



# Investor Presentation

June 2021



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BEYOND  
BOUNDARIES



NAVA BHARAT

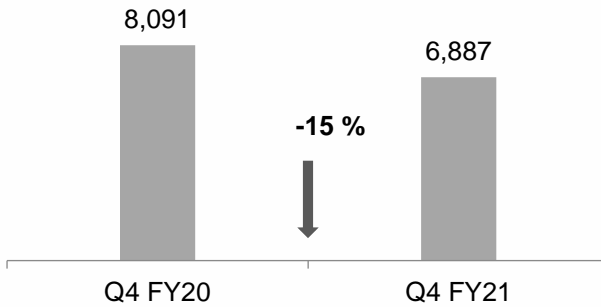
## Financial Performance Update - Q4 & FY21



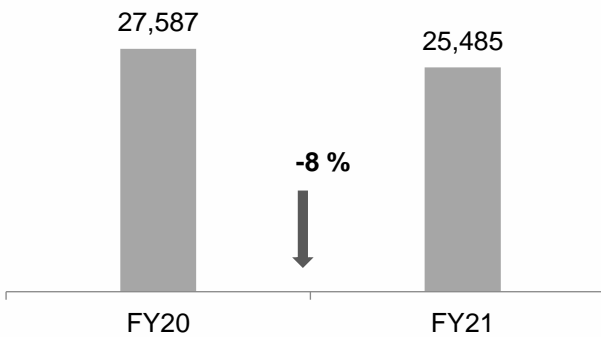
# Q4 & FY21 - Consolidated Financial Performance



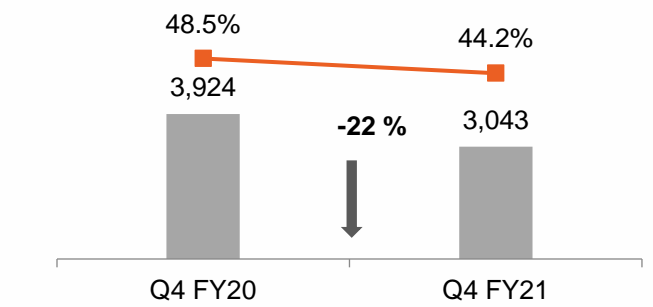
## NET REVENUES (INR Mn) #



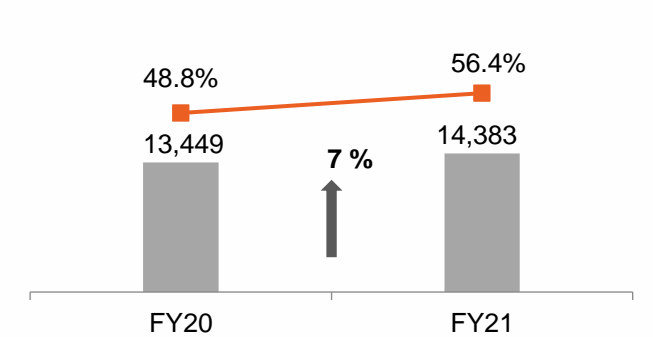
## NET REVENUES (INR Mn) #



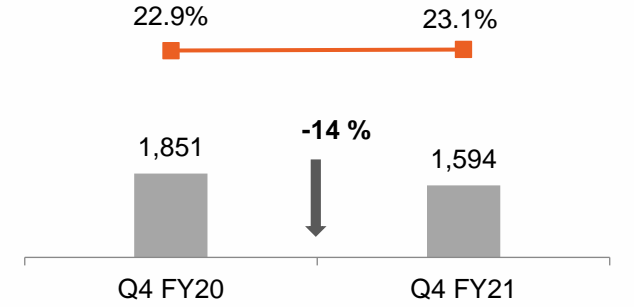
## ADJUSTED EBITDA & EBITDA MARGIN (INR Mn) #



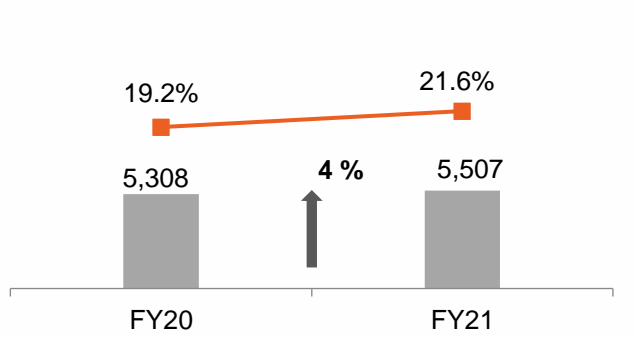
## ADJUSTED EBITDA & EBITDA MARGIN (INR Mn) #



## PAT & PAT MARGIN (INR Mn)



## PAT & PAT MARGIN (INR Mn)



Note: Adjusted EBITDA includes other income and has been adjusted for 1) Forex and MTM (loss)/gain on account of Interest rate swaps, 2) Provision for expected credit loss, and 3) Interest income of overdue receivables. (see slide 7 for details on computation of Adjusted EBITDA). # Net Revenue and EBITDA excludes discontinued operations (Sugar & Allied Business).

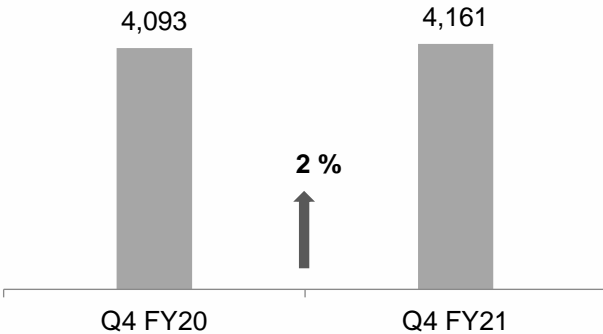
- Revenue from operations for the quarter includes a strong operational performance from ferro alloys division. However, Zambia business was affected by shutdown of one unit leading to lower overall revenue
  - India operations saw strengthening growth in ferro alloys and external power sales over IEX
- The company reported higher Adj. EBITDA Margins at 44.2% in Q4FY21 slightly lower versus 48.5% in Q4FY20. On a full year basis, Adj. EBITDA margins improved significantly from 48.8% in FY20 to 56.4% in FY21
- Q4 FY21 Net Profit was INR 1,594 Mn, down by 14% YoY from INR 1,851 Mn in Q4FY20. Net Profit for the full year increased by 4% YoY, from INR 5,308 Mn in FY20 to INR 5,507 Mn in FY 21



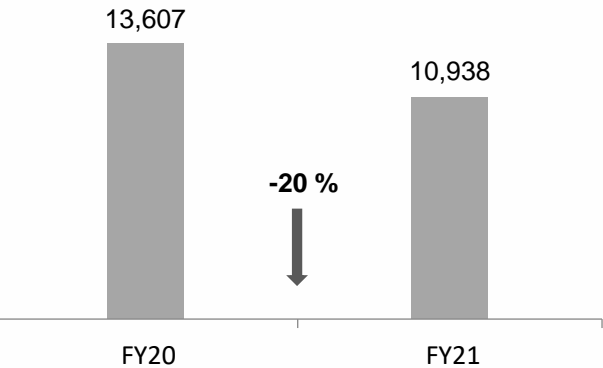


# Q4 & FY21 - Domestic Financial Performance

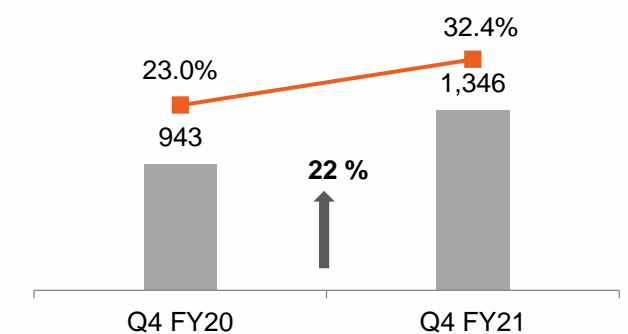
NET REVENUES (INR Mn) #



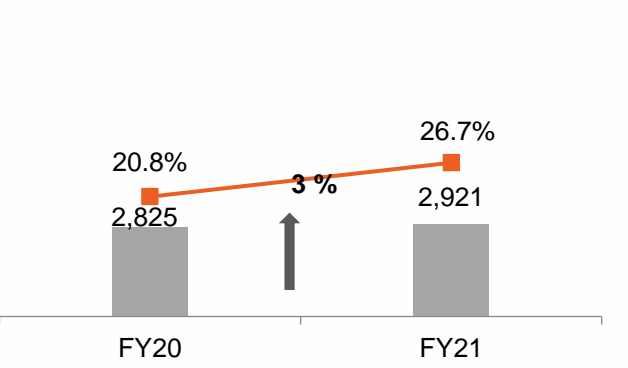
NET REVENUES (INR Mn) #



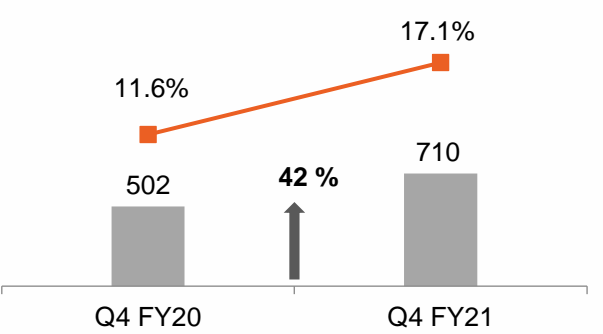
EBITDA & EBITDA MARGIN (INR Mn) #



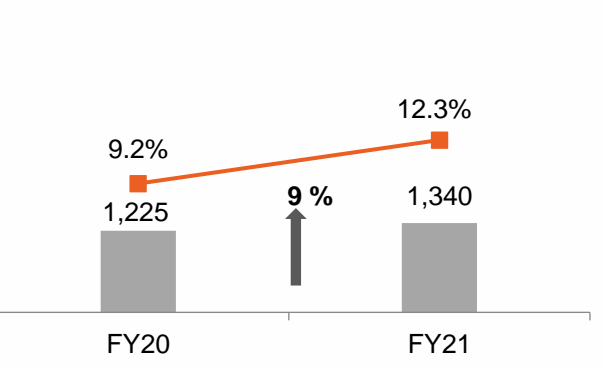
EBITDA & EBITDA MARGIN (INR Mn) #



PAT & PAT MARGIN (INR Mn)



PAT & PAT MARGIN (INR Mn)



**Note:** Domestic operations include NBVL & NBEIL. EBITDA includes other income.  
 # Net Revenue and EBITDA excludes discontinued operations (Sugar & Allied Business).

- **Domestic Revenues** grew by 2% YoY in Q4 FY21 primarily due to higher revenues generated by increased exports of Silico Manganese (+17% YoY) and steady performance of the captive power division along with increased merchant outtake from Odisha power plant. Full year revenues were lower at INR 10,270 Mn due to non-operation of NBEIL's 150 MW power plant for most part of the year
- **EBITDA** grew by 22% YoY to INR 1,346 Mn and **EBITDA Margins** expanded by ~935 bps YoY to 32.4% in Q4 FY21 driven by increased exports & realizations in ferro alloys business, cost optimization efforts. For FY21, EBITDA grew by 3% to INR 2,921 Mn and margins improved to 27% vs 21% in FY20
- **Q4 FY21 Net Profit** was significantly higher by 42% YoY at INR 710 Mn on the back of improved operational performance, lower finance costs and power off-take compensation. FY21 Net Profit grew by 9% YoY to INR 1,340 Mn



# Q4 & FY21 - Consolidated Profit & Loss Statement



Particulars (INR Million) #	Q4 FY21	Q4 FY20	YoY (%)	FY21	FY20	YoY (%)
<b>Revenue from Operations</b>	<b>6,886.7</b>	<b>8,091.0</b>	<b>-14.9%</b>	<b>25,485.0</b>	<b>27,587.2</b>	<b>-7.6%</b>
Cost of Goods Sold	2,105	2,390	-11.9%	5,410	7,848	-31.1%
<b>Gross Profit</b>	<b>4,782.0</b>	<b>5,701.1</b>	<b>-16.1%</b>	<b>20,075.5</b>	<b>19,738.8</b>	<b>1.7%</b>
<b>Gross Margin (%)</b>	<b>69.4%</b>	<b>70.5%</b>	<b>-102 bps</b>	<b>78.8%</b>	<b>71.6%</b>	<b>722 bps</b>
Manufacturing Expenses	692.9	643.5	7.7%	2,616.4	2,602.9	0.5%
Employee Expenses	402.5	438.2	-8.1%	1,613.4	1,619.9	-0.4%
Other Operating Expenses	1,084.3	2,241.0	-51.6%	5,152.8	4,735.2	8.8%
Other Income	1,074.9	1,035.2	3.8%	2,490.2	1,222.0	103.8%
<b>EBITDA</b>	<b>3,677.3</b>	<b>3,413.7</b>	<b>7.7%</b>	<b>13,183.1</b>	<b>12,002.8</b>	<b>9.8%</b>
<b>EBITDA Margin (%)</b>	<b>53.4%</b>	<b>42.2%</b>	<b>1121 bps</b>	<b>51.7%</b>	<b>43.5%</b>	<b>822 bps</b>
<b>Adjusted EBITDA *</b>	<b>3,043</b>	<b>3,924</b>	<b>-22.4%</b>	<b>14,383</b>	<b>13,449</b>	<b>6.9%</b>
Finance Costs	782.8	744.2	5.2%	3,481.5	3,187.7	9.2%
Depreciation and Amortisation expense	730.5	710.0	2.9%	2,997.8	2,886.5	3.9%
Exceptional Items	(9.1)	-	-	11.6	-	-
Profit Before Tax	2,154.9	1,959.4	10.0%	6,715.5	5,928.7	13.3%
Taxes	<b>516.14</b>	<b>134.81</b>	<b>282.9%</b>	<b>1,170.94</b>	<b>596.61</b>	<b>96.3%</b>
<b>Tax Rate (%)</b>	<b>24.0%</b>	<b>6.9%</b>	<b>-</b>	<b>17.4%</b>	<b>10.1%</b>	<b>73.3%</b>
<b>Profit After Tax</b>	<b>1,594.2</b>	<b>1,851.1</b>	<b>-13.9%</b>	<b>5,506.8</b>	<b>5,307.5</b>	<b>10.80%</b>
<b>PAT Margin (%)</b>	<b>23.1%</b>	<b>22.9%</b>	<b>27 bps</b>	<b>21.6%</b>	<b>19.2%</b>	<b>237 bps</b>

**Note:**

- EBITDA includes other income. Adjusted EBITDA has been adjusted for 1) Forex and MTM (loss)/gain on account of Interest rate swaps, 2) Provision for expected credit loss, and 3) Interest income of overdue receivables.
    - **Forex and MTM (loss)/gain on IRS** - INR 812.2 Mn; Q4FY20: INR (311.7) Mn; FY21: INR 902.4 Mn; FY20: INR (801.1) Mn
    - **ECL Provision** - Q4FY21: INR 534.7 Mn; Q4FY20: INR 1112.8 Mn; FY21: INR 3,342.2 Mn; FY20: INR 1,559.4 Mn
    - **Interest Income on Outstanding Receivables** - Q4FY21: INR 356.5 Mn; Q4FY20: INR 914.4 Mn; FY21: INR 1,240.3 Mn; FY20: INR 914.4 Mn
- # Except Profit After Tax all the other line items exclude discontinued operations (Sugar & Allied Business)



# Q4 & FY21 - Domestic Profit & Loss Statement



Particulars (INR Million)	Q4 FY21	Q4 FY20	yoy	FY21	FY20	yoy
<b>Revenue from Operations</b>	<b>4,161</b>	<b>4,093</b>	<b>1.7%</b>	<b>10,938</b>	<b>13607</b>	<b>-19.6%</b>
Cost of Goods Sold	2,060	2368	-13.0%	5,363	7682	-30.2%
<b>Gross Profit</b>	<b>2,101</b>	<b>1726</b>	<b>21.7%</b>	<b>5,576</b>	<b>5925</b>	<b>-5.9%</b>
<b>Gross Margin (%)</b>	<b>50.5%</b>	<b>42.2%</b>	<b>830 bps</b>	<b>51.0%</b>	<b>43.5%</b>	<b>747 bps</b>
Manufacturing Expenses	183	208	-11.8%	748	885	-15.4%
Employee Expenses	222	251	-11.6%	899	912	-1.4%
Other Operating Expenses	350	323	8.3%	1,008	1,303	-22.7%
<b>EBITDA</b>	<b>1,346</b>	<b>943</b>	<b>42.7%</b>	<b>2,921</b>	<b>2,825</b>	<b>3.4%</b>
<b>EBITDA Margin (%)</b>	<b>32.4%</b>	<b>23.0%</b>	<b>935 bps</b>	<b>26.7%</b>	<b>20.8%</b>	<b>590 bps</b>
Finance Costs	33	66	-49.5%	177	284	-37.6%
Depreciation and Amortisation expense	155	156	-0.9%	624	622	0.4%
Profit Before Tax	1,158	721	60.6%	2,119	1,919	10.4%
Taxes	394	246	60.2%	753	670	12.4%
<b>Tax Rate (%)</b>	<b>34.03%</b>	<b>34.20%</b>	<b>-0.5%</b>	<b>35.54%</b>	<b>34.90%</b>	<b>1.8%</b>
<i>Income from discontinued operations</i>	(54)	0		(26)		
<b>Profit After Tax</b>	<b>710</b>	<b>502</b>	<b>41.5%</b>	<b>1,340</b>	<b>1,225</b>	<b>9.4%</b>
<b>PAT Margin (%)</b>	<b>17.1%</b>	<b>11.6%</b>	<b>550 bps</b>	<b>12.3%</b>	<b>9.2%</b>	<b>310 bps</b>

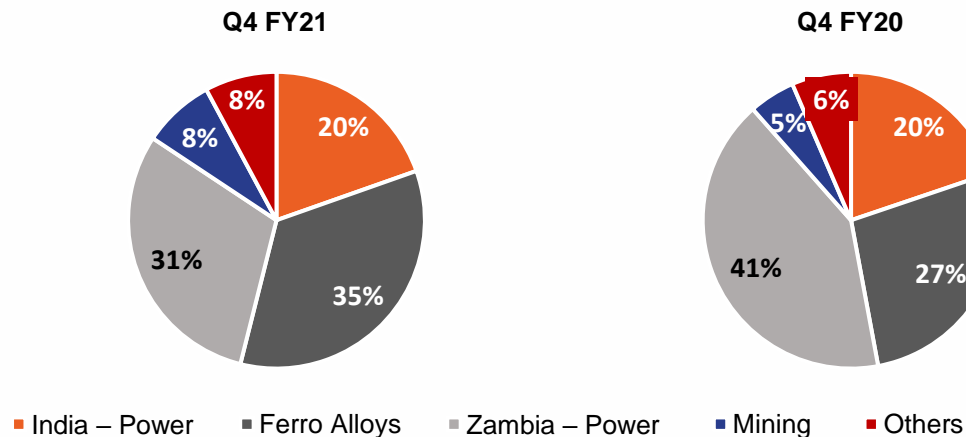


# Q4 & FY21 - Segmental Performance Highlights

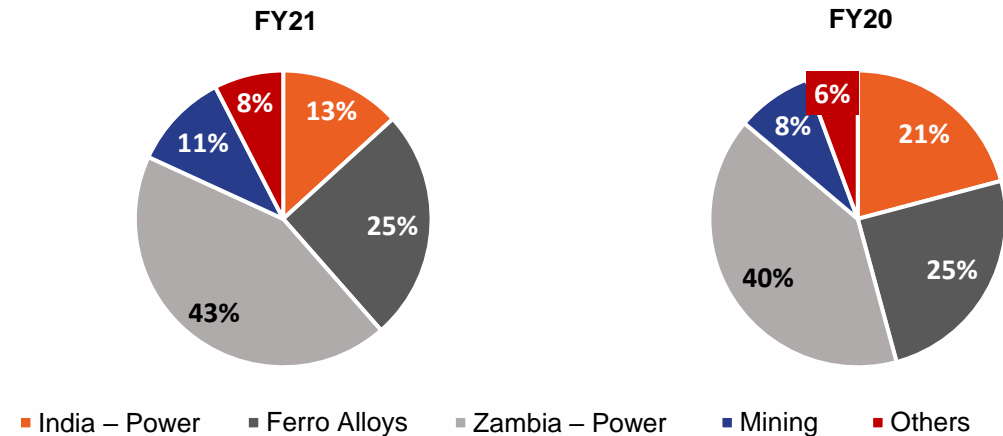


Revenue Breakdown - By Segments (INR Mn)						
Segments	Q4 FY21	Q4 FY20	YoY (%)	FY21	FY20	YoY (%)
India – Power Operations	1,705	2,082	-18.1%	4,429	7,400	-40.1%
Ferro Alloys	2,998	2,739	9.5%	8,470	8,831	-4.1%
Zambia – Power Operations	2,633	4,179	-37.0%	14,505	14,313	1.3%
Zambia – Mining	677	541	25.2%	3,544	2,911	21.8%
Others	651	620	5.1%	2,533	1,996	26.9%
<b>Revenue from Operations</b>	<b>8,665</b>	<b>10,161</b>	<b>-14.7%</b>	<b>33,481</b>	<b>35,450</b>	<b>-5.6%</b>
<b>Revenue from Operations (net of inter-segment transactions)</b>	<b>6,887</b>	<b>8,091</b>	<b>-14.9%</b>	<b>25,485</b>	<b>27,587</b>	<b>-7.6%</b>

Q4 FY21- SEGMENT REVENUE SHARE %



FY21 - SEGMENT REVENUE SHARE %



**Note:** Revenue from operations excludes discontinued operations (Sugar & Allied Business)

# Q4 & FY21 - Segmental Performance Highlights

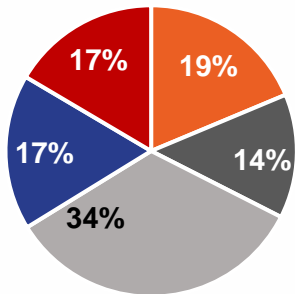
EBITDA Breakdown (INR Mn) - By Segments

Segments	Q4 FY21	Q4 FY20	YoY (%)	FY21	FY20	YoY (%)
India – Power	648	650	-0.2%	1,113	1,736	-35.9%
Ferro Alloys	478	219	118.5%	883	451	95.6%
Zambia – Power	1,170	2,058	-43.1%	7,073	9,607	-26.4%
Zambia – Mining	599	374	60.2%	2,426	1,738	39.6%
Others	572	277	106.7%	2,060	1,449	42.2%
<b>Total EBITDA</b>	<b>3,468</b>	<b>3,578</b>	<b>-3.1%</b>	<b>13,556</b>	<b>14,981</b>	<b>-9.5%</b>
<b>Total EBITDA (net of inter-segment transactions)</b>	<b>3,677</b>	<b>3,414</b>	<b>7.7%</b>	<b>13,183</b>	<b>12,003</b>	<b>9.8%</b>

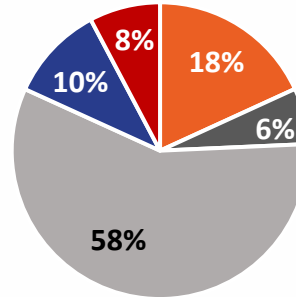
% EBITDA Margin	Q4 FY21	Q4 FY20	FY21	FY20
India - Power	38.0%	31.2%	25.1%	23.5%
Ferro Alloys	16.0%	8.0%	10.4%	5.1%
Zambia - Power	44.4%	49.2%	48.8%	67.1%
Zambia - Mining	88.5%	69.2%	68.4%	59.7%

Q4 FY21- SEGMENT EBITDA SHARE %

Q4 FY21



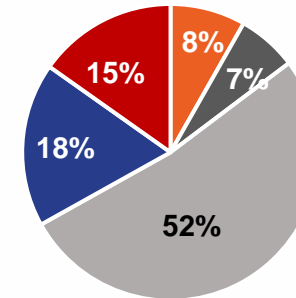
Q4 FY20



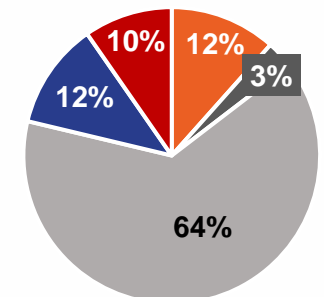
■ India – Power ■ Ferro Alloys ■ Zambia – Power ■ Mining ■ Others

FY21 - SEGMENT EBITDA SHARE %

FY21



FY20



■ India – Power ■ Ferro Alloys ■ Zambia – Power ■ Mining ■ Others

**Note:**

- EBITDA includes other income and excludes discontinued operations of sugar & allied business.
- Other expenses includes - 1) **Forex and MTM (loss)/gain on IRS** - INR 812.2 Mn; Q4FY20: INR (311.7) Mn; FY21: INR 902.4 Mn; FY20: INR (801.1) Mn; 2) **ECL Provision** - Q4FY21: INR 534.7 Mn; Q4FY20: INR 1112.8 Mn; FY21: INR 3,342.2 Mn; FY20: INR 1,559.4 Mn. Other Income Includes: **Interest Income on Outstanding Receivables** - Q4FY21: INR 356.5 Mn; Q4FY20: INR 914.4 Mn; FY21: INR 1,240.3 Mn; FY20: INR 914.4 Mn



Key Operating Metrics	Q4 FY21	Q4 FY20	YoY (%)	FY21	FY20	YoY (%)
<b>Total Power Units Sold (in Million Units)</b>	288	252	14.4%	822	1,013	-18.8%
Merchant Sales	113	72	57.6%	174	307	-43.3%
Captive	175	180	-2.8%	648	706	-8.1%
* <i>Average PLF (%)</i>	74	64	15.8%	53	64	-18.1%

Key Financial Metrics (INR Millions)	Q4 FY21	Q4 FY20	YoY (%)	FY21	FY20	YoY (%)
<b>Revenue from Operations</b>	1,705	2,082	-18.1%	4,429	7,400	-40.1%
EBITDA	648	650	-0.2%	1,113	1,736	-35.9%
<b><i>EBITDA Margin (%)</i></b>	<b>38.0%</b>	<b>31.2%</b>	<b>682 bps</b>	<b>25.1%</b>	<b>23.5%</b>	<b>168 bps</b>

- Domestic power division revenues declined in Q4 FY21 primarily due to the lower scale of operations
  - the 150 MW unit of NBEIL resumed operations late in the quarter and was operational for 5 days.
  - Captive Power sales were stable on a YoY basis and supported the power division performance
- EBITDA margins expanded by ~682 bps to 38% in Q4 FY21 led by higher merchant sales & cost optimisation efforts
  - Q4 FY21 EBITDA stood at INR 648 Mn, stable yoy

**Note:**

- NBEIL: Nava Bharat Energy India Ltd; IPP: Independent Power Producer; CPP: Captive Power Plant.
- \* Standalone PLF (%) provided for Operating Capacities of 204 MW

Key Operating Metrics	Q4 FY21	Q4 FY20	YoY (%)	FY21	FY20	YoY (%)
<b><u>Ferro &amp; Silico Manganese</u></b>						
Production (tons)	26,567	25,833	2.8%	96,036	1,00,803	-4.7%
Sales (tons)	33,392	34,124	-2.1%	95,711	97,998	-2.3%
<b><u>Ferro Chrome</u></b>						
Production (tons)	14,861	17,571	-15.4%	57,109	68,657	-16.8%
Sales (tons)	14,861	17,571	-15.4%	57,109	68,657	-16.8%

Key Financial Metrics (INR Millions)	Q4 FY21	Q4 FY20	YoY (%)	FY21	FY20	YoY (%)
Ferro Chrome (Sales)*	496	527	-5.7%	1,812	2,109	-14.1%
Ferro & Silico Manganese (Sales)*	2,258	2,160	4.6%	6,341	6,460	-1.8%
<b>Total Revenue</b>	<b>2,998</b>	<b>2,739</b>	<b>9.5%</b>	<b>8,470</b>	<b>8,831</b>	<b>-4.1%</b>
<b>EBITDA</b>	<b>478</b>	<b>219</b>	<b>118.5%</b>	<b>883</b>	<b>451</b>	<b>95.6%</b>
<b>EBITDA Margin (%)</b>	<b>16.0%</b>	<b>8.0%</b>	<b>796 bps</b>	<b>10.4%</b>	<b>5.1%</b>	<b>531 bps</b>

- Q4 FY21 Ferro Alloys Revenue grew by 9.5% YoY to INR 2,998 Mn led by healthy volume growth & higher sale prices in 'silico manganese' business
- Q4 FY21 EBITDA more than doubled on YoY basis to INR 478 Mn led by higher export volumes and realisations

**Note:**  
 • \* Excludes other operating income



# Zambia Power Operations - Financial & Operating Metrics



Key Operating Metrics	Q4 FY21	Q4 FY20	YoY (%)	FY21	FY20	YoY (%)
Power Units Sold (in Million Units)	350	590	-40.7%	1,896	2,010	-5.7%
Average PLF (%)	54.0%	90.3%	-	72.1%	76.3%	-

Key Financial Metrics	USD Millions						INR Millions					
	Q4 FY21	Q4 FY20	YoY (%)	FY21	FY20	YoY (%)	Q4 FY21	Q4 FY20	YoY (%)	FY21	FY20	YoY (%)
Revenue from Operations	35	59	-39.9%	195	202	-3.3%	2,633	4,179	-37.0%	14,505	14,313	1.3%
EBITDA	16	29	-45.7%	95	136	-29.7%	1,170	2,058	-43.1%	7,073	9,607	-26.4%
<i>EBITDA Margin (%)</i>	44.4%	49.2%	-480 bps	48.8%	67.1%	-1830 bps	44.4%	49.2%	-481 bps	48.8%	67.1%	-1836 bps
Adjusted EBITDA *	11	35	-68.7%	111	154	-27.9%	812	2,475	-67.2%	8,237	10,930	-24.4%
<i>Receivables (Gross)</i>	432	279	54.9%	432	279	54.9%	32,085	21,067	62.2%	32,085	21,067	62.2%
<i>Debt</i>	387	387	-	387	387	-	28,749	27,437	-	28,749	27,437	--

**Note:** \*Adjusted for Forex and MTM (loss)/gain on account of Interest rate swaps (IRS), Provision for expected credit loss, and interest income of outstanding receivables –

- Forex and MTM (loss)/gain on IRS – Q4FY21: USD 7.2 Mn; Q4FY20: (3.1) Mn -; FY21: USD 12.6 Mn; FY20: (9.1) Mn
- ECL Provision Q4FY21: USD 7.2 Mn; Q4FY20: USD 15.7 Mn; FY21: USD 45 Mn; FY20: USD 22 Mn
- Interest Income on Outstanding Receivables – Q4FY21: USD 4.8 Mn; Q4FY20: 12.9; FY21: USD 16.7 Mn; FY20: USD 12.9 Mn

- Q4 FY21 Revenues were lower by 38% yoy at INR 2,633 Mn affected by shutdown of one 150 MW unit due to major maintenance schedule
- Q4 FY21 Adjusted EBITDA at INR 812 Mn in Q4 FY21 was lower by %67 yoy, mainly due to lower income caused by shutdown of one 150 MW unit
- Debt stood at INR 28,749 Mn. MCL has serviced interest on loans in full till 25 Mar 2021 and sought moratorium from Lenders regarding 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.
- Update on MCL Receivables: In FY21, MCL has initiated the international arbitration proceedings against its customer ZESCO limited (ZESCO) for recovery of dues arising out of power purchase agreements executed with it for sale of power.

# Zambia Coal Mining - Financial & Operating Metrics



Key Operating Metrics	Q4 FY21	Q4 FY20	YoY (%)	FY21	FY20	YoY (%)
Coal Sales to outsiders (In MTPA)	1,08,633	33,640	222.9%	3,75,412	2,41,016	55.8%

Key Financial Metrics	USD Millions						INR Millions					
	Q4 FY21	Q4 FY20	YoY (%)	FY21	FY20	YoY (%)	Q4 FY21	Q4 FY20	YoY (%)	FY21	FY20	YoY (%)
<b>Revenue from Operations</b>	9	8	19.5%	48	41	16.2%	677	541	25.2%	3,544	2,911	21.8%
<b>EBITDA *</b>	8	5	52.9%	33	25	33.2%	599	374	60.2%	2,426	1,738	39.6%
<b>EBITDA Margin (%)</b>	<b>88.5%</b>	<b>69.2%</b>	<b>1933 bps</b>	<b>68.4%</b>	<b>59.7%</b>	<b>874 bps</b>	<b>88.5%</b>	<b>69.2%</b>	<b>1933 bps</b>	<b>68.4%</b>	<b>59.7%</b>	<b>874 bps</b>
<b>Receivables</b>	2.3	0.3	-	2.3	0.3	-	170	24	-	170	24	-
<b>Debt</b>	25.8	25.8	-	25.8	25.8	-	1,916	1,829	-	1,916	1,829	-

**Note:** \* EBITDA includes a forex gain/(loss) – FY20 INR 72 Mn, and FY19: (INR 4 Mn)

- In FY21, the Mining business delivered a strong top-line growth and improved margins on a YoY basis
  - Mining revenues witnessed healthy growth of 25.2% YoY to INR 677 Mn driven by higher merchant coal shipments (+55.8% YoY)
  - FY21 EBITDA grew by 60.2% YoY to INR 599 Mn, as the mining operations benefited from positive operating leverage
- Mining segment continues to provide consistent cash flow (no receivables overdue)
- Focus remains on significantly ramping up the external sale of coal to 40,000 tons per month





# Company Overview





## Leading Business Group

- Diversified organization with interests in power generation, O&M services, ferro alloys, coal mining and health care
- Operates in different geographies spanning across India, South-east Asia and Africa

## Strong Financial Performance

- **Healthy -Year Revenue and Profitability CAGR**
  - **FY21 Revenue:** INR 25,845 Mn (4-Yr CAGR: 17%)
  - **FY21 EBITDA:** INR13,183 Mn (4-Yr CAGR: 42%)
  - **FY21 PAT:** INR 5,506 Mn (4-Yr CAGR: 56%)
- **Low Gearing:** Debt to Equity Ratio of 0.7x (FY21)



**NAVA BHARAT**

## Power

- **India –**
  - 5 power plants with installed capacity of 434 MW spread across Telangana, Odisha and Andhra Pradesh.
  - Strategically located thermal power plants in proximity to coal mines
- **Zambia –**
  - Operates Zambia's only integrated thermal power plant with installed capacity of 300 MW
  - Facilitates brown field expansion to 600 MW
- Signed PPA for more than 89% power output available for sale

## Ferro Alloys

- Leading manufacturer & exporter of Manganese and Chromium Alloys
  - Manganese Alloys – 125,000 TPA
  - Chromium Alloys – 75,000 TPA
- Leverages upon captive power and long term tie up for Manganese Ore
- Tie-up with Tata Steel for ferro chrome conversion

## Healthcare

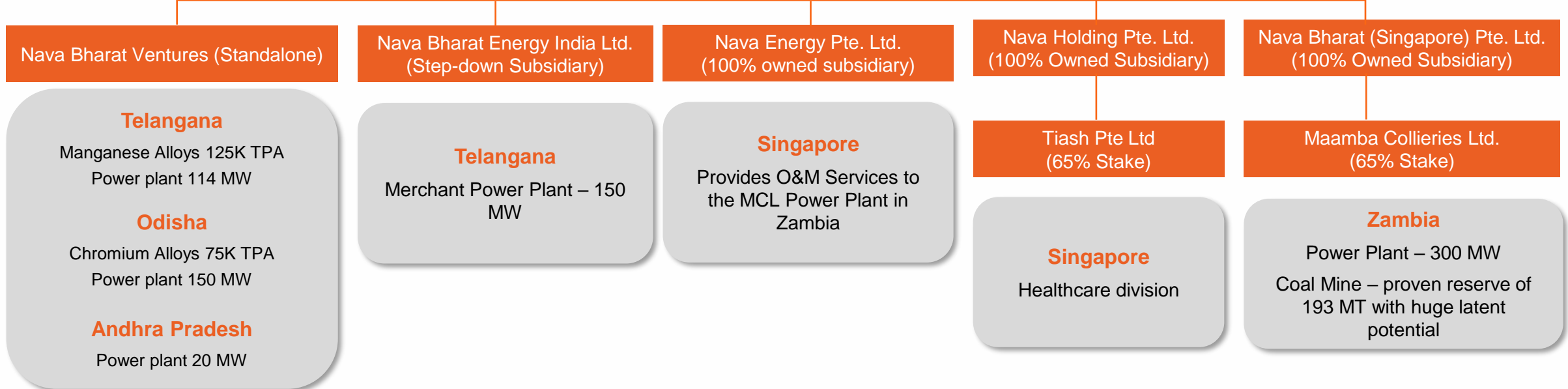
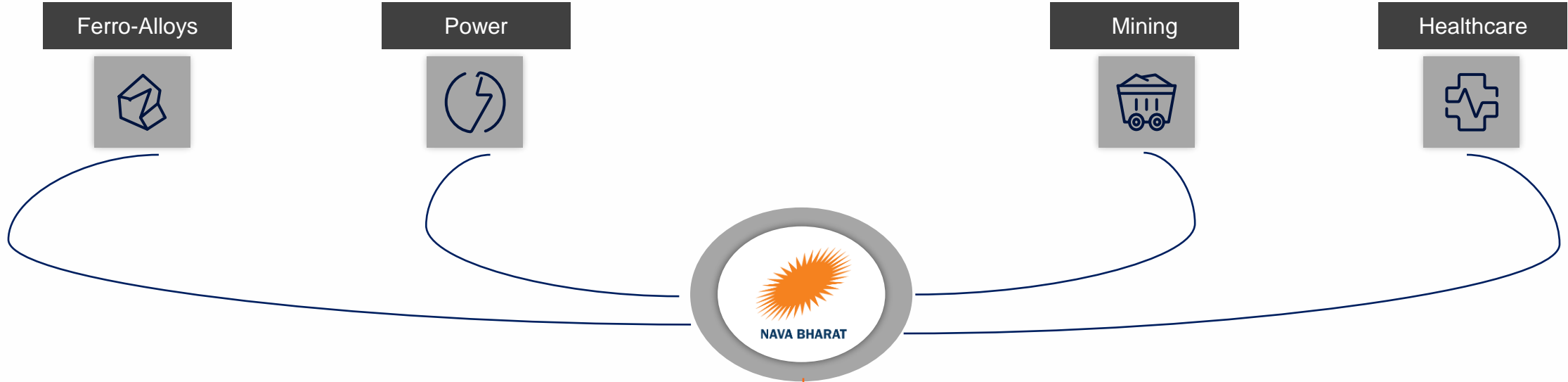
- Focus on Iron Deficiency, for life-style improvement
- Low Capex, Asset Light Business Model offering good growth potential
- Has exclusive distribution rights for “Monofer” in Malaysia & Singapore
- Could enable pursuit of similar opportunities from leading drug makers

## Coal Mining

- Operates Zambia's largest coal mine - Supplies high-grade coal to industrial consumers in Zambia
  - Customers include marquee clients like Lafarge, Dangote and others
  - SAMREC accredited coal reserves of 193 Million Tons in active mining area (18% of the concession area)

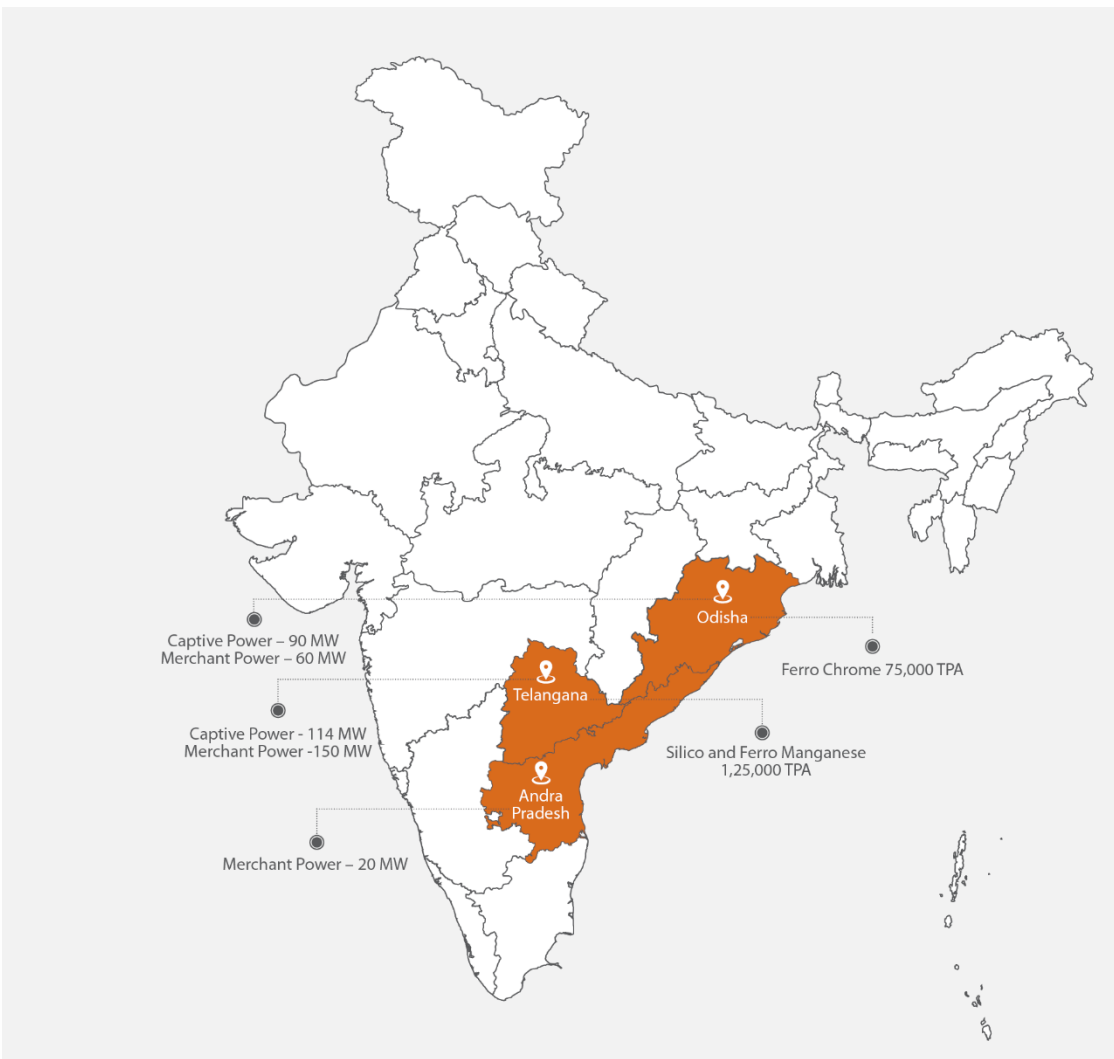
**Note:** Sugar & Allied Business including a sugar Processing Plant of 4,000 TCD, and Power Plant of 9 MW in Andhra Pradesh, has been classified as Discontinued Operations

# Company Structure

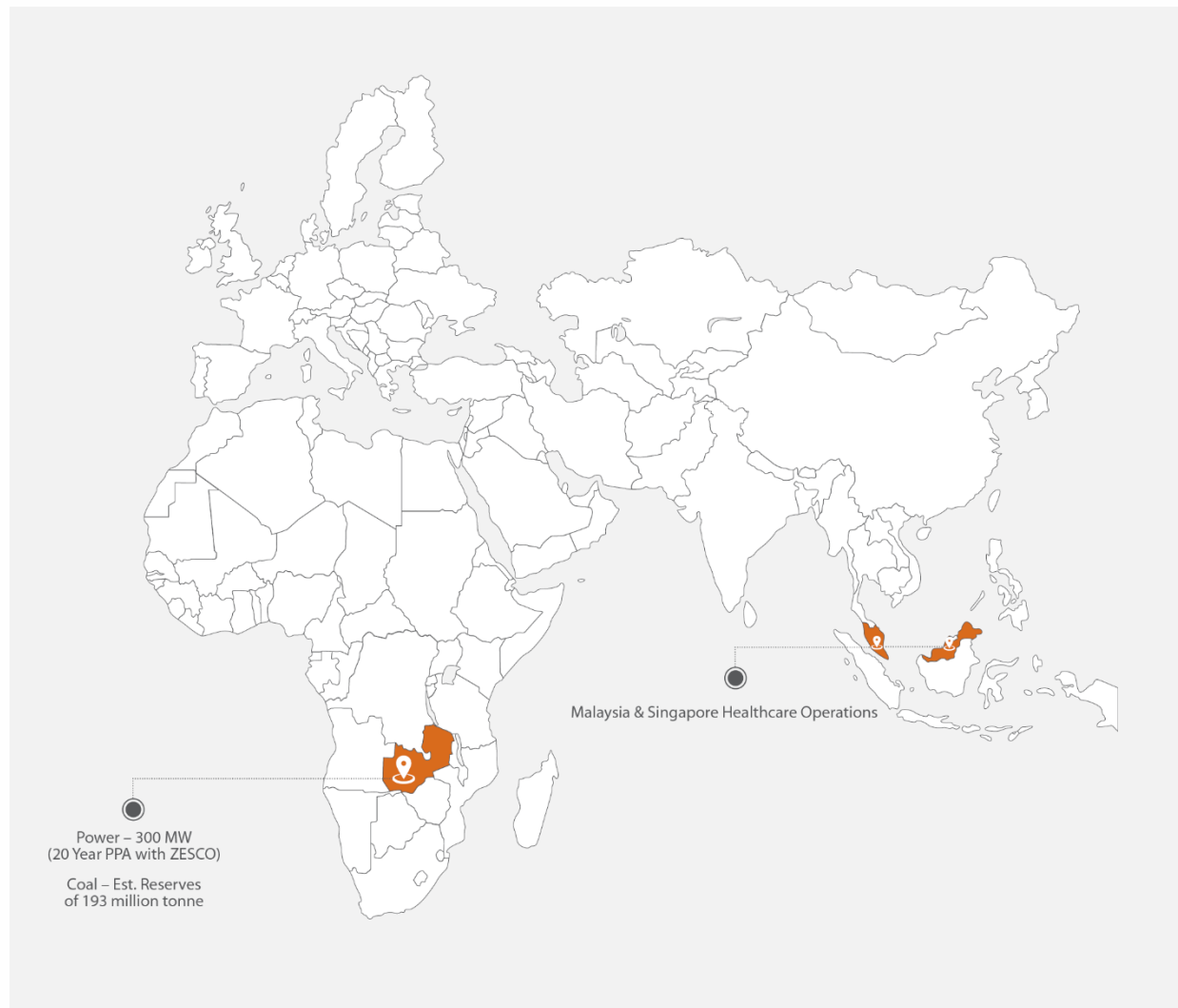


**Note:** Sugar & Allied Business including a sugar Processing Plant of 4,000 TCD, and Power Plant of 9 MW in Andhra Pradesh, has been classified as Discontinued Operations

## Domestic Operations – Facilities Chart on India Map



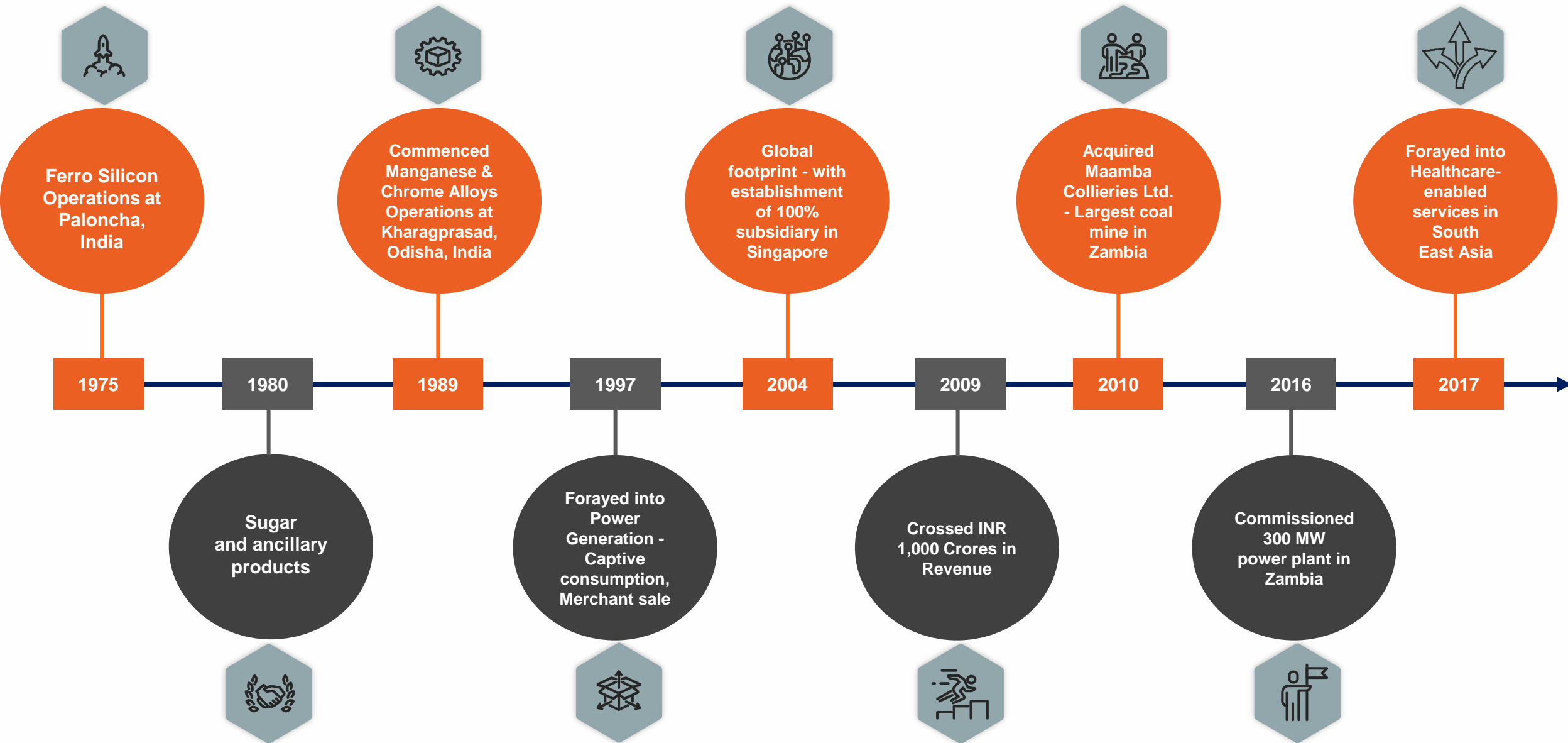
## Global Operations – Facilities Chart on Global Map



**Note:** Sugar & Allied Business including a sugar Processing Plant of 4,000 TCD, and Power Plant of 9 MW in Andhra Pradesh, has been classified as Discontinued Operations



# Key Milestones in 40+ Years



## Mr. D Ashok, Chairman

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- MBA from USA with 37 years experience in all facets of project management, manufacturing and strategy.
- Oversaw the growth of the Company into a diversified business conglomerate.

## Mr. P Trivikrama Prasad, MD

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- MBA from USA with 37 years experience in sugar industry, corporate planning and financial management.
- Responsible for funding of the group's projects through optimal mix of equity & debt.

## Mr. D Ashwin, CEO

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- An Engineering Graduate from USA with 10+ years experience in business development.
- Oversees Nava Bharat's regular operations with a focus on developing and managing international businesses in Asia and Africa

## Mr. GRK Prasad, Executive Director

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- CA, CS with 38 years experience in Finance & Accounts, Internal control, taxation and corporate laws.
- An expert in project financing, M&A areas; looks after investor relations of the group.

## Mr. C V Durga Prasad, Director BD

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- A Graduate in Commerce with 46 years of industrial experience in ferro alloys industry.
- Responsible for marketing & sourcing of ferro alloys, raw materials etc.

## Mr. Sultan Baig, CFO

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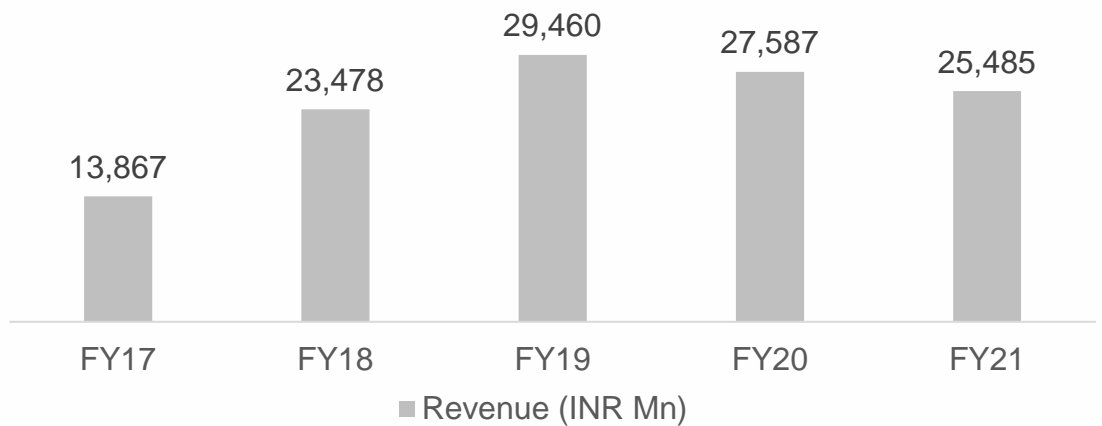
- CA with 20 years experience in Corporate Finance, Fund raising, Treasury management, Accounting & Taxation in India and overseas .
- Heads overall Finance function of Nava Bharat Group.

# Analyzing Yearly Financials - Consolidated Operations



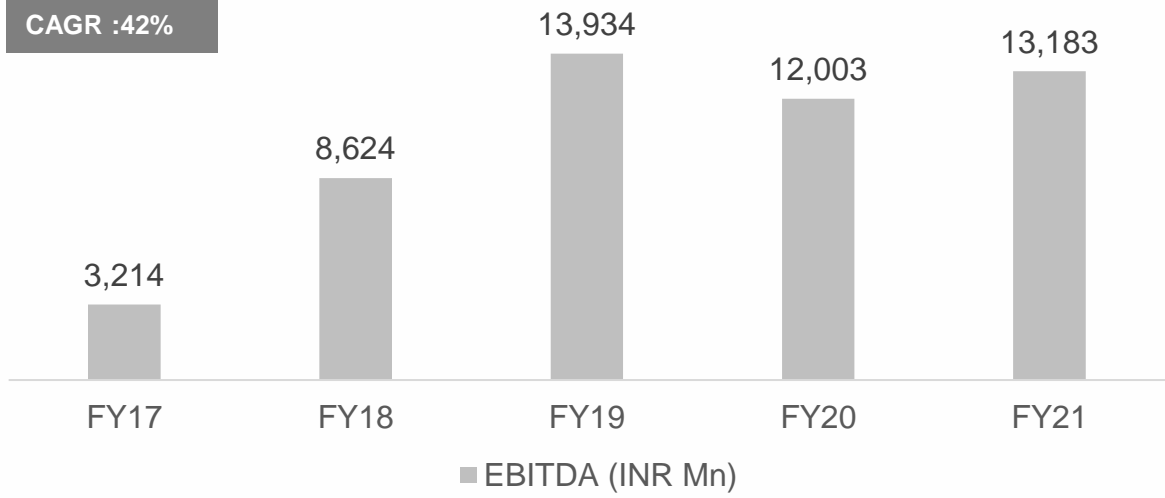
## Revenue

CAGR: 17%



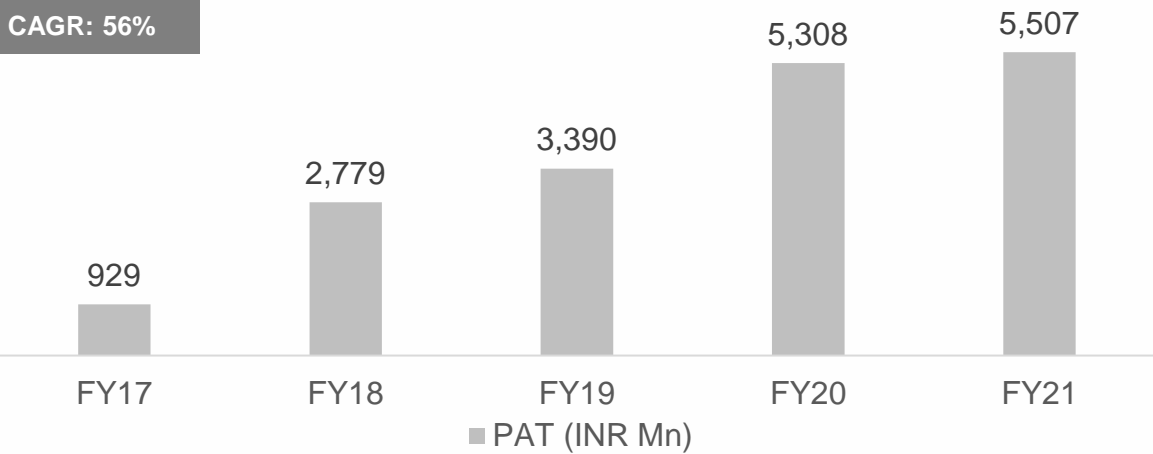
## EBITDA

CAGR :42%

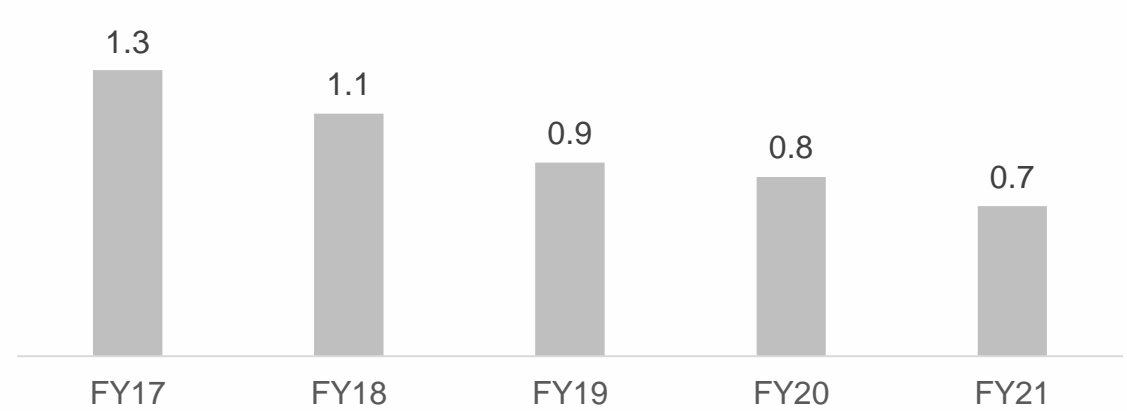


## PAT

CAGR: 56%



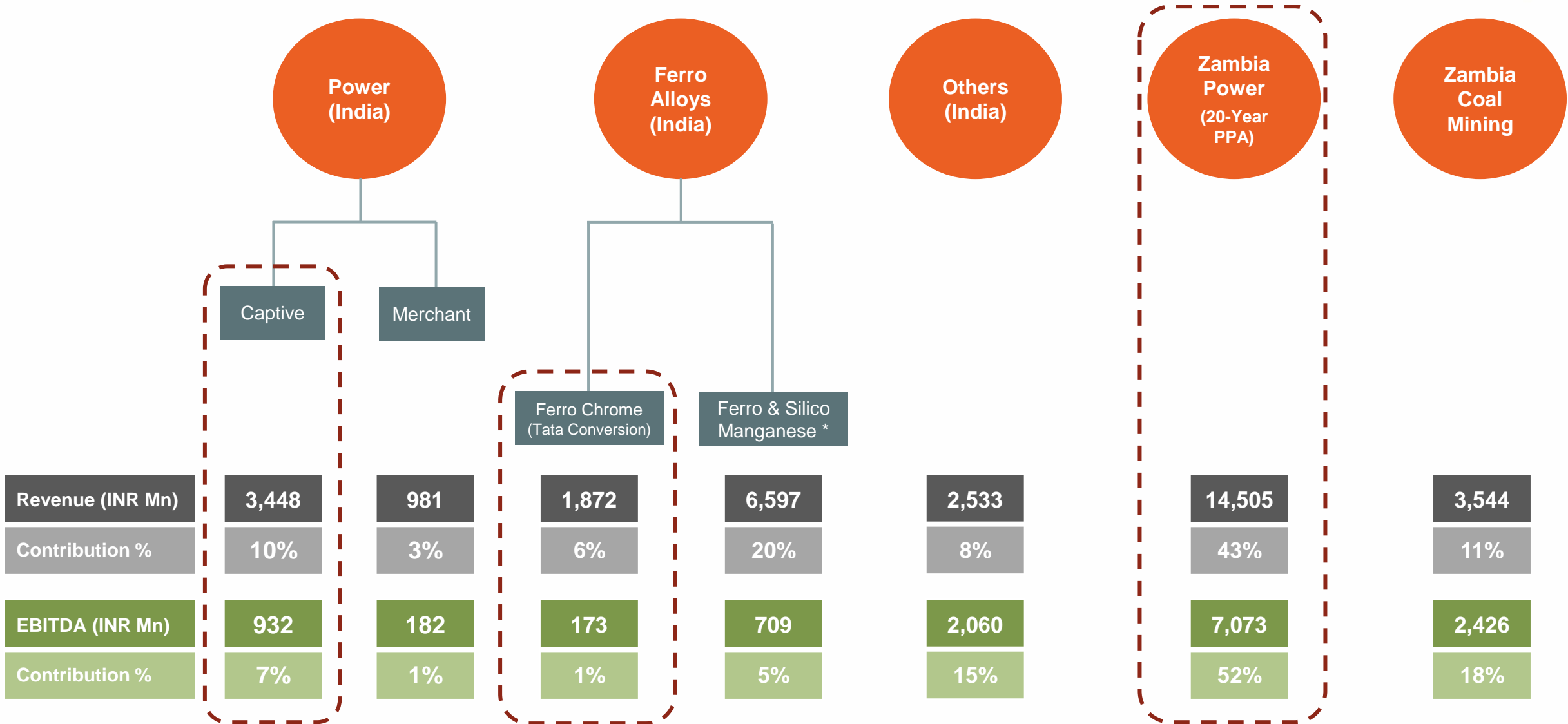
## Debt Equity Ratio



Note: EBITDA includes other income



# 55%+ of Total Revenue & EBITDA is Largely Non-cyclical



**Note:**

- These figures pertain to FY 2021. EBITDA refers to Gross EBITDA (before any inter-segment transactions) and is inclusive of other income
- Others segment includes Power O&M Services, healthcare division, Interest income on loans given to subsidiary companies and interest income & dividends on the investments made etc.
- \* Includes sales of others also in the ferro alloys segment



## Business

## Strengths

## Benefits

**Ferro Alloys:**  
Manganese Alloys & Ferro Chrome

- i) CPP 204 MW
- ii) Conversion Agreement with TATA Steel for Ferro Chrome
- iii) Import tie up for bulk of the Manganese ore

- i) **Substantial cost savings**
- ii) **Steady revenue** from TATA steel conversion arrangement, **stable margins**

**India Power:**  
Standalone and NBEIL

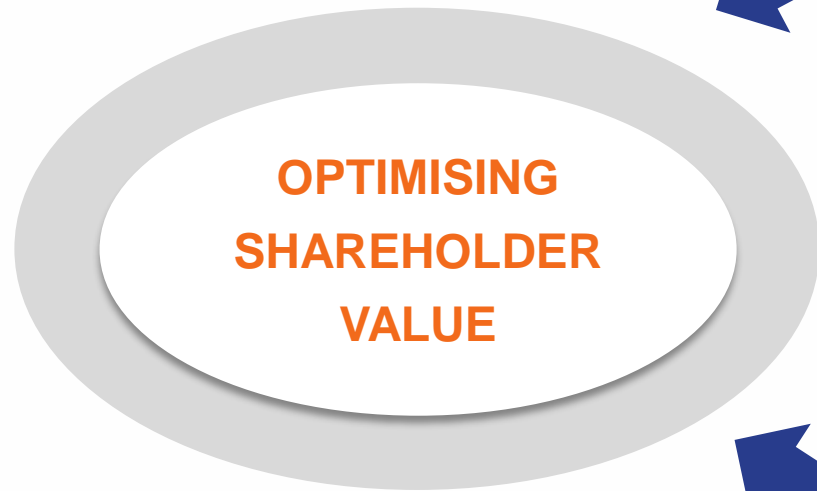
- i) **Steady off-take** from Ferro Alloy plants
- ii) All power plants are **located very nearby** to fuel sources
- iii) FBC technology Boilers

- i) Assured offtake leads to **better plant utilization** – Captive power operations generate 51% of the Power Revenue and 52% of EBIDTA
- ii) 150 MW - using **washery coal rejects & slurry** to the maximum extent as feedstock
- iii) Back end technical support for O&M division earning attendant revenues

**Zambia Power & Mining:**  
Mamba Collieries Ltd (MCL)

- i) **Long term PPA for 20 years** including the **“Take or pay” option**
- ii) Captive coal resource
- iii) Operates largest coal mine in Zambia

- i) Availability based tariff revenue of USD 20 Mn per month
- ii) Healthy EBITDA margin comparable to peers in the African region
- iii) Third party coal sales supplementing power revenues



## Non-core Asset Monetisation:

- Monetise 20 MW IPP Power plant in Andhra Pradesh
- Large land bank in Hyderabad, and Dharmavaram (near Kakinada Port) in Andhra Pradesh
- Sugar plant & project land, Samalkot, Andhra Pradesh

## Drive Higher Revenue Growth & Profitability:

- **Cost Optimization:** Focus on enhancing internal cash flow generation through operational excellence
- **Identifying Growth Avenues:** Strategically scouting for future growth via organic or inorganic route

## Judicious Capital Allocation:

- Reduce debt in a phased manner in both domestic & overseas operations
- **Rewarding Shareholders** via consistent dividends & buybacks

DISCUSSING OUR BUSINESS SEGMENTS



Indian Ferro Alloys



Indian Power



Healthcare



Zambia Power



Zambia Mining







**NAVA BHARAT**

**Indian Power Business**



Power plants with capacity of 434MW are spread across over the states of Telangana, Odisha & Andhra Pradesh



## Standalone Operations



## Wholly Owned Subsidiary - NBEIL



Location	Paloncha, Telangana	Kharagprasad, Odisha	Andhra Pradesh
Capacity	114 MW (1 x50MW, 2 x 32MW)	150 MW (1 x30 MW, 2 x 60MW)	20 MW (1 x 20MW, 1 x 9 MW)
Type of Plant	CPP	CPP – 90 MW IPP – 60 MW	IPP
Fuel	Coal	Coal	Coal & Bagasse
Source Mix	Linkage	Linkage	Captive
<b>FY21 Financials</b> - Revenue: INR 10,672 Mn, EBIDTA: INR 2,869 Mn, PLF: 60% *			

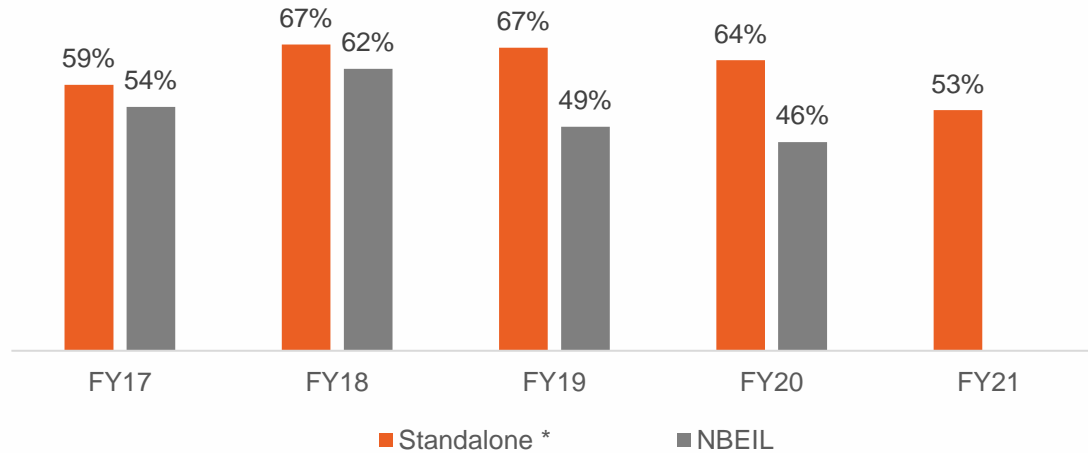
Location	Paloncha, Telangana
Capacity	150 MW (1 x 150MW)
Type of Plant	IPP
Fuel	Coal
Source Mix	E-auction
<b>FY21 Fin.</b> - Revenue: INR 460 Mn, EBIDTA: INR 184 Mn, PLF : -	

Mix of CPP and IPP gives diversity in Revenue mix. CPP generates stable income whereas IPP gives flexibility to capture spot IEX prices

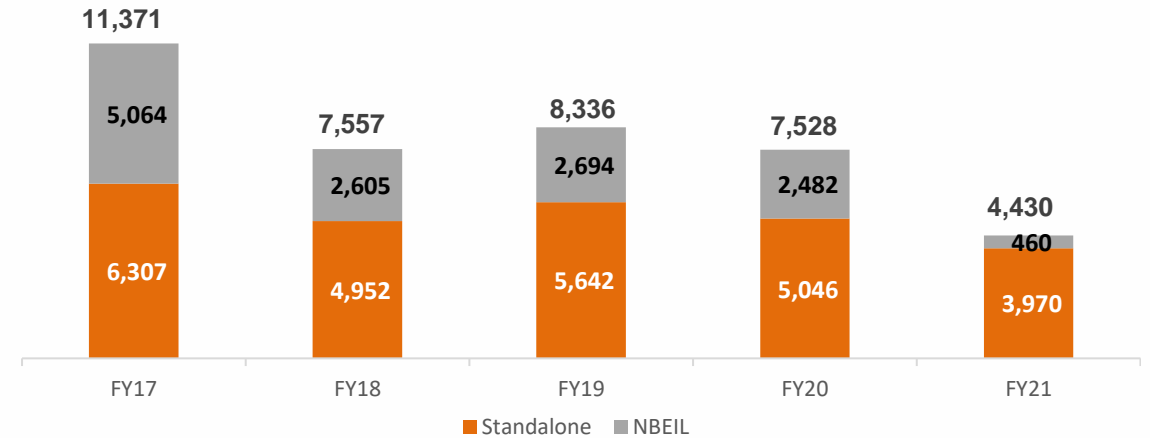
- Note:**
- NBEIL: Nava Bharat Energy India Ltd; IPP: Independent Power Producer; CPP: Captive Power Plant.
  - \* Standalone PLF (%) provided for Operating Capacities of 204 MW

# CPP provides stability to earnings in Indian Power Business

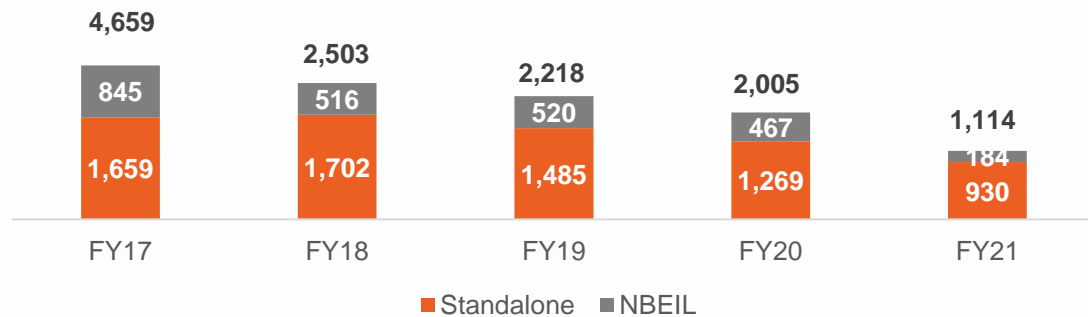
## PLF



## India Power Revenue (INR Mn)



## EBIDTA (INR Mn)



- Standalone Operations have installed capacity of 284 MW of which ~204 MW is used for captive consumption in Ferro alloys
- 60 MW IPP in Odisha is operationalised in May 2021 post the resolution of metering issue
- NBEIL (150 MW) is an IPP plant which operates on short to medium term PPA.
- **CPP remains the stable income generator for the company's Indian operations, while IPP provides an opportunity to play on market dynamics.**
- Proximity to coal mines and FBC technology enables higher utilization of waste grade coal leading to lower cost and improved profitability.

**Note:**

- NBEIL: Nava Bharat Energy India Ltd; IPP: Independent Power Producer; CPP: Captive Power Plant.
- \* Standalone PLF (%) provided for Operating Capacities of 204 MW





NAVA BHARAT

## Ferro Alloys



Ferro Alloys business has been one of the key drivers of growth



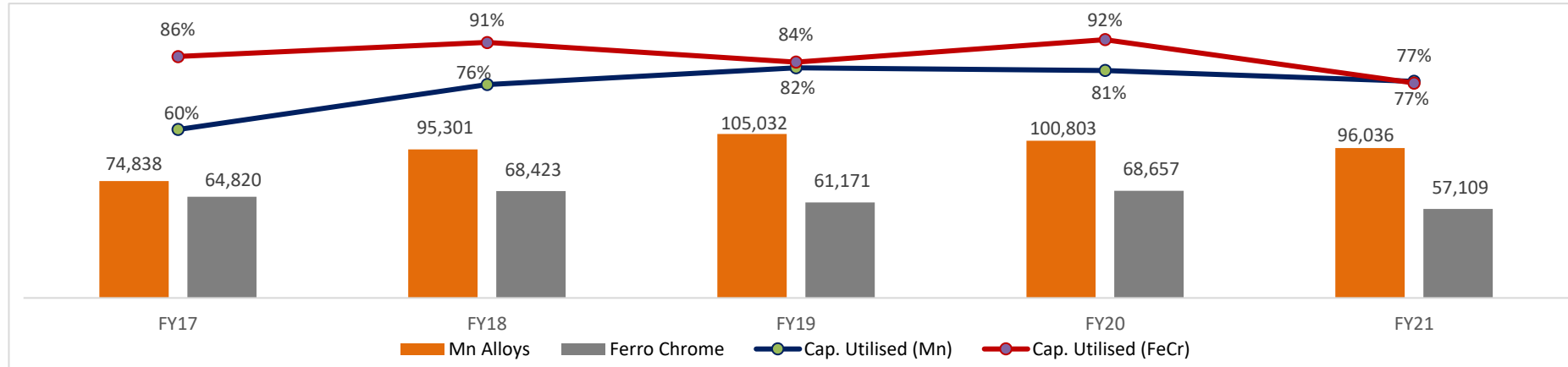
Location	Paloncha, Telangana	Kharagprasad, Odisha
Products	Silico Manganese, Ferro Manganese	Ferro Chrome
Capacity	1,25,000 TPA	75,000 TPA
Raw Material	Manganese Ore	Chrome Ore
Raw Material Sourcing	Imported, Domestic	For Own- Domestic TATA Conversion- From TATA Steel
Power	Captive – 114 MW CPP	Captive – 90 MW CPP
User Industry	Carbon Steel	Stainless Steel
Cyclicity	<b>Medium:</b> Manganese Alloys sales is subject to volatility in International prices. Company exports 40-50% of its production thereby Mn alloys sales is cyclical in nature.	<b>LOW:</b> Company produces Ferro Chrome under conversion agreement with TATA Steel. Thereby its operations are steady and insulated from FeCr prices

## Ferro Alloys in Brief...

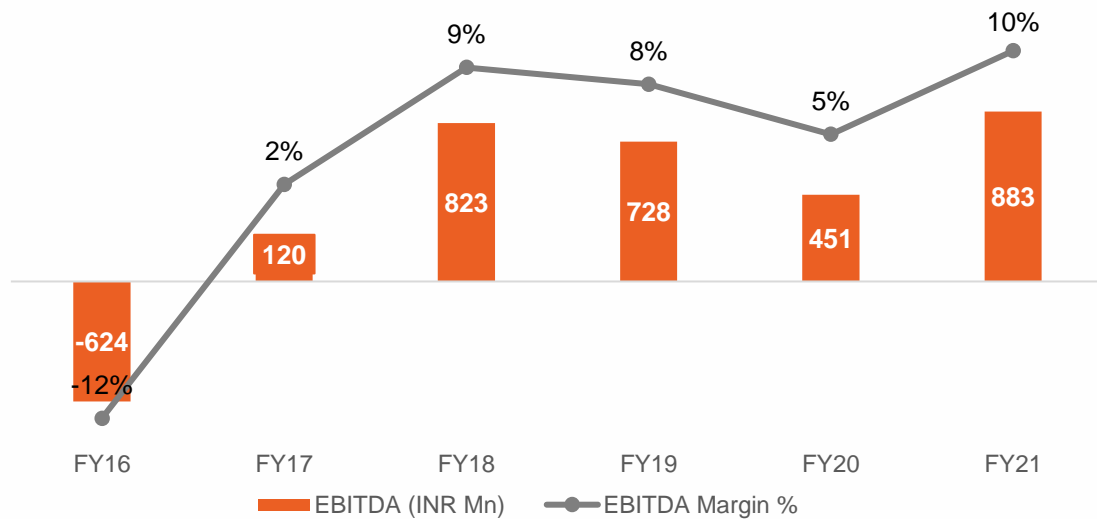
- Company's Ferro Alloys capacities are supported by captive power giving them inherent advantage over competitors.
- Company has contracted with Tata Steel for making ferro chrome on a fixed margin basis which insulates its margins from volatility and assures regular Cash Flows.
  - **Revenue from Ferro chrome conversion has increased at CAGR of 30% from INR 496 Mn in FY15 to INR 1,872 Mn in FY21**
  - **Subsequently its share in Ferro Alloys revenue has increased from 7% in FY15 to 22% in FY21, ultimately resulting into consistency in Revenue**
- Exports ~40% of the Manganese Alloys, more so to East Asian, South East Asian & Middle East Countries. Enduring client relationships in India as well as in international markets.
- Current Capacity Utilization above 80% at both these plants is considered above par as per industry standard

# Ferro Alloys - Key Financial & Operating Metrics

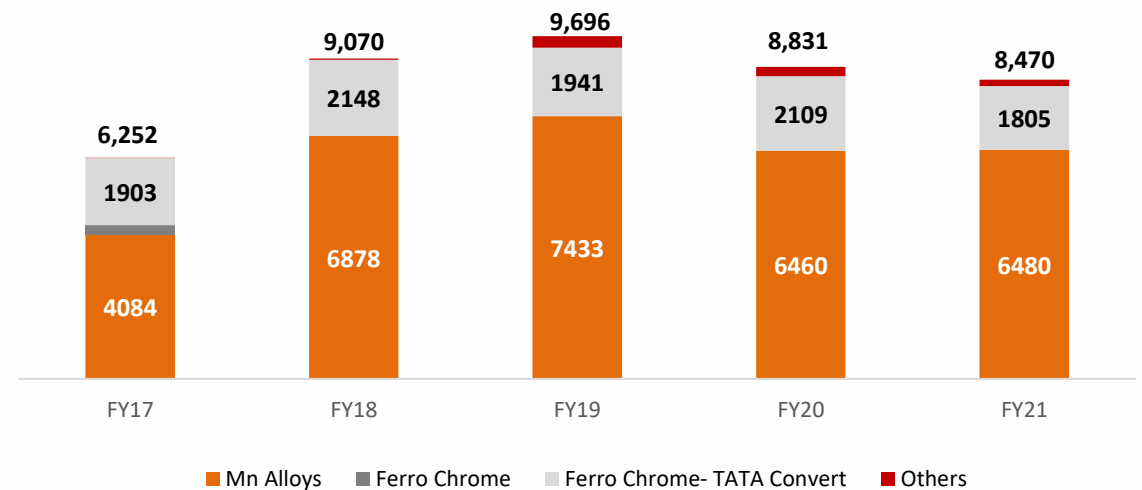
## Production (tons) & Capacity Utilization (%)



## EBITDA (INR Mn)



## Ferro Alloys Revenue (INR Mn)



Note: Mn: Manganese Alloys; FeCr: Ferro Chrome



NAVA BHARAT

Healthcare



We have forayed into healthcare-enabled services with initial focus in Singapore and Malaysia

## Key Highlights

- Asset-light model - Services covering diagnosis, drug procurement to administration.
- Acquired 65% stake in TIASH Pte Ltd. that provided entry to healthcare enabled services.
- Focus on iron deficiency in Singapore and Malaysia
  - Launched “The Iron Suites” clinic in Singapore to concentrate on the diagnosis and treatment of iron deficiency.
  - Signed exclusive distribution agreement with a global MNC for selling iron drug in Malaysia and Singapore.
  - Sales of iron drug in Malaysia & Singapore are on track







**NAVA BHARAT**

**Operation & Maintenance**

NBVL's Subsidiary "*Nava Energy Pte Ltd*" Provides Operations and Maintenance Related Services for MCL's Power Plant in Zambia. This Generates a Stable Cash Flow Stream which is being repatriated to India

- NBVL's wholly-owned subsidiary "***Nava Energy Pte Ltd***" provides contract operations and maintenance services to the Maamba Collieries Limited power plant in Zambia
- Billing is denominated in USD
- The contract includes an annual escalation clause which is linked to US Producers Price Index
- This segment generates steady cash flows, a part of which are repatriated to India for back end technical support
- O&M Operations generated a Revenue of INR ~ 1135 Mn (USD 15.3 Mn) in FY2021





# Zambia Power





Maamba Collieries Limited (NBVL's 65% Subsidiary) is the only Thermal Power Producer in Zambia Making it an Indispensable Asset Given Zambia's Power Deficit Status and Excessive Dependence on Hydropower

## Mamba Collieries Limited – Zambia Power Plant Overview

- Operates **Zambia's only integrated thermal power plant**
- Total installed capacity of 300 MW - represents about 10% of Zambia's total installed power generation capacity
- Became operational in FY 2018. Since then, successfully ramped-up utilization
- **Key focus is on De-leveraging** – At present, outstanding debt stands at USD 413 Mn
  - Successfully repaid ~USD 177 Mn (6 semi-annual installments of ~USD 29.5 Mn) since 2017.
  - Owing to pending receivables from ZESCO, three loan installments due in Mar 2020, Sep 2020 & Mar 2021 are not paid. Interest due on these dates is paid
  - Debt restructuring proposal submitted to the lenders
- There are no further capital infusions or equity infusions required from the parent company

## Why is MCL's Thermal Power Plant Vital for Zambia ?

- Zambia is a power-deficit country mainly dependent on hydropower for meeting its energy needs (85% of the power needs met via hydropower)
- Further, hydel power production can be quite erratic due to either acute water shortage or excessive rainfall.
- In case of drought or erratic weather conditions, MCL's thermal power plant acts as a consistent and stable energy source allowing mining and manufacturing companies to continue functioning seamlessly
- This makes it an indispensable asset for Zambia, given that it plays a pivotal role in driving the country's economic activity & earning valuable foreign exchange



## Key Features :

- **Installed Capacity:** 300 MW; **PLF:** 72% (FY 2021)
- **Fuel:** Captive coal (Huge estimated reserves of 193 MT assure fuel security)
- **PPA:** 20 years with state utility (ZESCO), backed by Sovereign Guarantee. The agreement also includes the **"Take or Pay" clause**
- **Generation Tariff:** 0.101 USD / per unit and **transmission tariff : 0.011 USD /per unit based on plant availability**

## Key Financials Metrics FY2021 (USD Mn) :

- **Revenue:** 195 Mn; **EBITDA:** 95 Mn; **EBITDA% :** 49%
- Healthy EBITDA and PBT Margins; comparable to peers in African region



# Zambia Power - Financial & Operating Metrics



Key Operating Metrics	FY18	FY19	FY20	FY21
Power Units Sold (in Million Units)	958	1,732	1,781	1,896
Availability (%)	69.4%	87.0%	76.6%	77.7%
Average PLF (%)	62.1%	74.6%	76.3%	72.1%
Realisation per unit (USD)	0.11	0.12	0.11	0.12

Currency	USD (In Millions)					INR (In Millions)				
Key Financial Metrics	FY18	FY19	FY20	FY21	CAGR (%)	FY18	FY19	FY20	FY21	CAGR (%)
<b>Revenue from Operations</b>	<b>104</b>	<b>210</b>	<b>202</b>	<b>195</b>	<b>23%</b>	<b>7,036</b>	<b>14,655</b>	<b>14,313</b>	<b>14,505</b>	<b>27%</b>
Operating Expenses	29	75	73	100	-	1,948	5,241	5,166	7,432	-
<b>EBITDA</b>	<b>75</b>	<b>136</b>	<b>136</b>	<b>95</b>	<b>8%</b>	<b>5,088</b>	<b>9,481</b>	<b>9,607</b>	<b>7,073</b>	<b>12%</b>
<i>EBITDA Margin (%)</i>	<i>72.3%</i>	<i>64.7%</i>	<i>67.1%</i>	<i>48.8%</i>	<i>-</i>	<i>72.3%</i>	<i>64.7%</i>	<i>67.1%</i>	<i>48.8%</i>	<i>-</i>
<i>Receivables (Gross)</i>	<i>80</i>	<i>166</i>	<i>279</i>	<i>432</i>	<i>-</i>	<i>5,240</i>	<i>11,460</i>	<i>21,067</i>	<i>32,094</i>	<i>-</i>
<i>Debt</i>	<i>470</i>	<i>415</i>	<i>387</i>	<i>387</i>	<i>-</i>	<i>30,600</i>	<i>29,329</i>	<i>29,182</i>	<i>28,749</i>	<i>-</i>



# Zambia Coal Mining





Maamba Collieries Limited (NBVL's 65% Subsidiary) Operates the Largest Coal Mine in Zambia – Supplying High-Grade Coal to Industrial Customers like Lafarge, Dangote and others. Majority of the Billing is in USD, and we realize the amounts within stipulated credit period

## Mamba Collieries Limited – Zambia Coal Mining Operations Overview

- **Operates Zambia's largest coal mine** – supplying thermal grade coal to MCL's Power Plant and high-grade coal to industrial consumers in the country
  - Supplies coal to marquee clients including Lafarge, Dangote and others
- **Large Reserves:** 193 MT SAMREC-compliant coal in active mining area
- **State of art unit:** Contemporary equipment for coal washing, handling and processing
- Majority billing is in **USD or equivalent** - **thereby mitigating forex risk** to a large extent. We also realize the amount due within the stipulated credit period.
  - Hence, this segment **provides consistent cash flow** (no receivables overdue)
- **Focus on Growth:** Plans to significantly ramp-up its external sale of coal to 40,000 tons per month from the present rate of 32,000 tons per month in the next 12 months



Key Operating Metrics	FY17	FY18	FY19	FY20	FY21	CAGR (%)
Coal Sales to outsiders (Metric Tons Per Annum)	276,486	326,612	233,754	241,016	3,75,412	8%

Currency	USD (In Millions)						INR (In Millions)					
Key Financial Metrics	FY17	FY18	FY19	FY20	FY21	CAGR (%)	FY17	FY18	FY19	FY20	CAGR (%)	
Revenue from Operations	20	30	37	41	48	24%	1,295	2,033	2,607	2,911	3,544	29%
Operating Expenses	9	26	19	18	15	-	609	1,796	1,342	1,246	1,118	-
EBITDA *	11	4	18	25	33	32%	686	237	1,261	1,738	2,426	37%
<i>EBITDA Margin (%)</i>	<i>53.1%</i>	<i>11.6%</i>	<i>48.4%</i>	<i>59.7%</i>	<i>68.4%</i>	-	<i>53.1%</i>	<i>11.6%</i>	<i>48.4%</i>	<i>59.7%</i>	<i>68.4%</i>	-
<i>Debt</i>	-	32	27	26	26	-	-	2,074	1,895	1,829	1,916	-





**THANK YOU**



**NAVA BHARAT**

**VSN Raju**

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