



LNJ Bhilwara Group Company



PROUD TO BE INDIAN  
PRIVILEGED TO BE GLOBAL

HEG/SECTT/2024

14<sup>th</sup> November, 2024

1	<b>BSE Limited</b> P J Towers Dalal Street MUMBAI - 400 001. <b>Scrip Code : 509631</b>	2	<b>National Stock Exchange of India Limited</b> Exchange Plaza, 5th Floor Plot No.C/1, G Block, Bandra - Kurla Complex Bandra (E),MUMBAI - 400 051. <b>Scrip Code : HEG</b>
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**Sub: Investors presentation on the Unaudited Financial Results of the Company for the quarter & half year ended 30<sup>th</sup> September, 2024.**

Dear Sirs,

Please find enclosed a copy of Investors Presentation on the Unaudited Financial Results of the Company for the quarter & half year ended 30<sup>th</sup> September, 2024 for your information and record please.

The copy of same is also being uploaded on the website of the Company.

Thanking you,

Yours faithfully,  
For **HEG Limited**

**Vivek Chaudhary**  
**Company Secretary**  
A-13263  
[heg.investor@lnjbhilwara.com](mailto:heg.investor@lnjbhilwara.com)

Encl: As above

## HEG LIMITED

### Corporate Office :

Bhilwara Towers, A-12, Sector-1  
Noida - 201 301 (NCR-Delhi), India  
Tel.: +91-120-4390300 (EPABX)  
Fax: +91-120-4277841  
GSTN No.: 09AAACH6184K2Z6  
Website: [www.lnjbhilwara.com](http://www.lnjbhilwara.com)

### Regd. Office :

Mandideep (Near Bhopal) Distt. Raisen - 462046  
(Madhya Pradesh), India  
Tel.: +91-7480-405500, 233524 to 233527  
Fax: +91-7480-233522  
GSTN No.: 23AAACH6184K1ZH  
Website: [www.hegltd.com](http://www.hegltd.com)

E-mail: [heg.investor@lnjbhilwara.com](mailto:heg.investor@lnjbhilwara.com)

Corporate Identification No.: L23109MP1972PLC008290





**PROUD TO BE INDIAN  
PRIVILEGED TO BE GLOBAL**



**HEG LIMITED**  
**Investor Presentation**



**Performance Highlights**  
**Q2 of FY 2024-25**



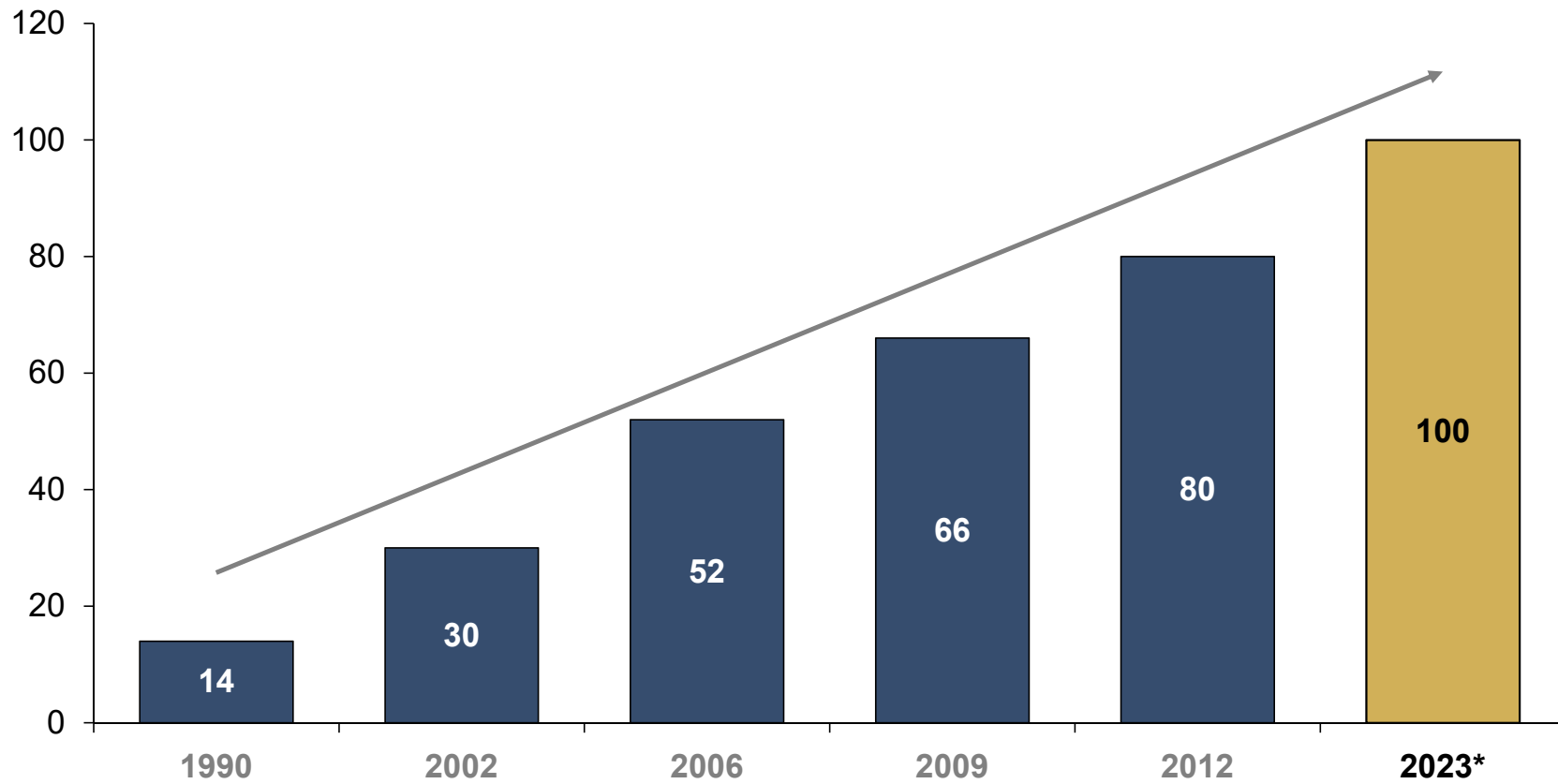
- A consumable for Electric Arc Furnaces (EAF) for Steel production
- Used as electrical conductors in Electric Arc Furnaces to generate heat to melt steel scrap
- High-tech / High Entry Barrier – HEG the last new entrant in the world -1976
- EAF Steel emits one fourth carbon in the environment as compared to same Steel produced by traditional Blast Furnaces
- As per World Steel Association, EAF Steel production (w/o China) has gone up from 44% to 49% between 2015 - 2022 - while China's production through EAF is around 11% and is likely to go upto around 15-20% by 2025



- Has been World's Largest Single Site Graphite Electrode Plant under one roof with a capacity of 80,000 tons pa for a long time.
- Recently completed expansion to 100,000 tons to become the third largest producer of Graphite electrodes in the western world.
- Except ours, no additional capacity announced by any other company in the western world.
- Exporting approx. 65 - 70% of its production to about 35 countries around the world consistently since more than 20 years
- Diversified customer base - supplying large portion of production to top 20 steel companies of the world
- Captive power generation capacity of around 80 mw (Two thermal power plants & One hydro power plant)

## GE Capacity Build up

Capacity Fig. in 000'MT



\* w.e.f. Nov 2023

# Expanded plant at 100,000 tons - Fully Operational



## TOP 10 Crude Steel - Producing Countries



Crude Steel Production (mmt)		First nine month Y-o-Y			Last 3 months Y-o-Y		
Sr. No	Country	Jan-Sep'24	Jan-Sep'23	Y-o-Y (%)	Jul-Sep'24	Jul-Sep'23	Q-o-Q (%)
1	China	760.5	797.2	-4.8%	237.9	260.2	-8.6%
2	India	110.3	104.3	5.5%	36.2	35.2	2.8%
3	Japan	63.3	65.4	-3.3%	20.6	21.6	-4.5%
4	United States	60.3	61.3	-1.6%	20.4	20.4	0.2%
5	Russia	54.0	57.2	-5.8%	17.2	19.2	-10.6%
6	South Korea	48.1	50.4	-4.9%	16.6	16.8	-1.2%
7	Germany	28.4	27.3	3.8%	9.0	8.7	3.7%
8	Turkey	27.9	24.5	12.1%	9.3	8.6	8.0%
9	Brazil	25.2	24.1	4.3%	8.9	8.1	9.6%
10	Iran	21.3	22.0	-3.2%	4.6	6.2	-25.8%
<b>Total 71 countries</b>		<b>1,394.1</b>	<b>1,421.5</b>	<b>-2.0%</b>	<b>440.2</b>	<b>466.0</b>	<b>-5.5%</b>
<b>World ex china</b>		<b>625.7</b>	<b>624.3</b>	<b>0.2%</b>	<b>202.3</b>	<b>205.9</b>	<b>-1.7%</b>

Source: World Steel Association. Estimates are subject to revision in the next update. The table above represents 71 countries,

## WSA Steel Demand Forecast – Top steel consuming countries



### WSA Global Steel Demand Outlook: 0.9% Decline in 2024, Recovery Expected in 2025

Sr. No	Country	Million Tonnes			Y-o-Y Growth		
		2023	2024 (f)	2025 (f)	2023	2024 (f)	2025 (f)
1	India	132.8	143.4	155.6	14.4%	8.0%	8.5%
2	United States	90.5	89.2	91.0	-4.2%	-1.5%	2.0%
3	South Korea	52.4	50.4	50.1	2.2%	-3.8%	-0.6%
4	Japan	53.3	52.2	53.1	-3.0%	-2.1%	1.7%
5	Russia	44.6	44.2	43.3	7.0%	-1.0%	-2.0%
6	Türkiye	38.1	36.0	35.5	17.2%	-5.5%	-1.4%
7	Mexico	29.0	29.3	29.5	16.2%	0.8%	0.6%
8	Germany	28.2	26.2	27.7	-13.5%	-7.0%	5.7%
9	Brazil	24.0	25.2	25.9	1.9%	5.0%	3.0%
10	Others w/o China	378.4	386.0	399.7	-2.9%	2.0%	3.5%
	<b>World w/o China</b>	<b>871.3</b>	<b>882.1</b>	<b>911.4</b>	<b>2.0%</b>	<b>1.2%</b>	<b>3.3%</b>
	<b>China</b>	<b>895.7</b>	<b>868.8</b>	<b>860.1</b>	<b>-3.3%</b>	<b>-3.0%</b>	<b>-1.0%</b>
	<b>Total World</b>	<b>1,767.0</b>	<b>1,750.9</b>	<b>1,771.5</b>	<b>-0.8%</b>	<b>-0.9%</b>	<b>1.2%</b>



## Industry Outlook



1. As per WSA, Global crude steel production for the July to Sept. quarter declined by 5.5% to 440.2 mmt compared to the same period last year. On a yearly basis, production for the first nine months decreased by 2%
2. On a quarterly basis, production from July to Sept 2024 (excluding China) was 202 mmt, compared to 206 mmt during the same period in 2023, a decline of 1.7% year-over-year
3. Steel production outside of China is constrained by subdued demand and increased pricing pressure as rising Chinese steel exports drive down global prices
4. Chinese steel exports increased to 80.8 mmt between Jan-Sept period and is expected to hit an eight year high in 2024 to expected to reach 109 mmt as per Macquarie group.
5. India, the world's second-largest steel producer, experienced growth, with production increasing by 5.5% to 110.3 mmt, driven by government-led infrastructure spending and a resilient automotive sector
6. China's transition to (EAF) steel production stagnates, leading to an oversupply of Chinese electrodes and price decline.
7. GE demand remained sluggish, and prices continued to be under pressure for another 1-2 quarters
8. Expected initiatives for steel industry decarbonization are set to increase demand for graphite electrodes, driven by the adoption of EAF steelmaking , resulting in additional demand of 200,000 tons approx. by 2030 (excl China)
9. However, considering the irreversible process of decarbonization, we are optimistic about the growth of GE demand in the medium to long run.

## Financial Results for the Quarter & Half year ended 30<sup>th</sup> Sep 2024 - Standalone (Rs. cr)



Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-09-2024	30-06-2024	30-09-2023	30-09-2024	30-09-2023	31-03-2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	567.60	571.46	614.17	1,139.06	1,285.60	2,394.90
II	Other income	42.95	20.44	28.02	63.39	54.14	141.67
III	<b>Total Income (I+II)</b>	<b>610.55</b>	<b>591.90</b>	<b>642.19</b>	<b>1,202.45</b>	<b>1,339.74</b>	<b>2536.57</b>
IV	<b>Expenses</b>						
	Cost of materials consumed	251.10	231.16	304.41	482.26	612.81	1,093.00
	Changes in inventories of finished goods and work-in-progress	(10.29)	45.27	(28.45)	34.98	(33.61)	58.39
	Employee benefit expenses	22.63	23.73	22.99	46.36	46.84	94.80
	Finance costs	9.34	8.47	8.53	17.81	17.38	35.74
	Depreciation and amortisation expense	47.94	47.50	38.48	95.44	76.82	174.65
	Power and fuel	89.85	84.35	78.41	174.20	163.04	310.08
	Other expenses	117.50	148.16	134.36	265.66	242.65	454.67
	<b>Total expenses (IV)</b>	<b>528.07</b>	<b>588.64</b>	<b>558.73</b>	<b>1,116.71</b>	<b>1,125.93</b>	<b>2221.33</b>
V	<b>Profit/(loss) before exceptional items and tax (III-IV)</b>	<b>82.48</b>	<b>3.26</b>	<b>83.46</b>	<b>85.74</b>	<b>213.81</b>	<b>315.24</b>
VI	Exceptional items	-	-	-	-	-	-
VII	<b>Profit/(loss) before tax (V-VI)</b>	<b>82.48</b>	<b>3.26</b>	<b>83.46</b>	<b>85.74</b>	<b>213.81</b>	<b>315.24</b>

## Financial Results for the Quarter & Half year ended 30<sup>th</sup> Sep 2024 - Standalone (Rs. cr)



Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-09-2024	30-06-2024	30-09-2023	30-09-2024	30-09-2023	31-03-2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
VII	<b>Profit/(loss) before tax (V-VI)</b>	<b>82.48</b>	<b>3.26</b>	<b>83.46</b>	<b>85.74</b>	<b>213.81</b>	<b>315.24</b>
VIII	Tax expense						
	(1) Current tax	9.12	7.57	16.86	16.69	48.20	74.58
	(2) Deferred tax	11.27	(6.89)	4.84	4.38	6.29	9.12
IX	<b>Profit/(loss) for the period (VII-VIII)</b>	<b>62.09</b>	<b>2.58</b>	<b>61.76</b>	<b>64.67</b>	<b>159.32</b>	<b>231.54</b>
X	<b>Other comprehensive income</b>						
	A (i) Items that will not be classified to profit or loss						
	- Remeasurement of employee defined benefit plan	0.90	-	(0.01)	0.90	(0.01)	0.47
	(ii) Tax expense relating to items that will not be reclassified to profit or loss	(0.23)	-	0.00	(0.23)	0.00	(0.12)
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
XI	<b>Total other comprehensive income for the period (IX+X)</b>	<b>62.76</b>	<b>2.58</b>	<b>61.75</b>	<b>65.34</b>	<b>159.31</b>	<b>231.89</b>
XII	<b>Paid -Up Equity Share Capital ( Face Value ₹ 2/- per share)</b>	38.60	38.60	38.60	38.60	38.60	38.60
XIII	<b>Other equity (excluding revaluation reserves)</b>						4106.48
XIV	<b>Earnings per share (₹) (not annualised)</b>						
	- Basic (₹)	3.22	0.13	3.20	3.35	8.26	12.00
	- Diluted (₹)	3.22	0.13	3.20	3.35	8.26	12.00

## Financial Results for the Quarter & Half year ended 30<sup>th</sup> Sep 2024 - Consolidated (Rs. cr)



Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-09-2024	30-06-2024	30-09-2023	30-09-2024	30-09-2023	31-03-2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from Operations	567.60	571.46	614.17	1,139.06	1,285.60	2,394.90
II	Other Income	42.95	20.44	28.02	63.39	54.14	141.67
III	<b>Total Income (I+II)</b>	<b>610.55</b>	<b>591.90</b>	<b>642.19</b>	<b>1,202.45</b>	<b>1,339.74</b>	<b>2536.57</b>
IV	<b>Expenses</b>						
	Cost of materials consumed	251.10	231.16	304.41	482.26	612.81	1,093.00
	Changes in inventories of finished goods and work-in- progress	(10.29)	45.27	(28.45)	34.98	(33.61)	58.39
	Employee benefits expense	22.82	23.82	23.12	46.64	47.15	95.27
	Finance cost	9.34	8.47	8.53	17.81	17.38	35.74
	Depreciation and amortisation expense	47.94	47.50	38.48	95.44	76.82	174.65
	Power and Fuel	89.85	84.35	78.41	174.20	163.04	310.08
	Other Expenses	117.51	148.17	134.83	265.68	243.19	455.73
	<b>Total expenses</b>	<b>528.27</b>	<b>588.74</b>	<b>559.33</b>	<b>1,117.01</b>	<b>1,126.79</b>	<b>2222.86</b>
V	<b>Profit/(Loss) before exceptional items and tax (III-IV)</b>	<b>82.28</b>	<b>3.16</b>	<b>82.86</b>	<b>85.44</b>	<b>212.95</b>	<b>313.71</b>
VI	Exceptional Items	-	-	-	-	-	-
VII	<b>Profit/(Loss) before Tax &amp; Share of Profit/(Loss) of Associates (V-VI)</b>	<b>82.28</b>	<b>3.16</b>	<b>82.86</b>	<b>85.44</b>	<b>212.95</b>	<b>313.71</b>
VIII	Share of Profit/ (Loss) of Associates	20.39	20.57	34.82	40.96	76.64	81.66
IX	<b>Profit/(Loss) before Tax (VII+VIII)</b>	<b>102.67</b>	<b>23.73</b>	<b>117.68</b>	<b>126.40</b>	<b>289.60</b>	<b>395.37</b>

## Financial Results for the Quarter & Half year ended 30<sup>th</sup> Sep 2024 - Consolidated (Rs. cr)



Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-09-2024	30-06-2024	30-09-2023	30-09-2024	30-09-2023	31-03-2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>IX</b>	<b>Profit/(Loss) before Tax (VII+VIII)</b>	<b>102.67</b>	<b>23.73</b>	<b>117.68</b>	<b>126.40</b>	<b>289.60</b>	<b>395.37</b>
<b>X</b>	Tax expense						
	(1) Current Tax	9.12	7.57	16.86	16.69	48.20	74.58
	(2) Deferred Tax	11.27	(6.89)	4.84	4.38	6.29	9.12
<b>XI</b>	<b>Profit/(Loss) for the period (IX-X)</b>	<b>82.28</b>	<b>23.05</b>	<b>95.98</b>	<b>105.33</b>	<b>235.11</b>	<b>311.67</b>
<b>XII</b>	<b>Other Comprehensive Income</b>						
	A (i) Items that will not be classified to profit or loss						
	- Remeasurement of Employee Defined Benefit Plan	0.90	-	(0.01)	0.90	(0.01)	0.47
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.23)	-	0.00	(0.23)	0.00	(0.12)
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	C Share of Other Comprehensive Income of Associates	(0.03)	(0.02)	(0.02)	(0.05)	(0.06)	(0.11)
<b>XIII</b>	<b>Total Comprehensive Income for the period (XI+XII)</b>	<b>82.92</b>	<b>23.03</b>	<b>95.95</b>	<b>105.95</b>	<b>235.04</b>	<b>311.91</b>
<b>XIV</b>	<b>Paid -Up Equity Share Capital ( Face Value ₹ 2/- per share)</b>	38.60	38.60	38.60	38.60	38.60	38.60
<b>XV</b>	<b>Other Equity (Excluding Revaluation Reserves)</b>						4387.34
<b>XVI</b>	<b>Earnings per share (₹) (not annualised)</b>						
	- Basic (₹)	4.26	1.19	4.97	5.46	12.18	16.14
	- Diluted (₹)	4.26	1.19	4.97	5.46	12.18	16.14

## Financial Snapshot (Standalone)



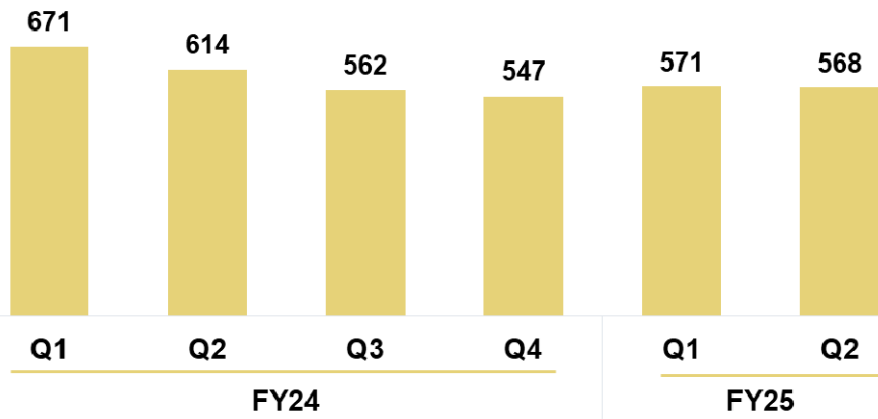
*Rs. cr (except EPS)*

PARTICULARS	FY 24-25		FY		
	Q2	Q1	23-24	22-23	21-22
<b>TOTAL INCOME</b>	611	592	2537	2576	2281
<b>EBITDA</b>	140	59	526	729	607
<b>EBIT</b>	92	12	351	626	527
<b>PAT</b>	62	3	232	456	391
<b>EPS</b>	<b>3.22</b>	<b>0.13</b>	<b>12.00</b>	<b>23.60</b>	<b>20.24</b>
<b>EBITDA Margin (%)</b>	<b>23%</b>	<b>10%</b>	<b>21%</b>	<b>28%</b>	<b>27%</b>
<b>PAT Margin (%)</b>	<b>10%</b>	<b>0.44%</b>	<b>9%</b>	<b>18%</b>	<b>17%</b>

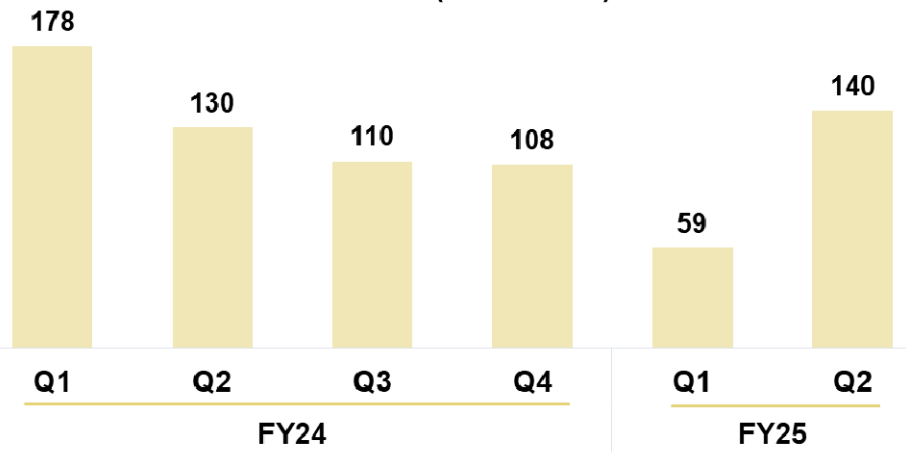
## Quarterly Performance (Standalone)



### Revenue from Operations (Rs. in crs.)



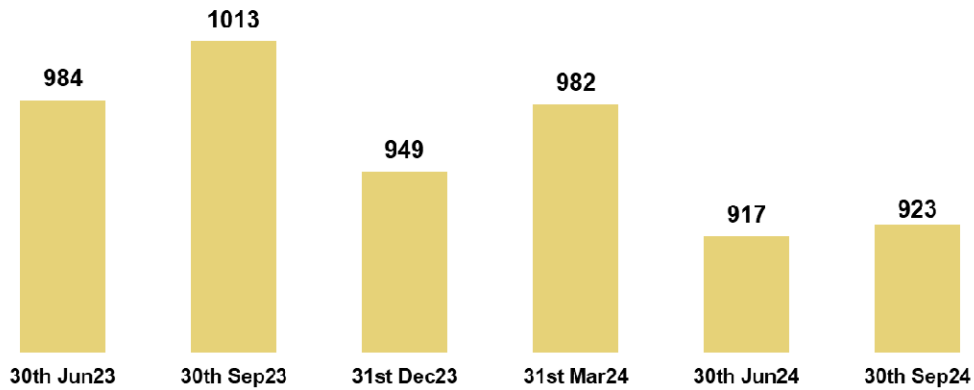
### EBITDA (Rs. in crs.)



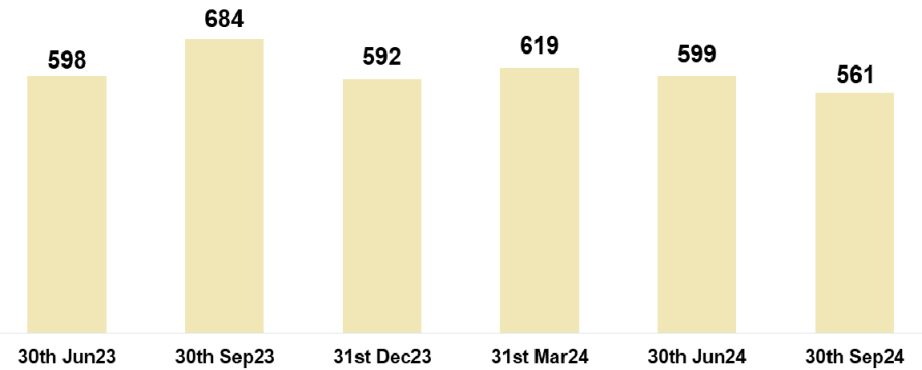
## Investments and Borrowings (Standalone)



Investments\* (Rs. in crs.)



Short Term Working Capital Borrowings Outstanding as at the end of the Quarter (Rs. in crs.)



\* Investments including Cash & Cash equivalents and excluding investments in Associates & Wholly Owned Subsidiary





# Thank You

Mr.Manish Gulati	:	Executive Director
Mr.Om Prakash Ajmera	:	Group CFO
Mr.Ravi Kant Tripathi	:	CFO
Mr.Puneet Anand	:	CSO

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