



NAVA BHARAT VENTURES LIMITED



Investor Presentation – July 2016

Safe Harbour

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INTRODUCTION

Vision

“We will be a diversified company with operations in different geographies and adding best value to the available natural resources. We will ensure that our operations benefit the local community and the nation, while rewarding the stakeholders. Minimizing the impact on environment shall be a guiding principle in all our business endeavours.”

DIVERSIFICATION

STAKEHOLDERS

ENVIRONMENT

About Us

Four Decades of Experience

in project execution, efficient and eco-friendly operations by committed & competent human resources

One of the Leading Manufacturer Exporters

of Manganese and Chromium
Ferro Alloys from India

Diversified yet Integrated business interest

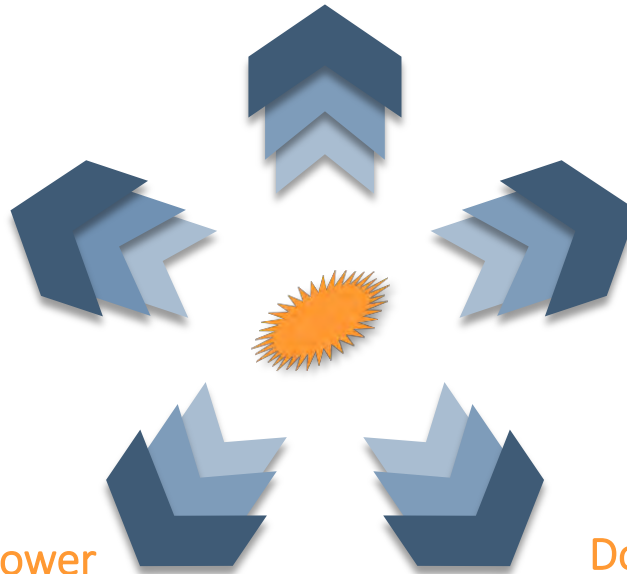
Power
Mining
Ferro Alloy
Sugar & allied products

International Power Generation

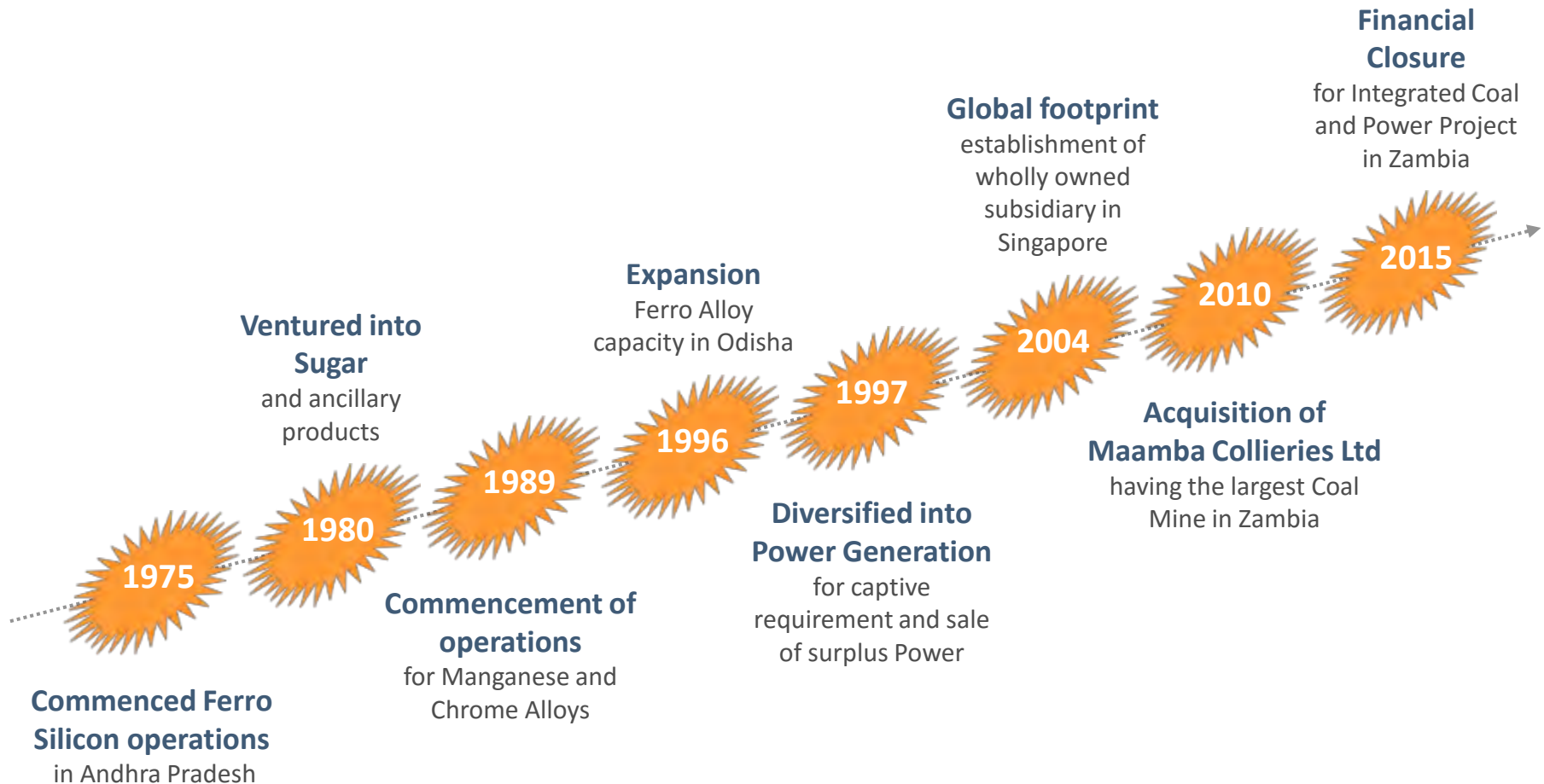
300 MW coal-fired integrated
power plant, first of its kind in
Zambia

Domestic Power Generation

Total 443 MW capacity
across India



Journey of Excellence Over Four Decades



BUSINESS OVERVIEW

Our Businesses...



POWER

Domestic: 443 MW
International: 300 MW



MINING

Estimated Reserves:
190 Mn MT



FERRO ALLOYS

Manganese: 125,000 MT
Chrome: 75,000 MT



AGRI BUSINESS

Sugar: 4,000 TCD
Distillery: 20 KLPD
Ethanol: 30 KLPD

...Diversified...Yet Integrated

Domestic Operations

POWER

Captive
consumption for
Ferro &
Sugar Business

FERRO

100% captive
power support

SUGAR

Cogen power for
sugar and distillery

Zambia Operations

MINING

Captive
Consumption of
Thermal Grade Coal
for Power Plant

POWER

Pit-head Power
Plant

POWER BUSINESS



DOMESTIC PLANTS

Domestic Power Plants - NBVL



**Kharagprasad,
Odisha**

- **Fuel:** Coal
- **Capacity:** 150 MW
 - 30 MW
 - 60 MW
 - 60 MW



**Paloncha,
Telangana**

- **Fuel:** Coal
- **Capacity:** 114 MW
 - 1 X 50 MW
 - 2 X 32 MW



**Dharmavaram,
Andhra Pradesh**

- **Fuel:** Bagasse & Coal
- **Capacity:** 20 MW



**Samalkot,
Andhra Pradesh**

- **Fuel:** Bagasse
- **Capacity:** 9 MW

Capital cost < Rs. 4 Crores / MW

Proximity to coal mines – Savings in transportation cost of coal

FBC technology of Boilers – Suitable for any grade of coal

Domestic Power Plants - Fuel Source

Kharagprasad, Odisha	Paloncha, Telangana	Dharmavaram, Andhra Pradesh	Samalkot, Andhra Pradesh
<ul style="list-style-type: none">➤ Power Generation Capacity: 150 MW➤ Coal Linkages for 90 MW➤ Balance sourced through e-auction and rejects	<ul style="list-style-type: none">➤ Power Generation Capacity: 114 MW➤ Coal Linkages for 100 MW➤ Balance sourced through e-auction and rejects	<ul style="list-style-type: none">➤ Power Generation Capacity: 20 MW➤ Power unit uses Bagasse➤ Balance supplemented by imported coal	<ul style="list-style-type: none">➤ Power Generation Capacity: 9 MW➤ Co-generation power unit uses Bagasse➤ Available in sugar season and part of the year

Policy shift from linkage to auction coal to have minimal cost impact because of predominant use of low grade coal with high ash and proximity of coal mines to the power plants

Domestic Power Plant - NBEIL



Paloncha, Telangana

Fuel: Coal

Capacity: 150 MW

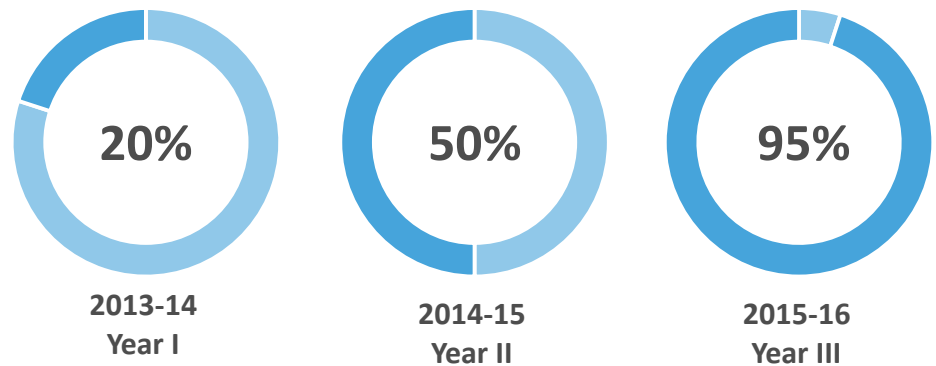
Capital cost/MW: Rs. 4.4 crores (incl. transmission)

Project Cost: Rs. 666 Crores

Debt: Rs. 466 Crores

- **150 MW** Power Plant in Telangana
- **Proximity to coal mines** – Savings in transportation cost of coal
- **FBC technology of Boilers** – Suitable for NE Grade of coal
- NBEIL will supply 135 MW for period of 1 year up to May 2017 at a price of Rs. 5 per unit, as part of arrangement with TATA Power Trading Company with committed offtake upto 70%

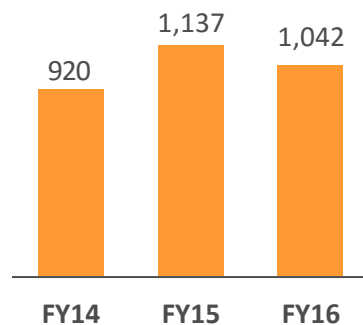
Increasing Domestic Coal Sourcing



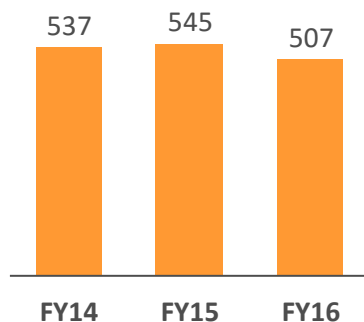
NBEIL - Performance Highlights

POWER OPERATIONS

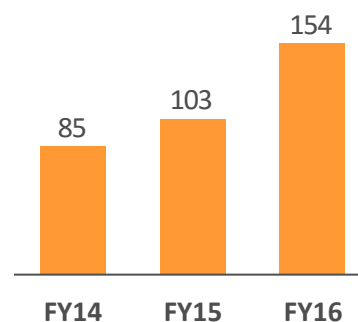
Generation (Mn. Units)



Revenue (Rs. Crores)

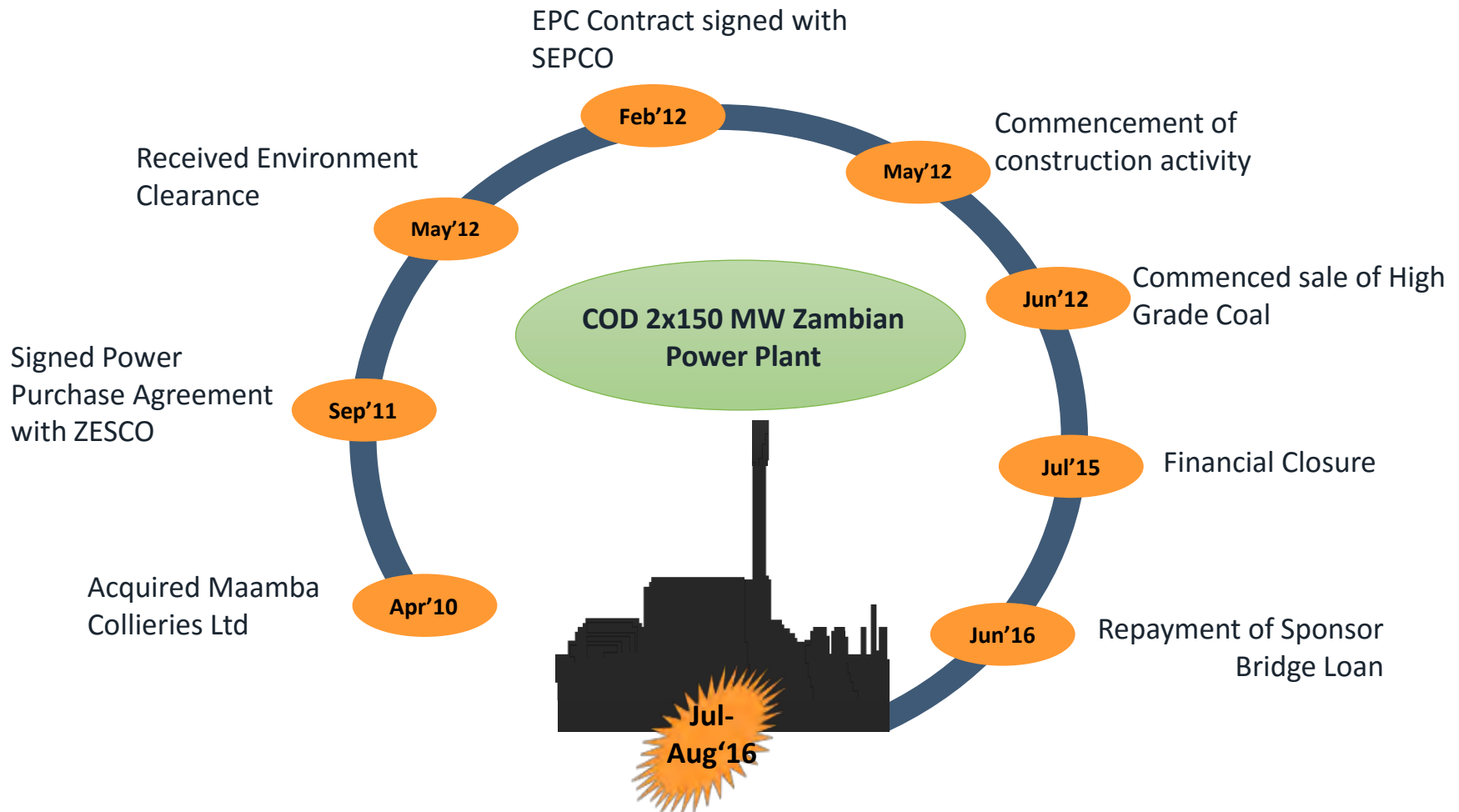


PAT (Rs. Crores)

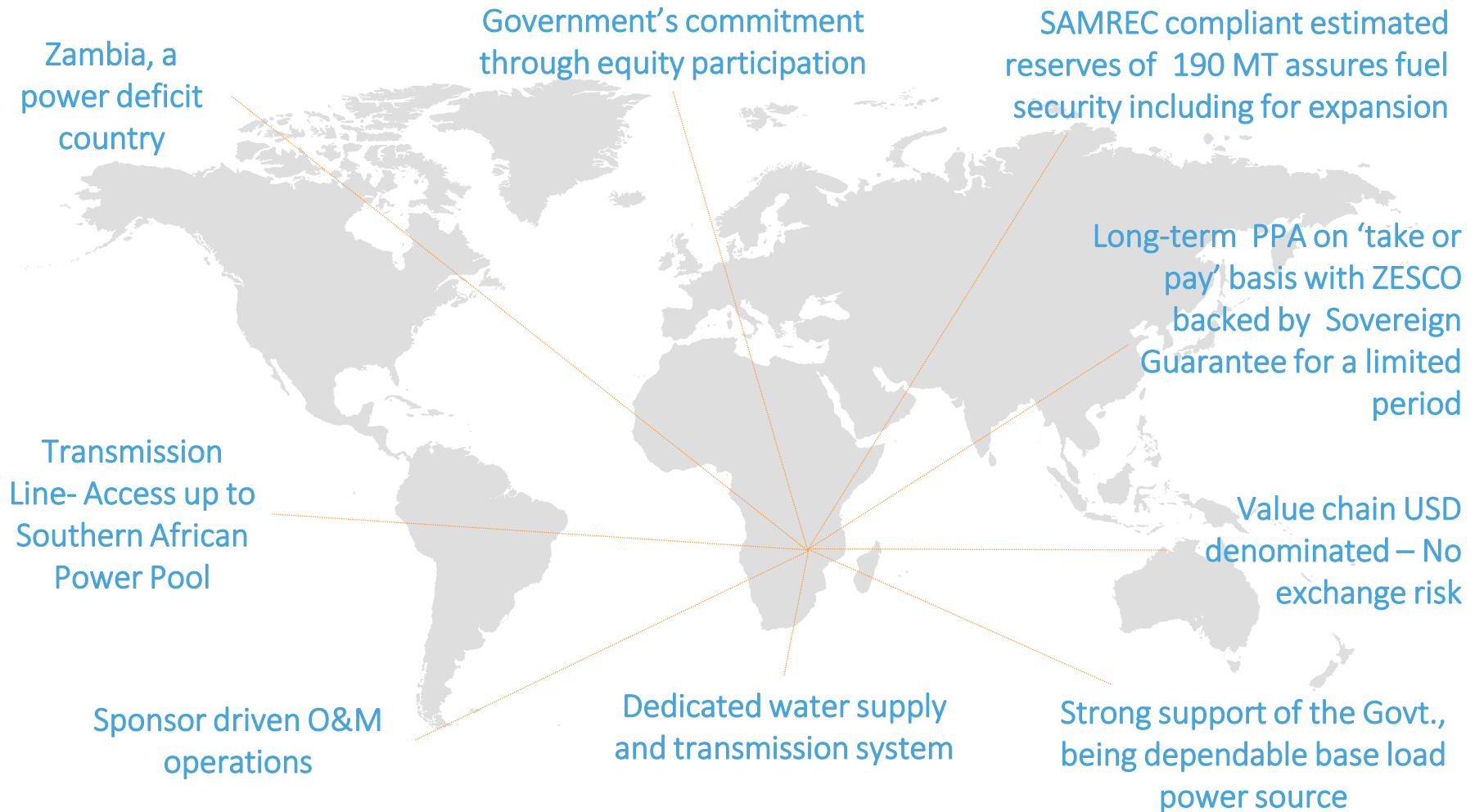


INTERNATIONAL POWER PLANTS

Building 300 MW Zambia Power Plant



Inherent Strengths of Zambian Power Project



Building Zambia's First Coal-Fired Power Plant



Maamba, Zambia

Fuel: Thermal grade coal - mined captive

Technology: CFBC, **EPC Contractor:** SEPCO, China

Capacity: 300 MW (2x 150 MW)

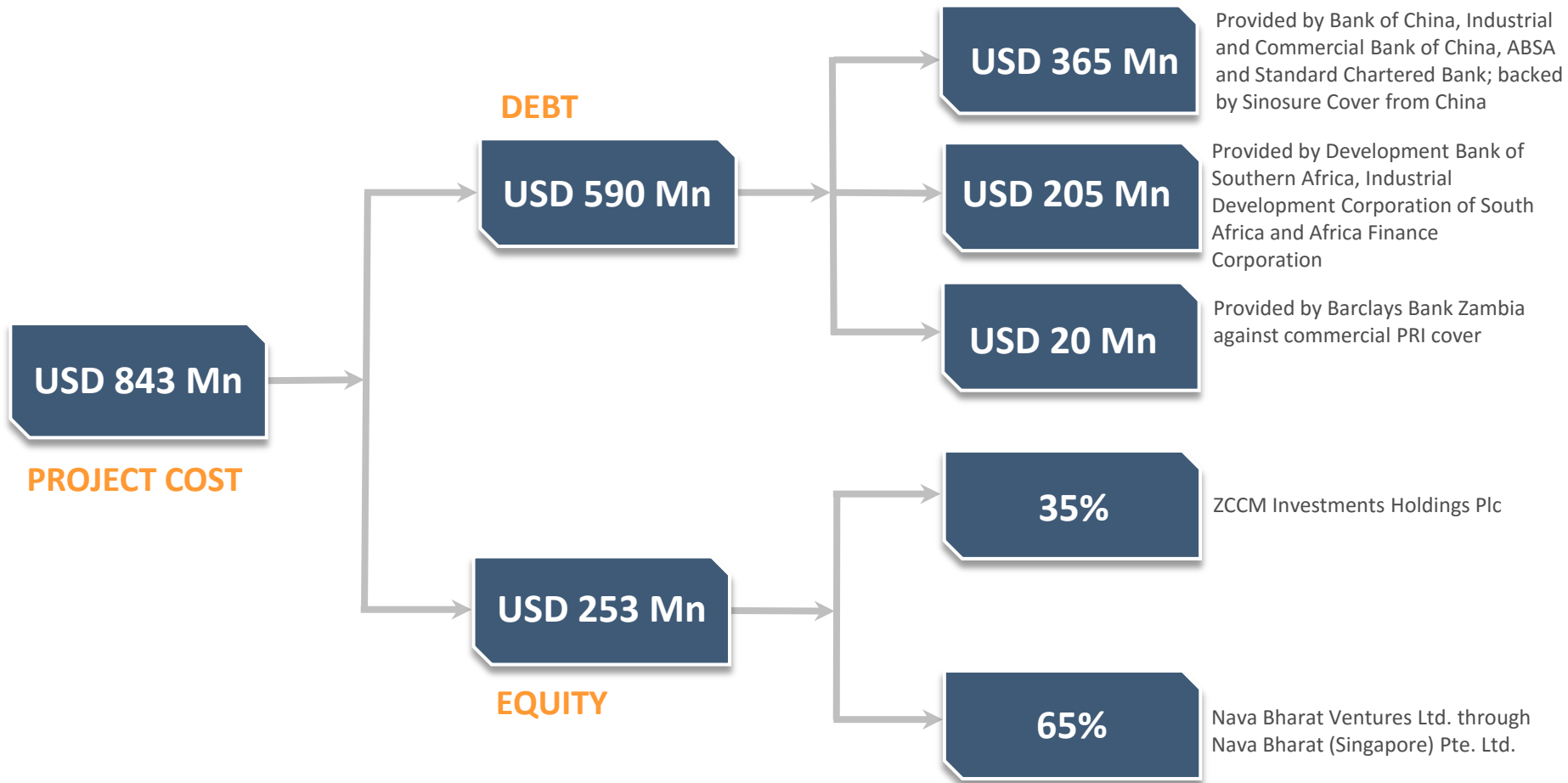
Total Project Cost: USD 843 Mn

D:E Ratio: 70:30

Financial Closure: Achieved during Q2 FY16 on limited recourse basis

- **300 MW** mine mouth power project in Maamba including:
 - Dedicated 48 km 330 kV double circuit transmission line
 - Dedicated 21 km water supply system from a perennial water source
- **Project Status: Commissioning scheduled in July 2016**
- 1st IPP in Sub-Saharan region to achieve Financial Closure
- **PPA with ZESCO**, state power utility, for **20 years @ approx. 10.8 US cents/kwh**
 - “Take or Pay” basis
 - Tariff denominated in USD – No exchange risk
 - Escrow mechanism to secure payments from ZESCO
 - Sovereign Guarantee for a limited period
- **ROE of 20%+**

Financing Plan – Maamba Project



Zambian Project Under Implementation



INTERNATIONAL MINING BUSINESS



Coal Mining in Zambia



Maamba, Zambia

Reserve Type : High Grade &
Thermal Grade Coal

Total Estimated Reserve: 190 Mn Tons in
active mining area (SAMREC compliant)

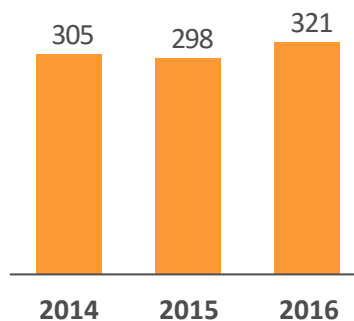
Huge unexplored Coal Reserve

- Largest coal concession in Zambia
- Mining title includes 7,719 hectares with an active mining area of 1,066 hectares
- State-of-the-art Coal Handling & Processing Plant to aid coal washing
- **Present status:**
 - Sale of High grade coal commenced
 - Coal Reserve in Active Mining area will cater to 30 years of Power Plant Operations at full load for 900 MW Capacity

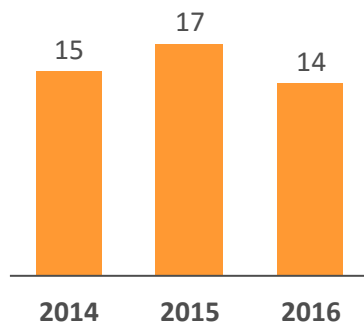
Maamba Collieries Financial Highlights

MINING OPERATIONS

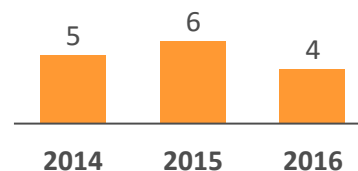
Volumes (‘000 Tons)



Revenue (USD Mn)



EBITDA (USD Mn)



FERRO ALLOYS BUSINESS



Ferro Alloy Plants



Telangana, India

- **Smelters:** 3 x 16.5 MVA & 1 x 27 MVA
- **Products:** Silico Manganese / Ferro Manganese
- **Output Capacity:** 125,000 TPA
- **Raw Material:** Manganese Ore
- **Sourcing:** Imports 80%, Domestic 20%
- **User Industry:** Steel
- **Function:** Impart strength and act as powerful deoxidizing agents

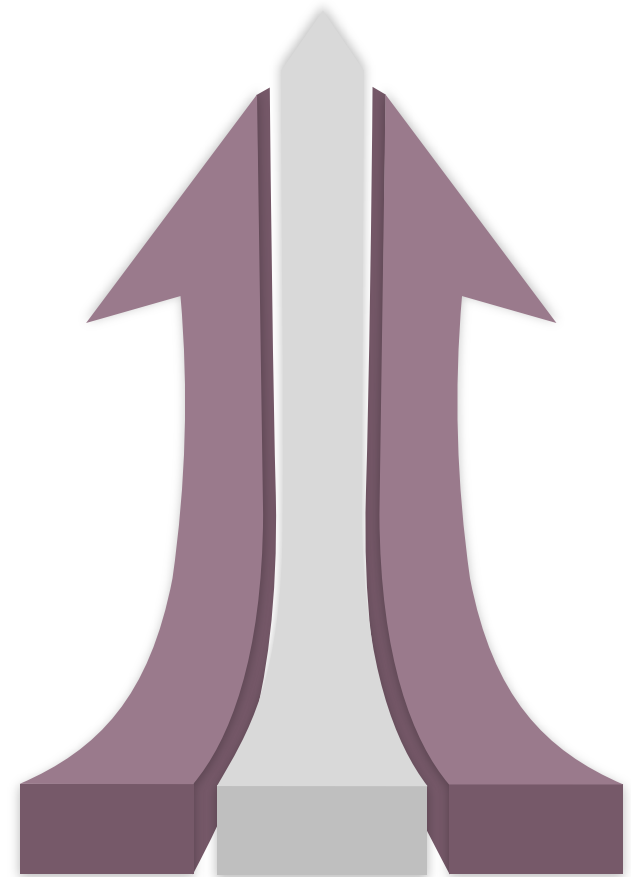


Odisha, India

- **Smelters:** 2 x 22.5 MVA
- **Products:** Ferro Chrome
- **Output Capacity:** 75,000 TPA
- **Raw Material:** Chrome Ore
- **Sourcing:** Domestic 100%
- **User Industry:** Stainless Steel
- **Function:** Increase resistance to heat & corrosion

Growth from Capacity Utilization

- **Agreement for renewal of conversion arrangement of Chrome Ore into Ferro Chrome in Odisha with Tata Steel**
 - For a period of four years up to March 2020 – ensures 100% utilisation of smelters
 - Up to 70,000 MT per annum of High Carbon Ferro Chrome
 - Tata Steel to supply Chrome Ore and Coke
 - Minimal working capital requirement
 - Captive power priced close to grid tariff – affords better value addition
 - Operations are insulated against market volatility
- **To regulate manganese alloy production keeping relative value addition between captive consumption and merchant sales of power in view**



AGRI BUSINESS



Integrated Sugar Plant Operations in Samalkot, AP



Sugar Plant

Product : White Crystal Sugar

Capacity : 4,000 TCD

Average cane recovery : 10%



Distillery

Product : Rectified Spirit

Capacity : 20 KLPD



Ethanol Plant

Product : Ethanol

Capacity : 30 KLPD

CORPORATE SOCIAL RESPONSIBILITY

CSR initiatives undertaken

Corporate Social Responsibility is an integral part of our long-term business strategy. The Company aims to achieve holistic social development to ensure sustainable growth



Eye Testing at NBEC,
Paloncha



Staff at Paloncha participating
in Swachh Bharat Abhiyaan



Dual Desks distributed to 34
Govt. schools



32 women trained and self
employed at NBVI



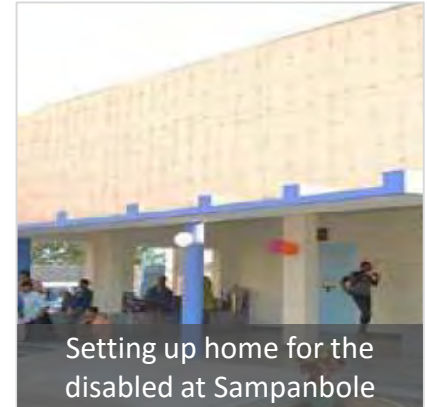
Free Tuitions at MPUP
School, Yerranguta



Training in Electrician Trade,
NBVI, Paloncha



Installed 9 RO Water Plants
at Pusugudem village

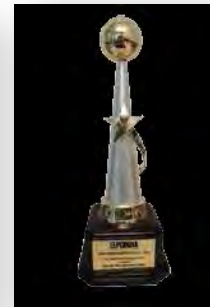


Setting up home for the
disabled at Sampanbole

AWARDS & RECOGNITION

Awards & Recognition

- ❖ **Pollution Control Excellence Award for the year 2015** was bagged by the **Company's Unit at Odisha**, bagged , under the category of Industry at the 32nd Foundation Day Ceremony of State Pollution Control Board.
- ❖ **Silver Award for Best Distillery in Andhra Pradesh for the Season 2013-14** from The South Indian Sugarcane & Sugar Technologists' Association (Sugar Division received this award)
- ❖ **Certificate of Appreciation for Commendable Performance for the Season 2013-14** from The South Indian Sugarcane & Sugar Technologists' Association, Chennai (Sugar Division received this award)
- ❖ **15th National Award for Excellence in Energy Management 2014 as Excellent Energy Efficient Unit** from Confederation of Indian Industry (Sugar Division received this award)
- ❖ **15th National Award for Excellence in Energy Management 2014 as Energy Efficient Unit** from Confederation of Indian Industry (Odisha Works received this award).
- ❖ **Regional Export Award as Star Performer – Large Enterprise (Ferro Alloys)** in recognition of outstanding contribution to Engineering Exports for 2012-13 from EEPICINDIA, Southern Region.



- ❖ **“Power Deal of the Year”** for Middle East and Africa awarded by Project Finance International of Thompson Reuters
- ❖ **“Project Finance Deal of the Year 2016”** awarded by World Finance
- ❖ **“Deal of the Year”** awarded by Global Trade Review
- ❖ **“Middle East and North Africa - Deal of the Year”** awarded by Trade Finance of Euromoney
- ❖ **“Winner: Africa Power”** awarded by IJ Global
- ❖ **“Best Natural Resources Deal: Africa”** awarded by EMEA Finance

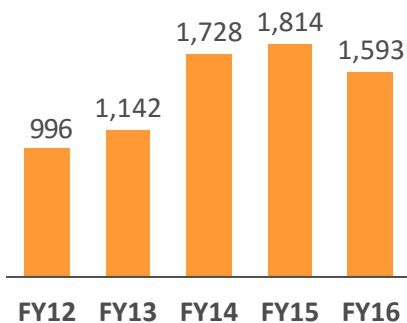


FINANCIALS

Consolidated Financial Snapshot

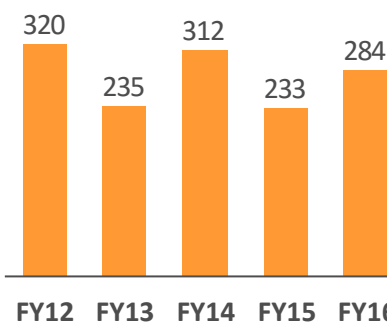
Revenue

(Rs. Crores)



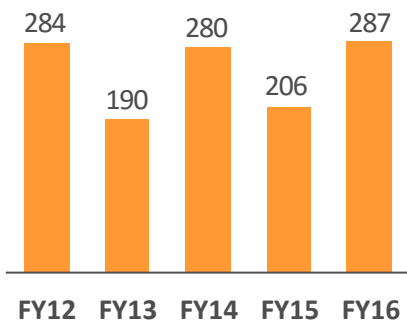
PBT

(Rs. Crores)



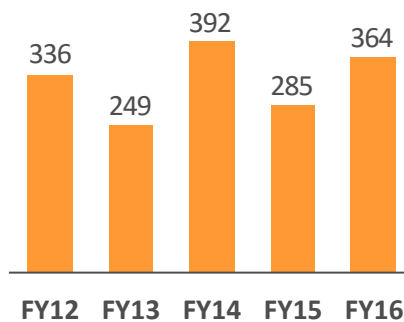
PAT after MI

(Rs. Crores)



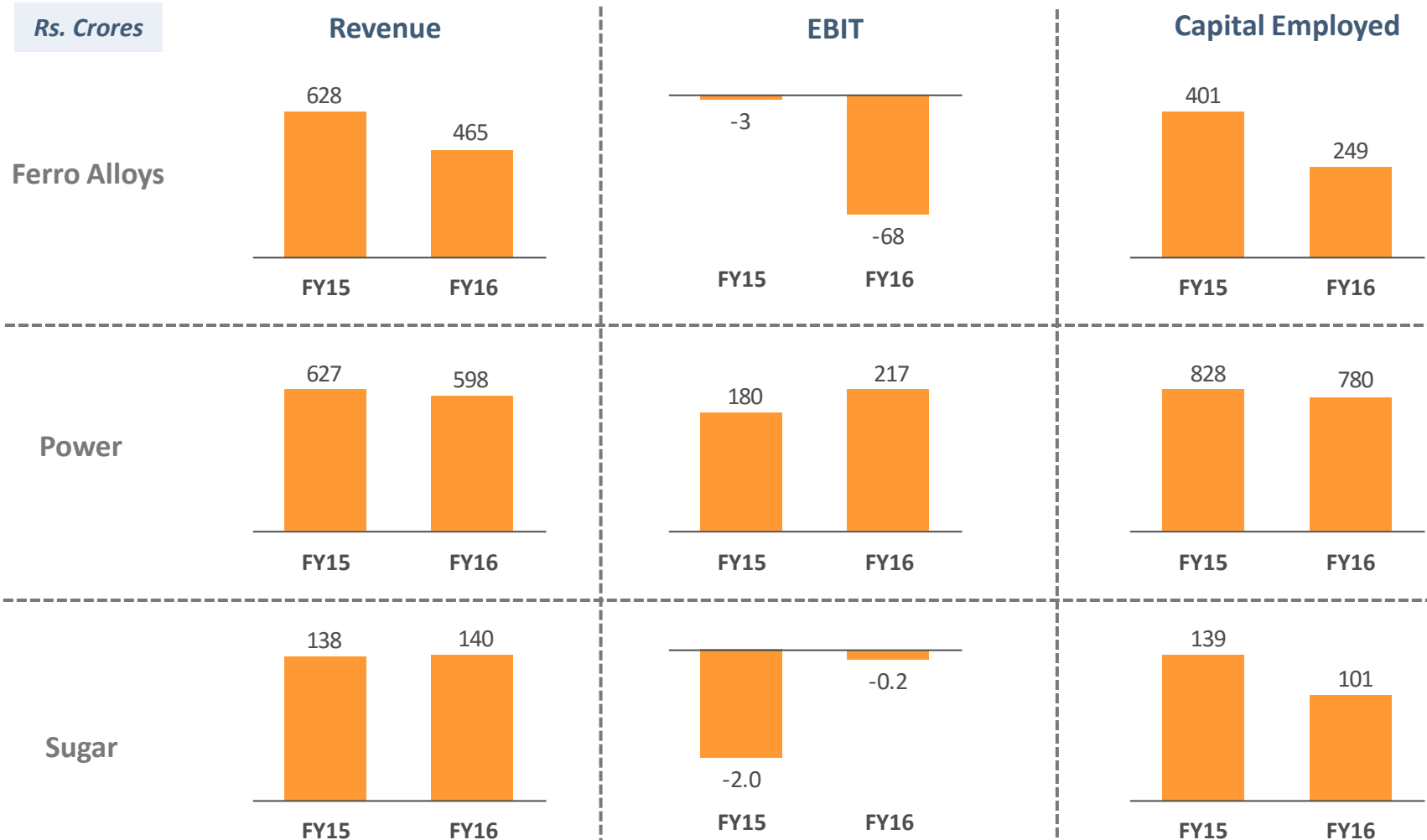
Cash PAT after MI

(Rs. Crores)



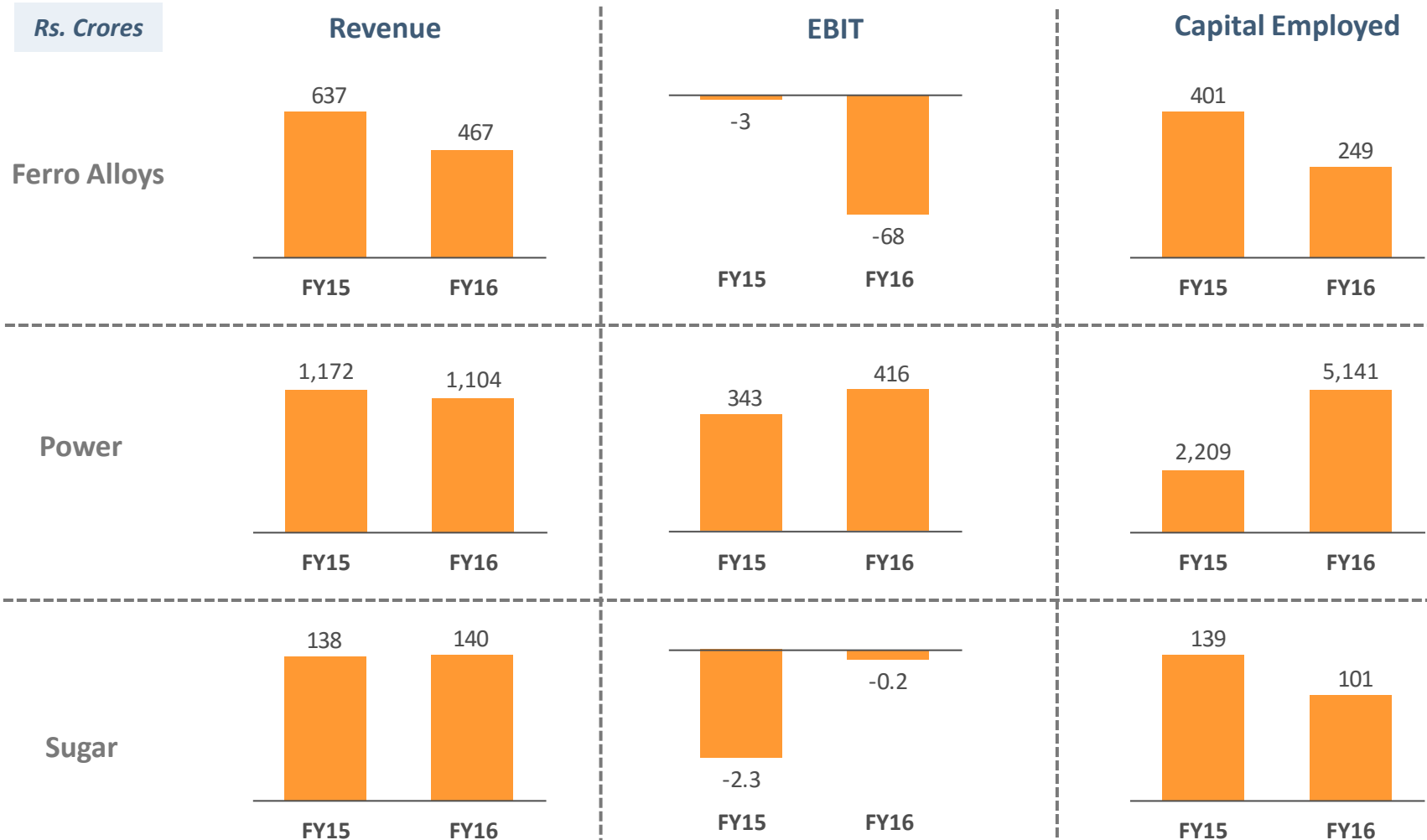
Yearly Performance Highlights - Standalone

Rs. Crores



Yearly Performance Highlights - Consolidated

Rs. Crores



Standalone Profitability Statement

Rs. Crores	Q4 FY16	Q4 FY15	Y-o-Y	FY16	FY15	Y-o-Y
Revenue	302	280	8%	989	1,153	-14%
Direct Expenses	178	196		682	800	
Employee Expenses	26	22		78	73	
Other Expenses	42	37		111	113	
EBITDA	56	25	127%	118	167	-29%
EBITDA Margin	18.5%	8.8%		12.0%	14.5%	
Other Income	21	19		65	51	
Depreciation	11	12		34	36	
EBIT	66	31	111%	149	181	-18%
EBIT Margin	21.9%	11.2%		15.1%	15.7%	
Finance costs	12	6		33	28	
Exceptional items	0	0		0	0	
PBT	54	25		116	153	
Tax	-4	1		5	10	
PAT	58	24	136%	111	142	-22%
PAT Margin	19.1%	8.7%		11.2%	12.4%	

Consolidated Profitability Statement

Rs. Crores	FY16	FY15	Y-o-Y
Revenue	1,593	1,814	-12%
Direct Expenses	955	1,170	
Employee Expenses	112	107	
Other Expenses	167	227	
EBITDA	359	310	16%
EBITDA Margin	22.5%	17.1%	
Other Income	98	114	
Depreciation	76	79	
EBIT	381	345	10%
EBIT Margin	23.9%	19.0%	
Finance costs	96	112	
Exceptional items	1	0	
PBT	284	233	
Tax	(17)	24	
PAT	301	209	44%
Minority Interest	(14)	(3)	
PAT after Minority Interest	287	206	39%
PAT Margin	18.0%	11.4%	

Balance Sheet

Rs. Crores	Standalone		Consolidated	
	Mar-16	Mar-15	Mar-16	Mar-15
Shareholders' Fund	2,615	2,535	3,191	2,910
Share Capital	18	18	18	18
Reserves & Surplus	2,598	2,517	3,173	2,892
Share Application money pending allotment	0	0	2	2
Minority Interest	0	0	277	247
Total Non Current Liabilities	291	76	3,265	374
Long Term Borrowings	244	28	3,238	315
Deferred Tax liabilities	27	29	-2	29
Other Non-Current Liabilities	19	18	29	30
Total Current Liabilities	353	317	979	2,380
Short Term Borrowings	115	63	148	481
Trade Payables	99	76	167	817
Other Current Liabilities	139	179	664	1,082
TOTAL EQUITY & LIABILITIES	3,259	2,928	7,714	5,912
Total Non Current Assets	2,497	2,146	6,163	4,735
Fixed Assets	843	833	5,334	3966
Goodwill on Consolidation	0	0	366	346
Non Current Investments	1,084	1,058	14	14
Long Term Loans & Advances	342	50	139	146
Other Non Current Assets	228	205	309	263
Total Current Assets	762	782	1,551	1,178
Current Investments	0	0	36	92
Inventories	228	344	431	632
Trade Receivables	158	220	195	135
Cash & Cash Equivalents	21	37	685	166
Short Term loans & Advances	343	169	182	132
Other current asset	12	12	22	22
TOTAL ASSETS	3,259	2,928	7,714	5,912

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