



NAVA BHARAT

INVESTOR PRESENTATION - June 2020

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BOUNDARIES



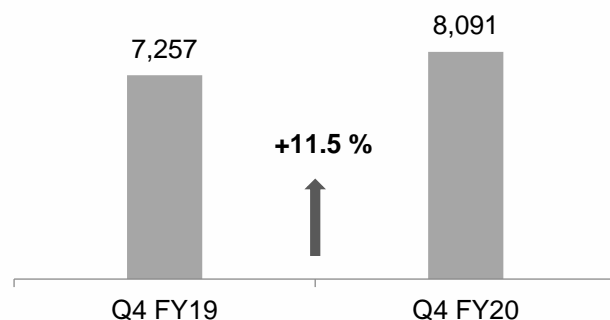
NAVA BHARAT

Financial Performance Update - Q4 & FY20

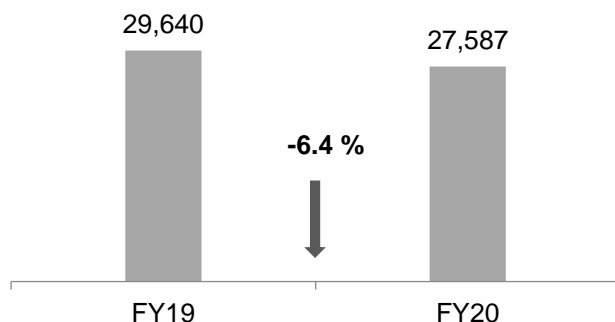
Q4 & FY20 - Consolidated Financial Performance



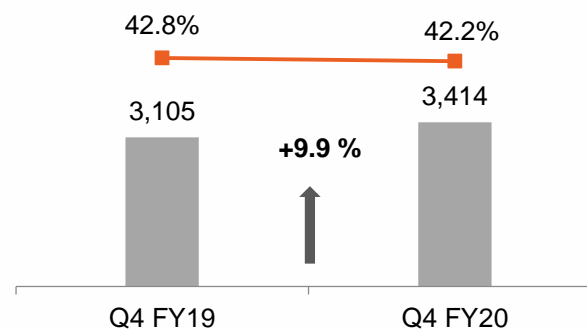
NET REVENUES (INR Mn)



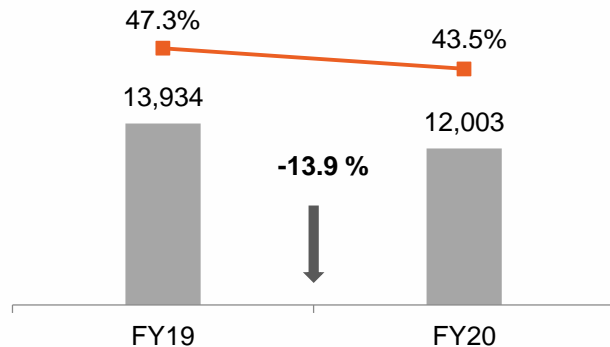
NET REVENUES (INR Mn)



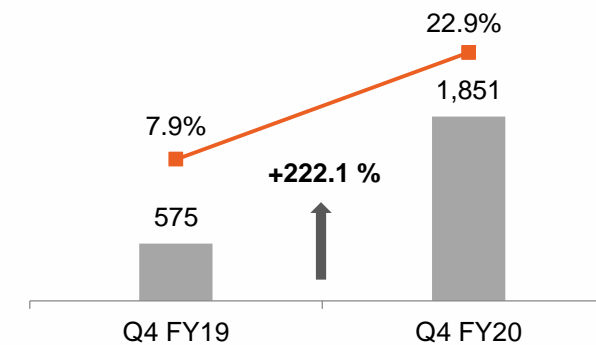
EBITDA & EBITDA MARGIN (INR Mn)



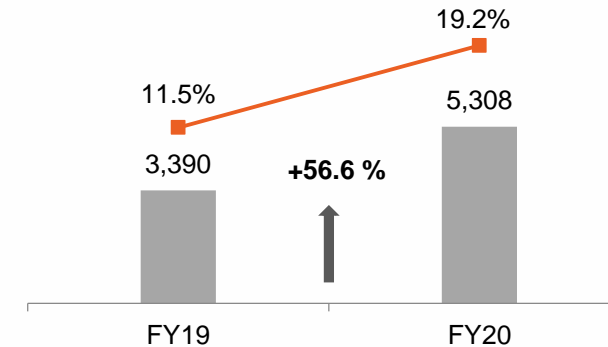
EBITDA & EBITDA MARGIN (INR Mn)



PAT & PAT MARGIN (INR Mn)



PAT & PAT MARGIN (INR Mn)

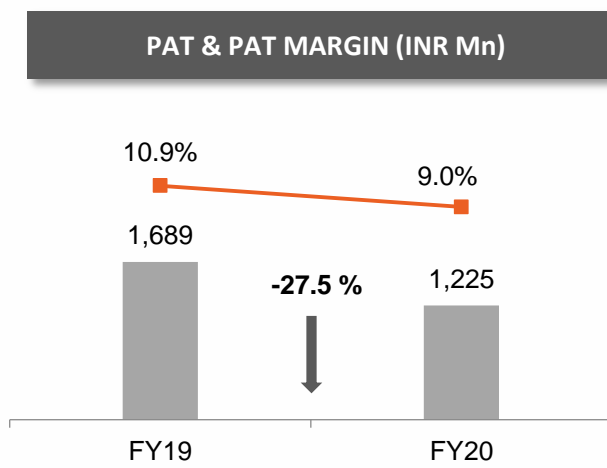
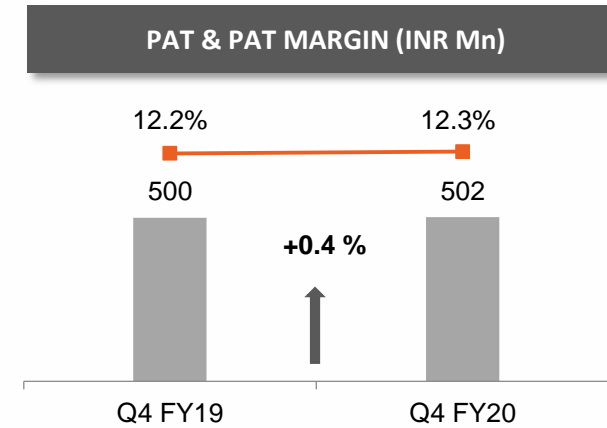
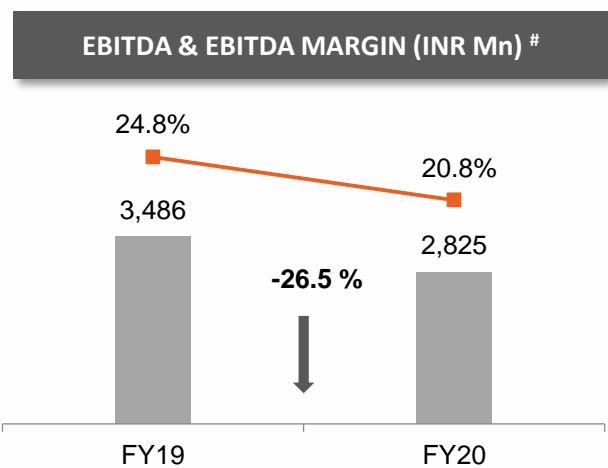
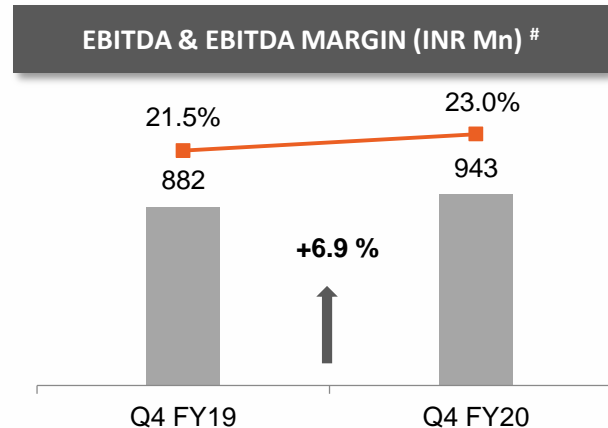
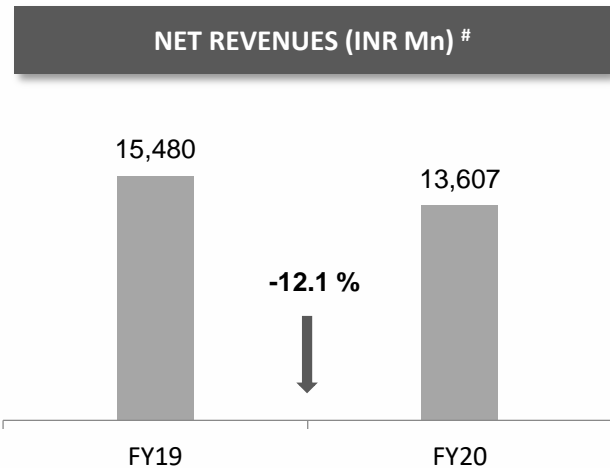
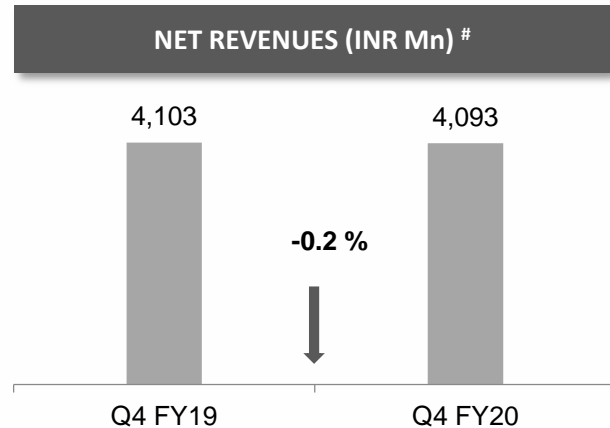


- Growth in the consolidated revenue from operations and EBITDA in Q4 FY20, was driven by robust growth in the Zambia business and improved performance by the ferro alloys division
- Adjusting for the 1) Forex and MTM gain/(loss) on account of Interest rate swaps (see note below), and 2) provision for expected credit loss against receivables (a notional charge) - **Adjusted EBITDA for Q4 FY20 stood at INR 4,838 Mn higher by 40% YoY (INR 3,463 Mn in Q4 FY19). For the full-year FY20 Adjusted EBITDA was flat at INR 14,364 Mn (INR 14,790 Mn in FY19)**
- Q4 FY20 Profit After Tax grew more than 3-fold to INR 1,851 Mn aided by higher other income, lower finance costs, and lower taxes
 - Overall tax expenses are lower owing to recalculation of deferred tax at MCL.

Note: EBITDA includes other income. Other expenses includes Forex and MTM (loss)/gain on account of Interest rate swaps (IRS) – Q4FY20: (INR 311.7 Mn); Q4FY19: (INR 356.7 Mn); FY20: (INR 801.1 Mn); FY19: (INR 581.4 Mn)

Net Revenue and EBITDA excludes discontinued operations (Sugar & Allied Business)

Q4 & FY20 - Domestic Financial Performance



- EBITDA generated by domestic operations grew by 7% YoY driven by the improved performance of the ferro alloys division
- Revenue in Q4 FY20 stood flat on a year-on-year basis at INR 4,093 Mn, as growth in the ferro alloys division was offset by the decline in power revenues. Performance of the domestic power operations was adversely impacted by the plant shutdowns in Telangana and Odisha on account of Covid-19.
- *“But for the loss of revenue due to the Covid-19 induced lockdown, Revenue, EBITDA, and PAT in Q4 FY20 would have been marginally higher than the reported figures”*

Note: Domestic operations include NBVL and NBEIL. EBITDA includes other income. * Other expenses include Forex and MTM (loss)/gain on account of Interest rate swaps (IRS) – Q4FY20: (INR 15.2 Mn); Q4FY19: (INR 65.4 Mn); FY20: INR 65.8 Mn; FY19: INR 170.4 Mn
 # Net Revenue and EBITDA excludes discontinued operations (Sugar & Allied Business)

Q4 & FY20 - Consolidated Profit & Loss Statement



Particulars (INR Million) #	Q4 FY20	Q4 FY19	QoQ (%)	FY20	FY19	YoY (%)
Total Revenue	8,091	7,257	11.5%	27,587	29,460	(6.4%)
Cost of Goods Sold	2,390	2,480	(3.6%)	7,848	9,580	(18.1%)
Gross Profit	5,701	4,777	19.4%	19,739	19,880	(0.7%)
Gross Margin (%)	70.5%	65.8%	464 bps	71.6%	67.5%	407 bps
Manufacturing Expenses	644	692	(7.1%)	2,603	2,295	13.4%
Employee Expenses	438	424	3.4%	1,620	1,607	0.8%
Other Operating Expenses *	2,241	894	150.6%	4,735	2,937	61.2%
Other Income	1,035	339	205.2%	1,222	893	36.8%
EBITDA	3,414	3,105	9.9%	12,003	13,934	(13.9%)
EBITDA Margin (%)	42.2%	42.8%	(60 bps)	43.5%	47.3%	(379 bps)
Finance Costs	744	813	(8.5%)	3,188	3,621	(12.0%)
Depreciation and Amortisation expense	710	711	(0.2%)	2,886	2,763	4.5%
Profit Before Tax	1,959	1,581	23.9%	5,929	7,550	(21.5%)
Taxes	135	1,087	(87.6%)	597	4,181	(85.7%)
Tax Rate (%)	6.9%	68.7%	-	10.1%	55.4%	-
Profit After Tax	1,851	575	222.1%	5,308	3,390	56.6%
PAT Margin (%)	22.9%	7.9%	1,496 bps	19.2%	11.5%	773 bps
Gross Debt	36,441	36,007	1.2%	36,441	36,007	1.2%

Note:

- EBITDA includes other income. Other expenses includes Forex and MTM (loss)/gain on account of Interest rate swaps (IRS) – Q4FY20: (INR 311.7 Mn); Q4FY19: (INR 356.7 Mn); FY20: (INR 801.1 Mn); FY19: (INR 581.4 Mn)
- # Except Profit After Tax all the other line items exclude discontinued operations (Sugar & Allied Business)

Q4 & FY20 - Domestic Profit & Loss Statement



Particulars (INR Million) #	Q4 FY20	Q4 FY19	YoY (%)	FY20	FY19	YoY (%)
Total Revenue	4,093	4,103	(0.2%)	13,607	15,480	(12.1%)
Cost of Goods Sold	2368	2392	(1.0%)	7,682	8,812	(12.8%)
Gross Profit	1,726	1,710	0.9%	5,925	6,669	(1.1%)
Gross Margin (%)	42.2%	41.7%	47 bps	43.5%	43.1%	47 bps
Manufacturing Expenses	208	231	(9.9%)	885	883	0.2%
Employee Expenses	251	228	10.2%	912	876	4.1%
Other Operating Expenses *	323	370	(12.5%)	1,303	1,423	(8.4%)
EBITDA	943	882	6.9%	2,825	3,486	(26.5%)
EBITDA Margin (%)	23.0%	21.5%	154 bps	20.8%	24.8%	(408 bps)
Finance Costs	66	71	(6.5%)	284	314	(9.7%)
Depreciation and Amortisation expense	156	153	1.6%	622	617	0.8%
Profit Before Tax	721	658	9.6%	1,919	2,555	(24.9%)
Taxes	246	238	3.4%	670	918	(27.1%)
Tax Rate (%)	34.2%	36.2%	(206 bps)	34.9%	35.9%	(105 bps)
Profit After Tax	502	500	0.4%	1,225	1,689	(27.5%)
PAT Margin (%)	12.3%	12.2%	8 bps	9.0%	10.9%	(190 bps)

Note:

- Domestic operations include NBVL and NBEIL financials.
- * Other expenses include Forex and MTM (loss)/gain on account of Interest rate swaps (IRS) – Q4FY20: (INR 15.2 Mn); Q4FY19: (INR 65.4 Mn); FY20: INR 65.8 Mn; FY19: INR 170.4 Mn
- # Except Profit After Tax all the other line items exclude discontinued operations (Sugar & Allied Business)

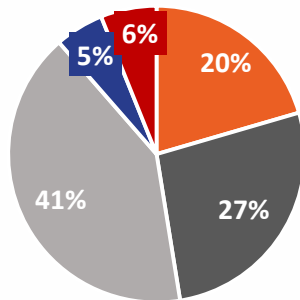
Q4 & FY20 - Segmental Performance Highlights



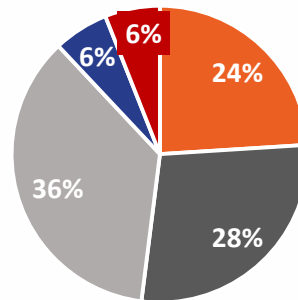
Revenue Breakdown - By Segments (INR Mn)						
Segments	Q4 FY20	Q4 FY19	YoY (%)	FY20	FY19	YoY (%)
India – Power Operations	2,082	2,242	(7.1%)	7,400	8,243	(10.2%)
Ferro Alloys	2,739	2,615	4.8%	8,831	9,696	(8.9%)
Zambia – Power Operations	4,179	3,376	23.8%	14,313	14,654	(2.3%)
Zambia – Mining	541	536	0.9%	2,911	2,607	11.7%
Others	620	516	20.2%	1,996	1,850	7.9%
Revenue from Operations	10,161	9,284	9.4%	35,450	37,049	(4.3%)
Revenue from Operations (net of inter-segment transactions)	8,091	7,257	11.5%	27,587	29,460	(6.4%)

Q4 FY20 - SEGMENT REVENUE SHARE %

Q4 FY20



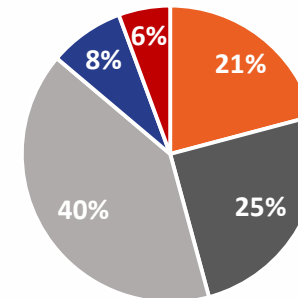
Q4 FY19



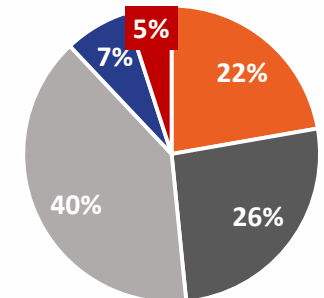
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FY20 - SEGMENT REVENUE SHARE %

FY20



FY19



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

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

Q4 & FY20 - Segmental Performance Highlights

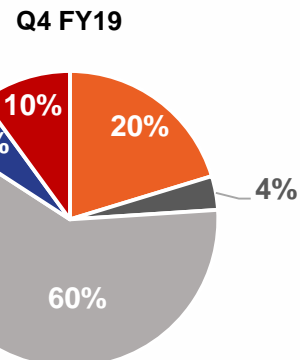
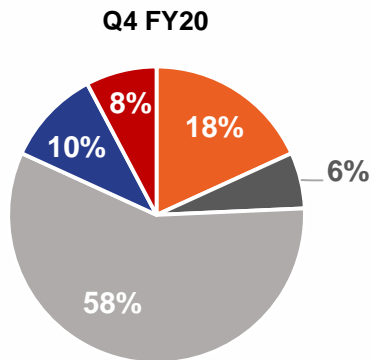


EBITDA Breakdown (INR Mn) - By Segments

Segments	Q4 FY20	Q4 FY19	YoY (%)	FY20	FY19	YoY (%)
India – Power	650	681	(4.5%)	1,736	2,005	(13.4%)
Ferro Alloys	219	124	76.9%	451	728	(38.0%)
Zambia – Power	2,058	2,020	1.9%	9,607	9,481	1.3%
Zambia – Mining	374	195	91.6%	1,738	1,261	37.8%
Others	277	336	(17.7%)	1,449	1,459	(0.7%)
Total EBITDA	3,577	3,356	6.6%	14,981	14,934	0.3%
Total EBITDA (net of inter-segment transactions)	3,414	3,105	9.9%	12,003	13,934	(13.9%)

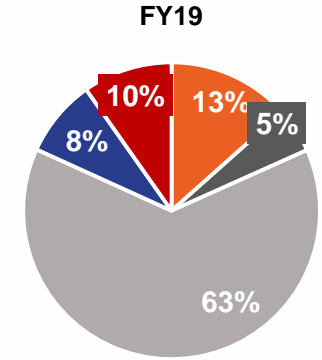
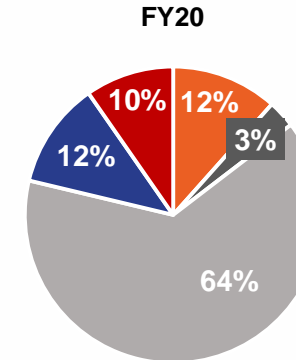
	% EBITDA Margin	Q4 FY20	Q4 FY19	FY20	FY19
India - Power		31.2%	30.4%	23.5%	24.3%
Ferro Alloys		8.0%	4.7%	5.1%	7.5%
Zambia - Power		49.2%	59.8%	67.1%	64.7%
Zambia - Mining		69.1%	36.4%	59.7%	48.4%
Others		44.7%	65.3%	72.6%	78.9%

Q4 FY20 - SEGMENT EBITDA SHARE %



India – Power Ferro Alloys Zambia – Power Mining Others

FY20 - SEGMENT EBITDA SHARE %



India – Power Ferro Alloys Zambia – Power Mining Others

Note: EBITDA includes other income and excludes discontinued operations of sugar & allied business.

Other expenses includes Forex and MTM (loss)/gain on account of Interest rate swaps (IRS) – Q4FY20: (INR 311.7 Mn); Q4FY19: (INR 356.7 Mn); FY20: (INR 801.1 Mn); FY19: (INR 581.4 Mn)

Key Operating Metrics	Q4 FY20	Q4 FY19	YoY (%)	FY20	FY19	YoY (%)
Total Power Units Sold (in Million Units)	423	431	(2%)	1,535	1,659	(8%)
Merchant Sales	243	251	(3%)	829	972	(15%)
Captive	180	181	(0.4%)	706	688	3%
* Average PLF (%)	62%	64%	-	56%	60%	-

Key Financial Metrics (INR Millions)	Q4 FY20	Q4 FY19	YoY (%)	FY20	FY19	YoY (%)
Revenue from Operations	2,082	2,242	(7.1%)	7,400	8,243	(10.2%)
Operating Expenses	1,432	1,561	(8.3%)	5,663	6,238	(9.2%)
EBITDA	650	681	(4.5%)	1,736	2,005	(13.4%)
EBITDA Margin (%)	31.2%	30.4%	86 bps	23.5%	24.3%	(86 bps)

Q4 FY20

- Domestic power revenues and profitability was adversely impacted by the plant shutdown in March on account of Covid
 - Despite the lockdown "Captive power sales" remained steady in Q4 FY20
- Notwithstanding the Covid induced shutdown, the domestic power Revenue, EBITDA, and PAT would have been on par with Q4 FY19

FY20

- During FY20, merchant power revenues and profitability suffered due to lower off-take by the Telangana Discom. This negatively impacted the performance in FY20 which was further accentuated by the plant shutdown in March on account of Covid-19.
- Despite the headwinds, Captive Power sales registered a growth of 3% YoY during the year

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 FY20	Q4 FY19	YoY (%)	FY20	FY19	YoY (%)
Ferro & Silico Manganese						
Production (tons)	25,833	27,782	(7.0%)	100,803	105,032	(4.0%)
Sales (tons)	34,124	29,027	17.6%	97,998	105,611	(7.2%)
Ferro Chrome						
Production (tons)	17,571	16,275	8.0%	68,657	61,171	12.2%
Sales (tons)	17,571	16,671	5.4%	68,657	61,567	11.5%

Key Financial Metrics (INR Millions)	Q4 FY20	Q4 FY19	YoY (%)	FY20	FY19	YoY (%)
Ferro Chrome (Sales)	502	508	(1.2%)	2,117	1,960	8.0%
Ferro & Silico Manganese (Sales)	2,237	2,107	6.2%	6,714	7,735	(13.2%)
Total Revenue	2,739	2,615	4.8%	8,831	9,696	(8.9%)
EBITDA	219	124	76.9%	451	728	(38.0%)
EBITDA Margin (%)	8.0%	4.7%	326 bps	5.1%	7.5%	(240 bps)

Q4 FY20

- Ferro Alloys division reported an overall improved performance with higher revenues and profitability
- Growth in Revenues was led by higher silico manganese revenue
 - Silico manganese division reported revenue growth of 6.2% YoY on the back of higher volumes (+18% YoY). Export volumes witnessed robust traction (+63% YoY)
 - However, subdued steel markets kept the realizations under pressure, restricting revenue growth vis-a-vis volume growth
- EBITDA registered strong growth of 77% YoY to INR 219 Mn; EBITDA Margins expanded by 326 bps YoY to 8.0% driven by –**
 - Tactical procurement of manganese ore in advance at a lower price helped to register improved margins especially from the export markets
 - Improved operational efficiency

FY20

- Sluggish steel demand globally adversely impacted the silico manganese revenue and shipments.
- Ferro chrome segment performed well – recording a revenue growth of 8.0% YoY supported by higher volumes (+12% YoY)

Zambia Power Operations - Financial & Operating Metrics



Key Operating Metrics	Q4 FY20	Q4 FY19	YoY (%)	FY20	FY19	YoY (%)
Power Units Sold (in Million Units)	525	411	27.7%	1,781	1,732	2.9%
Average PLF (%)	90%	72%	-	76%	75%	-

Key Financial Metrics	USD Millions						INR Millions					
	Q4 FY20	Q4 FY19	YoY (%)	FY20	FY19	YoY (%)	Q4 FY20	Q4 FY19	YoY (%)	FY20	FY19	YoY (%)
Revenue from Operations	59.0	48.4	21.9%	201.9	210.0	(3.8%)	4,180	3,377	23.8%	14,313	14,655	(2.3%)
Operating Expenses	35.5	19.3	84.3%	72.9	75.1	(2.9%)	2,517	1,345	87.2%	5,166	5,241	(1.4%)
EBITDA	29.0	28.9	0.3%	135.5	135.8	(0.2%)	2,058	2,020	1.9%	9,607	9,481	1.3%
EBITDA Margin (%)	49.2%	59.8%	(1,059 bps)	67.1%	64.7%	242 bps	49.2%	59.8%	(1,059 bps)	67.1%	64.7%	242 bps
Receivables (Gross)	279	166	68%	279	166	68%	21,067	11,460	84%	21,067	11,460	84%
Debt	387	415	(7%)	387	415	(7%)	29,182	29,329	(1%)	29,182	29,329	(1%)

Note: * EBITDA includes a forex gain/(loss) - Q4 FY20: INR 395 Mn; FY20 INR 459 Mn, Q4 FY19: (INR 12 Mn), and FY19: INR 68 Mn

- Q4 FY20 Revenues grew by 23.8% YoY to INR 4,180 Mn primarily because of higher plant availability (90% in Q4 FY20 vs. 77% in Q4 FY19)
- Despite the higher opex, Q4 FY20 EBITDA grew by 1.9% YoY to INR 2,058 Mn mainly led by forex gain of INR 395 Mn (USD 5.6 Mn)
- Significant increase in opex during the fourth quarter was primarily due to higher MTM provision on interest rate swaps (a notional charge), and increased provisioning for expected credit loss against receivables (a notional charge). Provisioning for expected credit loss against receivables was higher at INR 1,113 Mn in Q4 FY20 (INR 1 Mn in Q4 FY19)
- During the full-year FY20, Revenues stood steady at INR 14,313 Mn. The maintenance related plant shutdown in Q3 FY20 negatively impacted revenues in FY20
- Owing to economic slow-down and the consequent non-receipt of bulk payments from the power utility “ZESCO”, the Zambian step-down subsidiary “MCL” could not make the debt repayment due in March 2020, though the interest has been paid. It has approached the Lenders for a stand-still arrangement till March 2021, by when an appropriate plan for the restructuring of debt can be put in place. This plan envisages a prospective adjustment of power tariff for which both the Parties are engaged in discussions. MCL hopes to resolve the issues with ZESCO in this financial year to pave the way for smooth cash flows thereafter.

Zambia Coal Mining - Financial & Operating Metrics



Key Operating Metrics	Q4 FY20	Q4 FY19	YoY (%)	FY20	FY19	YoY (%)
Coal Sales to outsiders (In MTPA)	33,640	49,402	(31.9%)	241,016	233,754	3.1%

Key Financial Metrics	USD Millions						INR Millions					
	Q4 FY20	Q4 FY19	YoY (%)	FY20	FY19	YoY (%)	Q4 FY20	Q4 FY19	YoY (%)	FY20	FY19	YoY (%)
Revenue from Operations	7.6	7.7	(0.6%)	41.1	37.3	10.0%	541	536	0.9%	2,911	2,607	11.7%
Operating Expenses	3.8	4.5	(14.5%)	17.6	19.2	(8.6%)	271	312	(13.2%)	1,246	1,342	(7.2%)
EBITDA *	5.3	2.8	88.6%	24.5	18.1	35.7%	374	195	91.6%	1,738	1,261	37.8%
EBITDA Margin (%)	69.1%	36.4%	3,268 bps	59.7%	48.4%	1,132 bps	69.1%	36.4%	3,268 bps	59.7%	48.4%	1,132 bps
Receivables	0.3	1.6	(80%)	0.3	1.6	(80%)	24	113	(79%)	24	113	(79%)
Debt	25.8	27.4	(6%)	25.8	27.4	(6%)	1,945	1,895	3%	1,945	1,895	3%

Note: * EBITDA includes a forex gain/(loss) - Q4 FY20: INR 104 Mn; FY20 INR 72 Mn, Q4 FY19: (INR 29 Mn), and FY19: (INR 4 Mn)

- In Q4 FY20, volumes sold declined sharply owing to the slowdown in industrial activity in Zambia caused by the severe power shortage in the country. **However, increase in the average realizations helped offset decline in volumes as Revenues grew marginally by 0.9% to INR 541 Mn in Q4 FY20**
- Q4 FY20 EBITDA increased sharply by 92% YoY backed by an expansion in gross margins and forex gain of INR 104 Mn (USD 1.5 Mn).
- For the full-year FY20, the coal mining division revenues registered a healthy growth of 12% led by higher realizations coupled with volume growth of 3%. Strong growth in EBITDA (+38% YoY) was led by higher gross margin.** Introduction of the employee code bill 2019 led to higher employee cost during the year
- Mining segment continues to provide consistent cash flow (no receivables overdue)
- Focus is on driving strong growth in this segment in the near-term with plans to significantly ramp-up its external sale of coal to 40,000 tons per month in next 18 months**



Company Overview

Leading Business Group

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

Strong Financial Performance

- **Reported Healthy 3-Year in Revenue and Profitability**
 - **Revenue:** INR 27,587 Mn (3-Yr CAGR: 25%)
 - **EBITDA:** INR 12,003 Mn (3-Yr CAGR: 45.9%)
 - **PAT:** INR 5,308 Mn (3-Yr CAGR: 15.5%)
- **Low Gearing:** Debt to Equity Ratio of 0.8x (FY20)

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 70% power output available for sale



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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

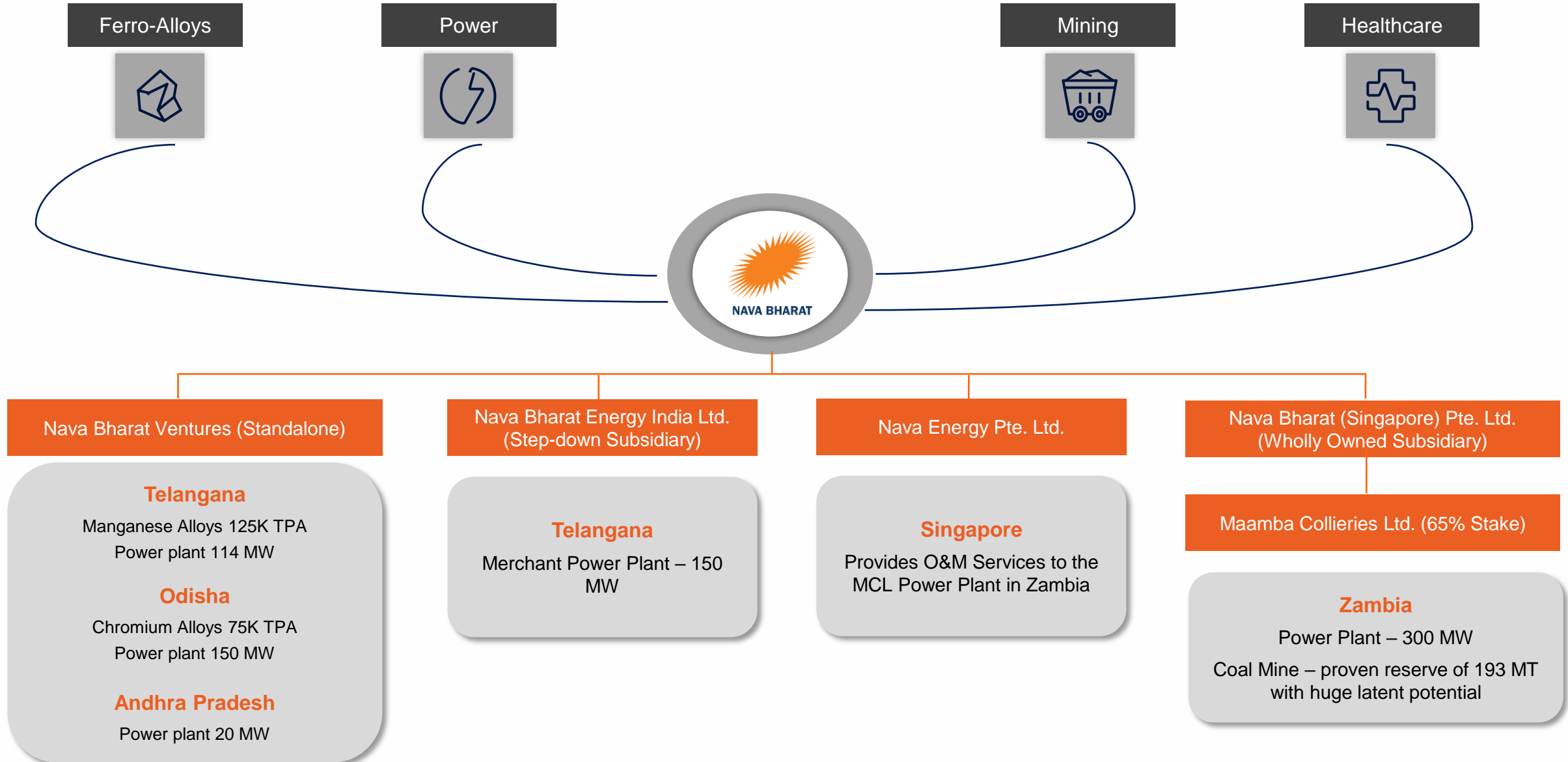
- Focus on Iron Deficiency, for life-style improvement
- Low Capex, Asset Light Business Model offering good growth potential
- Has exclusive distribution rights for “Monofer” in Malaysia & Singapore
- Could enable pursuit of similar opportunities from leading drug makers

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)

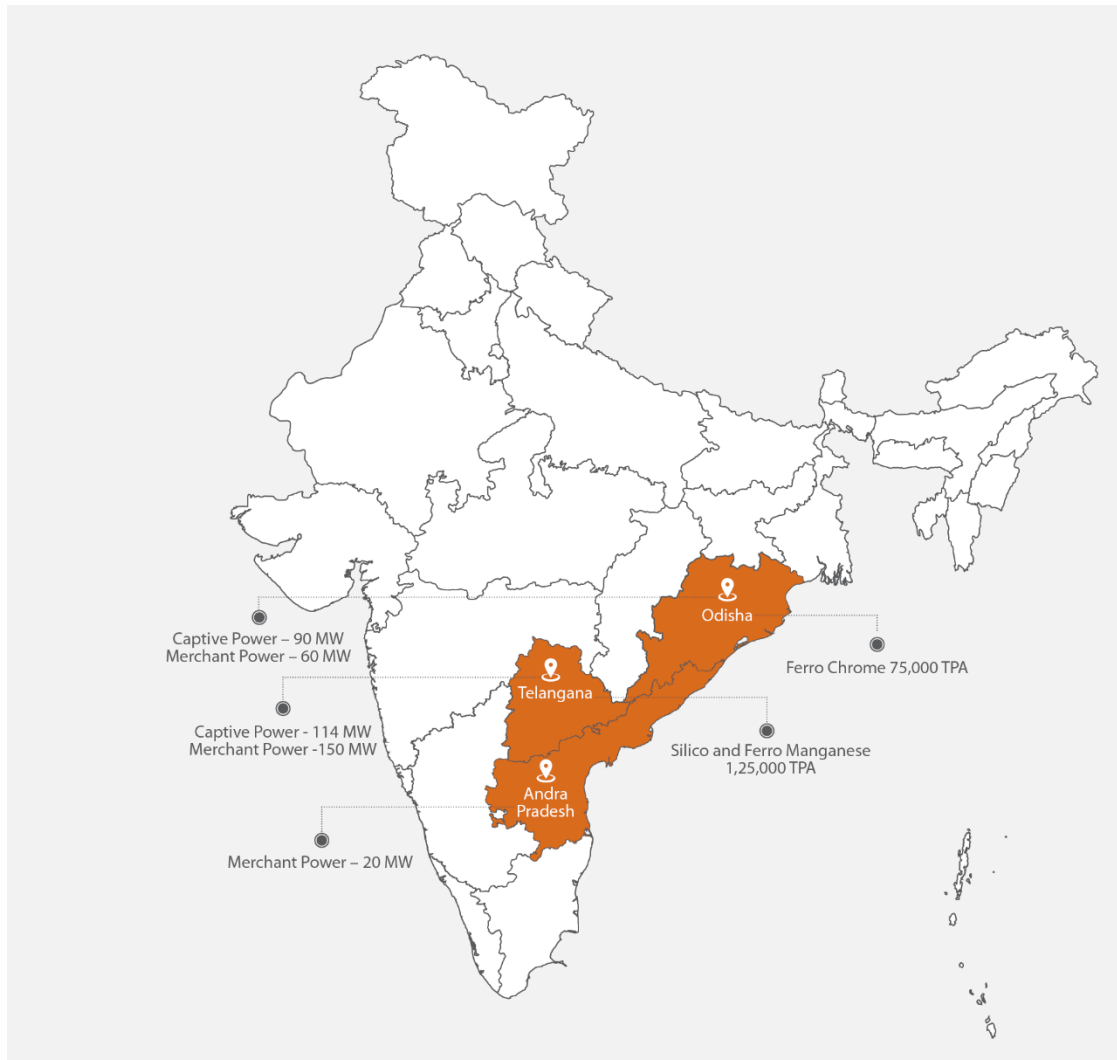
Note: Sugar & Allied Business including a sugar Processing Plant of 4,000 TCD, and Power Plant of 9 MW in Andhra Pradesh, has been classified as Discontinued Operations

Company Structure

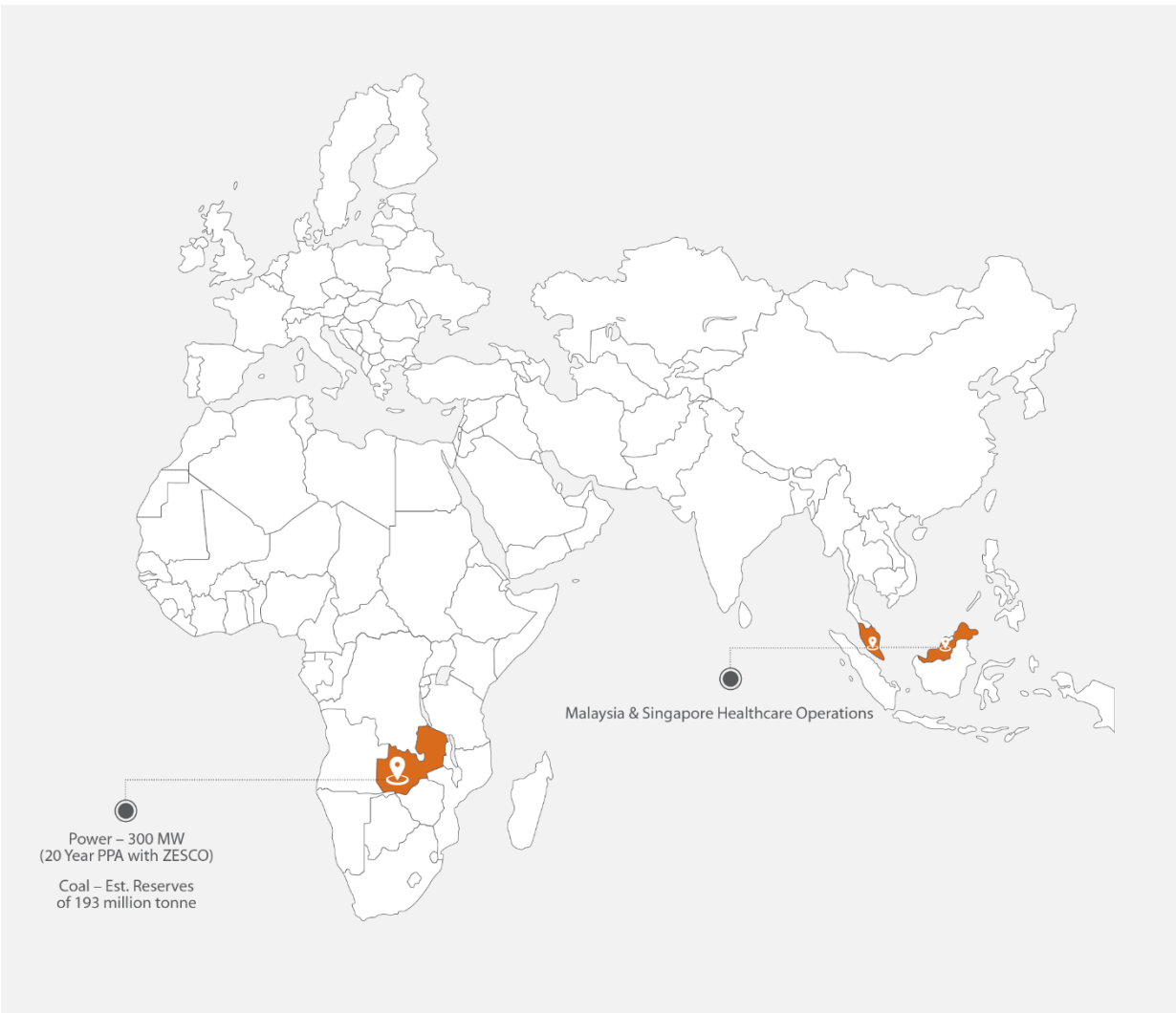


Note: Sugar & Allied Business including a sugar Processing Plant of 4,000 TCD, and Power Plant of 9 MW in Andhra Pradesh, has been classified as Discontinued Operations

Domestic Operations – Facilities Chart on India Map

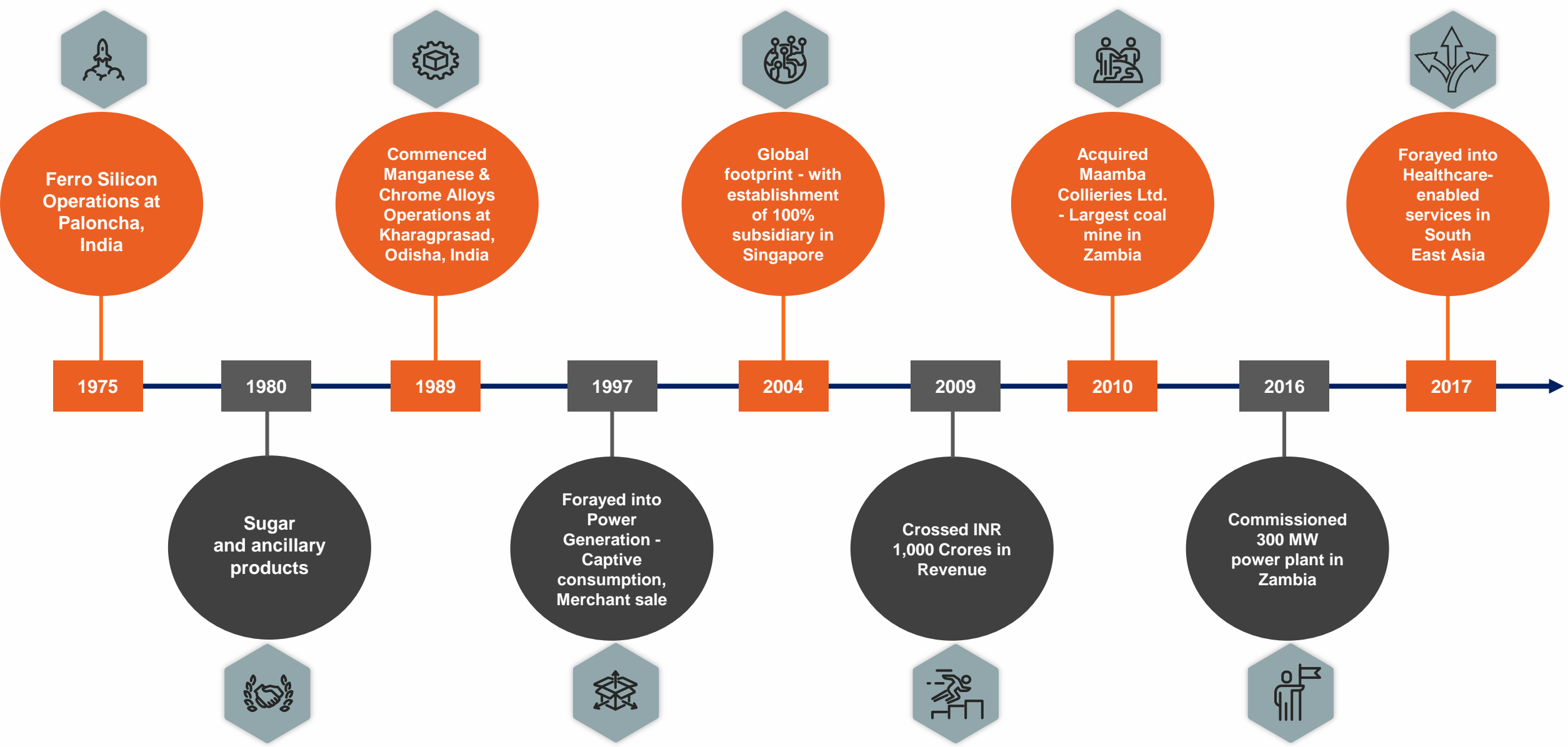


Global Operations – Facilities Chart on Global Map



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

- MBA from USA with 36 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

- MBA from USA with 36 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

- 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

- CA, CS with 37 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

- A Graduate in Commerce with 45 years of industrial experience in ferro alloys industry.
- Responsible for marketing & sourcing of ferro alloys, raw materials etc.

Mr. Sultan Baig, CFO

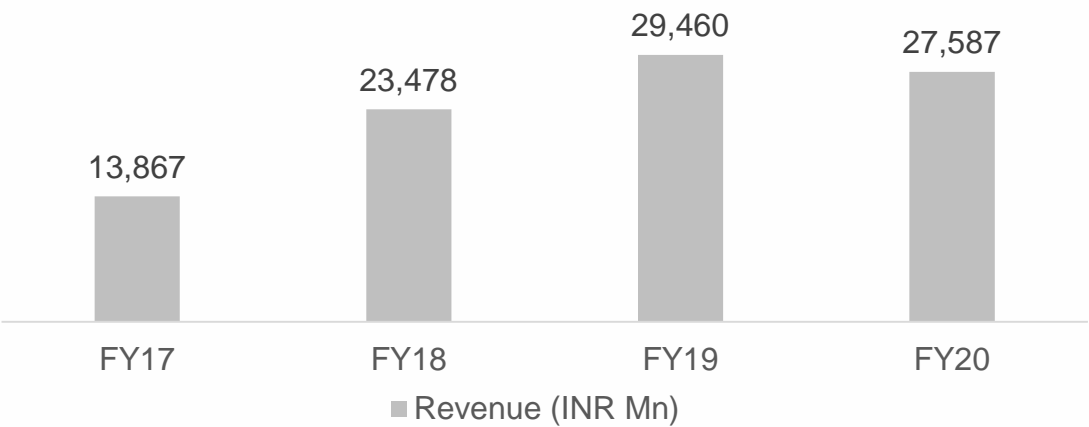
- CA with 20 years experience in Corporate Finance, Fund raising, Treasury management, Accounting & Taxation in India and overseas .
- Heads overall Finance function of Nava Bharat Group.

Analyzing Yearly Financials - Consolidated Operations



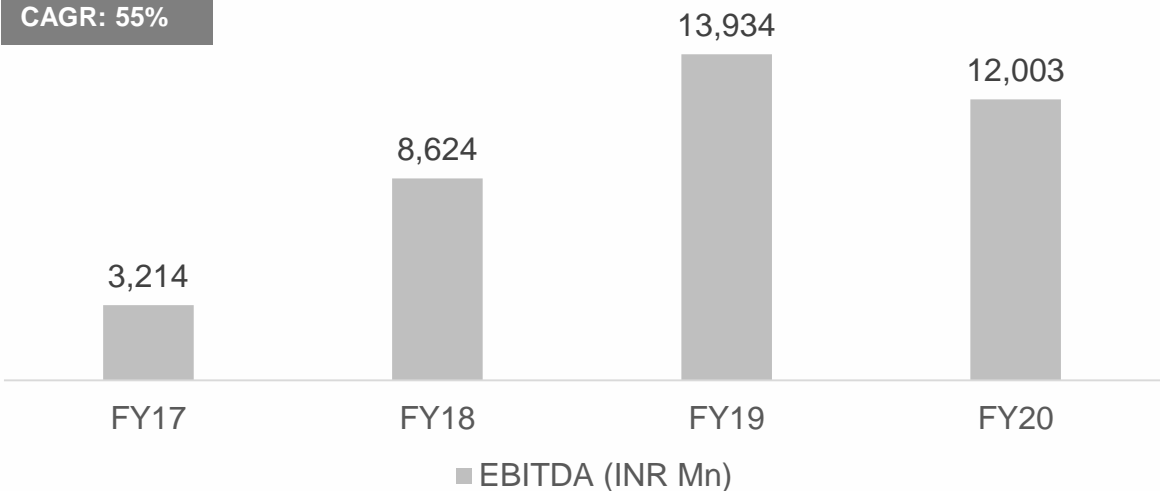
Revenue

CAGR: 26%



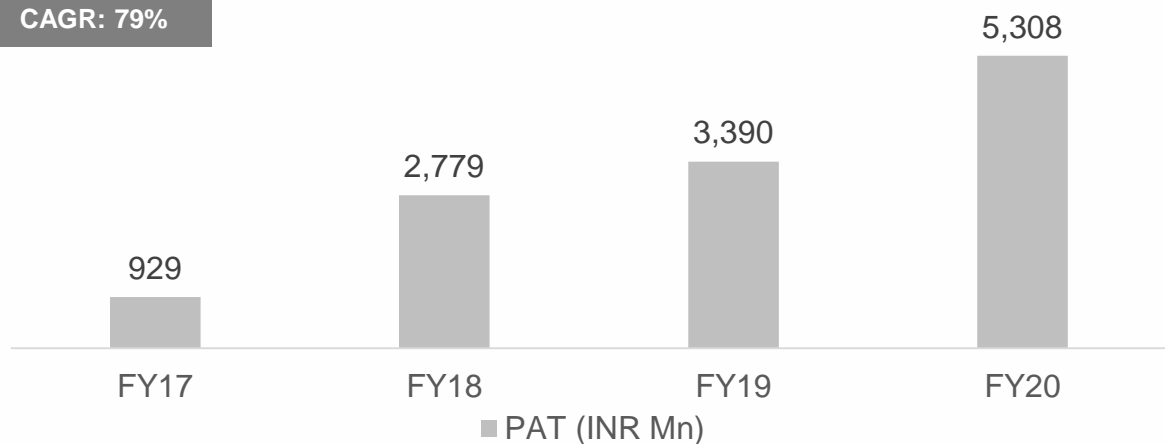
EBITDA

CAGR: 55%

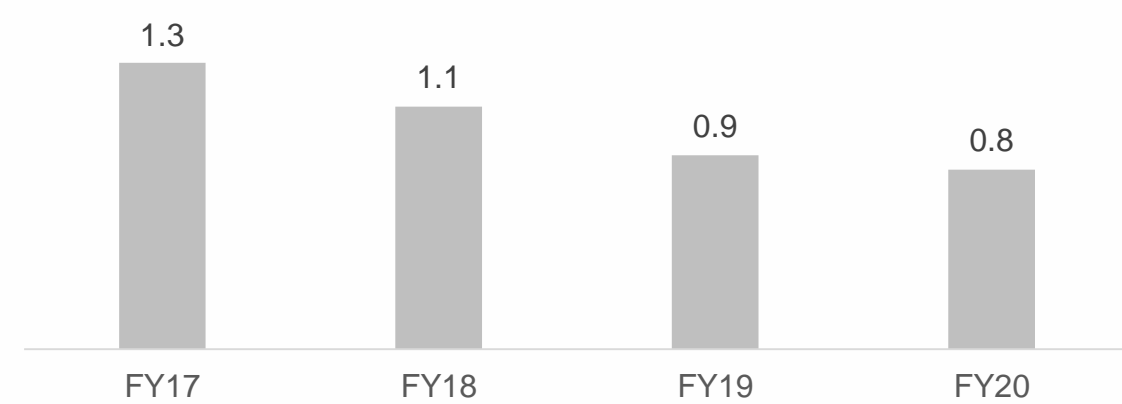


PAT

CAGR: 79%

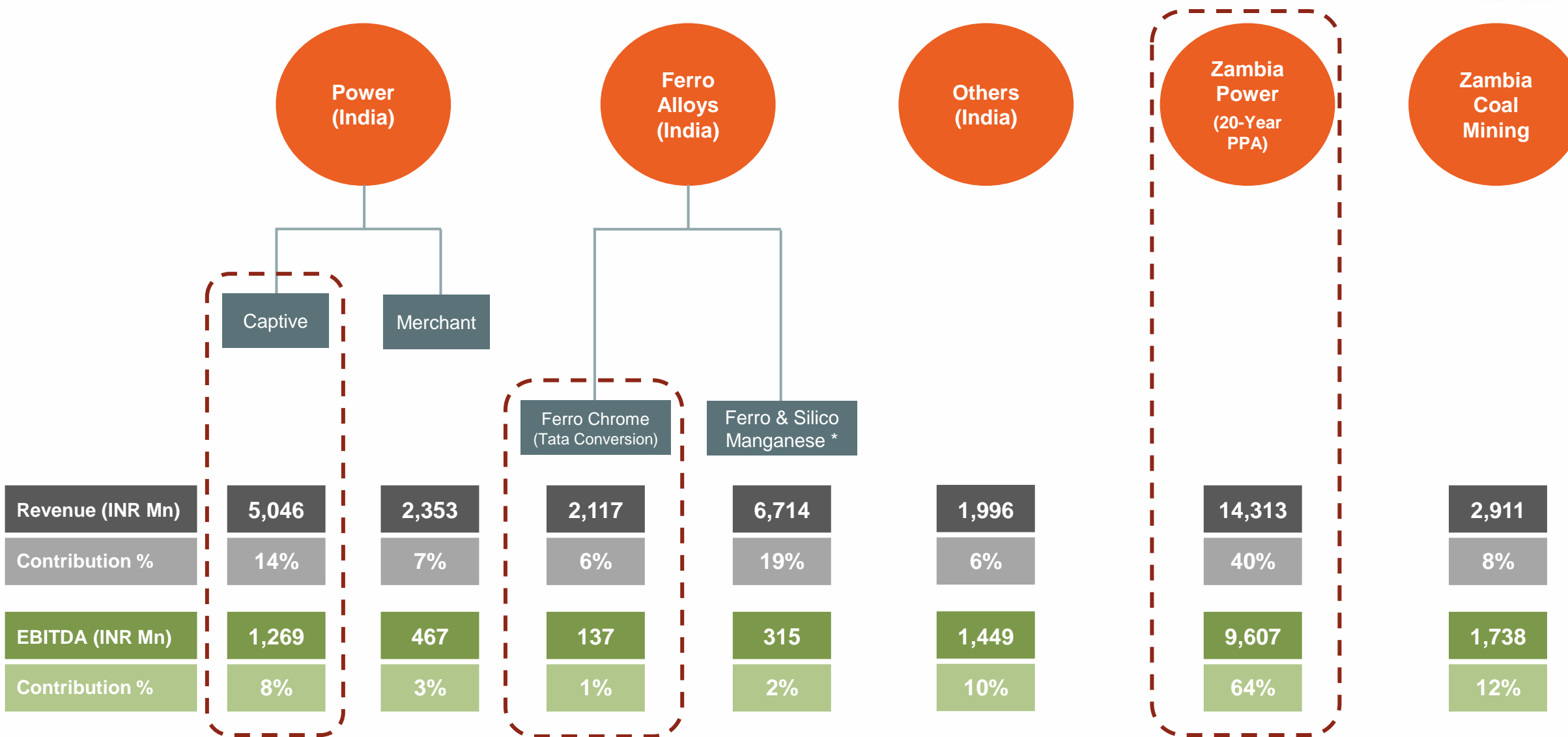


Debt Equity Ratio



Note: EBITDA includes other income

60%+ of Total Revenue & EBITDA is Largely Non-cyclical



Note:

- These figures pertain to FY 2020. EBITDA refers to Gross EBITDA (before any inter-segment transactions) and is inclusive of other income
- Others segment includes Power O&M Services, 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

Key Strengths: Recurring Revenue & Captive Resources



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

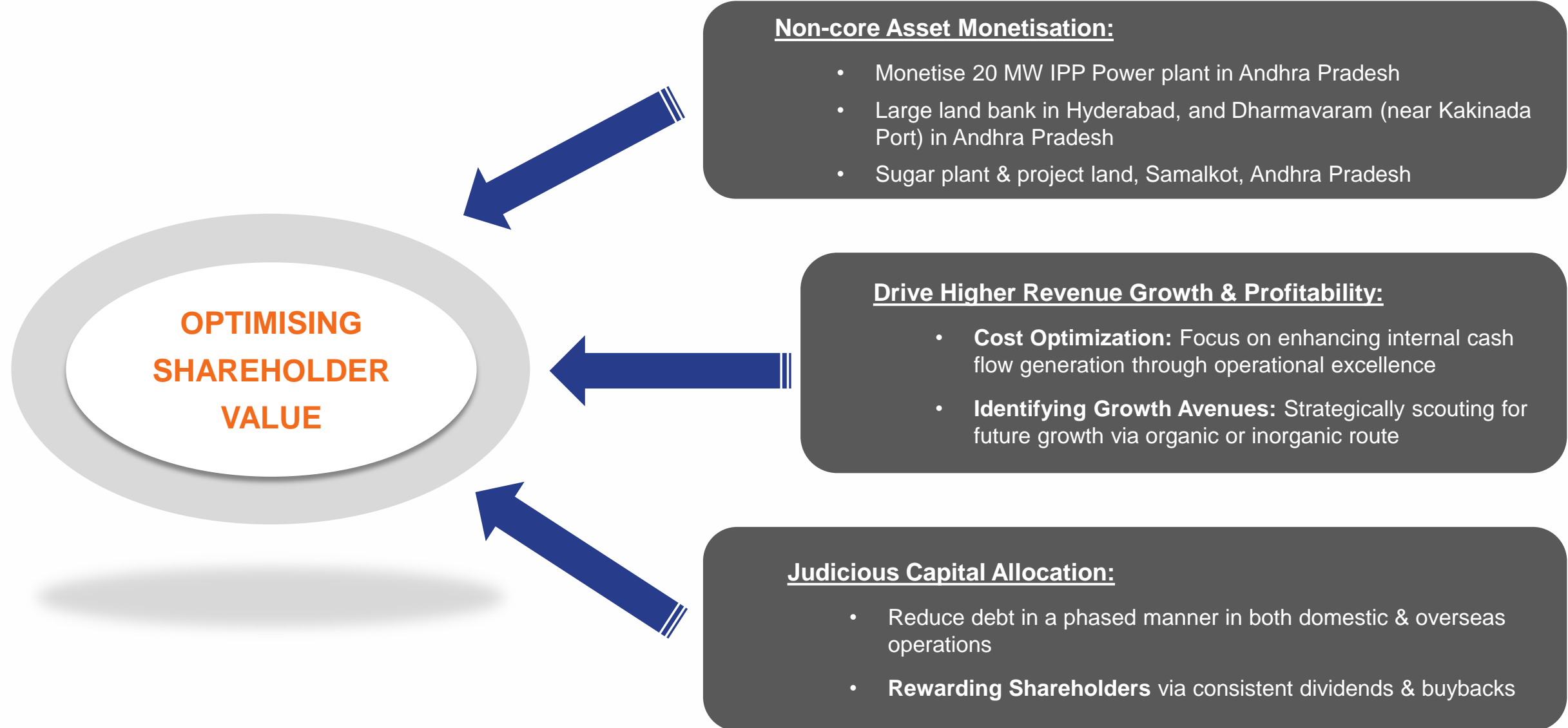
- i) **Steady off-take** from Ferro Alloy plants
- ii) All power plants are **located very nearby** to fuel sources
- iii) FBC technology Boilers

- i) Assured offtake leads to **better plant utilization** - CPP contributed to 68% of Power Revenue & 73% of Power EBITDA
- 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 resources

- 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





DISCUSSING OUR BUSINESS SEGMENTS



**Indian Ferro
Alloys**



Indian Power



Healthcare



Zambia Power



Zambia Mining





NAVA BHARAT

Indian Power Business

Indian Power Assets: Ideal Mix of CPP & IPP



Power plants with capacity of 443MW 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 x 50MW, 2 x 32MW)	150 MW (1 x 30 MW, 2 x 60MW)	20 MW (1 x 20MW)
Type of Plant	CPP	CPP – 90 MW IPP – 60 MW	Biomass plant
Fuel	Coal	Coal	Bagasse
Source Mix	Linkage	Linkage	Captive
FY20 Financials - Revenue: INR 5,046 Mn, EBIDTA: INR 1,269 Mn, PLF: 64% *			

Paloncha, Telangana
150 MW (1 x 150MW)
IPP
Coal
E-auction
FY20 Financials - Revenue: INR 2,482 Mn, EBIDTA: INR 467 Mn, PLF : 46%

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

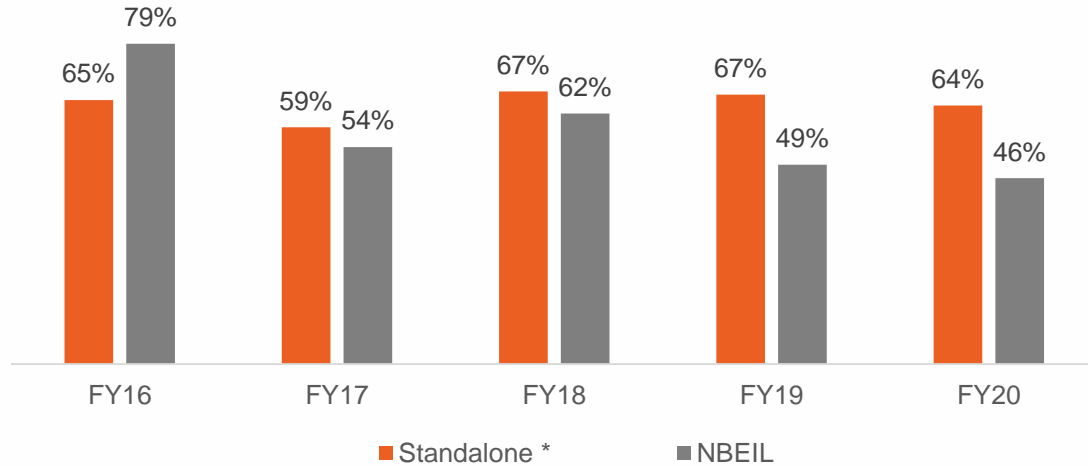
Note:

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

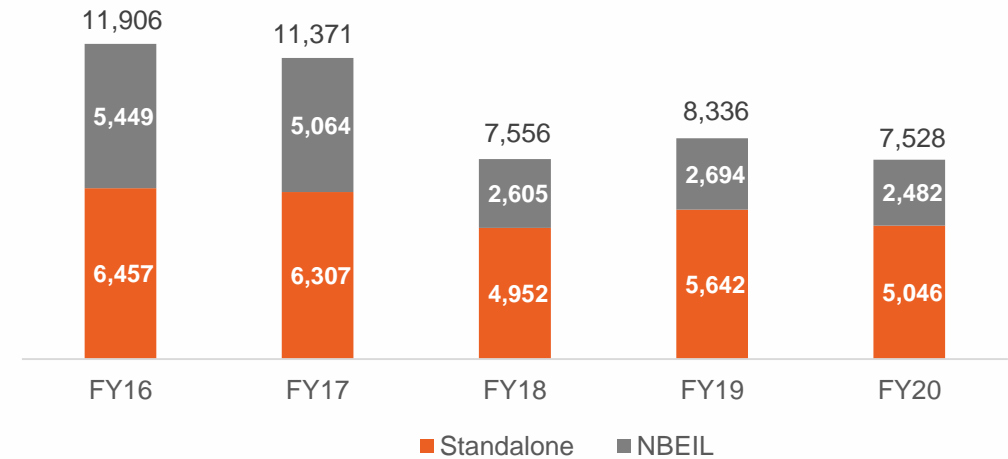
CPP provides stability to earnings in Indian Power Business



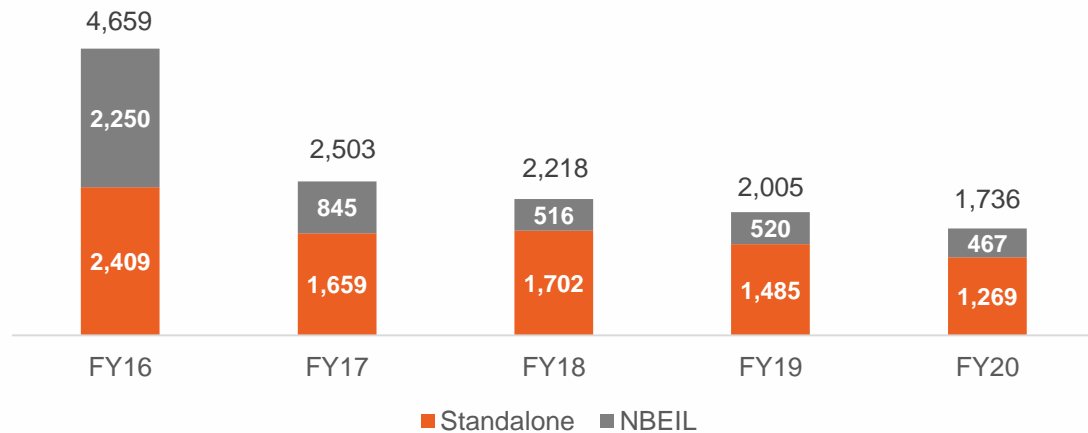
PLF



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
- Operation of 60 MW IPP in Odisha is dependent upon resolution of legal dispute and dynamics of IEX rates
- NBEIL (150 MW) is an IPP plant which operates on short to medium term PPA
- In FY20 CPP units generated ~68% of Revenue and 73% of EBIDTA of Indian Power Business.
- **Thus, 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
Cyclicalty	Medium: 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.	LOW: Company produces Ferro Chrome under conversion agreement with TATA Steel. Thereby its operations are steady and insulated from FeCr prices

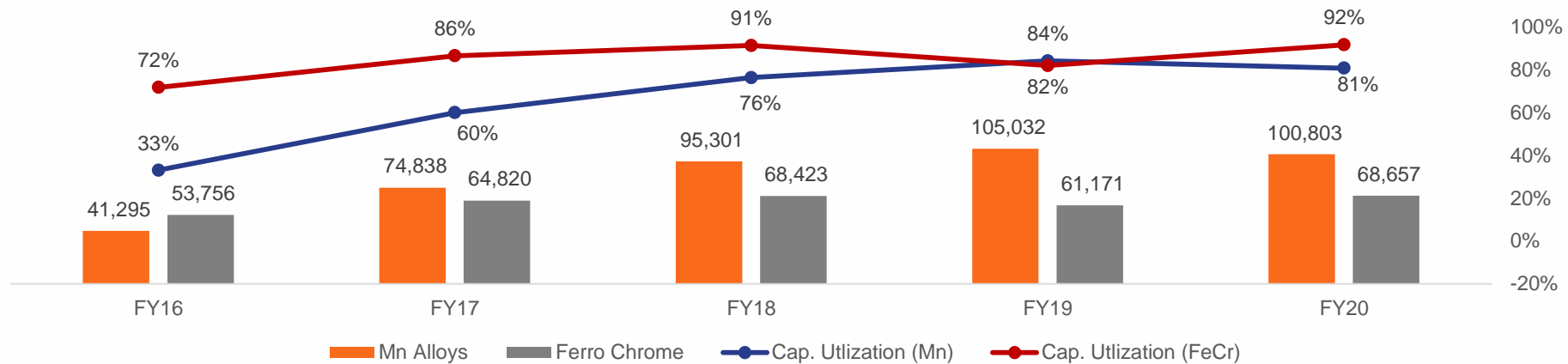
Ferro Alloys in Brief...

- 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 34% from INR 496 Mn in FY15 to INR 2,117 Mn in FY20**
 - Subsequently its share in Ferro Alloys revenue has increased from 7% in FY15 to 24% in FY20, 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

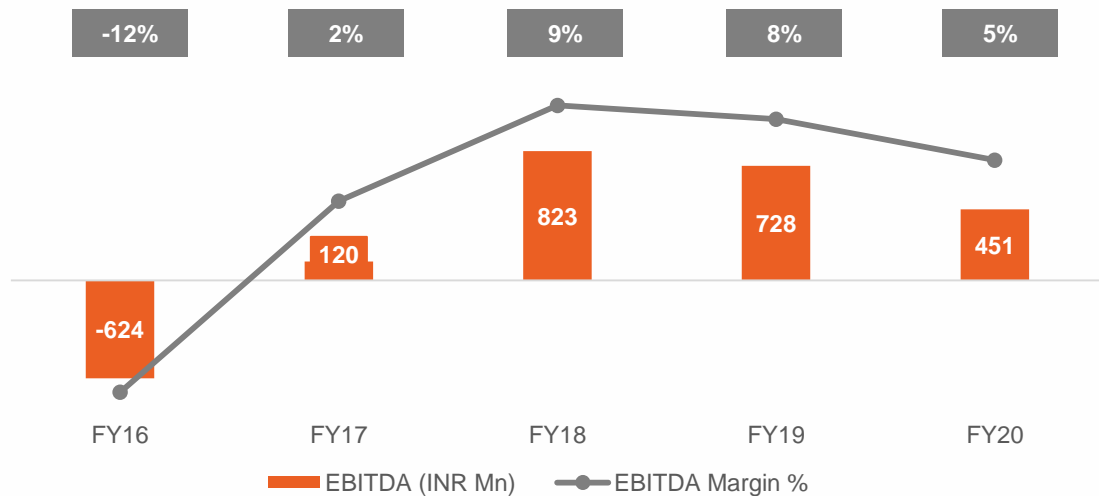
Ferro Alloys - Key Financial & Operating Metrics



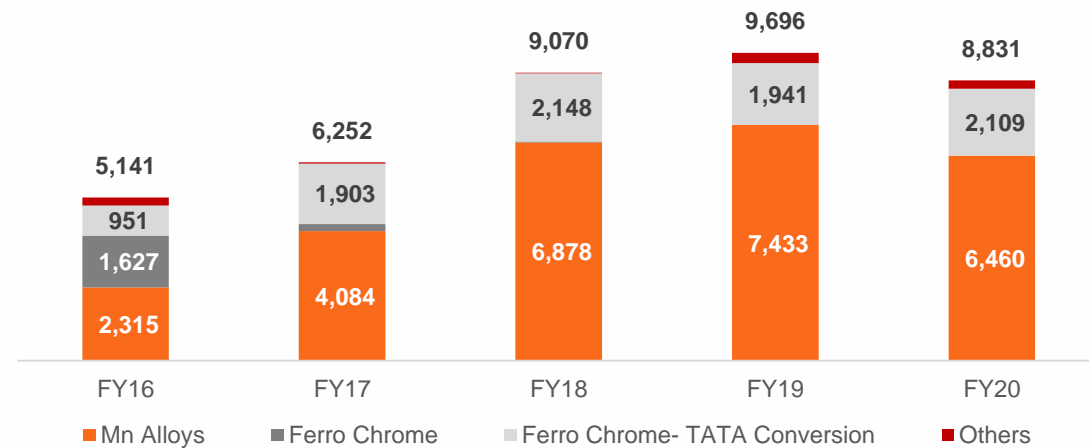
Production (tons) & Capacity Utilization (%)



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 TIA SH 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 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 ~1,140 Mn (~USD 16 Mn) in FY2020



NAVA BHARAT

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. MCL will continue to repay its debt as per schedule becoming debt-free by 2026
 - This will lead to a steady reduction in interest costs from USD 47 Mn in FY20
- 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:** 76% (FY 2020)
- **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 FY2020 (USD Mn) :

- **Revenue:** 202 Mn; **EBITDA:** 136 Mn; **PBT:** 35 Mn
- Healthy EBITDA and PBT Margins; comparable to peers in African region

Zambia Power - Financial & Operating Metrics



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

Currency	USD (In Millions)				INR (In Millions)			
Key Financial Metrics	FY18	FY19	FY20	CAGR (%)	FY18	FY19	FY20	CAGR (%)
Revenue from Operations	104	210	202	39%	7,036	14,655	14,313	43%
Operating Expenses	29	75	73	59%	1,948	5,241	5,166	63%
EBITDA	75	136	136	35%	5,088	9,481	9,607	37%
EBITDA Margin (%)	72.3%	64.7%	67.1%	-	72.3%	64.7%	67.1%	-
Receivables (Gross)	80	166	279	-	5,240	11,460	21,067	-
Debt	470	415	387	-	30,600	29,329	29,182	-

Note: * EBITDA includes a forex gain/(loss) – Q4 FY20: INR 459 Mn, FY19: INR 68 Mn



Zambia Coal Mining

Zambia Coal Mining - Effectively Complements Power Business



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 in the next 18 months, versus 20,000 tons per month run-rate at present



Zambia Coal Mining - Financial & Operating Metrics



Key Operating Metrics	FY17	FY18	FY19	FY20	CAGR (%)
Coal Sales to outsiders (Metric Tons Per Annum)	276,486	326,612	233,754	241,016	(4%)

Currency	USD (In Millions)					INR (In Millions)				
Key Financial Metrics	FY17	FY18	FY19	FY20	CAGR (%)	FY17	FY18	FY19	FY20	CAGR (%)
Revenue from Operations	20	30	37	41	27%	1,295	2,033	2,607	2,911	31%
Operating Expenses	9	26	19	18	26%	609	1,796	1,342	1,246	27%
EBITDA *	11	4	18	25	31%	686	237	1,261	1,738	36%
EBITDA Margin (%)	53.1%	11.6%	48.4%	59.7%	-	53.1%	11.6%	48.4%	59.7%	-
Debt	-	32	27	26	-	-	2,074	1,895	1,945	-

Note: * EBITDA includes a forex gain/(loss) - Q4 FY20: INR 72 Mn, FY19: (INR 4 Mn)



THANK YOU



NAVA BHARAT

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