



PROUD TO BE INDIAN
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HEG/SECTT/2021

November 09, 2021

1	BSE Limited 25 th Floor, P J Towers Dalal Street MUMBAI - 400 001. Scrip Code : 509631	2	National Stock Exchange of India Limited Exchange Plaza, 5th Floor Plot No.C/1, G Block, Bandra - Kurla Complex Bandra (E), MUMBAI - 400 051. Scrip Code : HEG
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Sub: Outcome of Board Meeting held on November 09, 2021 – Un-audited Financial Results (Standalone and Consolidated) of the Company for the quarter and half year ended September 30, 2021

Dear Sirs,

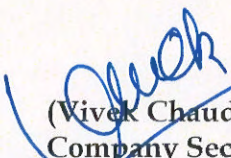
In reference to intimation of Board Meeting dated October 26, 2021 and Pursuant to Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Un-audited Financial Results (Standalone and Consolidated) of the Company for the quarter and half year ended September 30, 2021 duly approved by the Board of Directors at its meeting held today i.e November 09, 2021 along with Limited review report issued by M/s SCV & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, as **Annexure-1**.

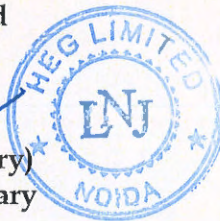
The above said Board Meeting commenced at 01:30 P.M. and concluded at 05:15 P.M.

Please take the same on record

Thanking you,

Yours faithfully,
For HEG Limited


(Vivek Chaudhary)
Company Secretary
M.No. A-13263
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
Website: 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
Website: www.heg ltd.com

ISO 9001
BUREAU VERITAS
Certification



ISO 14001
BUREAU VERITAS
Certification



Corporate Identification No.: L23109MP1972PLC008290

**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE QUARTERLY AND YEAR TO DATE
UNAUDITED STANDALONE FINANCIAL RESULTS OF HEG LIMITED PURSUANT TO THE
REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE
REQUIREMENTS) REGULATIONS, 2015, AS AMENDED**

Review Report to
The Board of Directors
HEG Limited

1. We have reviewed the accompanying statement of unaudited Standalone financial results of HEG LIMITED ("the Company"), for the quarter and six months period ended 30th September, 2021 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, ("Ind AS 34") "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For SCV & Co. LLP
Chartered Accountants
Firm Reg No. 000235N/N500089



(Signature)

(Sanjiv Mohan)
Partner

M. No. 086066

UDIN: 21086066AAAANT4973

Place: Ludhiana
Date: 09th November, 2021

**HEG LIMITED**

Corporate Office : Bhilwara Towers, A-12, Sector -1, NOIDA - 201301.

Registered Office : Mandideep (Near Bhopal), Distt. Raisen, Madhya Pradesh-462046.

Phone : 0120-4390300; Fax : 0120-4277841

CIN: L23109MP1972PLC008290 Website: www.heg ltd.com Email: heg.investor@Injbhilwara.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2021

Sl. No.	Particulars	₹ in Crores					
		Quarter Ended			Half Year Ended		Year Ended
		30-09-2021	30-06-2021	30-09-2020	30-09-2021	30-09-2020	31-03-2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from Operation	517.56	413.69	322.88	931.25	556.17	1,256.23
II	Other Income	25.35	22.06	16.41	47.41	62.45	112.91
III	Total Revenue (I+II)	542.91	435.75	339.29	978.66	618.62	1369.14
IV	Expenses						
	Cost of materials consumed	191.26	160.64	158.29	351.90	244.81	504.94
	Purchase of stock -in-trade	-	-	-	-	-	-
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	0.11	19.38	93.12	19.49	159.24	304.15
	Employee benefits expense	21.35	17.88	12.51	39.22	26.28	54.53
	Finance cost	1.15	1.17	3.04	2.32	9.01	11.37
	Depreciation and amortisation expense	18.12	18.73	18.34	36.85	36.11	73.12
	Power and Fuel (Net of Interdivisional Purchases)	60.96	56.06	30.19	117.02	58.10	139.38
	Other Expenses	101.95	87.32	70.64	189.27	120.93	312.41
	Total expenses (IV)	394.90	361.18	386.13	756.08	654.48	1399.90
V	Profit/(Loss) before exceptional items and tax (III-IV)	148.01	74.57	(46.84)	222.58	(35.86)	(30.76)
VI	Exceptional Items	-	-	-	-	-	-
VII	Profit/(Loss) before Tax (V-VI)	148.01	74.57	(46.84)	222.58	(35.86)	(30.76)
VIII	Tax expense						
	(1) Current Tax	35.88	17.34	0.20	53.22	0.20	0.20
	(2) Deferred Tax	(0.87)	1.43	(13.13)	0.56	(12.91)	(5.66)
IX	Net Profit/(Loss) for the period (VII-VIII)	113.00	55.80	(33.91)	168.80	(23.15)	(25.30)
X	Other Comprehensive Income (Net of Taxes)						
	A (i) Items that will not be reclassified to profit or loss	(0.64)	-	0.91	(0.64)	0.91	1.40
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.16	-	(0.23)	0.16	(0.23)	(0.35)
	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	-	-	-	-	-	-
XI	Total Comprehensive Income for the period	112.52	55.80	(33.23)	168.32	(22.47)	(24.25)
XII	Paid -Up Equity Share Capital (Face Value ₹ 10/- per share)	38.60	38.60	38.60	38.60	38.60	38.60
XIII	Reserves (Excluding Revaluation Reserves)	-	-	-	-	-	3360.04
XIV	Earnings Per Share (₹) (not annualised except for the year ended 31st March,2021)						
	- Basic (Rs.)	29.28	14.46	(8.79)	43.74	(6.00)	(6.56)
	- Diluted (Rs.)	29.28	14.46	(8.79)	43.74	(6.00)	(6.56)



SEGMENTWISE REVENUE, RESULTS, ASSETS AND SEGMENT LIABILITIES

₹ in Crores

Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-09-2021	30-06-2021	30-09-2020	30-09-2021	30-09-2020	31-03-2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	Segment Revenue						
	Graphite	513.95	412.46	317.64	926.41	549.20	1,233.91
	Power	3.61	2.57	24.02	6.18	26.33	62.97
	Others	-	-	-	-	-	0.01
	Total	517.56	415.03	341.66	932.59	575.53	1,296.89
	Less: Inter segment sales	-	1.34	18.78	1.34	19.36	40.66
	Revenue from Operations	517.56	413.69	322.88	931.25	556.17	1256.23
B	Segment Results						
	Profit before tax and finance cost from each segment						
	Graphite	132.49	69.70	(55.55)	202.19	(63.52)	(58.03)
	Power	(2.63)	(3.51)	(4.57)	(6.14)	(8.81)	(10.57)
	Others	-	-	-	-	-	-
	Total	129.86	66.19	(60.12)	196.05	(72.33)	(68.60)
	Add/Less:						
	Interest Income	7.72	8.39	6.68	16.11	13.81	28.88
	Gain on sale of Investments(Including gain/(loss) on its Fair Valuation)	9.96	10.17	10.93	20.13	37.66	61.11
	Other Unallocable Income net of expenses	1.62	(9.02)	(1.28)	(7.39)	(5.98)	(40.78)
	Finance cost	(1.15)	(1.17)	(3.04)	(2.32)	(9.01)	(11.37)
	Total Profit Before Tax	148.01	74.57	(46.84)	222.58	(35.86)	(30.76)
C	Segment Assets						
	Graphite	2,395.53	2,150.43	1958.33	2,395.53	1958.33	2061.42
	Power	100.43	102.76	126.89	100.43	126.89	105.46
	Unallocated / Others	1,973.19	1,955.89	1883.23	1,973.19	1883.23	1980.84
	Total Segment Assets	4469.15	4209.08	3968.45	4469.15	3968.45	4147.72
D	Segment Liabilities						
	Graphite	790.03	631.73	452.73	790.03	452.73	627.96
	Power	9.46	8.88	10.22	9.46	10.22	9.10
	Unallocated / Others	114.29	114.04	105.09	114.29	105.09	112.03
	Total Segment Liabilities	913.78	754.65	568.04	913.78	568.04	749.09



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STATEMENT OF UNAUDITED ASSETS AND LIABILITIES AS ON 30TH SEPTEMBER, 2021

₹ in Crores

Particulars	Half Year Ended	Year Ended
	30-09-2021	31-03-2021
	Unaudited	Audited
A ASSETS		
(1) Non-current assets		
a) Property, Plant and Equipment	648.52	683.51
b) Capital work-in-progress	507.35	373.27
c) Right to use Asset	6.97	7.09
d) Investment Property	3.14	3.21
e) Goodwill	-	-
f) Other Intangible assets	0.15	0.20
g) Intangible assets under development	-	-
h) Biological Assets other than bearer plants	-	-
i) Financial assets	-	-
(i) Investments	365.43	702.15
(ii) Trade receivables	-	-
(iii) Loans	0.21	0.40
(iv) Other Financial Assets	257.02	45.56
j) Deferred tax assets(net)	-	-
k) Income Tax Assets(Net)	146.42	146.42
l) Other non-current assets	105.74	112.28
Total Non Current Assets	2,040.94	2,074.09
(2) Current assets		
(a) Inventories	615.03	580.61
(b) Financial assets	-	-
(i) Investments	882.67	559.10
(ii) Trade receivables	468.26	289.42
(iii) Cash & Cash equivalents	24.03	21.37
(iv) Bank balances other than (iii) above	332.90	529.20
(v) Loans	0.44	0.31
(vi) Others Financial Assets	9.43	10.50
(c) Other current assets	95.46	83.11
Total Current Assets	2,428.21	2,073.63
Total Assets	4,469.15	4,147.72



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	Particulars	Half Year Ended	Year Ended
		30-09-2021	31-03-2021
		Unaudited	Audited
B	EQUITY & LIABILITIES		
	Equity		
	(a) Equity share capital	38.60	38.60
	(b) Other equity	3,516.78	3,360.04
	Total equity	3,555.38	3,398.64
	LIABILITIES		
(1)	Non-current liabilities		
	(a) Financial liabilities	-	-
	(i) Borrowings	-	-
	(ia) Lease Liabilities	0.90	0.81
	(ii) Trade Payables	-	-
	(iv) Other financial liabilities-Security Deposit	-	-
	(b) Provisions	3.76	3.58
	(c) Deferred tax liabilities (Net)	97.14	96.75
	(d) Other non-current liabilities	4.13	3.92
	Total Non Current Liability	105.93	105.06
(2)	Current liabilities		
	(a) Financial liabilities	-	-
	(i) Borrowings	380.38	296.51
	(ia) Lease Liabilities	0.56	0.73
	(ii) Trade Payables	-	-
	(A) Total Outstanding dues of micro enterprises and small enterprises	22.44	12.08
	(B) Total Outstanding dues of creditors other than micro enterprises and small enterprises	284.13	245.23
	(iii) Other financial liabilities	94.64	66.04
	(b) Other current liabilities	15.06	12.31
	(c) Provisions	5.19	4.85
	(d) Current Tax Liabilities (Net)	5.45	6.28
	Total Current Liability	807.85	644.02
	Total Equity and Liabilities	4,469.15	4,147.72



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CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2021

₹ in Crores

PARTICULARS	Half Year Ended		Year Ended
	30th September, 2021	30th September, 2020	31st March, 2021
A CASH FLOW FROM OPERATING ACTIVITIES			
Profit before Tax	222.58	(35.86)	(30.76)
Adjustment for non operating and non cash transactions	-	-	-
Depreciation and Amortisation	36.85	36.11	73.12
Interest Paid	2.32	9.01	11.37
Net(Profit)/Loss on property plant and equipment sold / discarded	(0.08)	1.75	5.94
Allowances for Expected Credit Losses	(0.65)	0.69	(2.28)
Unrealized (Gain)/Loss due to effect of exchange rate changes on assets and liabilities	(0.15)	0.85	0.56
(Gain)/loss on modification of lease	(0.01)	-	-
Bad Debts	-	-	3.95
Gain on sale/fair valuation of investments	(20.13)	(37.66)	(61.11)
Dividend earned	(0.44)	(0.64)	(1.04)
Rent received	(0.62)	(13.81)	(1.15)
Interest received	(16.11)	-	(28.88)
Adjustments for changes in assets and liabilities	-	-	-
(Increase)/Decrease in Trade receivables	(178.33)	141.00	108.54
(Increase)/Decrease in Inventories	(34.42)	262.51	424.53
(Increase)/Decrease in Loans, financial and Other assets	(17.68)	82.39	103.64
Increase/(Decrease) in Liabilities and provisions	70.64	22.28	111.85
Cash generated from operations	63.77	468.63	718.27
Income tax paid	54.05	0.94	2.49
Net Cash generated from operating activities (A)	9.71	467.69	715.79
B CASH FLOW FROM INVESTING ACTIVITIES			
Addition in Property plant and Equipments (including Capital work-in-progress)	(135.66)	(59.05)	(301.31)
Sale of Property Plant and Equipments	0.30	0.35	0.72
(Increase)/Decrease in Advances for Capital Expenditure	7.01	0.35	32.37
Bank balances not considered as cash and cash equivalents	(12.57)	-	(145.36)
Increase/(Decrease) in Creditors for Capital Expenditure	10.44	(14.10)	12.89
(Purchase) of Investments	(296.00)	(83.91)	(139.50)
Sale of Investments	329.29	16.76	95.27
Rent received	0.62	-	1.15
Dividend received	0.44	0.64	1.04
Interest received	18.87	16.04	25.32
Net Cash used in investing activities (B)	(77.25)	(122.92)	(417.41)
C CASH FLOW FROM FINANCING ACTIVITIES			
Proceed/(Repayment) of working capital borrowings (on net basis)	84.31	(353.55)	(296.77)
Interest Paid (including interest on lease liability)	(2.27)	(9.01)	(12.46)
Payment of lease liability	(0.33)	(0.30)	(0.58)
Dividend Paid	(11.52)	-	-
Dividend distribution Tax paid	-	-	-
Net Cash used in financing activities (C)	70.19	(362.87)	(309.81)
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	2.66	(18.10)	(11.43)
Cash and cash equivalents at the beginning of the period	21.37	32.80	32.80
Cash and cash equivalents at the end of the period	24.03	14.71	21.37



Notes:

- 1 The above Standalone financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under.
- 2 The above Standalone financial results have been reviewed by Audit Committee and approved by Board of Directors in their respective meetings held on November 09, 2021 and have been reviewed by the Statutory Auditors of the Company. The Statutory Auditors have expressed an unmodified conclusion on the aforesaid results.
- 3 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of the financial results including the recoverability of carrying amounts of financial and non financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial results, used internal and external sources of information and economic forecasts and expects that the carrying amount of these assets will be recovered.
- 4 The Company had undertaken an expansion project in past to increase the existing capacity from 80,000 tons to 100,000 tons and the same is going on in full swing. There was a few months delay due to Covid and the management expects the expansion project to be completed in the quarter Oct-Dec'22 and we will be ready with Commercial production from early 2023.
- 5 Operations at our Hydro Power Plant at Tawa are seasonal in nature. The plant generally remains closed in the 1st quarter, starts operating in the 2nd quarter, peaks in the 3rd quarter before tapering down in the last quarter.
- 6 The Code on Social Security, 2020 ('Code') relating to the employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- 7 During the current quarter, the rates and other guidelines have been notified under Remission of Duties and Taxes on Exported Products (RoDTEP) scheme vide notification dated August 17, 2021. Accordingly, the Company has accrued the benefits amounting to Rs. 4.85 crores under the aforesaid scheme on the eligible export sales for the period from January 1, 2021 to September 30, 2021, out of which Rs.3.24 crores pertains to eligible export sales for the period from January 1, 2021 to June 30, 2021.
- 8 The Schedule III to the Companies Act, 2013 has been amended in respect of certain disclosures vide notification dated 24 March, 2021 which are applicable w.e.f. 1 April 2021. The figures have been presented in the above results after considering the said amendments and the figures of comparative periods have also been regrouped wherever it is applicable.

For HEG Limited



Ravi Jhunjunwala
Chairman, Managing Director & CEO
DIN No.00060972

Place : Noida(U.P)
Dated : 09th November, 2021

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE QUARTERLY AND YEAR TO DATE UNAUDITED CONSOLIDATED FINANCIAL RESULTS OF HEG LIMITED PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED

Review Report to
The Board of Directors
HEG Limited

1. We have reviewed the accompanying statement of unaudited Consolidated financial results of HEG LIMITED ("the Company") and its share of the net profit/(loss) after tax and total comprehensive income /(loss) of its associates for the quarter and six months period ended 30th September, 2021 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular no. CIR/CFD/CMD1/44/2019 dated March 29,2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulations to the extent applicable.

4. The Statement includes the results of the following entities:

S. No.	Name of Associates	Relationship
1.	Bhilwara Energy Limited	Associate
2.	Bhilwara Infotechnology Limited	Associate



5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. **Matters reported in the Auditor's Review Report on Consolidated financial results of Bhilwara Energy Limited, an associate of the Company**

(A) Material uncertainty related to going concern of a subsidiary of an associate

We draw attention to the matter related to material uncertainty related to going concern of a subsidiary of Bhilwara Energy Limited, an associate of the Company, reported in the Auditor's Review Report on Consolidated financial results of the associate which is being reproduced hereunder:

In case of Chango Yangthang Hydro Power Limited, a subsidiary of the associate

In "Chango Yangthang Hydro Power Limited" the Board of directors decided and surrendered the Chango Yangthang HEP (180 MW) project to Directorate of Energy, Government of Himachal Pradesh due to delay and uncertainty in the project execution and long delay in Government approvals and licenses lapse, the company has written off Capital Work in progress during the year 2017-18 amounting to INR 2713.18 lakhs. These events or conditions, along with other matters, indicate that there exists material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern since the company was incorporated as a Special Purpose Vehicle for this particular project.

The opinion of the auditor of the said company is not modified in respect of this matter. Also the opinion of the auditor of the associate company is not modified in respect of this matter.

(B) Emphasis of Matter

We draw attention to the Emphasis of matters reported in the Auditor's Review Report on Consolidated financial results of Bhilwara Energy Limited (BEL), an associate of the Company, which are being reproduced hereunder:

(i) In Malana Power Company Limited (MPCL), a subsidiary of the associate

There is uncertainty relating to the effects of outcome of litigation with Himachal Pradesh State Electricity Board (HPSEBL).

Also refer note no. 9 (a) of the financial results in this regard.

(ii) In AD Hydro Power Limited, a subsidiary of the associate

There is uncertainty relating to the effects of outcome of litigation with parties using the transmission line.

Also refer note no. 9 (b) of the financial results in this regard.



(iii) In BG Wind Power Limited (BGWPL), a subsidiary of the associate

In case of BG Wind Power Limited, the Power Purchase Agreement (PPA) with DISCOM has expired dated March 31, 2019. BG Wind Power Limited, Subsidiary is pursuing for Power Purchase Agreement (PPA) with DISCOM @ INR 3.14 per Kwh vide RERC third amendment regulation dated 5th March 2019 for the entire duration of the project because PPA validity expired on 31 March, 2019 but the DISCOM has not signed. The DISCOM has not signed the PPA even after the company had filed a petition with RERC. During the period the Company has continued to recognise Revenue from Sale of Power of INR 223.70 lakhs and Generation Based Incentive (GBI) of INR 36.01 lakhs and shown under Unbilled Revenue as the Management of the company believes that PPA will be signed. The Company has filed writ petition with Rajasthan High Court, Jaipur in this regard.

Also refer note no. 9 (c) of the financial results in this regard.

(iv) In NJC Hydro Power Limited, a subsidiary of the associate

There is uncertainty relating to the effects of outcome of petition filled with District court of Itanagar, Arunachal Pradesh. The Parent company had filed a petition under section 9 of Arbitration Act in District Court for immediate relief to maintain the status quo against the instant notice issued by Government of Arunachal Pradesh (GoAP) for termination of the Project on March 22, 2019 invoking its right to take over the project on "AS IS WHERE IS BASIS" and allotting the same to third party.

District court passed the order admitting the petition and maintaining the "STATUS QUO" on the project and has also suspended the termination notice issued by GoAP. The appeal filed by BEL in Guwahati High court under Section 37 for refund of upfront premium is being pursued. Last hearing was on 10th Feb'2021, GOAP had submitted its reply to the petition filed by BEL. Guwahati High Court directed BEL to submit its rejoinder to GOAP reply and same was filed. During last hearing on 10th March'2021, the matter was adjourned till 7th April'2021. On 7th April, 2021, the matter could not be listed for hearing and next date for hearing is yet to be pronounced by Guwahati High Court.

Refer note no. 9 (d) of the financial results in this regard.

(v) In case of Chango Yangthang Hydro Power Limited, a subsidiary of the associate

The company has surrendered Chango Yangthang HEP (180MW) project in Himachal Pradesh and asked for the refund of Upfront premium of INR 3789.45 lakhs and Security Deposit of INR 180 lakhs with interest since the project is not executable purely on account of various social-legal issues neither in the control of the company nor in the control of local administration/authorities.

GoHP has formed a committee to deal with the issues of various projects which includes Chango Yangthang Hydro Power Limited (CYHPL). On the direction of GoHP, a public meeting was conveyed, in which the villagers categorically refused for development of any Hydro Electric project in the Hangrang valley including 180 MW Chango Yangthang HEP and refused to cooperate on the issue of development of any project. During the meeting called for by the committee, CHYPL categorically refused to execute the project in view of severe local issue and lapse of clearances for the project. Committee has noted the same.



In View of this, the company has reiterated its demand for refund of money along with the Interest and the management is confident of recovering the Upfront Fees and Security Deposit paid on account of surrender of project, in full. The upfront premium fee and security deposit as mentioned above have been grouped under Other Non-Current Assets and Non-Current Loans – Security Deposit respectively.

Also refer note no. 9 (e) of the financial results in this regard.

The opinion of the auditor of the associate company is not modified in respect of matters stated above.

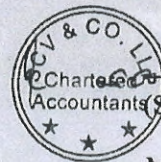
Our conclusion on the Statement is not modified in respect of the above matters.

7. Other Matter

The consolidated unaudited financial results include the company's share of net profit after tax of Rs. 18.51 crores and Rs. 19.48 crores and total comprehensive income of Rs. 18.53 crores and Rs. 19.57 crores for the quarter and six months period ended 30th September, 2021 respectively as considered in the Consolidated unaudited financial results, in respect of two associates, whose financial results/financial information have not been reviewed by us. These interim financial results/financial information have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of these associates, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of our reliance on the work done by other auditors.

For SCV & Co. LLP
Chartered Accountants
Firm Reg No. 000235N/N500089



(Sanjiv Mohan)
Partner

M. No. 086066

UDIN: 21086066AAAANU1271

Place: Ludhiana
Date: 09th November, 2021

**HEG LIMITED**

Corporate Office : Bhilwara Towers, A-12, Sector -1, NOIDA - 201301.

Registered Office : Mandideep (Near Bhopal), Distt. Raisen, Madhya Pradesh-462046.

Phone : 0120-4390300; Fax : 0120-4277841

CIN: L23109MP1972PLC008290 Website: www.heg ltd.com Email: heg.investor@lnjbhilwara.com

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2021

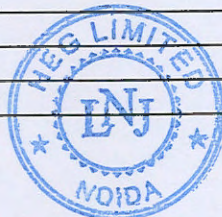
Sl. No.	Particulars	₹ in Crores					
		Quarter Ended			Half Year Ended		Year Ended
		30-09-2021	30-06-2021	30-09-2020	30-09-2021	30-09-2020	31-03-2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
I	Revenue from Operation	517.56	413.69	322.88	931.25	556.17	1,256.23
II	Other Income	25.35	22.06	16.41	47.41	62.45	112.91
III	Total Revenue (I+II)	542.91	435.75	339.29	978.66	618.62	1,369.14
IV	Expenses						
	Cost of materials consumed	191.26	160.64	158.29	351.90	244.81	504.94
	Purchase of stock -in-trade	-	-	-	-	-	-
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	0.11	19.38	93.12	19.49	159.24	304.15
	Employee benefits expense	21.35	17.88	12.51	39.22	26.28	54.53
	Finance cost	1.15	1.17	3.04	2.32	9.01	11.37
	Depreciation and amortisation expense	18.12	18.73	18.34	36.85	36.11	73.12
	Power and Fuel (Net of Interdivisional Purchases)	60.96	56.06	30.19	117.02	58.10	139.38
	Other Expenses	101.95	87.32	70.64	189.27	120.93	312.41
	Total expenses (IV)	394.90	361.18	386.13	756.08	654.48	1,399.90
V	Profit/(Loss) before exceptional items and tax (III-IV)	148.01	74.57	(46.84)	222.58	(35.86)	(30.76)
VI	Exceptional Items	-	-	-	-	-	-
VII	Profit/(Loss) Before Tax (V-VI)	148.01	74.57	(46.84)	222.58	(35.86)	(30.76)
VIII	Tax expense						
	(1) Current Tax	35.88	17.34	0.20	53.22	0.20	0.20
	(2) Deferred Tax	(0.87)	1.43	(13.13)	0.56	(12.91)	(5.66)
IX	Share of Profit/ (loss) of associates	18.51	0.97	18.55	19.48	22.11	7.36
X	Net Profit/(Loss) for the period (VII-VIII+IX)	131.52	56.77	(15.36)	188.28	(1.04)	(17.94)
XI	Other Comprehensive Income (Net of Taxes)						
	A (i) Items that will not be reclassified to profit or loss	(0.64)	-	0.91	(0.64)	0.91	1.40
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.16	-	(0.23)	0.16	(0.23)	(0.35)
	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	0.02	0.07	(0.04)	0.09	(0.09)	0.24
XII	Total Comprehensive Income for the period	131.05	56.84	(14.72)	187.89	(0.45)	(16.65)
XIII	Paid -Up Equity Share Capital (Face Value ₹ 10/- per share)	38.60	38.60	38.60	38.60	38.60	38.60
XIV	Reserves (Excluding Revaluation Reserves)	-	-	-	-	-	3,456.48
XV	Earnings Per Share (₹) (not annualised except for the year ended 31st March,2021)						
	- Basic (Rs.)	34.07	14.71	(3.98)	48.78	(0.27)	(4.65)
	- Diluted (Rs.)	34.07	14.71	(3.98)	48.78	(0.27)	(4.65)



SEGMENTWISE REVENUE, RESULTS, ASSETS AND SEGMENT LIABILITIES

₹ in Crores

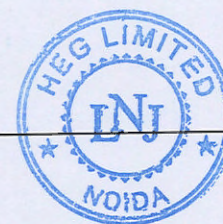
Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-09-2021	30-06-2021	30-09-2020	30-09-2021	30-09-2020	31-03-2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	Segment Revenue						
	Graphite	513.95	412.46	317.64	926.41	549.20	1,233.91
	Power	3.61	2.57	24.02	6.18	26.33	62.97
	Others	-	-	-	-	-	0.01
	Total	517.56	415.03	341.66	932.59	575.53	1,296.89
	Less: Inter segment sales	-	1.34	18.78	1.34	19.36	40.66
	Revenue from Operations	517.56	413.69	322.88	931.25	556.17	1,256.23
B	Segment Results						
	Profit before tax and finance cost from each segment						
	Graphite	132.49	69.70	(55.55)	202.19	(63.52)	(58.03)
	Power	(2.63)	(3.51)	(4.57)	(6.14)	(8.81)	(10.57)
	Others	-	-	-	-	-	-
	Total	129.86	66.19	(60.12)	196.05	(72.33)	(68.60)
	Add/Less:						
	Interest Income	7.72	8.39	6.68	16.11	13.81	28.88
	Gain on sale of Investments(Including gain/(loss) on its Fair Valuation)	9.96	10.17	10.93	20.13	37.66	61.11
	Other Unallocable Income net of expenses	1.62	(9.02)	(1.28)	(7.39)	(5.98)	(40.78)
	Finance cost	(1.15)	(1.17)	(3.04)	(2.32)	(9.01)	(11.37)
	Total Profit Before Tax	148.01	74.57	(46.84)	222.58	(35.86)	(30.76)
C	Segment Assets						
	Graphite	2,395.53	2,150.43	1,958.33	2,395.53	1,958.33	2,061.43
	Power	100.43	102.76	126.89	100.43	126.89	105.46
	Unallocated / Others	2,089.20	2,053.37	1,994.10	2,089.20	1,994.10	2,077.28
	Total Segment Assets	4,585.16	4,306.56	4,079.32	4,585.16	4,079.32	4,244.17
D	Segment Liabilities						
	Graphite	790.03	631.73	452.73	790.03	452.73	627.96
	Power	9.46	8.88	10.22	9.46	10.22	9.10
	Unallocated / Others	114.29	114.04	105.09	114.29	105.09	112.03
	Total Segment Liabilities	913.78	754.65	568.05	913.78	568.05	749.09



STATEMENT OF UNAUDITED ASSETS AND LIABILITIES AS ON 30TH SEPTEMBER, 2021

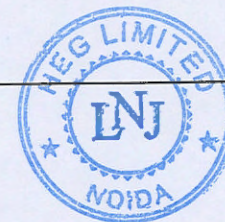
₹ in Crores

Particulars	Half Year Ended	Year Ended
	30-09-2021	31-03-2021
	Unaudited	Audited
A ASSETS		
(1) Non-current assets		
a) Property, Plant and Equipment	648.52	683.51
b) Capital work-in-progress	507.35	373.27
c) Right to use Asset	6.97	7.09
d) Investment Property	3.14	3.21
e) Goodwill	-	-
f) Other Intangible assets	0.15	0.20
g) Intangible assets under development	-	-
h) Biological Assets other than bearer plants	-	-
i) Financial assets	-	-
(i) Investments	481.44	798.59
(ii) Trade receivables	-	-
(iii) Loans	0.21	0.40
(iv) Other Financial Assets	257.02	45.56
j) Deferred tax assets(net)	-	-
k) Income Tax Assets(Net)	146.42	146.42
l) Other non-current assets	105.74	112.28
Total Non Current Assets	2,156.95	2,170.54
(2) Current assets		
(a) Inventories	615.03	580.61
(b) Financial assets	-	-
(i) Investments	882.67	559.10
(ii) Trade receivables	468.26	289.42
(iii) Cash & Cash equivalents	24.03	21.37
(iv) Bank balances other than (iii) above	332.90	529.20
(v) Loans	0.44	0.31
(vi) Others Financial Assets	9.43	10.50
(c) Other current assets	95.46	83.11
Total Current Assets	2,428.21	2,073.63
Total Assets	4,585.16	4,244.17



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	Particulars	Half Year Ended	Year Ended
		30-09-2021	31-03-2021
		Unaudited	Audited
B	EQUITY & LIABILITIES		
	Equity		
	(a) Equity share capital	38.60	38.60
	(b) Other equity	3,632.79	3,456.48
	Total equity	3,671.39	3,495.08
	LIABILITIES		
(1)	Non-current liabilities		
	(a) Financial liabilities	-	-
	(i) Borrowings	-	-
	(ia) Lease Liabilities	0.90	0.81
	(ii) Trade Payables	-	-
	(iv) Other financial liabilities-Security Deposit	-	-
	(b) Provisions	3.76	3.58
	(c) Deferred tax liabilities (Net)	97.14	96.75
	(d) Other non-current liabilities	4.13	3.92
	Total Non Current Liability	105.93	105.06
(2)	Current liabilities		
	(a) Financial liabilities	-	-
	(i) Borrowings	380.38	296.51
	(ia) Lease Liabilities	0.56	0.73
	(ii) Trade Payables	-	-
	(A) Total Outstanding dues of micro enterprises and small enterprises	22.44	12.08
	(B) Total Outstanding dues of creditors other than micro enterprises and small enterprises	284.13	245.23
	(iii) Other financial liabilities	94.64	66.04
	(b) Other current liabilities	15.06	12.31
	(c) Provisions	5.19	4.85
	(d) Current Tax Liabilities (Net)	5.45	6.28
	Total Current Liability	807.85	644.02
	Total Equity and Liabilities	4,585.16	4,244.17



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CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2021

		₹ in Crores		
PARTICULARS	Half Year Ended		Year Ended	
	30th September, 2021	30th September, 2020	31st March, 2021	
A	CASH FLOW FROM OPERATING ACTIVITIES			
	222.58	(35.86)	(30.76)	
Profit before Tax	-	-	-	
Adjustment for non operating and non cash transactions				
Depreciation and Amortisation	36.85	36.11	73.12	
Interest Paid	2.32	9.01	11.37	
Net(Profit)/Loss on property plant and equipment sold / discarded	(0.08)	1.75	5.94	
Allowances for Expected Credit Losses	(0.65)	0.69	(2.28)	
Unrealized (Gain)/Loss due to effect of exchange rate changes on assets and liabilities	(0.15)	0.85	0.56	
(Gain)/loss on modification of lease	(0.01)	-	-	
Bad Debts	-	-	3.95	
Gain on sale/fair valuation of investments	(20.13)	(37.66)	(61.11)	
Dividend earned	(0.44)	(0.64)	(1.04)	
Rent received	(0.62)	(13.81)	(1.15)	
Interest received	(16.11)	-	(28.88)	
Adjustments for changes in assets and liabilities				
(Increase)/Decrease in Trade receivables	(178.33)	141.00	108.54	
(Increase)/Decrease in Inventories	(34.42)	262.51	424.53	
(Increase)/Decrease in Loans, financial and Other assets	(17.68)	82.39	103.64	
Increase/(Decrease) in Liabilities and provisions	70.64	22.28	111.85	
Cash generated from operations	63.77	468.63	718.27	
Income tax paid	54.05	0.94	2.49	
Net Cash generated from operating activities (A)	9.71	467.69	715.79	
B	CASH FLOW FROM INVESTING ACTIVITIES			
	(135.66)	(59.05)	(301.31)	
Addition in Property plant and Equipments (including Capital work-in-progress)	0.30	0.35	0.72	
Sale of Property Plant and Equipments	7.01	0.35	32.37	
(Increase)/Decrease in Advances for Capital Expenditure	(12.57)	-	(145.36)	
Bank balances not considered as cash and cash equivalents	10.44	(14.10)	12.89	
Increase/(Decrease) in Creditors for Capital Expenditure	(296.00)	(83.91)	(139.50)	
(Purchase) of Investments	329.29	16.76	95.27	
Sale of Investments	0.62	-	1.15	
Rent received	0.44	0.64	1.04	
Dividend received	18.87	16.04	25.32	
Interest received	(77.25)	(122.92)	(417.41)	
Net Cash used in investing activities (B)				
C	CASH FLOW FROM FINANCING ACTIVITIES			
	84.31	(353.55)	(296.77)	
Proceed/(Repayment) of working capital borrowings (on net basis)	(2.27)	(9.01)	(12.46)	
Interest Paid (including interest on lease liability)	(0.33)	(0.30)	(0.58)	
Payment of lease liability	(11.52)	-	-	
Dividend Paid	-	-	-	
Dividend distribution Tax paid	70.19	(362.87)	(309.81)	
Net Cash used in financing activities (C)				
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	2.66	(18.10)	(11.43)	
Cash and cash equivalents at the beginning of the period	21.37	32.80	32.80	
Cash and cash equivalents at the end of the period	24.03	14.71	21.37	



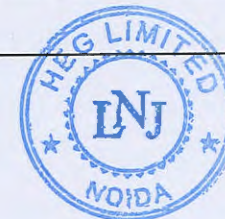
Notes:

- 1 The above Consolidated financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under.
- 2 The above Consolidated financial results have been reviewed by Audit Committee and approved by Board of Directors in their respective meetings held on November 09, 2021 and have been reviewed by the Statutory Auditors of the Company. The Statutory Auditors have expressed an unmodified conclusion on the aforesaid results.
- 3 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of the financial results including the recoverability of carrying amounts of financial and non financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial results, used internal and external sources of information and economic forecasts and expects that the carrying amount of these assets will be recovered.
- 4 The Company had undertaken an expansion project in past to increase the existing capacity from 80,000 tons to 100,000 tons and the same is going on in full swing. There was a few months delay due to Covid and the management expects the expansion project to be completed in the quarter Oct-Dec'22 and we will be ready with Commercial production from early 2023.
- 5 Operations at our Hydro Power Plant at Tawa are seasonal in nature. The plant generally remains closed in the 1st quarter, starts operating in the 2nd quarter, peaks in the 3rd quarter before tapering down in the last quarter.
- 6 The Code on Social Security, 2020 ('Code') relating to the employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- 7 During the current quarter, the rates and other guidelines have been notified under Remission of Duties and Taxes on Exported Products (RoDTEP) scheme vide notification dated August 17, 2021. Accordingly, the Company has accrued the benefits amounting to Rs. 4.85 crores under the aforesaid scheme on the eligible export sales for the period from January 1, 2021 to September 30, 2021, out of which Rs.3.24 crores pertains to eligible export sales for the period from January 1, 2021 to June 30, 2021.
- 8 The Schedule III to the Companies Act, 2013 has been amended in respect of certain disclosures vide notification dated 24 March, 2021 which are applicable w.e.f. 1 April 2021. The figures have been presented in the above results after considering the said amendments and the figures of comparative periods have also been regrouped wherever it is applicable.



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- 9 The notes disclosed in the consolidated financial Statements of Bhilwara Energy Limited, one of the associate companies, referred in the Auditor's Report of Associate under 'Emphasis of matter' paragraph are being reproduced hereunder:
- (a) On April 27, 2019, MPCL received a provisional net demand of ₹8,069.00 Lakhs in relation to wheeling charges for the period April 1, 2008 to March 31, 2019 from Himachal Pradesh State Electricity Board Limited (HPSEBL) based on an order passed by the Himachal Pradesh Electricity Regulatory Commission (HPERC), which in the opinion of the MPCL is not in accordance with the agreement entered between the MPCL and HPSEB (now HPSEBL) in August 1999. In this regard, the MPCL has paid under protest an amount of ₹2,817.00 Lakhs. Based on the legal opinion obtained, the MPCL is of the view that demand is not legally tenable and would not result in any material liability on the MPCL for the period on or before March 2019 and accordingly has filed an appeal before Appellate tribunal (APTEL), Electricity at New Delhi, which is pending adjudication with APTEL. The matter is yet to be heard.
- (b) On October 17, 2019, the Central Electricity Regulatory Commission (CERC) passed an Order on the Dedicated Transmission System of AD Hydro Power Limited for three parties using the transmission line for transmitting the energy in which CERC stated the following:
 (a) With regards to transmission charges, CERC approved the capital cost of Dedicated Transmission System at ₹23,892.00 Lakhs as against the capital cost submitted by AD Hydro Power Limited of ₹41,661.00 Lakhs (on the date of COD)/₹45,284.00 Lakhs (with additional capitalization) and accordingly determined the annual fixed cost (Transmission Tariff) for using transmission line for the period 2011-12 to 2018-19. Accordingly, AD Hydro Power Limited determined the amount invoiced over and above the amount which should have been invoiced based on capital cost and fixed cost determined by CERC for the above stated period amounting to ₹9,968.08 Lakhs. The management is of the view that the methods used to derive the capital cost by the CERC are not in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations ("regulations") for the period 2009-14 and 2014-19 and Electricity Act, 2003.
 With respect to matter detailed in (a) above, AD Hydro Power Limited had filed an appeal against the CERC Order before Appellate Tribunal for Electricity (APTEL) in October 2019. APTEL vide Order dated 17 October 2019 stayed the CERC's order so far as raising adjustment of bills was concerned along with the direction to continue to issue the future bills in accordance with the CERC Order till the appeal is finally disposed-off. The Respondents were directed to pay charges in terms of the order for use of the transmission line of AD Hydro Power Limited. The AD Hydro Power Limited has accordingly started raising the invoices based on the CERC order effective 18th October, 2019 and recognized as transmission income.
 Accordingly, trade receivables aggregating to ₹3,504.85 Lakhs (Previous year ₹3,504.85 Lakhs) are considered good and fully recoverable and in the opinion of the Management, no provision is required in respect of possible exposure aggregating to ₹6,163.23 Lakhs (Previous year ₹6,163.23 Lakhs) towards amount already collected from the users of Dedicated Transmission Line till September 30, 2021.
 Pending litigation and final decision on the appeal by APTEL, the Management, based on the legal opinion, is of the view that the above CERC Order is not legally tenable and would not have any material liability on AD Hydro Power Limited.
 (b) With regards to transmission losses, CERC directed to share the losses between the parties using the transmission line on the basis of weekly average losses in proportion to the scheduled energy on weekly basis instead of a flat charge of 4.75% charged by AD Hydro Power Limited as per the Interim Power Transmission Agreement (IPTA) signed between parties and accordingly directed the Northern Regional Load Despatch Centre (NRLDC) to re-compute the same. However, the management is confident that the actual transmission losses to be computed by NRLDC would not be materially different in comparison with current flat charge of 4.75%.
- (c) Pending execution of the renewal of PPA expired on March 31, 2019, the BG Wind Power Limited (BGWPL), Subsidiary has recognised revenue @₹3.14/kwh (previous PPA @₹3.14/kwh) based on the order issued by RERC vide its third amendment regulation dated 5th March 2019 for execution of the PPA to DISCOM for entire balance project life. GBI also taken at applicable rate @50 Paise /kwh. Since, the Company has exported the power to DISCOM during the period and the Management of the company believes that PPA will be signed therefore it has recognised Revenue from Sale of Power of ₹110.27 Lakhs and Generation Based Incentive (GBI) of ₹17.61 Lakhs. In the meantime, BGWPL has filed writ petition with Rajasthan High Court at Jaipur in this regard.



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- (d) Environmental Clearance (EC) of Nyamjang Chhu HEP (6X130 MW) was challenged in National Green Tribunal (NGT) by NGO. NGT in their order dated 7th April, 2016 suspended the Environment Clearance granted to the project till the directions as given in the order are complied. NGT also directed MOEF&CC to make a separate study of E-Flow requirement for protection of Habitat of the Black Neck Crane and for the conservation of the Black Neck Crane through the Wildlife Institute of India (WII). While the studies were in progress, Government of Arunachal Pradesh issued instant notice for termination on 22nd March, 2019 invoking its right to take over the project on "AS IS WHERE IS BASIS" and allotting the same to third party. The Company filed petition challenging instant notice for termination under section 9 of Arbitration Act in District Courts of Itanagar for immediate relief to maintain the status quo which was granted vide their order dated 30th April, 2019 and the termination notice was also suspended. WII submitted its report to GoAP and the same was submitted to court on pursuance of the company. In the report, WII has recommended no construction of Nyamjnag Chhu HEP at site. The project being not viable as per WII report, an application u/s 9 was filed seeking refund of upfront premium as per provisions of MoA. District Court vide their order dated 18th March, 2020 disposed of the petition and advised to invoke arbitration within 45 days. Due to Covid 19 pandemic lockdown the company approached District Court for extension of the interim protection by another 90 days which was turned down by them. The company filed an appeal with Gauhati High Court u/s 37 of the Arbitration Act challenging the earlier orders of District Courts. An appeal was admitted by The Hon'ble High Court but interim extension was not granted. Interim order of the Gauhati High court in this regard was challenged in Supreme Court by filing Special Leave petition. Hon'ble Supreme Court disposed off the SLP vide its order dated 17th June, 2020 and granted to the company four weeks times to take appropriate steps in respect of commencing of Arbitral proceedings and also extended the benefit of interim relief granted by District Court, if steps are taken for commencing Arbitral proceedings. Pursuant to the direction of the Hon'ble Supreme Court, the company sent legal notice for invocation of Arbitration on 10th July, 2020 through legal Counsel. GOAP vide letter dated 03rd August, 2020 replied to the company notice for invocation of arbitration and also suggested about negotiations. Thus, a short rejoinder was sent to GoAP on 10th August 2020 wherein company agreed for the negotiations as mentioned in the GoAP notice. Subsequently, a letter was received from GoAP for the negotiations and asked us to approach Chief Engineer (Monitoring), DHPD. The company has replied to GoAP and has agreed for discussion on the resolution of the issue. Recently on 5th April 2021, GoAP has advised company to take necessary action as mentioned in its previous letter. The matter relating to refund of upfront Premium is still sub-judice with Gauhati High Court and the hearing is yet to happen.
- (e) In case of Chango Yangthang Hydro Power Limited-Subsidiary, (Chango Yangthang HEP) due to various socio legal issues not in the control of the company, the company has filed application with Govt of H.P. for refund of upfront premium and security deposit of ₹3,969.45 Lakhs along with interest @10%. The Company is constantly following up with the State Government for the refund of the said amount with interest.

For HEG Limited



Ravi Jhunjunwala

Chairman, Managing Director & CEO

DIN No.00060972

Place : Noida(U.P)

Dated : 09th November, 2021