

**PRESS RELEASE**

Power drives profitability in FY2010

FY2010 Profit after Tax at Rs. 499 crore (Previous year Rs. 455 crore) – Growth 9.6%

Board recommends dividend of 450% i.e Rs 9 per share

Hyderabad, May 29, 2010:

Nava Bharat Ventures (Nava Bharat) has today announced its results for the quarter and year ended 31st March 2010.

FY2010 financial review:

The FY 2009-10, the PBT was higher at Rs. 509.8 crore from Rs. 496.0 crore earlier. Net Profits stood at Rs. 498.7 crore compared to Rs 455.1 crore previously (Growth of 9.6%). The Diluted EPS was up at Rs. 60.84 from Rs. 57.03 crore in the previous year. The FY2010 Revenues were buoyed by good results in Power. Revenues in Power were higher 20.0% at Rs. 827.6 crore from Rs. 689.8 crore last year. This is on account of higher generation and relatively higher quantum of merchant sales. Revenues in Sugar were at Rs. 85.2 crore from Rs. 68.1 crore i.e. an increase of 25.1%. The Interest expenditure was marginally lower in FY2010, at Rs. 30.6 crore from Rs. 31.0 crore last year.

Q4 FY2010 financial review:

The PBT was at Rs. 112.7 crore from Rs. 100.4 crore given the turn around in Ferro Alloys segment and stable returns from the Power business. Net Profit in Q4 FY2010 was at Rs. 110.0 crore from Rs. 108.5 crore over the corresponding quarter given better operating results and notwithstanding a lower MAT credit adjustment. Total Income was at Rs. 315.4 crore as compared to Rs. 304.7 crore in the corresponding previous period. Sales/income from Ferro Alloys was higher at Rs. 126.0 crore from Rs. 72.3 crore.



Commenting on Nava Bharat's fourth quarter results, Mr. D. Ashok, Chairman said: *"We are pleased with the pace of our growth plans and are happy to announce the financial closure for the 2 X 150 MW power plants by the step down subsidiary. Our expansion strategy in Power is on track with the envisaged commissioning of 64 MW in the current financial year. We have recently concluded purchase of 65% equity stake in Maamba Collieries Limited from ZCCM-Investment Holdings Plc,Zambia. This Coal venture in Zambia will gain traction with coal sales during the second half of FY2011.*

Mr P. Trivikrama Prasad, Managing Director added: *"We are pleased with the growth shown over the last year. The Power segment has led the overall performance of the Company for the quarter and the year. Power realisations for the quarter were healthy and we expect the same going ahead. There has been an improvement in Ferro alloys and this segment is likely to make higher progressive contributions to our overall revenue and profitability. The Sugar segment performance is influenced by higher cane crushing in FY 2011. We expect the earnings momentum to continue in the next year as well with increasing contribution from the Power segment while Ferro alloys will continue to lend strong support to overall growth."*



Corporate developments:

Board recommends dividend

The Board of Directors recommended dividend of 450% i.e.Rs 9 per share on fully paid up equity shares of Rs 2 each, for the year ended 31 March 2010. This will result in a dividend payout of Rs. 75 crore (including dividend tax).

2 X 150 MW Power Plants financial closure completed

During the quarter, the Company has achieved the financial closure for the Two 150 MW power plants to come up at Paloncha (based on domestic coal) and Dharmavaram (based on imported coal). The total debt requirement of Rs. 970 crore has been sanctioned. The project is to be funded by a debt to equity ratio of 70:30 at a total cost of approximately Rs. 1,490 crore. Orders for BTG are likely to be placed shortly. These plants will use a combination of domestic as well as imported coal for operations.

Awards and Achievements for the Year

- The Company has received the following awards from the Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI):
 - Award for "**Excellence in rural development**" for the year 2008-2009
 - Award for "**Outstanding export performance**" for the year 2008-2009
- **Best Management Award for the year 2009-10** from the Labour Department of Government of Andhra Pradesh for outstanding contribution in maintenance of Industrial Relations, Labour Welfare and Productivity.
- **Super Rank 20** and Rank 297 among 1000 Corporate Giants in India by Net Sales, accorded by Business Standard magazine - February 2010.
- Nava Bharat won the **Best Value Creator Award** in the Small Cap category (Market capitalisation – upto Rs. 2500 crore) for 2009, from Outlook Money NDTV Profit. The criterion was based on increase in profitability leading to high growth, leading to outperformance of share prices.
- Nava Bharat was **ranked 6th among the top 500 manufacturing companies in India** by Industry-2.0 Magazine. The ranking was based on innovative thinking, cost optimization strategies, intelligent marketing and quality products and services.



- The Sugar Unit at Samalkot bagged “**National Award for Excellence in Energy Management 2009**” from Confederation of Indian Industry (CII) as “**Excellent Energy Efficiency Unit**”. The above award was conferred on the Sugar Division at the National Competition for Excellence in Energy Management held in Chennai.
- The Ferro Alloy plant division at Paloncha was conferred “**State Energy Conservation Award**” for the year 2008-09 from Non-Conventional Energy Development Corporation of Andhra Pradesh Ltd., under Iron & Steel Category.
- The Company was awarded by EEPICINDIA (formerly Engineering Export Promotion Council) Silver Trophy for **Top Exporter in the category of Large Enterprise** in recognition of our outstanding contribution to Engineering Exports during the year 2007-2008. The Company had earlier received silver trophies in the specific product group of prime metal whereas the present trophy is common to all product groups of engineering exports in the entire southern region.

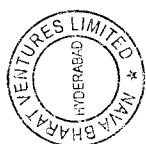
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Q4 & FY2010 quantitative data table

	Q4 FY2010	Q4 FY2009	FY2010	FY2009
A. Production / Generation				
Silico Manganese (MT)	12,185	6,882	27,665	58,063
Ferro Manganese (MT)	5	-	207	2,161
Ferro Chrome (MT)	5,709	-	14,555	18,889
Power (MU) (Net)	402.1	369.5	1,563.3	1,350.4
Sugar (MT)	21,817	15,915	28,729	30,266
Molasses (MT)	9,734	6,777	13,413	13,493
Spirit (b.Litres)	733,300	921,300	733,300	1,970,200
B. Sales				
Silico Manganese (MT)	13,655	12,798	37,088	59,528
Ferro Manganese (MT)	72	35	1,967	1,012
Ferro Chrome (MT)	8,572	5,523	25,528	19,900
Power (MU)				
-Captive Consumption (MU)	74.1	30.5	178.5	335.9
-Merchant Sale (MU)	328.1	339.0	1384.8	1014.5
Sugar (MT)	4556	9715	27660	31045
Molasses (MT)	2357	3695	5476	11329
Spirit (B. Litres)	54,709	545,621	871,034	1,680,017
Co-gen Power (KWH)	8,621,274	4,879,100	12,449,000	12,076,800

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



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

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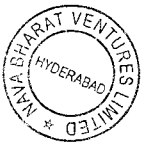
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Note: This document contains 'forward-looking' statements at places. The Company has operations across several segments of business and remains subject to undetermined contingencies and risks. Nava Bharat Ventures would not be liable for any action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



For NAVA BHARAT VENTURES LIMITED

A handwritten signature in black ink, appearing to be "G.R.K. Prasad".

G.R.K. Prasad
Director (Finance & Corporate Affairs)