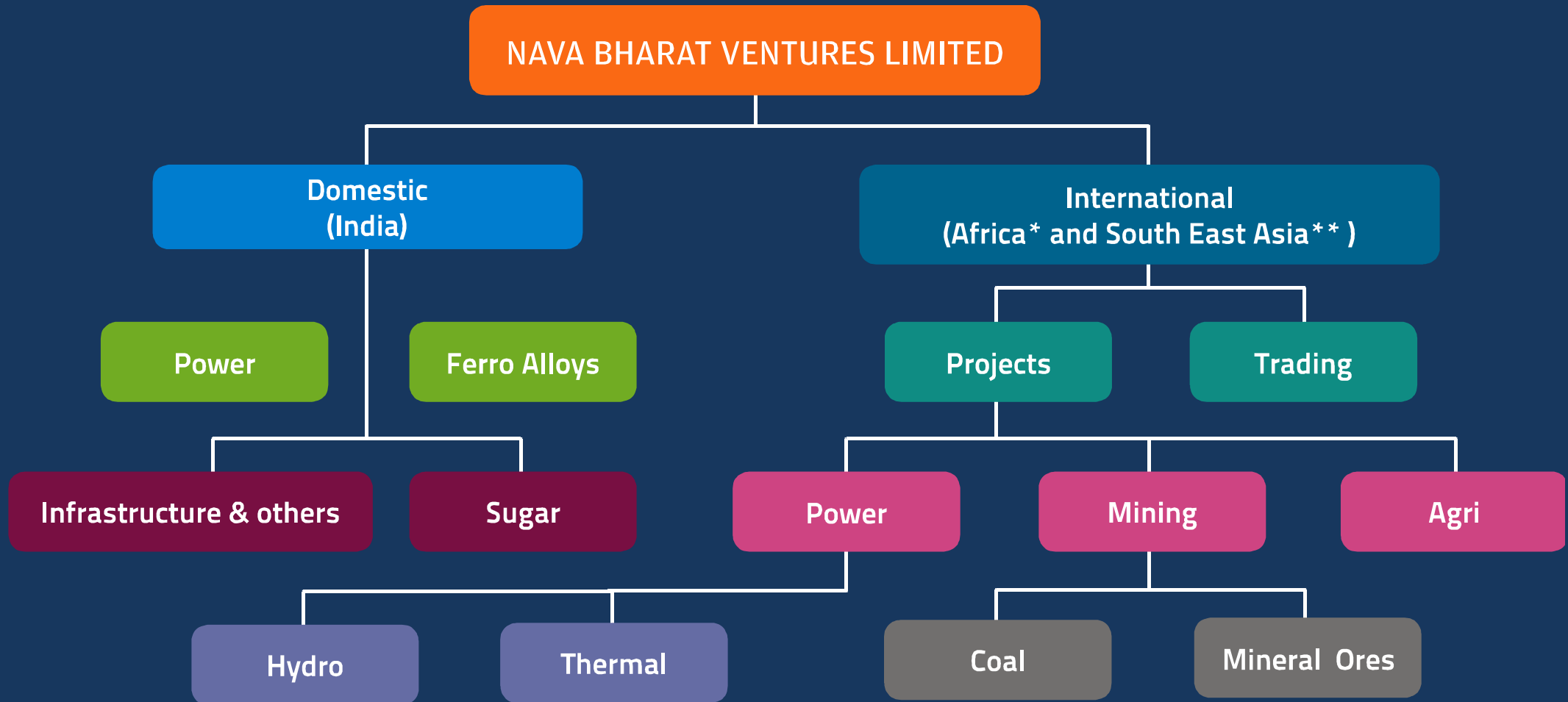
Group strengths

- Diversified revenue streams
- Strong Design, Engineering, Project Execution and O& M skills for process and power plants
- Energy efficient plants
- Distributed power assets to exploit the usage of low grade coal and washery rejects
- Environmentally responsible corporate citizen and strong believer of Corporate Social Responsibility
- Good track record with lenders and investors
- Strategic planning to be well ahead of competition

From single product, single location to multi-product, multi-location



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*Zambia and Tanzania

**Laos

Indian presence

Unit locations



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International footprints

Unit locations



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- Singapore (existing)
- Zambia (existing)
- Tanzania (upcoming)
- Laos (upcoming)

Financials

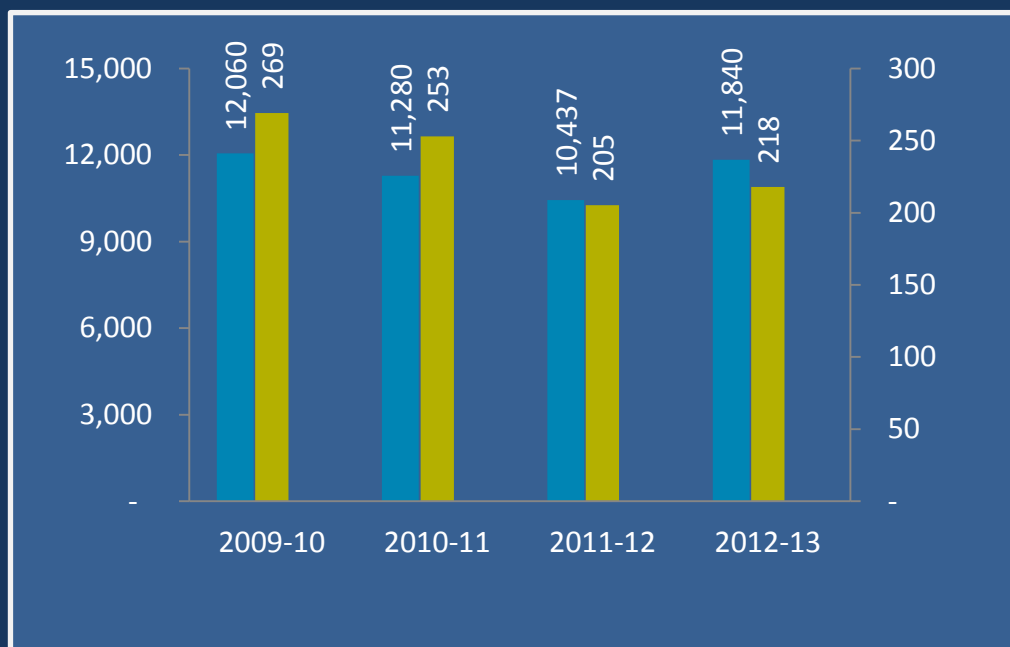


Year-on-year performance

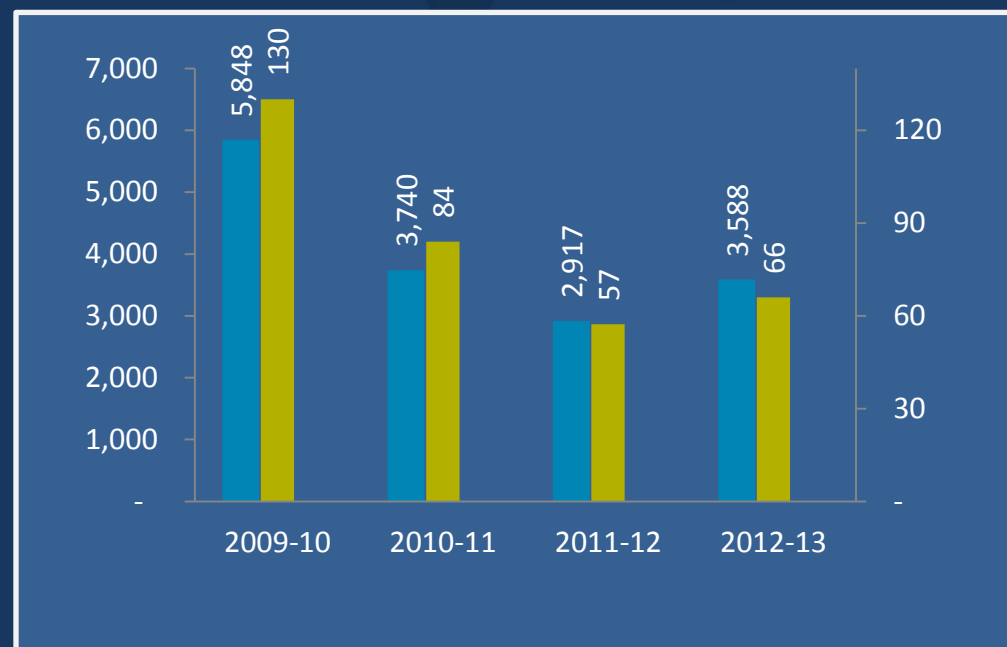


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Revenue



EBIDTA



Rs. Mn

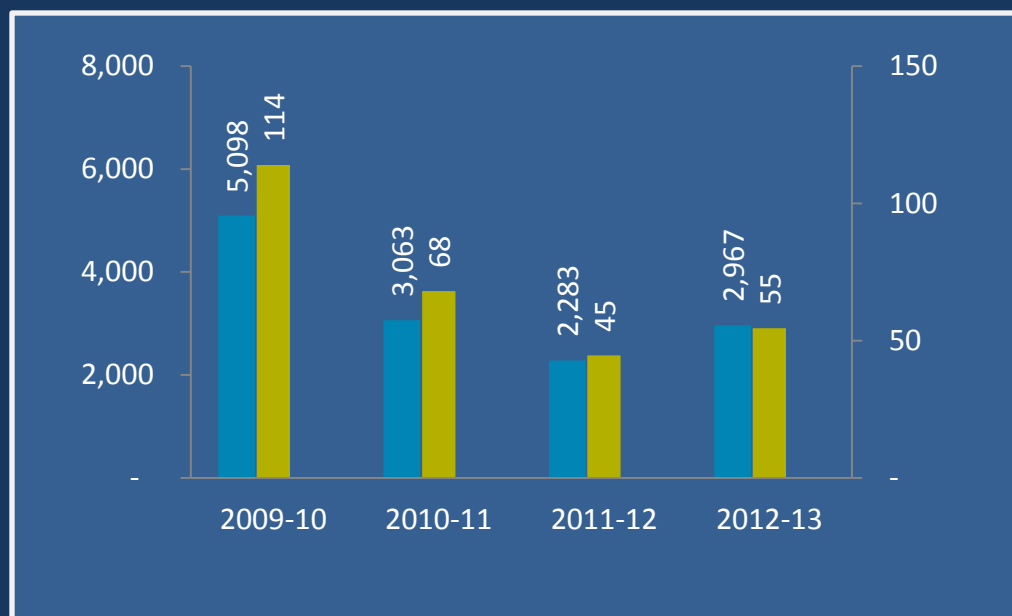
USD Mn

Year-on-year performance (contd.)

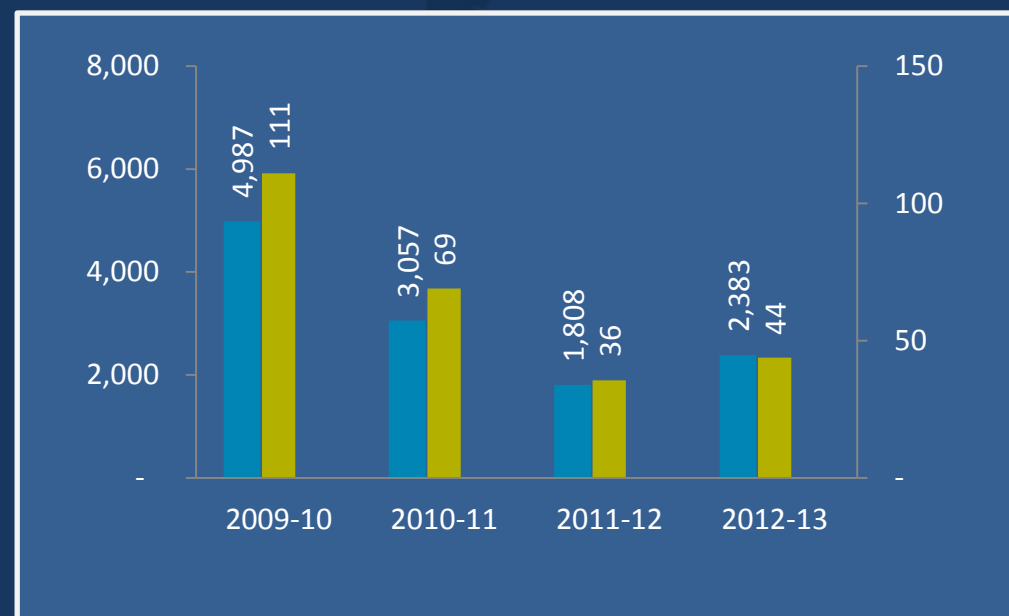


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PBT



PAT

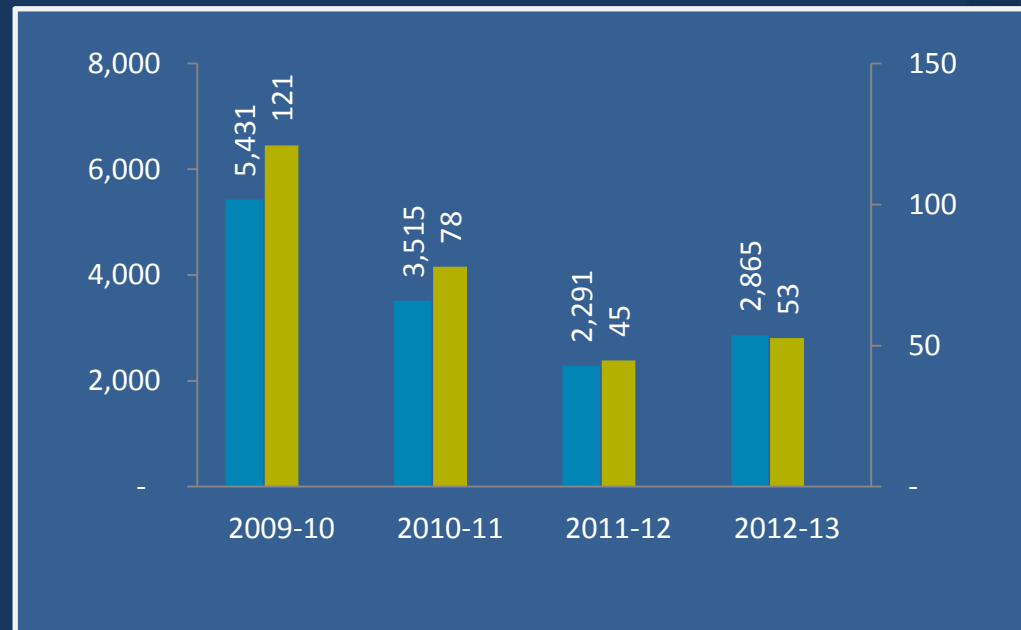


Rs. Mn

USD Mn

Year-on-year performance (contd.)

Net cash accruals



Rs. Mn

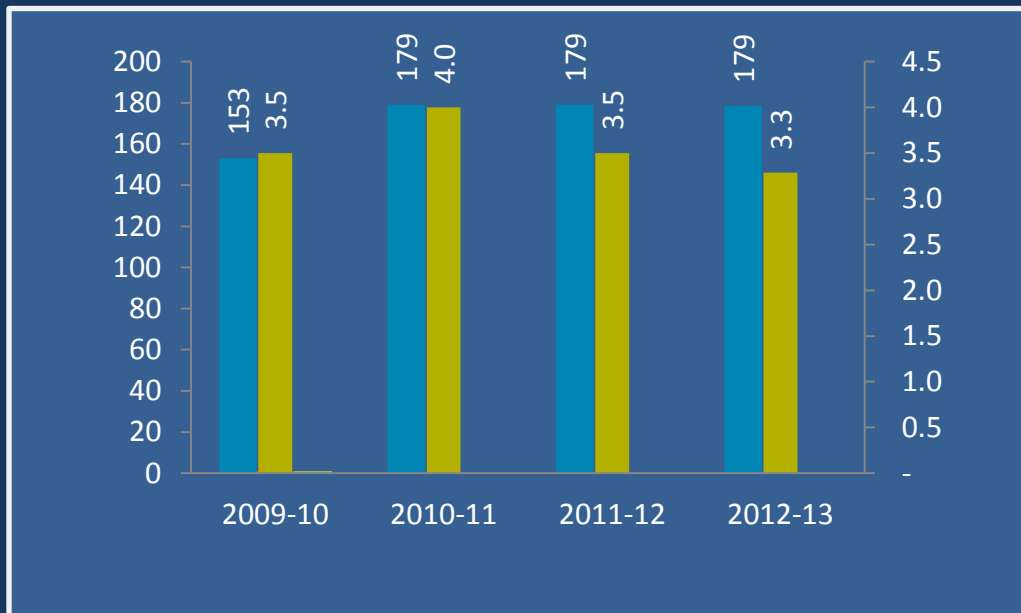
USD Mn

Year-on-year performance (contd.)

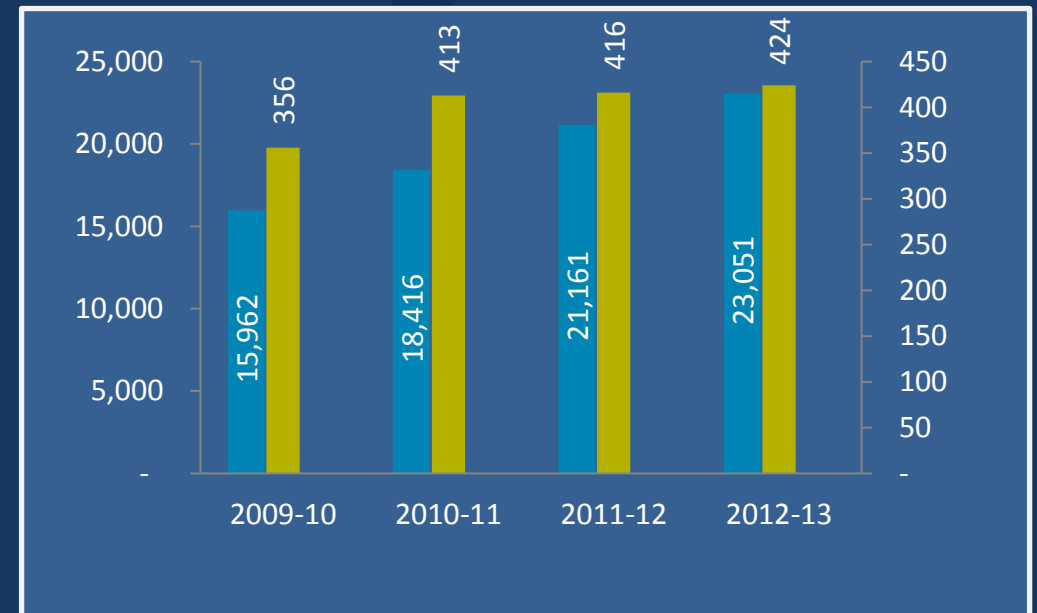


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Share capital



Net worth

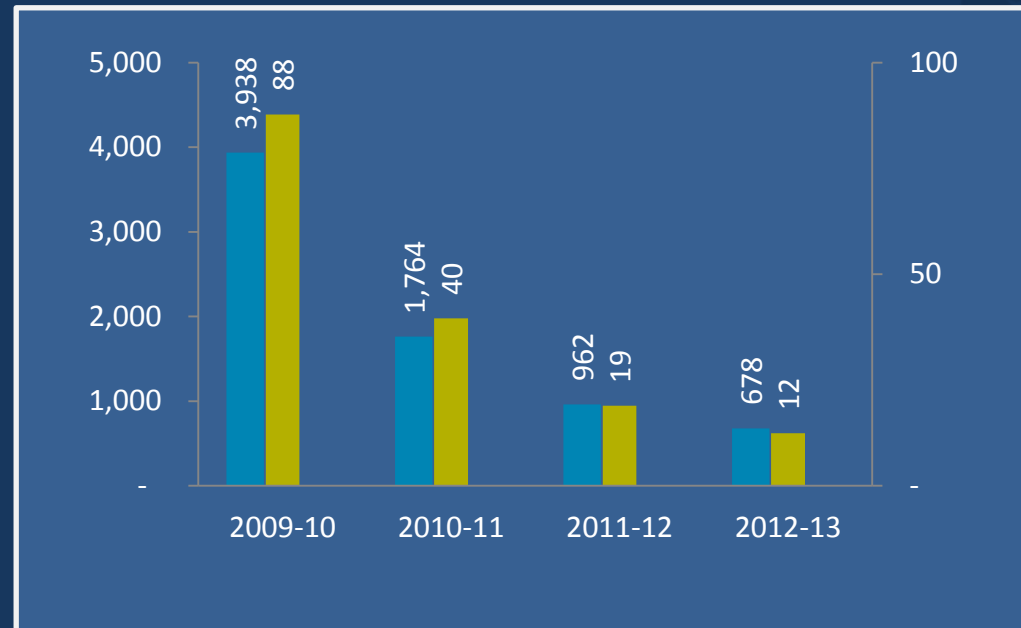


Rs. Mn

USD Mn

Year-on-year performance (contd.)

Total debt

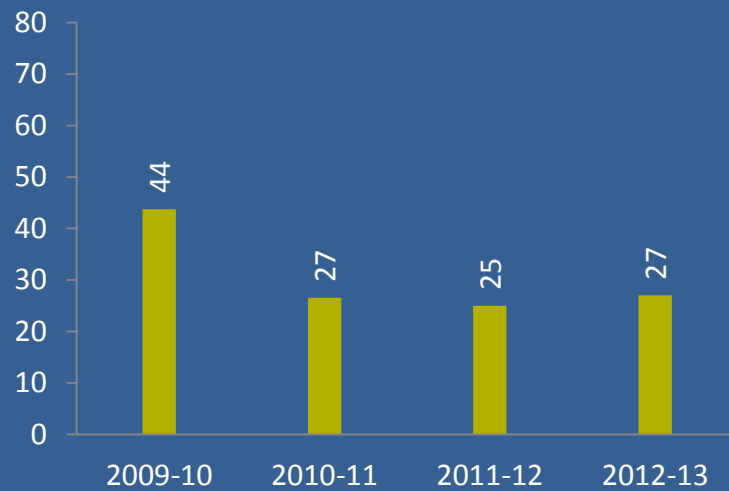


Rs. Mn

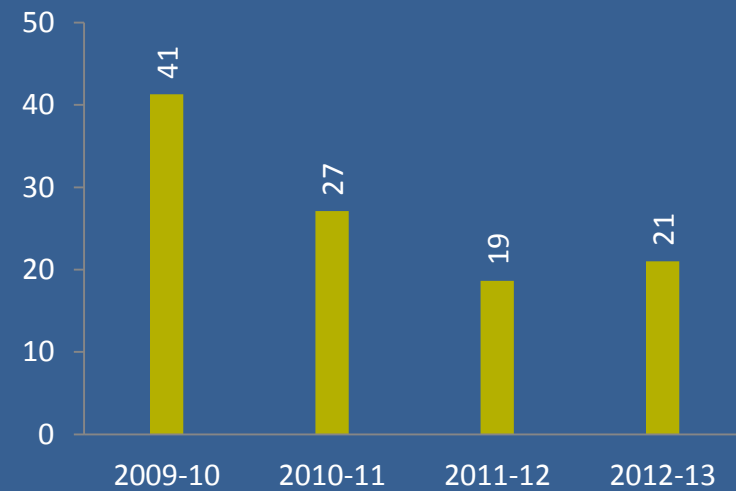
USD Mn

Margins

Operating margins (%)

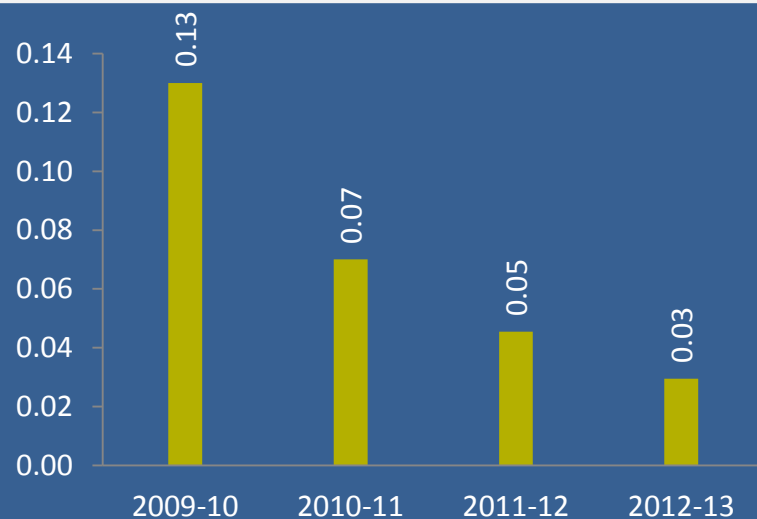


Net profit margins (%)

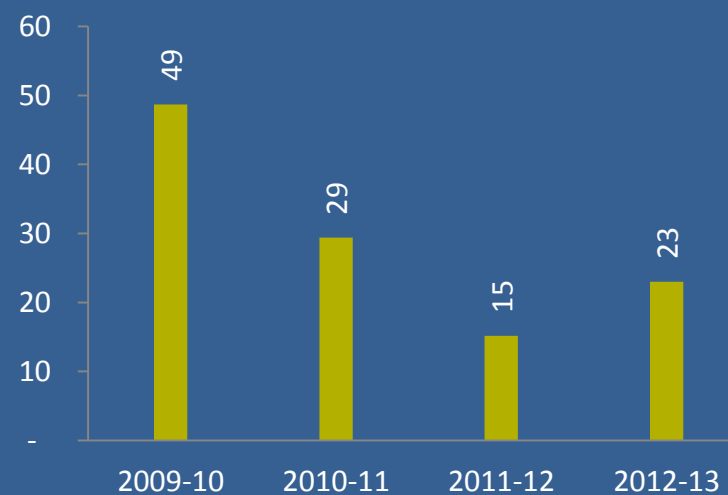


Low leverage and Strong coverage

Debt-equity



Interest cover



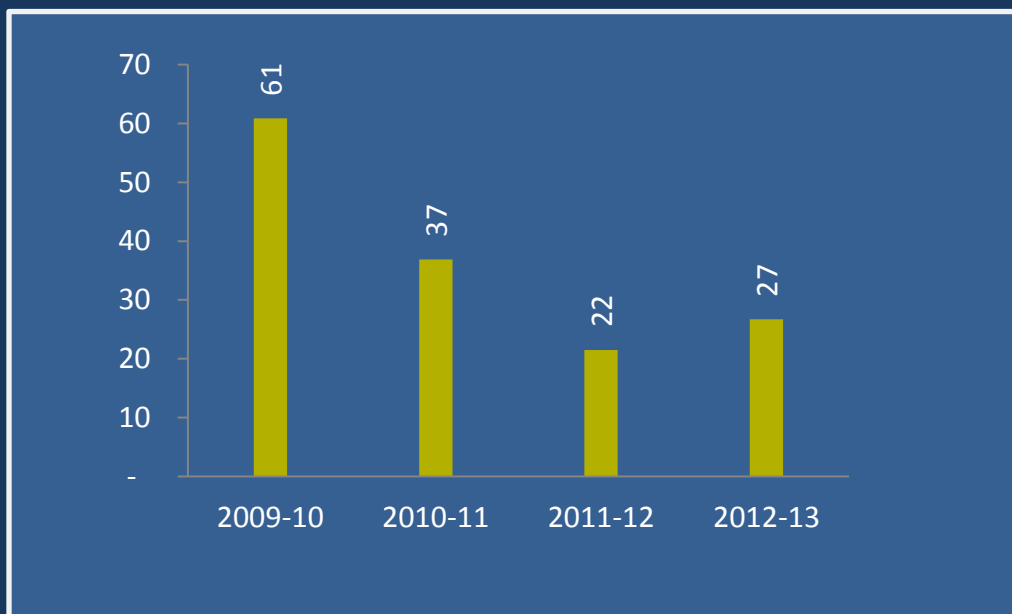
Strong leverage and coverage

Current ratio



Uninterrupted shareholder returns

EPS (Rs.)



Dividend (per share of Rs. 2)



The Company enjoys a record of uninterrupted dividends since inception

FY 2013 results table



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(Figures in Mn)

Particulars	FY 2013		FY2012	
	INR	US\$	INR	US\$
Total Income	11,839	217.77	9,689	189
EBIDTA	3,588	66.00	2916	57
Depreciation	483	8.88	473	9.2
Interest	138	2.54	161	3.1
PBT	2967	54.58	2,282	44.6
Tax				
—Current	598	11.00	461	9
—Deferred	-8	-0.15	140	2.7
—Earlier years	52	0.96	-	-
—MAT credit	-58	-1.07	-127	-2.5
PAT	2383	43.83	1,808	35.3
EPS (Diluted) (per share of Rs 2 or US 4.4c)	26.69	49c	21.46	41c
Equity Share Capital	179	3.4	179	3.5

FY 2013 segmental results



(Figures in Rs. Mn)

Segment	Power	Ferro Alloys	Sugar
Revenues (Amt and %)	4824 (46%)	5422 (41%)	1550(13%)
PBIT (Amt and %)	1462 (50%)	1238(42%)	223 (8%)

Quarterly review



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(Figures in Rs. Mn)

Particulars	Q3 FY2014	Q3 FY2013	Shift %	9M FY2014	9M FY2013	Shift %
Total Income	2,863	2657	(7.8)	7,862	8,314	(5.4)
EBITDA	643	700	(8.1)	1,837	2,156	(14.8)
PBT	548	687	(20.2)	1,643	2,158	(23.9)
PAT	494	572	(13.6)	1,468	1,847	(20.5)
EPS	5.53	6.40	(13.6)	16.44	20.68	(20.5)

- Power showed stable revenues with a marginal moderation in volumes in the AP units. The merchant environment in Odisha continues to be tepid leading to a corresponding decline in performance
 - Merchant tariffs witnessed correction despite demand-supply gap, owing to continued weak position of the utilities buying power
 - Obtained value addition by way of ferro alloys manufacturing at either location
- Ferro Alloys benefitted from enhanced volumes across both export and domestic markets whereas at an overall level pricing saw moderation
 - However there has been a contraction in margins owing to rise in ore cost
 - Pricing benefits were more pronounced in exports
 - Ferro Chrome conversion project has seen a jump in volumes QoQ
- Sugar was impacted by lower realisations which is characteristic of the lower recoveries seen during the initial phase of the crushing season

Power business, a key growth driver



Sustained growth through strategic foresight and initiative



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1997

- **Opportunity:** We foresaw an emerging power shortage and increase in power cost, a major component for the production of ferro alloys.
- **Result:** NBVL set up industrial power plants for ferro alloy operations.

2003

- **Opportunity:** We anticipated an increase in power realisation due to the Open Access Policy for power plants in India.
- **Consequence:** NBVL expanded aggressively power generation capacities and minimised the dependence on commodity business; Concurrently, we adopted a distributed asset model and eco-friendly technologies to utilize inferior coal grades

2008

- **Opportunity:** We envisaged emerging challenges in the pricing of merchant power sales and fuel security for future power projects.
- **Outcome:** Geographic diversification of power assets and entry into mining and power projects in Africa

Contribution of power sales



	2009-10	2010-11	2011-12	2012-13
Total revenue (Rs Mn)*	12,327	11,765	11,679	13,963
Revenue from power sales (Rs Mn)*	8,275	6,531	5,480	6,908
Proportion of power sales to the total revenue (%)	67	55	47	49

*Including captive sale

	Q4 FY12	Q1 FY13	Q2 FY13	Q3 FY13	Q4 FY13	Q1 FY14	Q2 FY14	Q3 FY14
Captive M.U.	82	109	148	110	97	67	114	127
Merchant Sales M.U.	236	266	257	253	272	262	202	199

Strategy for merchant operations

- Aim to deliver optimal generation from existing facilities to meet contracted merchant volumes till May 2014
 - Roughly 80 MW merchant capacity available
 - Supported by optimal mix of coal linkages, e-auctions and washery rejects
- Subsidiary to scale up PLF to optimal levels at new 150 MW plant
 - Maintaining cost of generation steady while ensuring supplies of imported coal at low cost
- New 64 MW at Odisha to see kick-off pending remunerative merchant tariff and grid connectivity
- To target 228 MW + 64 MW in merchant capacities at healthy realisations

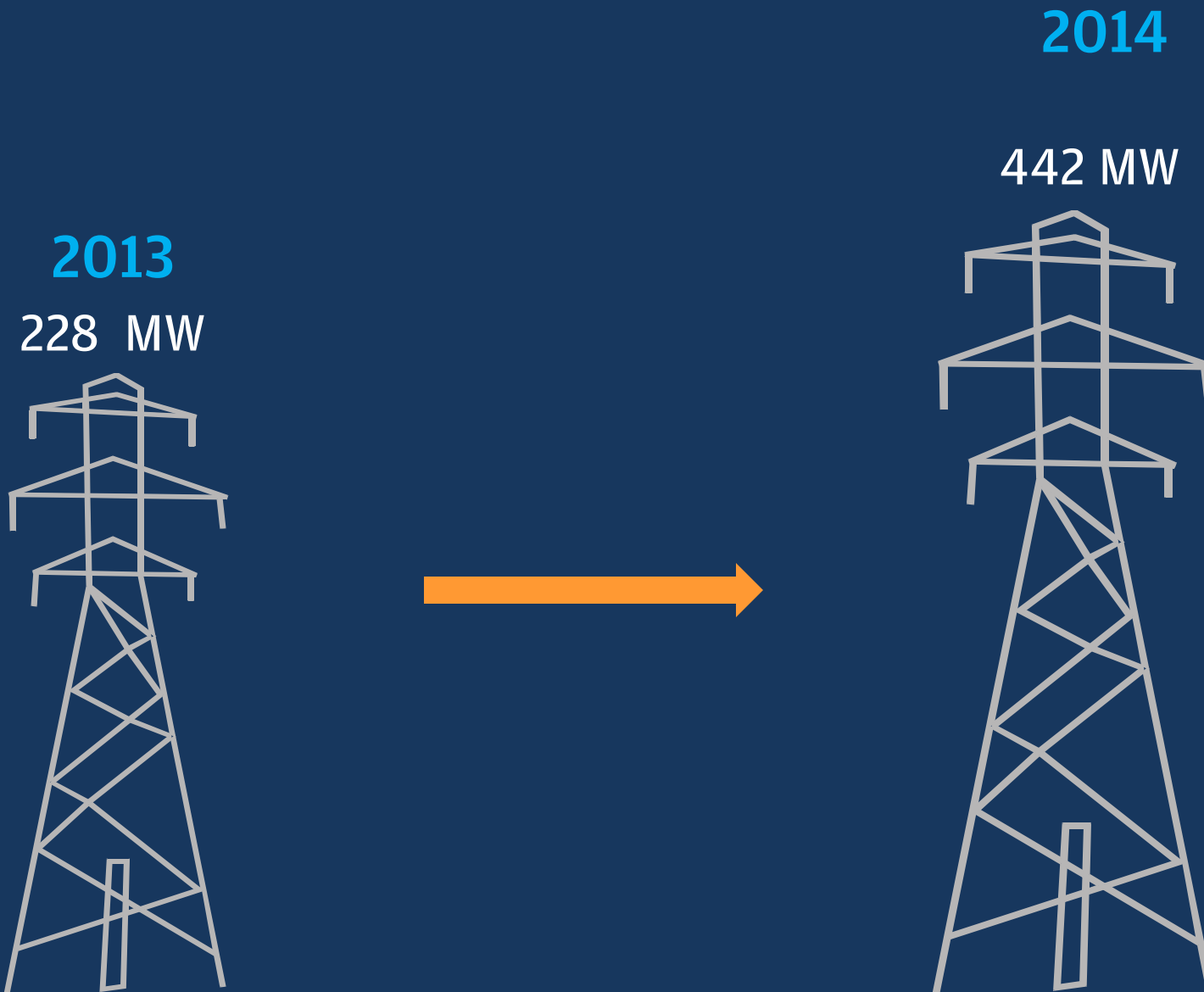
Domestic strategy –update on Odisha works



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- The Board of Directors has approved a proposal, in principle to restructure the Odisha works into 2 verticals –Ferro Alloy smelters (75,000 TPA for Fe Cr) and Power generation unit (94 MW + new 64 MW), with the objective to induct strategic investors so as to:
 - Make the restructured SPVs as captive units under mining and power regulations
 - Facilitate sustained operations in both the SPVs
- The proposal is subject to identification of suitable investors, mutual agreement on valuation and equity stake
- In the interim the Tata Steel conversion is being pursued in right earnest
 - A fixed quantum of Ferro Chrome is produced against input material provided by Tata Steel
 - The conversion margins and volumes are pre-determined

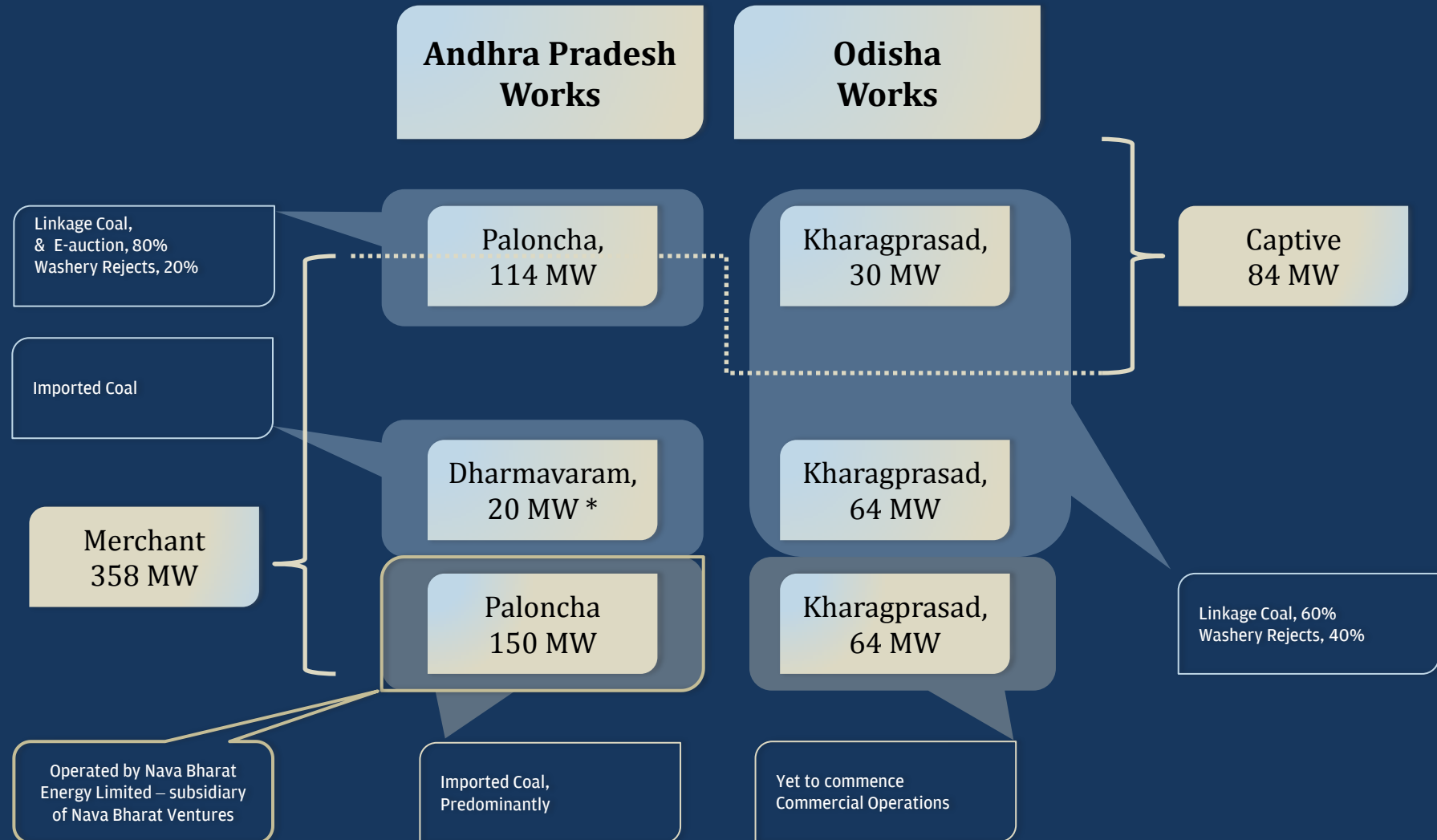
Power capacity expansion - India



Maximizing value from every unit of power



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*Uses a mix of bagasse, washery rejects and e-auctions

Existing capacities



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Coal fired power plants



Power Plants (A.P.)

Paloncha:

1 x 50 MW

2 x 32 MW

1 X 150 MW (NBEIL)

Total capacity:

264 MW



Power Plants (A.P.)

Dharmavaram:

1 x 20 MW

Total capacity:

20 MW



Power Plants (Orissa)

Kharagprasad:

1 x 30 MW

2 x 64 MW

Total capacity:

158 MW

The Ferro Alloys operation



- 125,000 TPA Silico Manganese, Ferro Manganese facility at Paloncha –Andhra Pradesh
 - Facility equipped with three smelters of 16.5 MVA and one smelter of 27.6 MVA
- 75,000 TPA Ferro Chrome unit at Kharagprasad –Orissa
 - Plant has two smelters of 22.5 MVA each
- Self-sufficiency in power with 208 MW coal-based, captive capacity
- Linkages with ore suppliers at Paloncha (Madhya Pradesh, Maharashtra and Karnataka) and Kharagprasad (Orissa) for Mn and Cr ores. Additional sources for ore identified and contracted in Africa and Gulf regions
- Proximity to Visakhapatnam (for Paloncha) and Paradip (for Kharagprasad) ports -strong exports profile in USA, Europe, Gulf, Japan, Korea
- Commenced conversion of Ferro Chrome for Tata Steel under fixed cost contract with reasonable margins inbuilt

The integrated Sugar operations



- Integrated sugar facility at Samalkot, Andhra Pradesh
 - 4,000 TCD crushing mill capable of producing 40,000 tonnes sugar a year
 - 20 MW co-generation plant
 - 20 Klpd. distillery that makes approx. 2.50 million bulk litres of rectified spirit (which is used to manufacture ethanol/extra neutral alcohol)
- Superior technology that produces quality refined sugar conforming to 26-28 ICUMSA whiteness standard
- Retail Sugar is marketed under the 'Deccan' brand
- The facility is located in fertile cane growing region of Eastern A.P.
 - Average cane recovery of 10%
- Nava Bharat's corporate cane development program involves farmers to improve cane yields and recoveries

International foray



Growth model

What others follow:

Exploiting natural resources of developing countries for supporting business activities in the native countries

What we follow:

Utilizing natural resources of the developing countries for sustained economic and social development of the region through value addition

Focus geographies:
Africa and South East Asia

Project snapshot



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Country	Activity	Status
Zambia	Mining and power generation	Majority stake acquired in Maamba Collieries Limited. Revamping coal mine and setting up a power plant
Laos	Development of hydro-electric power project	Entered into a joint venture with Kobe Green Power Limited. Currently in discussion with Govt. Authorities for executing various project agreements.
Tanzania	Identifying opportunities for mining and setting up agri projects Coal mining	MOUs signed with Govt. authorities Land identified Under exploration

Zambia project



First footprint of NBV Group in Africa

- Acquired 65% stake in Maamba Collieries Limited (MCL), Zambia's largest coal mine
- More than 150 Mn tonnes of coal reserves in active mining area of about 11 sq km out of total area of 77 sq km.
- Reserves of thermal grade coal to fully support power generation
- Opportunity to leverage in-house expertise in design, engineering, project execution and Operation & Maintenance of power plants
- Revenue streams from high grade coal sale during the implementation of power project

Zambia project (contd.)



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Overseas Projects - Zambia



Objectives

- Revival of coal mining activity at Maamba coal mine with scientific, efficient and environment friendly operations.
 - Investment of about US\$ 100 million including mine development expenditure
- Establishment of mine-mouth, coal fired, eco friendly power plant, using thermal grade coal and rejects as fuel.
 - Investment of about US\$ 700 million for 300 MW including 330 kV DC Transmission system (50 Kms) and Intake Water System (28 Kms)
- Socio economic development through CSR initiatives

Overseas Projects - Coal Mining, Zambia



Revival of Coal Mining at Maamba

- A modular state-of-the-art Coal Handling and Processing Plant (CHPP) commissioned in May 2012
- Detailed 20 years mining plan in the active mining area prepared
- Coal mining operations re-started
- Sale of high grade coal of GCV around 6000 kcal/kg commenced in June 2012
- Current volume of over 30,000 MT per month likely to spurt in FY 2015 with new customers

Overseas Projects - Coal Mining, Zambia

Features of new CHPP

- Capacity : 2.4 million tpa of ROM coal
- Design : Compact, modular type
- Washed coal : Ash <20 %; S < 1 %
- Generates less fines than conventional crushers
- Supplier: EPE Engineering Pvt. Ltd., SA



New Coal Handling & Processing Plant

Overseas Projects - Coal Mining, Zambia



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Coal Mining



TPP Coal Stock Yard.

Overseas Projects - Power Project, Zambia



Key factors in support of Coal Fired Power project by Maamba Collieries Ltd.

- Energy Security to Zambia : Meets base load requirements of the Grid.
- Latent Demand : Opportunity to export power to Southern African Power Pool (SAPP) countries
- Scalability : Coal mine has enough reserves to increase power generation capacity based on the economics

Overseas Projects - Power Project, Zambia



Status of Power Project at Maamba

- Following key activities have been completed till date:
 - Development & Connection Agreement with ZESCO for 330 kV DC Transmission line
 - Power Purchase Agreement with ZESCO for 300 MW
 - Implementation Agreement for 300 MW Power Plant
 - Transmission Agreement with ZESCO for 300 MW
 - Environmental clearance has been received
- Financial closure on non-recourse basis is expected to be completed by June 2014. Total loan component is US\$ 560 Million and sanctions have been received/underway
- About 65% of project work, onshore and offshore has been completed with Sponsors' Equity,
- Bridge Finance and extended Suppliers Credit by SEPCO, the EPC Contractor
- Commissioning is scheduled in Q4 of FY 2015

Laos Hydro power project under Development



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Acquisition

Group acquired 80% stake in Kobe Green Power Limited (KGP), Japan for the development of 150 MW hydro-electric power project. Equity stake of around 20% will be divested to the Government of Laos.

Laos project



Key features

- Power demand outstripping supply in neighbouring countries (Thailand, Vietnam and Cambodia)
- Potential of hydro-electric power generation: 23,000 MW
- Power Purchase Agreement for 13,500 MW signed between the Government of Laos and Thailand, Vietnam & Cambodia
- Government of Laos entering into agreement with KGP for exporting surplus power
- Attractive tax incentives and long concession period of 25 years , post construction

Laos project



Current status

- Detailed Feasibility Study (DFS) has been completed and approved by the Department of Energy Policy and Planning
- Environmental Impact Assessment study completed and Environmental Clearance has been obtained
- Tariff has been agreed with the Utility and MOU will be signed shortly.
- Critical project agreements like concession agreement, PPA, IA etc are under negotiation
- Construction period: 4 years after executing all the above agreements
- Expected investment is around US\$ 235 million

Commercial Agro Projects in Tanzania



Current status

- Projects under tie ups with Government Agencies
- Initial phase involves identification of land area of approximately 10,000 Ha. A part of the land has been allocated.
- Oil palm project is to be developed , subject to feasibility test through a pilot project
- Investment plans will be committed for FY 2016



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Thank you



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