



PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL

HEG/SECTT/2021

11th August, 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

Dear Sirs,

Pursuant to Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors at its meeting held today i.e. 11th August, 2021 have approved and taken on record the following:

1. **The Unaudited Financial Results of the Company for the quarter ended the 30th June, 2021.**

The Unaudited financial results (Standalone and Consolidated) of the Company for the quarter ended the 30th June, 2021, alongwith the Limited Review Reports of the Statutory Auditors thereon is enclosed as **Annexure - 1**.

2. **Cessation of term of Independent Director:**

Dr. Om Parkash Bahl, Independent Director of the Company whose current term (second) is expiring on 29th August, 2021. The Nomination and Remuneration Committee and Board of Directors have respectively taken into record the valuable contribution made by Dr. Bahl during his tenure as an Independent Director of the Company.

The details as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular CIR/CFD/CMD/4/2015 dated 9th September, 2015, of Dr. Om Parkash Bahl will be intimated in due course of time after his term of cessation.

3. **Appointment of Shri Davinder Kumar Chugh (holding DIN: 09020244), as an Additional Director (Independent).**

Shri Davinder Kumar Chugh (holding DIN: 09020244) has been appointed as an Additional Director (Independent) on the Board of the Company upon recommendation of Nomination and Remuneration Committee w.e.f. 11th August, 2021, for first term of consecutive 5 years subject to the approval of the shareholders of the Company. The requisite details in terms of SEBI Regulations are attached as **Annexure-2**.

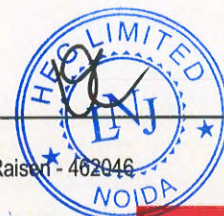
HEG LIMITED

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. Raigarh - 462046
(Madhya Pradesh), India
Tel.: +91-7480-405500, 233524 to 233527
Fax: +91-7480-233522
Website: www.hegltd.com



Corporate Identification No.: L23109MP1972PLC008290



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Shri Davinder Kumar Chugh (holding DIN: 09020244) is not debarred from holding the office of Director pursuant to any SEBI order or any other such authority.

Shri Davinder Kumar Chugh (holding DIN: 09020244) is not related to any of the existing Directors or Key Managerial Personnel or Promoters of the Company.

Shri Davinder Kumar Chugh (holding DIN: 09020244) fulfill the criteria of Independence as mentioned in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. Reconstitution of Statutory Committees of the Company -

i. Reconstitution of Audit Committee of the Company

The Board has appointed Shri Davinder Kumar Chugh (holding DIN: 09020244), member of Audit Committee. The Audit Committee now comprise of the following members:

S.No	Name of Director	Designation
1	Shri Satish Chand Mehta	Chairman
2	Shri Shekhar Agarwal	Member
3	Shri Davinder Kumar Chugh	Member
4	Dr Kamal Gupta	Member

ii. Reconstitution of Nomination and Remuneration Committee of the Company

The Board has appointed Shri Davinder Kumar Chugh (holding DIN: 09020244), member of Nomination and Remuneration Committee. The Nomination and Remuneration Committee now comprise of the following members:

S.No	Name of Director	Designation
1	Dr. Kamal Gupta	Chairman
2	Shri Davinder Kumar Chugh	Member
3	Smt Ramni Nirula	Member



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iii. **Reconstitution of Stakeholders Relationship Committee of the Company**

The Board has appointed Shri Davinder Kumar Chugh (holding DIN: 09020244) , member of Stakeholders Relationship Committee. The Stakeholders Relationship Committee now comprise of the following members:

S.No	Name of Director	Designation
1	Shri Riju Jhunjhunwala	Chairman
2	Shri Ravi Jhunjhunwala	Member
3	Dr. Kamal Gupta	Member
4	Shri Davinder Kumar Chugh	Member

5. **Update on the Expansion Plan earlier approved by the Board on 26.11.2018 and already intimated to Stock Exchange in terms of SEBI (LODR) Regulations, 2015:**

The Board in today's meeting have taken note of the following:

- Expansion project is now going on in full swing
- There was delay due to COVID & the same be expected to complete in the Quarter October- December' 2022 and will be ready with the commercial production from early 2023.

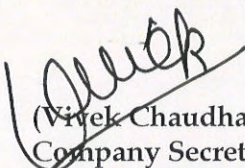
The above said Board Meeting commenced at 2:00 P.M. and concluded at 5.50 P.M.

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

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE QUARTERLY 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 ended 30th June, 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.
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, 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 specified under section 143(10) of the Companies Act, 2013 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 regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.

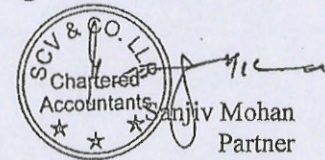


5. Other Matter

Attention is drawn to the fact that the figures for the three months ended 31st March 2021 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

Our conclusion is not modified in respect of this matter.

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



Sanjiv Mohan
Partner
M. No. 086066
UDIN:21086066AAAAKW3285

Place: Ludhiana
Date: 11th August, 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.hegltd.com Email: heg.investor@injbhilwara.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2021

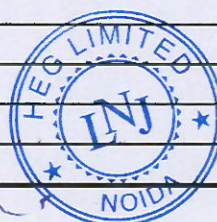
Sl. No.	Particulars	₹ in Crores			
		Quarter Ended			Year Ended
		30-06-2021	31-03-2021	30-06-2020	31-03-2021
		Unaudited	Audited	Unaudited	Audited
I	Revenue from Operations	413.69	380.48	233.29	1,256.23
II	Other Income	22.06	25.11	46.03	112.91
III	Total Revenue (I+II)	435.75	405.59	279.32	1,369.14
IV	Expenses				
	Cost of materials consumed	160.64	117.47	86.53	504.94
	Purchase of stock -in-trade	-	-	-	-
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	19.38	83.17	66.12	304.15
	Employee benefits expense	17.88	14.77	13.77	54.53
	Finance cost	1.17	1.09	5.97	11.37
	Depreciation and amortisation expense	18.73	18.48	17.77	73.12
	Power and Fuel (Net of Interdivisional Purchases)	56.06	49.53	27.90	139.38
	Other Expenses	87.32	120.23	50.28	312.41
	Total expenses (IV)	361.18	404.74	268.34	1,399.90
V	Profit/(Loss) before exceptional items and tax (III-IV)	74.57	0.85	10.98	(30.76)
VI	Exceptional Items	-	-	-	-
VII	Profit/(Loss) before Tax (V-VI)	74.57	0.85	10.98	(30.76)
VIII	Tax expense				
	(1) Current Tax	17.34	-	-	0.20
	(2) Deferred Tax	1.43	7.65	0.22	(5.66)
IX	Net Profit/(Loss) for the period (VII-VIII)	55.80	(6.80)	10.76	(25.30)
X	Other Comprehensive Income (Net of Taxes)				
	A (i) Items that will not be reclassified to profit or loss	-	0.49	-	1.40
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(0.12)	-	(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	55.80	(6.43)	10.76	(24.25)
XII	Paid -Up Equity Share Capital (Face Value ₹10/- per share)	38.60	38.60	38.60	38.60
XIII	Reserves (Excluding Revaluation Reserves)	-	-	-	3,360.04
XIV	Earnings Per Share (₹) (not annalised except for the year ended 31st March, 2021)				
	- Basic (₹)	14.46	(1.76)	2.79	(6.56)
	- Diluted (₹)	14.46	(1.76)	2.79	(6.56)



SEGMENTWISE REVENUE, RESULTS, ASSETS AND SEGMENT LIABILITIES

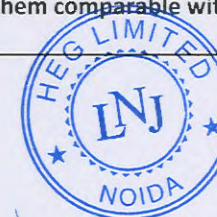
₹ in Crores

Sl. No.	Particulars	Quarter Ended			Year Ended
		30-06-2021	31-03-2021	30-06-2020	31-03-2021
		Unaudited	Audited	Unaudited	Audited
A	Segment Revenue				
	Graphite	412.46	374.94	231.56	1,233.91
	Power	2.57	6.67	2.31	62.97
	Others	-	0.01	0.00	0.01
	Total	415.03	381.62	233.87	1,296.89
	Less: Inter segment sales	1.34	1.14	0.58	40.66
	Revenue from Operations	413.69	380.48	233.29	1256.23
B	Segment Results				
	Profit before tax and finance cost from each segment				
	Graphite	69.70	21.80	(7.96)	(58.03)
	Power	(3.51)	(0.92)	(4.25)	(10.57)
	Others	-	-	-	-
	Total	66.19	20.88	(12.21)	(68.60)
	Add/Less:				
	Interest Income	8.39	7.32	7.13	28.88
	Gain on sale of Investments(Including gain/(loss) on its Fair Valuation)	10.17	8.58	26.73	61.11
	Other Unallocable Income net of expenses	(9.02)	(34.84)	(4.70)	(40.78)
	Finance cost	(1.17)	(1.09)	(5.97)	(11.37)
	Total Profit Before Tax	74.57	0.85	10.98	(30.76)
C	Segment Assets				
	Graphite	2,150.43	2061.43	2279.75	2061.43
	Power	102.76	105.46	149.66	105.46
	Unallocated / Others	1,955.89	1980.84	1752.49	1980.84
	Total Segment Assets	4209.08	4147.73	4181.90	4147.73
D	Segment Liabilities				
	Graphite	631.73	627.96	624.75	627.96
	Power	8.88	9.10	10.27	9.10
	Unallocated / Others	114.04	112.03	113.24	112.03
	Total Segment Liabilities	754.65	749.09	748.26	749.09



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 August 11, 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 we expect the expansion project to be completed in the quarter Oct-Dec'22 and we will be ready with Commerical 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 The Central Government of India has announced a new scheme on Remission of Duties or taxes on Export Product (RODTEP) which has replaced existing MEIS (Merchandise Exports from India Scheme) w.e.f January 01, 2021. As the rates under RODTEP have not been announced till date, the income on account of benefits under the new scheme has not been recognized for the quarter ended March 31, 2021 and June 30, 2021.
- 8 In accordance with the provisions laid under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the company has incurred expenditure on account of Corporate Social Responsibility amounting to Rs. 6.15 crores during the quarter ended June 30, 2021, (Rs. 5.51 Cr during the quarter ended 30th June 2020), Rs. 34.85 crores during the quarter ended March 31, 2021 and Rs. 41.86 crores during the financial year ended March 31, 2021 which has been included under the head 'Other Expenses'.
- 9 The figures of quarter ended 31 March 2021 are the balancing figures between the audited figures in respect of full financial year and the published unaudited figures upto 9 months ended 31 December 2020, which were subject to limited review by the Statutory Auditors.
- 10 The figures of the previous period have been reclassified wherever considered necessary to make them comparable with current period classification.



For HEG Limited

Ravi Jhunjunwala

Chairman, Managing Director & CEO

DIN No.'00060972

Place : Noida(U.P)

Dated : 11th August, 2021

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE QUARTERLY 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 three months period ended 30th June, 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.
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, 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 specified under section 143(10) of the Companies Act, 2013 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended 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 regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended 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, an associate of the Company, which are being reproduced hereunder:

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

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

Refer note no. 11 (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.

Refer note no. 11 (b) of the financial results in this regard.



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

In case of BG Wind Power Limited, the Power Purchase Agreement (PPA) with DISCOM has expired on March 31, 2019. BG Wind Power Limited, Subsidiary is pursuing for Power Purchase Agreement (PPA) with DISCOM @ INR 3.14 per Kwh as per RERC third amendment regulation dated 5th March 2019 for the entire duration of the project. The Discom has yet not renewed the PPA during the quarter the Company has continued to recognise Revenue from Sale of Power of INR 110.27 lakhs and Generation Based Incentive (GBI) of INR 17.61 lakhs and shown under Unbilled Revenue, as the management of the company believes that PPA will be signed. The company has filed the writ petition with Rajasthan High Court, Jaipur in this regard and the matter is still undecided as hearing is continued.

Refer note no. 11 (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 filed by the company with Hon'ble Guwahati High Court for seeking refund of upfront premium as per provisions of MoA, in view of the WII report recommending no construction of Nyanjang Chhu HEP at site and arbitration notice sent by the company for invoking arbitration as per the directions of the Hon'ble Supreme Court.

Subsequently, a letter was received from GoAP for the negotiations and asked the company to 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.

We are unable to comment on the financial implications and future operations of the company till the final outcome.

Refer note no. 11(d) of the financial results in this regard.

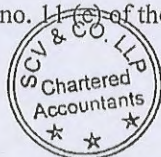
(v) In case of Chango Yangthang Hydro Power Limited, a subsidiary of the associate

The company has surrendered ChangoYangthang 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 ChangoYangthang 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 ChangoYangthang HEP and refused to co-operate 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.

Refer note no. 11(e) of the financial results in this regard.



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

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

7. Other Matter

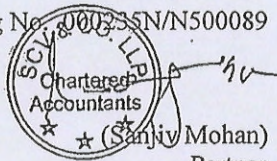
(a) The consolidated unaudited financial results include the company's share of net profit after tax of Rs. 0.97 crores and total comprehensive income of Rs. 1.04 crores for the quarter ended 30th June, 2021 as considered in the Consolidated unaudited financial results, in respect of two associates, 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.

(b) Attention is drawn to the fact that the figures for the three months ended 31st March 2021 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

Our conclusion is not modified in respect of this matter.

Place: Ludhiana
Date: 11th August, 2021

For SCV & Co. LLP
Chartered Accountants
Firm Reg No. 00355N/N500089

(Sanjiv Mohan)
Partner
M. No. 086066
UDIN: 21086066AAAAKX3013

**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.hegltd.com Email: heg.investor@lnjbhilwara.com

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2021

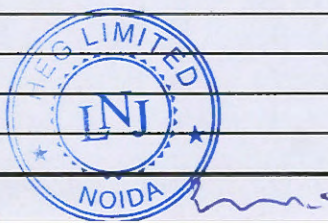
Sl. No.	Particulars	₹ in Crores			
		Quarter Ended			Year Ended
		30-06-2021	31-03-2021	30-06-2020	31-03-2021
		Unaudited	Audited	Unaudited	Audited
I	Revenue from Operations	413.69	380.48	233.29	1,256.23
II	Other Income	22.06	25.11	46.03	112.91
III	Total Revenue (I+II)	435.75	405.59	279.32	1369.14
IV	Expenses				
	Cost of materials consumed	160.64	117.47	86.53	504.94
	Purchase of stock -in-trade	-	-	-	-
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	19.38	83.17	66.12	304.15
	Employee benefits expense	17.88	14.77	13.77	54.53
	Finance cost	1.17	1.09	5.97	11.37
	Depreciation and amortisation expense	18.73	18.48	17.77	73.12
	Power and Fuel (Net of Interdivisional Purchases)	56.06	49.53	27.90	139.38
	Other Expenses	87.32	120.23	50.28	312.41
	Total expenses (IV)	361.18	404.74	268.34	1399.90
V	Profit/(Loss) before exceptional items and tax (III-IV)	74.57	0.85	10.98	(30.76)
VI	Exceptional Items	-	-	-	-
VII	Profit/(Loss) before Tax (V-VI)	74.57	0.85	10.98	(30.76)
VIII	Tax expense				
	(1) Current Tax	17.34	-	-	0.20
	(2) Deferred Tax	1.43	7.65	0.22	(5.66)
IX	Share of Profit/ (loss) of associates	0.97	(9.28)	3.57	7.36
X	Net Profit/(Loss) for the period (VII-VIII+IX)	56.77	(16.08)	14.33	(17.94)
XI	Other Comprehensive Income (Net of Taxes)				
	A (i) Items that will not be reclassified to profit or loss	-	0.49	-	1.40
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(0.12)	-	(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	0.07	0.40	(0.05)	0.24
XII	Total Comprehensive Income for the period	56.84	(15.31)	14.28	(16.65)
XIII	Paid -Up Equity Share Capital (Face Value ₹10/- per share)	38.60	38.60	38.60	38.60
XIV	Reserves (Excluding Revaluation Reserves)	-	-	-	3456.48
XIVI	Earnings Per Share (₹) (not annualised except for the year ended 31st March, 2021)				
	- Basic (₹)	14.71	(4.17)	3.71	(4.65)
	- Diluted (₹)	14.71	(4.17)	3.71	(4.65)



SEGMENTWISE REVENUE, RESULTS, ASSETS AND SEGMENT LIABILITIES

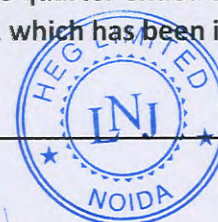
₹ in Crores

Sl. No.	Particulars	Quarter Ended			Year Ended
		30-06-2021	31-03-2021	30-06-2020	31-03-2021
		Unaudited	Audited	Unaudited	Audited
A	Segment Revenue				
	Graphite	412.46	374.94	231.56	1,233.91
	Power	2.57	6.67	2.31	62.97
	Others	-	0.01	0.00	0.01
	Total	415.03	381.62	233.87	1,296.89
	Less: Inter segment sales	1.34	1.14	0.58	40.66
	Revenue from Operations	413.69	380.48	233.29	1256.23
B	Segment Results				
	Profit before tax and finance cost from each segment				
	Graphite	69.70	21.80	(7.96)	(58.03)
	Power	(3.51)	(0.92)	(4.25)	(10.57)
	Others	-	-	-	-
	Total	66.19	20.88	(12.21)	(68.60)
	Add/Less:				
	Interest Income	8.39	7.32	7.13	28.88
	Gain on sale of Investments(Including gain/(loss) on its Fair Valuation)	10.17	8.58	26.73	61.11
	Other Unallocable Income net of expenses	(9.02)	(34.84)	(4.70)	(40.78)
	Finance cost	(1.17)	(1.09)	(5.97)	(11.37)
	Total Profit Before Tax	74.57	0.85	10.98	(30.76)
C	Segment Assets				
	Graphite	2,150.43	2061.43	2279.75	2061.43
	Power	102.76	105.46	149.66	105.46
	Unallocated / Others	2,053.37	2077.28	1844.84	2077.28
	Total Segment Assets	4306.56	4244.17	4274.25	4244.17
D	Segment Liabilities				
	Graphite	631.73	627.96	624.75	627.96
	Power	8.88	9.10	10.27	9.10
	Unallocated / Others	114.04	112.03	113.24	112.03
	Total Segment Liabilities	754.65	749.09	748.26	749.09



Notes:

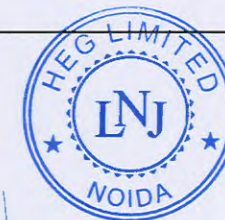
- 1 The above Consolidated financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under.
- 2 The above Consolidated financial results have been reviewed by Audit Committee and approved by Board of Directors in their respective meetings held on August 11, 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 we expect the expansion project to be completed in the quarter Oct-Dec'22 and we will be ready with Commerical 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 The Central Government of India has announced a new scheme on Remission of Duties or taxes on Export Product (RODTEP) which has replaced existing MEIS (Merchandise Exports from India Scheme) w.e.f January 01, 2021. As the rates under RODTEP have not been announced till date, the income on account of benefits under the new scheme has not been recognized for the quarter ended March 31,2021 and June 30, 2021.
- 8 In accordance with the provisions laid under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the Parent Company "HEG Limited" has incurred expenditure on account of Corporate Social Responsibility amounting to Rs. 6.15 crores during the quarter ended June 30, 2021, (Rs. 5.51 Cr during the quarter ended 30th June 2020), Rs. 34.85 crores during the quarter ended March 31, 2021 and Rs. 41.86 crores during the financial year ended March 31, 2021 which has been included under the head 'Other Expenses'.



- 9 The figures of quarter ended 31 March 2021 are the balancing figures between the audited figures in respect of full financial year and the published unaudited figures upto 9 months ended 31 December 2020, which were subject to limited review by the Statutory Auditors.
- 10 The figures of the previous period have been reclassified wherever considered necessary to make them comparable with current period classification.
- 11 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, the 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 next date for hearing is scheduled for August 16, 2021.
- (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:
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 the 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, the 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, the 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 June 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 the AD Hydro Power Limited.
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 the AD Hydro Power Limited as per the Interim Power Transmission Agreement (IPTA) signed between parties and accordingly directed the Northern Regional Load Dispatch 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.



- (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 vide its order dated 08th May, 2020 granted the relief for extension with notice to the other party The 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
- (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

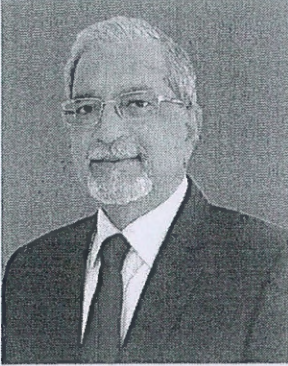
Place : Noida(U.P)

Dated : 11th August, 2021

Annexure-2.

Particulars	Shri Davinder Kumar Chugh (holding DIN: 09020244)
Reason for Change viz., Appointment, resignation, removal, death or otherwise	Appointment
Date of Appointment & term of appointment;	11.08.2021 First term of appointment of five consecutive years w.e.f. 11.08.2021, subject to approval of shareholders.
Brief Profile	Enclosed as Annexure - 3
Disclosure of relationships between directors	Not related to any of the existing Directors or Key Managerial Personnel or Promoters of the Company.





DAVINDER CHUGH

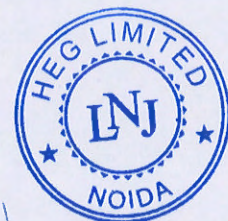
Senior Partner

Davinder has had a successful career at ArcelorMittal spanning over twenty years, of which the last ten years were served at Group Management Board level.

Davinder led large businesses during his time at and within ArcelorMittal: as Senior Executive Vice-President and CEO of Africa & CIS, he was responsible for the mining and steel businesses in South Africa, Ukraine, Kazakhstan and Algeria; he oversaw and led ArcelorMittal International, an entity that exported steel products of the ArcelorMittal Group to territories where it did not produce steel; he headed Shared Services responsible for Purchasing, Shipping and Logistics, Legal, IT, Real Estate and By-Products management. He was also the CEO of ArcelorMittal South Africa, a large company quoted on Johannesburg stock exchange.

In addition, Davinder was a member of ArcelorMittal's Investment Allocation Committee and the core Mergers & Acquisition team. Davinder acquired highly transferable techno-commercial skills, a global view and expertise in performance audit, benchmarking and restructuring during his 35-year career with ArcelorMittal and Steel Authority of India Limited (SAIL). He is uniquely placed to advise and support businesses in emerging out of crisis and assuming market leadership.

Davinder has an MBA along with an undergraduate honours degree in Physics (B.Sc) and also has a Bachelors of Law (LLB) degree.



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