

NAVA BHARAT

NAVA BHARAT VENTURES LIMITED

Nava Bharat Chambers 6-3-1109/1, Raj Bhavan Road, Hyderabad - 500082

For immediate attention

9M Net Sales up 68% at Rs. 9,741 million

9M PAT up 87% at Rs.3,466 million

9M Power PBIT at Rs. 2,460 million

Hyderabad, January 29, 2009: Nava Bharat Ventures (Nava Bharat) today announced its results for the third quarter & nine-months ended 31st December 2008.

Q3 FY2009 financial review:

Q3 Net Sales reported marginal growth of 13.2% from Rs. 2,520.3 million to Rs.2,853.0 million. The Power business of the Company drove the performance with Revenues of Rs.2,280.13 million in Q3 FY2009. The comparable figure for last year was at Rs.926.5 million. Revenues from the Ferro Alloys side were down at Rs.584.0 million as compared to Rs.1,839.5 million. Operating Profits for the quarter were however down at 976.3 million from Rs. 1,045.9 million on account of decline in value of inventory and foreign currency fluctuations. Interest related expenditure stood at Rs.94.0 million in Q3 FY2009 as opposed to Rs.45.4 million last year, on account of financial charges on higher power sales. Depreciation in the period was Rs.95.8 million as compared to Rs.75.9 million. The Profit Before Tax in Q3 FY2009 was down to Rs.806.1 million from Rs.940.3 million previously. However, Net Profit stood at Rs.1,010.9 million this quarter from Rs.752.9 million earlier, on account of write back of excess tax provision following the fall in earnings of Ferro alloy division. The corresponding EPS was at Rs.12.42 and Rs.9.87 respectively.

9M FY2009 financial review:

9M FY2009 Net Sales stood at Rs.9,740.7 million from Rs.5,816.4 million –the good performance was on account of robust earnings in the Power business in the year to date and strong numbers from Ferro Alloys in the first half of the year. 9M Power Revenues were Rs.4,724.2 million as compared to

Rs.2,476.2 million. Operating Profits in 9M FY2009 were Rs.4,374.5 million, up significantly from Rs.2,459.6 million, notwithstanding the provisions made for adverse foreign currency fluctuations and decline in value of inventory of finished goods and raw materials as per AS 2. The Company's PBT increased by 82.7% to Rs.3,956.2 million for this 9M as compared to Rs.2,165.3 million last year. The Company registered 86.9% increase in profit after tax of Rs.3,465.6 million from Rs.1,854.2 million for the 9 month period. The EPS for 9M FY2009 was Rs.42.06 whereas the EPS for 9M FY2008 was Rs.25.35.

Commenting on Nava Bharat's third quarter results, Mr. D. Ashok, Chairman and Managing Director at Nava Bharat Ventures said: *"Nava Bharat has delivered satisfactory performance in the quarter considering the global melt down especially in the commodities space. We have been focusing on the Power model to drive our earnings growth for quite some time. The incremental capacity helped us increase the quantum of electricity sold on a merchant basis. We are committed to our presence in this business and continue to pursue opportunities to expand generation capacities. Ferro Alloy business which has given us two quarters of good results, is witnessing a marked de-gearing, given the perceived slow down in steel world wide. The focus is clearly going to be on optimising the earnings profile leaning predominantly towards power business. The sugar business, we hope, will turn positive this year, driven by reasonable growth in realisations."*

-ENDS-

Included: Details to the announcement

About Nava Bharat Ventures Limited (Nava Bharat)

Nava Bharat Ventures has a diversified business profile with interests in power generation, ferro alloys (essential inputs to steel manufacture), sugar & its downstream products and infrastructure. The Company has total installed power generation capacity of 217 MW which is being expanded to 237 MW. Nava Bharat is a leading producer/exporter of ferro alloys with annual production of about 125,000 MT of Manganese and 75,000 MT of Chrome Alloys. Nava Bharat also undertakes production of sugar and allied products in its 3,500 TCD integrated plant. The Power business will be fuelling the Company's growth. Additional information on Nava Bharat Ventures Limited is available on the Company website www.nbv.in

Investor contacts

G.R.K. Prasad / M. Subrahmanyam

Nava Bharat Ventures Limited

Phone: 040 2340 2064

Fax: 040 2340 3013

Email: nbvl@nbv.in

Siddharth Rangnekar

Citigate Dewe Rogerson

Phone : 022 4007 5005

Fax: 022 2284 4561

Email: siddharth@cdr-india.com

Note: This document contains 'forward-looking' statements at places. The Company has operations across several segments of business and remains subject to undetermined contingencies and risks. Nava Bharat Ventures would not be liable for any action undertaken based on such 'forward-looking' statements and does not commit to revising/updating them publicly.

Hyderabad, January 29, 2009

Details to the announcement

- Q3/9M FY2009 segmental overview
- Q3/9M FY2009 results table
- Q3/9M Quantitative Data table

Q3/9M FY2009 segmental overview

Power

Rs. Million	Q3 FY2009	Q3 FY2008	Shift %	9M FY2009	9M FY2008	Shift %
Revenues	2,280.1	926.5	146.1	4,724.2	2,476.2	90.8
PBIT	1,233.8	514.1	140.0	2,460.4	1,463.5	68.1

Revenues

Revenues grew strongly from Rs. 926.5 million to Rs. 2,280.1 million –this was on account of greater merchant sales of power this quarter as compared to last year. The respective figures for power sales were at 304.9 million units in Q3 FY2009 and 113.5 million units in Q3 FY2008. In the 9M period Revenue growth was at 90.8% from Rs.2,476.2 million to Rs.4,724.2 million. Nava Bharat commissioned an additional 96 MW capacity in recent past –thereby allowing for an increase in power available for external sales.

PBIT

Q3 PBIT rose from Rs. 1,233.8 million to Rs. 514.1 million. A large percentage of this increase came from the volume increment that the Company saw in power sales. Power segment realisations have also moved up significantly further helping in improving the earnings. The PBIT scenario in 9M was good – Profits increased from Rs. 1,463.5 million to Rs. 2,460.4 million.

Ferro Alloys

Rs. Million	Q3 FY2009	Q3 FY2008	Shift %	9M FY2009	9M FY2008	Shift %
Revenues	584.0	1,839.5	68.3	5,500.5	3,767.3	46.0
PBIT	(325.7)	469.1	-	1,690.8	874.9	93.3

Revenues

Q3 Revenues were at Rs. 584.0 million from Rs. 1,839.5 million in Q3 FY2009. This follows moderation in demand for Ferro Alloys in the last few weeks and a corresponding correction in realisations across board. Whereas the total production of manganese alloys remained lower, the Company has taken a conscious decision to halt production of Ferro Chrome in view of prevailing high inventory.

Given its flexible model on utilisation of power the Company has taken benefit of this stoppage and has increased the power available for merchant sales. 9M Revenues were at Rs. 5,500.5 million from Rs. 3,767.3 million. The annual target for production of Ferro Alloys is likely to be at a lower level than that attained last year.

PBIT

Profitability in Q3 was at Rs.(325.7) million as compared to Rs.469.1 million as the Company saw reduced sales volume of Ferro Alloys. Realisations have also started declining in the quarter. Given the scenario in Steel –the weaker trend in product off take is likely to persist. In 9M FY2009 the PBIT in Ferro Alloys was at Rs.1,690.8 million as opposed to Rs.874.9 million.

Sugar

Rs. Million	Q3 FY2009	Q3 FY2008	Shift %	9M FY2009	9M FY2008	Shift %
Revenues	154.5	185.6	16.8	434.2	632.2	31.3
PBIT	(24.3)	(11.0)	-	(12.2)	(56.2)	-

Revenues

Sugar Revenues in the quarter were at Rs. 154.5 million from Rs. 185.6 million last year. This is given better realisations achieved in the Q3 period. There are expectations that India will be a sugar deficit nation this year and this is likely to keep prices of the product firm. In 9M FY2009 the Sugar Revenues were at Rs. 434.2 million as compared to Rs. 632.2 million.

PBIT

Given higher cane costs, the Q3 PBIT was at Rs. (24.3) million as compared to Rs. (11.0) million in Q3 FY2008. The Company is starting to benefit from better realisations in the period thereby resulting in a lower loss at the PBIT level in the Y-T-D period. In 9M the PBIT stood at Rs. (12.2) million as opposed to Rs. (56.2) million.

Q3/9M FY2009 results table


Rs. Million	Q3 FY2009	Q3 FY2008	Shift %	9M FY2009	9M FY2008	Shift %
Total Income	3052.9	3001.8	-	10896.0	7008.2	55.5
EBIDTA	976.3	1,045.9	(6.7)	4,374.5	2,459.6	77.9
Depreciation	95.8	75.9	26.2	248.0	183.2	35.3
Interest	94.0	45.4	107.0	222.1	130.6	70.1
PBT	806.1	940.3	(14.3)	3956.2	2165.3	82.7
Tax						
- Current	(245.0)	163.0	-	450.0	302.0	49.0
- Deferred	50.3	3.0	-	45.5	6.3	-
- MAT credit	(11.0)	20.0	-	(11.0)	-	-
- FBT	1.0	1.4	28.6	6.0	2.8	114.3
PAT	1010.9	752.9	34.3	3465.6	1854.2	86.9
EPS (Diluted)	12.42	9.87	25.8	42.06	25.35	65.9
Equity Share Capital	155.8	155.5	-	155.8	155.5	-

QUANTITATIVE DATA TABLE

Table on Production/Generation and Sales Volumes for quarter and 9M period with comparative numbers

Item	Q3 FY 2008	Q3 FY 2007	9M FY 2008	9M FY 2007
A. Production/Generation				
Silico Manganese (MT)	11980	20812	51181	59054
Ferro Manganese (MT)	313	2725	2161	10237
Ferro Chrome (MT)	1071	14171	18889	29315
Power (MU)	408.53	297.08	1107.00	796.10
Sugar (MT)	7064	10010	14351	26028
Molasses (MT)	3035	4074	6716	12112
Spirit (B.Litres)	440000	--	1048900	421900
Co-gen 9MW Power Plant (MU)	3.30	3.70	7.10	11.70
B. Sales				
Silico Manganese (MT)	5845	12162	467.30	45798
Ferro Manganese (MT)	220	8182	977	9521
Ferro Chrome (MT)	--	14413	14377	19861
Power (MU) – Captive Consumption	57.29	155.90	305.37	392.35
Merchant Sale	304.90	113.48	675.52	317.26
Sugar (MT)	7678	11819	21330	39215
Molasses (MT)	1672	3064	7634	13181
Spirit (B.Litres)	852	4149	1134396	786798

For NAVA BHARAT VENTURES LIMITED


G.R.K. Prasad

Director (Finance & Corporate Affairs)