

NAVA /SECTL /204 /2025-26

August 18, 2025

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block
Bandra Kurla Complex, Bandra (E)
MUMBAI – 400 051
NSE Symbol: 'NAVA'

Dept. of Corp. Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
MUMBAI – 400 001
Scrip Code: '513023' / 'NAVA'

Dear Sir(s),

Sub: Transcript of Conference Call.

Ref: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: Transcript of the Conference call with investors.

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Please find enclosed the transcript of the analyst/ investor conference call (i.e. group meet) held on August 14, 2025, on the operational and financial performance of the Company for the quarter ended June 30, 2025.

This is also available on the Company's website at
<https://www.navalimited.com/investors/financials/investor-conference-call/>

Kindly take the same on record and acknowledge the receipt.

Thanking you,

Yours faithfully,
for **NAVA LIMITED**

VSN Raju
Company Secretary
& Vice President

Encl: as above.



**“Nava Limited
Q1 FY ‘26 Earnings Conference Call”
August 14, 2025**



MANAGEMENT: **MR. ASHWIN DEVINENI – MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER, NAVA LIMITED
MR. GRK PRASAD – EXECUTIVE DIRECTOR, NAVA
LIMITED
MR. NIKHIL DEVINENI – EXECUTIVE DIRECTOR,
NAVA LIMITED
MR. K.V. S. VITHAL – CHIEF FINANCIAL OFFICER,
NAVA LIMITED
MR. VSN RAJU – COMPANY SECRETARY, NAVA
LIMITED**

MODERATOR: **MR. MOHIT KUMAR – ICICI SECURITIES LIMITED**



Moderator: Ladies and gentlemen, good day, and welcome to the NAVA Limited Q1 FY '26 Earnings Conference Call hosted by ICICI Securities.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Mohit Kumar from ICICI Securities. Thank you, and over to you, sir.

Mohit Kumar: Hi. Thank you, Good evening. On behalf of ICICI Securities, I welcome you all to the Q1 FY '26 Earnings Call of NAVA Limited.

Today, we have with us from the Management Mr. Ashwin Devineni – Managing Director & CEO, Mr. GRK Prasad – Executive Director, Mr. Nikhil Devineni – Executive Director, Mr. K. V. S. Vithal – CFO, and Mr. VSN Raju – Company Secretary.

We will begin with the opening remarks from the Management, which will be followed by Q&A.

Thank you and over to you, sir.

Ashwin Devineni: Thank you. Good evening, ladies and gentlemen. Thank you for joining us today. I am delighted to share that NAVA has once again set a new benchmark delivering its highest ever quarterly profit in Q1 FY '26, a clear reflection of strong and consistent operational performance across all businesses.

Consolidated revenues reached Rs.1,213 crore, rising nearly 15% sequentially, while net profit surged over 61% quarter-on-quarter to Rs.490 crore. This exceptional growth was driven by robust energy operations, higher realizations in our metal businesses, and disciplined cost control.

One of the most notable achievements this quarter was the sharp improvement in Maamba Energy Limited's receivable position, where arrears of \$75 million successfully collected. Equally significant was made with the maiden dividend of \$32.5 million declared by MEL, further strengthening our balance sheet and enhancing cash flow visibility.



On the growth front, we are making steady, tangible progress. The MEL Phase II expansion 300 megawatts of capacity and the 100 megawatt solar project in Zambia are moving forward on schedule.

Our commercial agriculture initiatives in Africa are advancing, with avocado plantations poised for their first commercial harvest later this year, and the integrated sugar project progressing as planned.

In India, our strategy to convert captive power plants in Telangana and Odisha into independent power producers will enable higher PLF and open new market opportunities. This quarter's performance highlights not just the resilience of our business model and the strength of our execution capabilities, but also, the clear momentum in our strategic growth initiatives.

We are building on this foundation to deliver even greater value in the quarters ahead.

I now welcome your questions. Thank you.

Moderator:

Thank you, sir. We will now begin the question-and-answer session. If you have a question, please press * and 1 on your touch tone telephone and wait for your turn to ask the question. If you would like to withdraw your request, you may do so by pressing * and 2. Participants are requested to limit the number of questions to 2 and rejoin the queue for further questions. Ladies and Gentlemen, let us wait for few moments until the question queue assembles. The first question comes from the line of Anukool, an individual investor. Please go ahead.

Anukool:

Hi, sir. Thanks for the opportunity. Congratulations on receiving the receivables that were due in MEL. I just wanted to know that since the outstanding receivables are now \$85.5 million, how much of this are you expecting for this year, for FY '26?

Ashwin Devineni:

Yeah, so I think, with regards to arrears, like I have mentioned on the previous calls too, this is a constant discussion process with ZESCO. We expect to receive the entire \$85 million in arrears before the end of this financial year.

Anukool:

Okay. So, would the entire receivables be received this year?

Ashwin Devineni:

Yes.

Anukool:

Got it. Another question that I had was, in the last concall you said that the tax exemption will continue for the entire financial year, but this year the tax was there. Could you just throw some light on the same?

K. V. S. Vithal: Yes, so we have revisited the tax position in consultation with the local tax authorities in Zambia. And we have received confirmation that from this year onwards, which is financial year '26 onwards, part of the tax exemption will not be available.

So just to clarify, up to last year, we had 100% of the power of profits, profits generated out of the power business were exempted... for the next three years, which is FY '26, FY '27 and FY '28, we will be taxed at 50% of the tax rate, which is 15%. And the last two years, we will be taxed at 75% of the tax rate, which is 22.5%.

Anukool: Got it Sir. Thank you so much for that.

Moderator: Thank you. The next question comes from the line of Viraj Mahadevia from MoneyGrow. Please go ahead.

Viraj Mahadevia: Hi, congratulations on stable results. If you could elaborate a little bit on the sugar cane or the sugar plant in Zambia, you mentioned the power plant has been set for relocation. If you can elaborate what that is, why you decided to enter sugar in Zambia, and how this 200 million will be funded, debt and equity?

GRK Prasad: The sugar plant, the co-generation power plant has been in NAVA since 2017. What we found is, we could actually have them relocated as part of the KSL integrated project to obtain two benefits, one to meet full power requirement of the sugar project and also, to provide an opportunity to sell power in that region, which is very short in terms of power. That is how the proposal is to relocate the 20 MW power plant to Zambia.

Viraj Mahadevia: Just to understand the full process, the raw cane stocks on the plantation were used as part of the sugar power plant to generate electricity, which is sold back to the grid. Is that correct?

GRK Prasad: No. This power plant has been idle. It has not been generating any power in NAVA. What we are proposing is to have that relocated to Zambia to obtain a better value. Otherwise, we need to have it scrapped here.

So what, by doing the relocation, we actually are getting a much value upside in terms of capturing the entire WDV value of that sugar plant.

Viraj Mahadevia: Understood.



- Ashwin Devineni:** The Baggas from processing the sugar would be used as fuel. Part of the power would be used for captive use by the sugar plant and the remainder balance would be sold in the open grid.
- Viraj Mahadevia:** Understood. Can you elaborate the requirement of 200 million, if the plant is already in existence in India and shipped to Zambia?
- GRK Prasad:** Right. The \$200 million comprises the full-fledged plantation. The plantation cost also is included in that \$200 million, aside from the sugar plant, the co-generation power plant and the distillery.
- Viraj Mahadevia:** Over what period will this investment be made?
- GRK Prasad:** This will get spent till April '28, by when we expect the crushing and the sugar production to come into existence.
- Viraj Mahadevia:** So next two financial years?
- GRK Prasad:** That is right.
- Viraj Mahadevia:** Okay, thank you.
- Moderator:** Thank you. The next question comes from the line of Nidhi Shah from ICICI Securities. Please go ahead.
- Nidhi Shah:** Yes, thank you so much for taking my questions. So my first question is on MEL II. So, I just wanted to ask what is the CapEx that was done in Q1 and what is the CapEx that remains for this plant?
- GRK Prasad:** MEL started with Phase II in August '24. Currently, the process is on and we expect that the incremental CapEx that you see is practically on MEL Phase II. It is about Rs.600 crores. And the balance works will happen over the next four quarters. We expect the bulk of that CapEx getting incurred in that period with the balance towards the commissioning phase, which is end of Q1 of FY '27.
- Nidhi Shah:** All right. My second question is that I recall that 70% of the power, the capacity for Phase II has been tied up. So, what was the tariff for that and what is your plan for the remaining 30% that is currently untied?
- Ashwin Devineni:** No, 100% of the power is tied up.
- Nidhi Shah:** Okay. So that remaining 30% is another player or is it the same?



- Ashwin Devineni:** Always it is the state utility, ZESCO. We have a PPA with them for all our power.
- Nidhi Shah:** All right. What is the tariff of that PPA?
- Ashwin Devineni:** 9.5 cents per kilowatt hour.
- Nidhi Shah:** Okay. And on ferroalloys, my question is that the volumes and the realizations have gone up significantly, yet we see that PBT is down on a Y-o-Y level. Were there any, extraordinary or one-time costs?
- Nikhil Devineni:** No. So, in terms of the overall market, the ferroalloys has been not much of a difference compared to last quarter. It still continues to remain in a fairly subdued manner. But I think over the last quarter, you saw better realizations on two counts.
- One is the reliance upon the Japanese market where we have a long term contract. That has yielded far better results than the spot market. And adding to that is the product diversification into ferrosilicon. That too has helped us achieve better results, mainly owing to the exports made to the US. So both these things jointly have yielded better realizations.
- Nidhi Shah:** Right. Sir, my question primarily was that the realizations are better and the volumes are better. So why is PBT down this quarter for ferroalloys, like on a Y-o-Y basis?
- K.V.S. Vithal:** Silico Manganese realization was lower year-on-year. But that is compensated by ferrosilicon realizations being higher.
- Nidhi Shah:** All right. Thank you.
- Moderator:** Thank you. The next question comes from the line of Shreegopal Kankani from S.G. Kankani & Associates. Please go ahead.
- Shreegopal Kankani:** Good afternoon, sir. I want to get reconfirmation that 100 MW solar power plant is to be commissioned by July '26 and 300 megawatt thermal power plant is to be commissioned by August '26.
- Ashwin Devineni:** Yes, these are correct. That is the plan.
- Shreegopal Kankani:** Okay. And one more question. In this quarter, the mining operations profitability has come down way over budget. Are there any major reasons?
- K.V.S. Vithal:** This is mainly on account of the Forex impact between USD and Zambian Kwacha.



- Shreegopal Kankani:** Okay. Thank you, sir.
- Moderator:** Thank you. The next question comes from the line of Viraj Mahadevia from MoneyGrow. Please go ahead.
- Viraj Mahadevia:** What is the net cash on the books for Q1? Net cash / debt at a consolidated level.
- K.V.S. Vithal:** Rs. 2,400 crores of Gross cash.
- Viraj Mahadevia:** Okay. And how much is the debt?
- K. V. S. Vithal:** Net cash will be around Rs.1,400 crores.
- Viraj Mahadevia:** Okay, thank you. My second question is, is there a Zambia power plant shut down for maintenance planned in Q2?
- Ashwin Devineni:** Both the units are going to go under shut down in the next two months. But they are scheduled for maintenance.
- Viraj Mahadevia:** Right. Okay, thank you. Sir, just a suggestion. It would be helpful if we could get in the investor presentation or a press release a table of sources and uses of funds for the various projects that are underway. Because we have four projects or five projects underway with different timelines, with different amounts. It would be really helpful if we could have a summary table highlighting what is the CapEx we are planning to spend over the next two years and what are the sources for that and the timelines for which project.
- VSN Raju:** Sure, will do.
- Viraj Mahadevia:** Thank you very much. All the best.
- Moderator:** Thank you. The next question comes from the line of Vijay P., an Individual Investor. Please go ahead.
- Vijay P.:** My first question is regarding the company policy of distributing 25% of the profits to the shareholders as dividend. Does that policy still hold?
- Ashwin Devineni:** Yes. I think our primary dividend policy is between 25% to 30%. I think the last few years we have been giving 27% - 28% of the standalone profits. But that being said, that is our standard dividend policy.

But given how our international operations perform and what dividends we receive from the international operations, which sometimes is unknown at this point, we will always be open to considering a special dividend in addition to the normal dividend based on the policy.

Vijay P.: So, this 25% received by NAVA Limited will be including the dividend or including the profits of the Zambia operations?

Ashwin Devineni: No. The Zambia operations profits are shown on the consolidated level. If once Zambia declares a dividend to the Singapore entity and the Singapore entity in turn declares the dividend to NAVA, it comes into the NAVA books anyways.

So, you know, it is difficult for us to declare a dividend here, when we have not received it from the Zambian entity. And that is exactly why our dividend policy is based on the standalone numbers. We have the leeway to always announce special dividends like we have this time based on dividends we receive from the Zambian operations.

Vijay P.: Okay. Coming to the next point that I have, it says in strategic updates that NAVA Global will directly hold 65% percent equity in MSEL JV. Now, what is MSEL?

Ashwin Devineni: MSEL is Maamba Solar Energy Limited. It is basically the company that is setting up the 100 MW solar plant.

Vijay P.: I see. So, otherwise the Maamba Energy Limited, 65% holding is with NAVA Limited.

Ashwin Devineni: No, Maamba Energy is also owned by NAVA Global. So, NAVA Global was previously called Nava Bharat Singapore, which was the holding entity for all these assets. We have changed the name on 1st of August. Then, NAVA Global also owns 65% of MEL. All we are doing here is moving out MSEL, the solar entity from Maamba Energy Limited and having a direct shareholding from NAVA Global at 65% and ZCCM-IH at owning 35%.

Vijay P.: Yeah. So, with all this consolidation taking place of Zambia operations under the control of NAVA Global Limited, is NAVA Global Limited having any intention of listing itself on Singapore Exchange or any of the foreign exchanges or having an IPO?

Ashwin Devineni: Currently, that is not in the plans.

Vijay P.: But there is a possibility that NAVA Global will go global and get listed on foreign stock exchanges?



- Ashwin Devineni:** No. I mean, I do not want to speculate on this call right now. But currently that is not on the books.
- Vijay P.:** Okay. So, in that case, NAVA Limited remains the ultimate owner of NAVA Global Limited?
- Ashwin Devineni:** Yes.
- Vijay P.:** Thank you.
- Moderator:** Thank you. As there are no further questions from the participants, I now hand the conference over to management for closing comments. Thank you and over to you, sir.
- Ashwin Devineni:** Thank you for your insightful questions. You may reach out on the wider investor platform for any further queries or clarifications. Thank you.
- Moderator:** Thank you. On behalf of ICICI Securities Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.

***Note:** 1. This document has been edited to improve readability and
2. Blanks if any, in this transcript represent inaudible or incomprehensible words.*