



PRESS RELEASE

Q1 Total Income at Rs. 3,567.8 Million, up 22.2%

Q1 Profit after Tax at Rs.1363.8 Million, up 7.5%

Strong contribution from Power business

Hyderabad, July 31, 2009: Nava Bharat Ventures (Nava Bharat) today announced its results for the quarter ended 30th June 2009.

Q1 FY2009 financial review:

Total Income stood at Rs. 3,567.8 million from Rs. 2,918.6 million on the strength of the Power business. Power sales were at Rs. 2,344.8 million from Rs. 1,061.8 million given higher capacities year-on-year. Ferro Alloys sales were at Rs. 971.2 million from Rs. 2,057.5 million in Q1 FY2009 reflecting emphasis on inventory liquidation during the quarter. Given the focus on power the profitability is expected to be sustainable. Finance charges stood at Rs. 86.5 million from Rs. 57.9 million. The creation of power assets in the previous year resulted in higher Depreciation charges of Rs. 101.3 million this year as compared to Rs. 68.4 million previously. The Net Profits stood at Rs. 1,363.8 million from Rs. 1,269.1 million following good operating performance in power and MAT credit entitlement. The Basic EPS (post-extraordinary item) was at Rs. 17.51 as compared to Rs. 16.30.

Commenting on Nava Bharat's first quarter results, Mr. D. Ashok, Chairman said: *"Our focus on power is showing consistent results. The strong performance in Q1 is heartening as we have been able to balance the downside in ferro alloys with very good operating results in power. Power is central to our strategy. We are planning for a bigger merchant power business to be based on new coal-based units which will come on-stream in about 3 years. For the year ahead we see enhanced volumes in power and a healthy growth opportunity in sugar."* **Mr P. Trivikrama Prasad, Managing Director added:** *"We are setting in motion plans to scale up merchant power this year. On anvil are 3 new projects, all coal-based, which when ready would double our presence in the market. The Company is also proposing to commence coal-trading activities from the mine in Indonesia. We see this business supporting the growth of the power business."*

-ENDS-

Included: Details to the announcement

About Nava Bharat Ventures Limited (Nava Bharat)

Nava Bharat Ventures is a power focused company with interests in ferro alloys and sugar. The Company has total installed power generation capacity of 237 MW in AP and Orissa. Nava Bharat is one of the leading ferro alloy producers in India with about 125,000 MT of Manganese and about 75,000 MT of Chrome Alloy capacities. Nava Bharat also undertakes production of sugar and allied products in its 3,500 TCD integrated plant. The Power business has been fuelling the Company's growth and sustained profitability. Additional information on Nava Bharat Ventures Limited is available on the Company website www.nbventures.com

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, July 31, 2009

Details to the announcement

- Q1 FY2010 segmental overview
- Q1 FY2010 quantitative data table

Q1 FY2010 segmental overview

Power

Rs. Million	Q1 FY2010	Q1 FY2009	Shift %
Revenues	2,344.8	1,061.8	120.8
PBIT	1,551.9	613.3	153.0

Revenues

Power segment Revenues grew at Rs. 2,344.8 million in Q1 FY2010 from Rs. 1,061.8 million earlier. The availability of power improved on account of voluntary cutbacks in ferro alloy production and contribution of 64 MW unit at Orissa and 20 MW unit in A.P. which were not present in the comparable quarter. Thus the total merchant sales were substantially higher at 387.78 million units as compared to 142.53 million units last year.

PBIT

The PBIT was at Rs. 1,551.9 million from Rs. 613.3 million due to a combination of better realisations and increased merchant volumes.

Ferro Alloys

Rs. Million	Q1 FY2010	Q1 FY2009	Shift %
Revenues	971.2	2,057.5	(52.8)
PBIT	(152.2)	1,076.0	-

Revenues

Production of Ferro alloys in the period was minimal and emphasis was on inventory liquidation. The Sales stood at Rs. 971.2 million in Q1 as compared to Rs. 2,057.5 million last year. Production for the quarter

stood at 745 MT as opposed to 29,397 MT. The Company sees potential in the medium to long term in Manganese alloy products.

PBIT

The Q1 PBIT was at Rs. (152.2) million from Rs. 1,076.0 million in line with the subdued demand for products and due to under recovery of fixed costs of the smelters.

Sugar

Rs. Million	Q1 FY2010	Q1 FY2009	Shift %
Revenues	266.4	162.9	63.5
PBIT	43.0	(1.2)	-

Revenues

Demand-supply mismatches have caused sugar realisations to trend upward. Q1 Revenues were at Rs. 266.4 million from Rs. 162.9 million.

PBIT

PBIT was at Rs. 43.0 million from Rs. (1.2) million. The profitability in the business is expected to improve as the sector moves from a surplus to a deficit situation for sugar, molasses and alcohol.

Q1 FY2010 quantitative data table

Table on Production/Generation and Sales Volumes for quarter-ended period with comparative numbers

	Q1 FY2010	Q1 FY2009
A. Production / Generation		
Silico Manganese (MT)	745	22,652
Ferro Manganese (MT)	-	-
Ferro Chrome (MT)	-	6,745
Power (MU)	431.94	302.94
Sugar (MT)	-	7,287
Molasses (MT)	-	3,681
Spirit (B. Litres)	-	608,900
B. Sales		
Silico Manganese (MT)	11,440	13,614
Ferro Manganese (MT)	198	540
Ferro Chrome (MT)	12,243	7,667
Power (MU)		
-Captive Consumption (MU)	5.31	126.98
-Merchant Sale (MU)	387.78	142.53
Sugar (MT)	10,370	8,274
Molasses (MT)	2,390	2,187
Spirit (B. Litres)	301,351	1,001,079
Co-gen Power (KWH)	-	3,808,700