



PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL

HEG/SECTT/2022

25th May, 2022

BSE Limited 25th Floor, P J Towers Dalal Street MUMBAI - 400 001. Scrip Code : 509631	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 25th May, 2022

Dear Sirs,

Pursuant to Regulation 30 & 33 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Board of Directors have inter-alia approved and taken on record the following at its meeting held today i.e. 25th May, 2022:

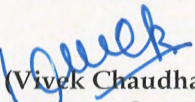
1. Audited Financial Results (Standalone and Consolidated) for the quarter and financial year ended 31st March, 2022, the Statement of Cash Flow (Standalone and Consolidated) and Statement of Assets and Liabilities (Standalone and Consolidated) as at 31st March, 2022 alongwith Auditors Report (Standalone and Consolidated) thereon and Declaration in respect of Audit Report (Standalone & Consolidated) with unmodified opinion under Regulation 33(3)(d) of the Listing Regulations are enclosed herewith as **Annexure - 1**.
2. The Board of Directors have recommended a Final Dividend on Equity Shares at the rate of Rs. 40/- per Equity Share of the face value of Rs. 10/- each, for the financial year 2021-22 subject to the approval of the Shareholders at the ensuing Annual General Meeting (AGM) of the Company. The dividend will be paid/dispached within 30 days from the date of the Annual General Meeting.
3. Recommended the re-appointment of M/s. SCV & Co. LLP, Chartered Accountant (FRN: 000235N/N500089) as the Statutory Auditor of the Company subject to approval of Shareholders of the Company in the forthcoming Annual General Meeting for the Second (2nd) term of five (5) Years which will commence from Conclusion of 50th AGM till the Conclusion of 55th AGM to be held in the year 2027. A brief profile of the M/s. SCV & Co. LLP, Chartered Accountant, is attached as **Annexure-2**.

The Company will inform the date of AGM & other ancillary information in due course.

The Board Meeting commenced at 2.30 P.M. and concluded at 7.50 P.M. This is for your information and 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
GSTN No.: 09AAACH6184K2Z6
Website: www.lnjbhilwara.com

Regd. Office :

Mandideep (Near Bhopal) Distt. Raissen - 462046
(Madhya Pradesh), India
Tel.: +91-7480-405500, 233524 to 233527
Fax: +91-7480-233522
GSTN No.: 23AAACH6184K1ZH
Website: www.heg ltd.com



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 STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2022						
Sl. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2022	31-12-2021	31-03-2021	31-03-2022	31-03-2021
		Audited	Unaudited	Audited	Audited	Audited
		₹ in Crores				
I	Revenue from Operations	673.06	597.30	380.48	2,201.61	1,256.23
II	Other Income	17.40	14.74	25.11	79.55	112.91
III	Total Revenue (I+II)	690.46	612.04	405.59	2,281.16	1369.14
IV	Expenses					
	Cost of materials consumed	314.27	274.25	117.47	940.42	504.94
	Purchase of stock -In-trade	-	-	-	-	-
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	(70.25)	(60.64)	83.17	(111.41)	304.15
	Employee benefits expense	19.56	21.22	14.77	80.00	54.53
	Finance cost	1.00	4.17	1.09	7.49	11.37
	Depreciation and amortisation expense	21.39	21.05	18.48	79.29	73.12
	Power and Fuel (Net of Interdivisional Purchases)	77.71	76.38	49.53	271.11	139.38
	Other Expenses	174.88	130.11	120.23	494.26	312.41
	Total expenses (IV)	538.56	466.54	404.74	1,761.16	1399.90
V	Profit/(Loss) before exceptional items and tax (III-IV)	151.90	145.50	0.85	520.00	(30.76)
VI	Exceptional Items	-	-	-	-	-
VII	Profit/(Loss) before Tax (V-VI)	151.90	145.50	0.85	520.00	(30.76)
VIII	Tax expense					
	(1) Current Tax	39.04	37.30	-	129.56	0.20
	(2) Deferred Tax	(0.39)	(0.31)	7.65	(0.14)	(5.66)
IX	Net Profit/(Loss) for the period (VII-VIII)	113.25	108.51	(6.80)	390.58	(25.30)
X	Other Comprehensive Income (Net of Taxes)					
	A (i) Items that will not be reclassified to profit or loss	(0.59)	-	0.49	(1.23)	1.40
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.15	-	(0.12)	0.31	(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	112.81	108.51	(6.43)	389.66	(24.25)
XII	Paid -Up Equity Share Capital (Face Value ₹ 10/- per share)	38.60	38.60	38.60	38.60	38.60
XIII	Other Equity (Excluding Revaluation Reserves)	-	-	-	3738.12	3360.04
XIV	Earnings Per Share (₹) (not annualised except for the year endend 31st March,2021)					
	- Basic (₹)	29.34	28.11	(1.76)	101.20	(6.56)
	- Diluted (₹)	29.34	28.11	(1.76)	101.20	(6.56)



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SEGMENTWISE REVENUE, RESULTS, ASSETS AND SEGMENT LIABILITIES

₹ in Crores

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2022	31-12-2021	31-03-2021	31-03-2022	31-03-2021
		Audited	Unaudited	Audited	Audited	Audited
A	Segment Revenue					
	Graphite	665.90	584.01	374.94	2,176.33	1,233.91
	Power	7.16	13.29	6.67	26.62	62.97
	Others	-	-	0.01	-	0.01
	Total	673.06	597.30	381.62	2,202.95	1,296.89
	Less: Inter segment sales	-	-	1.14	1.34	40.66
	Revenue from Operations	673.06	597.30	380.48	2,201.61	1256.23
B	Segment Results					
	Profit before tax and finance cost from each segment					
	Graphite	154.45	143.19	21.80	499.83	(58.03)
	Power	(0.23)	(3.77)	(0.92)	(10.14)	(10.57)
	Others	-	-	-	-	-
	Total	154.22	139.42	20.88	489.69	(68.60)
	Add/Less:					
	Interest Income	8.29	8.04	7.32	32.45	28.88
	Gain on sale of Investments(Including gain/(loss) on its Fair Valuation)	7.98	6.06	8.58	34.18	61.11
	Other Unallocable Income net of expenses	(17.59)	(3.85)	(34.84)	(28.83)	(40.78)
	Finance cost	(1.00)	(4.17)	(1.09)	(7.49)	(11.37)
	Total Profit Before Tax	151.90	145.50	0.85	520.00	(30.76)
C	Segment Assets					
	Graphite	3,204.51	2,781.17	2061.42	3204.51	2061.42
	Power	91.92	97.11	105.46	91.92	105.46
	Unallocated / Others	1,874.59	1,936.02	1980.84	1874.59	1980.84
	Total Segment Assets	5171.02	4814.30	4147.72	5171.02	4147.72
D	Segment Liabilities					
	Graphite	1,266.01	1,023.86	627.96	1266.01	627.96
	Power	2.65	3.17	9.10	2.65	9.10
	Unallocated / Others	125.64	123.37	112.03	125.64	112.03
	Total Segment Liabilities	1394.30	1150.40	749.09	1394.30	749.09



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STATEMENT OF AUDITED ASSETS AND LIABILITIES AS AT 31ST MARCH, 2022

		₹ in Crores	
Particulars		Year Ended 31/03/2022	Year Ended 31/03/2021
		Audited	Audited
A	ASSETS		
(1)	Non-current assets		
	a) Property, Plant and Equipment	748.40	683.51
	b) Capital work-in-progress	696.08	373.27
	c) Right to use Asset	6.67	7.09
	d) Investment Property	7.61	3.21
	e) Other Intangible assets	0.10	0.20
	f) Financial assets	-	-
	(i) Investments	365.07	702.15
	(ii) Loans	0.82	0.40
	(iii) Other Financial Assets	139.96	45.56
	g) Income Tax Assets(Net)	146.66	146.42
	h) Other non-current assets	52.62	112.28
	Total Non Current Assets	2,163.99	2,074.09
(2)	Current assets		
	(a) Inventories	977.81	580.61
	(b) Financial assets	-	-
	(i) Investments	668.86	559.10
	(ii) Trade receivables	589.17	289.42
	(iii) Cash & Cash equivalents	41.04	21.37
	(iv) Bank balances other than (iii) above	560.63	529.20
	(v) Loans	0.73	0.31
	(vi) Others Financial Assets	16.90	10.50
	(c) Other current assets	151.89	83.11
	Total Current Assets	3,007.03	2,073.63
	Total Assets	5,171.02	4,147.72



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	Particulars	Year Ended	Year Ended
		31/03/2022	31/03/2021
		Audited	- Audited
B	EQUITY & LIABILITIES		
	Equity		
	(a) Equity share capital	38.60	38.60
	(b) Other equity	3,738.12	3,360.04
	Total equity	3,776.72	3,398.64
	LIABILITIES		
(1)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	-	-
	(ia) Lease Liabilities	0.78	0.81
	(ii) Other financial liabilities	-	-
	(b) Provisions	3.81	3.58
	(c) Deferred tax liabilities (Net)	96.29	96.75
	(d) Other non-current liabilities	6.34	3.92
	Total Non Current Liability	107.22	105.06
(2)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	663.40	296.51
	(ia) Lease Liabilities	0.50	0.73
	(ii) Trade Payables		
	(A) Total Outstanding dues of micro enterprises and small enterprises	18.17	12.08
	(B) Total Outstanding dues of creditors other than micro enterprises and small enterprises	429.72	245.23
	(iii) Other financial liabilities	137.38	66.04
	(b) Other current liabilities	24.83	12.31
	(c) Provisions	5.16	4.85
	(d) Current Tax Liabilities (Net)	7.92	6.28
	Total Current Liability	1,287.08	644.02
	Total Equity and Liabilities	5,171.02	4,147.72



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STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2022

PARTICULARS	₹ in Crores	
	Year Ended	Year Ended
	31st March, 2022	31st March, 2021
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	520.00	(30.76)
Adjustment for non operating and non cash transactions		
Depreciation and amortisation expense	79.29	73.12
Interest expense	7.49	11.37
Net(Profit)/Loss on property plant and equipment sold / discarded	2.81	5.94
Allowances for Expected Credit Losses	(0.29)	(2.28)
Unrealized (Gain)/Loss due to effect of exchange rate changes on assets and liabilities	1.59	0.56
Bad Debts	0.59	3.95
Gain on sale/fair valuation of investments	(34.18)	(61.11)
Dividend income	(1.14)	(1.04)
Rent income	(1.32)	(1.15)
Interest income	(32.45)	(28.88)
Adjustments for changes in assets and liabilities		
(Increase)/Decrease in Trade receivables	(299.25)	108.54
(Increase)/Decrease in Inventories	(397.20)	424.53
(Increase)/Decrease in Loans, financial and Other assets	(79.00)	103.64
Increase/(Decrease) in Liabilities and provisions	220.62	111.85
Cash generated from operations	(12.45)	718.27
Income tax paid	128.15	2.49
Net Cash generated from operating activities (A)	(140.60)	715.79
B CASH FLOW FROM INVESTING ACTIVITIES		
Payment for purchase of Property plant and Equipments (including Capital work-in-progress) (after adjustment of advances and creditors for capital expenditure)	(359.53)	(256.06)
Proceeds from sale of Property Plant and Equipments	0.88	0.72
Bank balances not considered as cash and cash equivalents	(115.68)	(145.36)
Payment for Purchase of Investments	(701.13)	(139.50)
Proceeds from sale of Investments	962.36	95.27
Return of Capital from INVIT	0.27	-
Rent received	1.32	1.15
Dividend received	1.14	1.04
Interest received	27.00	25.32
Net Cash used in Investing activities (B)	(183.37)	(417.41)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceed/(Repayment) of working capital borrowings (on net basis)	366.33	(296.77)
Interest and other financial charges Paid (including interest on lease liabilities)	(10.10)	(12.46)
Payment of lease liabilities	(0.52)	(0.58)
Dividend Paid	(12.09)	-
Net Cash used in financing activities (C)	343.63	(309.81)
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	19.66	(11.43)
Cash and cash equivalents at the beginning of the period	21.37	32.80
Cash and cash equivalents at the end of the period	41.03	21.37



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Notes:

- 1 These 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 May 25, 2022 and have been audited by the Statutory Auditors of the Company. The Statutory Auditors have expressed an unmodified opinion on the aforesaid results.
- 3 The figures of quarter ended March 31, 2022 and March 31, 2021 are the balancing figures between the audited figures in respect of full financial year and the published figures of nine months ended December 31, 2021 and December 31, 2020 respectively, which were subject to limited review by the Statutory Auditors.
- 4 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.
- 5 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.
- 6 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.
- 7 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.
- 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. 19.12 crores during the quarter ended 31st March, 2022, Rs. 5.30 crores during the quarter ended 31st December, 2021 and Rs. 30.65 crores during the financial year ended 31st March, 2022 which has been included under the head 'Other Expenses'. This amount includes a provision of Rs. 15.83 crores during the quarter ended 31st March, 2022 towards unspent CSR obligation in respect of ongoing projects and the same has been transferred to "Unspent CSR Account FY 21-22" in the subsequent year.
- 9 The Reserve Bank of India vide its notification no RBI/2020-21/180 dated 8th March, 2022 has extended the Interest Equalization Scheme on Pre and Post Shipment Rupee Export Credit. The extension takes effect from 1st October, 2021 and the interest equalization rates have been revised from 3% to 2% w.e.f. 1st October 2021. The impact of the same related to the period 1st October, 2021 to 31st December, 2021 amounting to Rs.1.60 crores has been considered in the quarter ended 31st March 2022.
- 10 The figures of comparative periods have also been reclassified wherever considered necessary to make them comparable with current period classification, if any.
- 11 The Board of Director has recommended a final dividend of ₹ 40/- per Equity Share of the face value of ₹ 10/- each for the financial year 2021-22, subject to approval of shareholders at the ensuing Annual General Meeting.

Place : Noida(U.P)
Dated : 25th May, 2022



For HEG Limited


Manish Gulati
Executive Director
DIN: 08697512

HEG LIMITED						
Corporate Office : Bhilwara Towers, A-12, Sector -1, NOIDA - 201301.						
Registered Office : Mandideep (Near Bhopal), Distt. Raissen, Madhya Pradesh-462046.						
Phone : 0120-4390300; Fax : 0120-4277841						
CIN: L23109MP1972PLC008290 Website: www.heg ltd.com Email: heg.investor@lnjbhilwara.com						
STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2022						
Sl. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2022	31-12-2021	31-03-2021	31-03-2022	31-03-2021
		Audited	Unaudited	Audited	Audited	Audited
		₹ in Crores				
I	Revenue from Operations	673.06	597.30	380.48	2,201.61	1,256.23
II	Other Income	17.40	14.74	25.11	79.55	112.91
III	Total Revenue (I+II)	690.46	612.04	405.59	2,281.16	1369.14
IV	Expenses					
	Cost of materials consumed	314.27	274.25	117.47	940.42	504.94
	Purchase of stock -in-trade	-	-	-	-	-
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	(70.25)	(60.64)	83.17	(111.41)	304.15
	Employee benefits expense	19.56	21.22	14.77	80.00	54.53
	Finance cost	1.00	4.17	1.09	7.49	11.37
	Depreciation and amortisation expense	21.39	21.05	18.48	79.29	73.12
	Power and Fuel (Net of Interdivisional Purchases)	77.71	76.38	49.53	271.11	139.38
	Other Expenses	174.88	130.11	120.23	494.26	312.41
	Total expenses (IV)	538.56	466.54	404.74	1,761.16	1399.90
V	Profit/(Loss) before exceptional items and tax (III-IV)	151.90	145.50	0.85	520.00	(30.76)
VI	Exceptional Items	-	-	-	-	-
VII	Profit/(Loss) before Tax & Share of profit/loss of Associates (V-VI)	151.90	145.50	0.85	520.00	(30.76)
VIII	Share of Profit/ (loss) of associates	16.02	4.97	(9.28)	40.47	7.36
IX	Profit/(Loss) before Tax (VII+VIII)	167.92	150.47	(8.42)	560.47	(23.40)
X	Tax expense					
	(1) Current Tax	39.04	37.30	-	129.56	0.20
	(2) Deferred Tax	(0.39)	(0.31)	7.65	(0.14)	(5.66)
XI	Net Profit/(Loss) for the period (IX-X+XII)	129.27	113.48	(16.08)	431.05	(17.94)
XII	Other Comprehensive Income (Net of Taxes)					
	A (i) Items that will not be reclassified to profit or loss	(0.59)	-	0.49	(1.23)	1.40
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.15	-	(0.12)	0.31	(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	(0.13)	0.06	0.40	0.01	0.24
XIII	Total Comprehensive Income for the period	128.70	113.54	(15.31)	430.14	(16.65)
XIV	Paid -Up Equity Share Capital (Face Value ₹ 10/- per share)	38.60	38.60	38.60	38.60	38.60
XV	Other Equity (Excluding Revaluation Reserves)	-	-	-	3875.04	3456.48
XVI	Earnings Per Share (₹) (not annualised except for the year ended 31st March, 2021)					
	- Basic (₹)	33.49	29.40	(4.17)	111.68	(4.65)
	- Diluted (₹)	33.49	29.40	(4.17)	111.68	(4.65)



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SEGMENTWISE REVENUE, RESULTS, ASSETS AND SEGMENT LIABILITIES						
					₹ in Crores	
Sl. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2022	31-12-2021	31-03-2021	31-03-2022	31-03-2021
		Audited	Unaudited	Audited	Audited	Audited
A	Segment Revenue					
	Graphite	665.90	584.01	374.94	2,176.33	1,233.91
	Power	7.16	13.29	6.67	26.62	62.97
	Others	-	-	0.01	-	0.01
	Total	673.06	597.30	381.62	2,202.95	1,296.89
	Less: Inter segment sales	-	-	1.14	1.34	40.66
	Revenue from Operations	673.06	597.30	380.48	2,201.61	1256.23
B	Segment Results					
	Profit before tax and finance cost from each segment					
	Graphite	154.45	143.19	21.80	499.83	(58.03)
	Power	(0.23)	(3.77)	(0.92)	(10.14)	(10.57)
	Others	-	-	-	-	-
	Total	154.22	139.42	20.88	489.69	(68.60)
	Add/Less:					
	Interest Income	8.29	8.04	7.32	32.45	28.88
	Gain on sale of Investments(Including gain/(loss) on its Fair Valuation)	7.98	6.06	8.58	34.18	61.11
	Other Unallocable Income net of expenses	(17.59)	(3.85)	(34.84)	(28.83)	(40.78)
	Finance cost	(1.00)	(4.17)	(1.09)	(7.49)	(11.37)
	Profit/(Loss) before Tax & Profit/loss of Associates	151.90	145.50	0.85	520.00	(30.76)
	Share of Profit/ (loss) of associates	16.02	4.97	(9.28)	40.47	7.36
	Total Profit Before Tax	167.92	150.47	(8.42)	560.47	(23.40)
C	Segment Assets					
	Graphite	3,204.51	2,781.17	2061.43	3204.51	2061.43
	Power	91.92	97.11	105.46	91.92	105.46
	Unallocated / Others	2,011.51	2,057.05	2077.28	2011.51	2077.28
	Total Segment Assets	5307.94	4935.34	4244.17	5307.94	4244.17
D	Segment Liabilities					
	Graphite	1,266.01	1,023.86	627.96	1266.01	627.96
	Power	2.65	3.17	9.10	2.65	9.10
	Unallocated / Others	125.64	123.37	112.03	125.64	112.03
	Total Segment Liabilities	1394.30	1150.40	749.09	1394.30	749.09



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STATEMENT OF AUDITED ASSETS AND LIABILITIES AS AT 31ST MARCH, 2022

₹ in Crores

Particulars	Year Ended	Year Ended
	31/03/2022	31/03/2021
	Audited	Audited
A ASSETS		
(1) Non-current assets		
a) Property, Plant and Equipment	748.40	683.51
b) Capital work-in-progress	696.08	373.27
c) Right to use Asset	6.67	7.09
d) Investment Property	7.61	3.21
e) Other Intangible assets	0.10	0.20
f) Financial assets		
(i) Investments in associates accounted for using the equity method	448.23	407.75
(ii) Other Investments	53.77	390.84
(iii) Loans	0.82	0.40
(iv) Other Financial Assets	139.96	45.56
g) Income Tax Assets(Net)	146.66	146.42
h) Other non-current assets	52.62	112.28
Total Non Current Assets	2,300.91	2,170.54
(2) Current assets		
(a) Inventories	977.81	580.61
(b) Financial assets		
(i) Investments	668.86	559.10
(ii) Trade receivables	589.17	289.42
(iii) Cash & Cash equivalents	41.04	21.37
(iv) Bank balances other than (iii) above	560.63	529.20
(v) Loans	0.73	0.31
(vi) Others Financial Assets	16.90	10.50
(c) Other current assets	151.88	83.11
Total Current Assets	3,007.02	2,073.63
Total Assets	5,307.94	4,244.17



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	Particulars	Year Ended	Year Ended
		31/03/2022	31/03/2021
		Audited	Audited
B	EQUITY & LIABILITIES		
	Equity		
	(a) Equity share capital	38.60	38.60
	(b) Other equity	3,875.04	3,456.48
	Total equity	3,913.64	3,495.08
	LIABILITIES		
(1)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	-	-
	(ia) Lease Liabilities	0.78	0.81
	(ii) Other financial liabilities	-	-
	(b) Provisions	3.81	3.58
	(c) Deferred tax liabilities (Net)	96.29	96.75
	(d) Other non-current liabilities	6.34	3.92
	Total Non Current Liability	107.22	105.06
(2)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	663.40	296.51
	(ia) Lease Liabilities	0.50	0.73
	(ii) Trade Payables	-	-
	(A) Total Outstanding dues of micro enterprises and small enterprises	18.17	12.08
	(B) Total Outstanding dues of creditors other than micro enterprises and small enterprises	429.72	245.23
	(iii) Other financial liabilities	137.38	66.04
	(b) Other current liabilities	24.83	12.31
	(c) Provisions	5.16	4.85
	(d) Current Tax Liabilities (Net)	7.92	6.28
	Total Current Liability	1,287.08	644.03
	Total Equity and Liabilities	5,307.94	4,244.17



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STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2022

PARTICULARS	₹ in Crores	
	Year Ended	Year Ended
	31st March, 2022	31st March, 2021
A		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	560.46	(23.40)
Adjustment for non operating and non cash transactions		
a) Share of profit/(loss) of associate	40.47	7.36
	520.00	(30.76)
b) Others		
Depreciation and amortisation expense	79.29	73.12
Interest expense	7.49	11.37
Net(Profit)/Loss on property plant and equipment sold / discarded	2.81	5.94
Allowances for Expected Credit Losses	(0.29)	(2.28)
Unrealized (Gain)/Loss due to effect of exchange rate changes on assets and liabilities	1.59	0.56
Bad Debts	0.59	3.95
Gain on sale/fair valuation of investments	(34.18)	(61.11)
Dividend Income	(1.14)	(1.04)
Rent income	(1.32)	(1.15)
Interest income	(32.45)	(28.88)
Adjustments for changes in assets and liabilities		
(Increase)/Decrease in Trade receivables	(299.25)	108.54
(Increase)/Decrease in Inventories	(397.20)	424.53
(Increase)/Decrease in Loans, financial and Other assets	(79.00)	103.64
Increase/(Decrease) in Liabilities and provisions	220.62	111.85
Cash generated from operations	(12.45)	718.27
Income tax paid	128.15	2.49
Net Cash generated from operating activities (A)	(140.60)	715.79
B		
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for purchase of Property plant and Equipments (including Capital work-in-progress) (after adjustment of advances and creditors for capital expenditure)	(359.53)	(256.06)
Proceeds from sale of Property Plant and Equipments	0.88	0.72
Bank balances not considered as cash and cash equivalents	(115.68)	(145.36)
Payment for Purchase of Investments	(701.13)	(139.50)
Proceeds from sale of Investments	962.36	95.27
Return of Capital from INVIT	0.27	-
Rent received	1.32	1.15
Dividend received	1.14	1.04
Interest received	27.00	25.32
Net Cash used in investing activities (B)	(183.37)	(417.41)
C		
CASH FLOW FROM FINANCING ACTIVITIES		
Proceed/(Repayment) of working capital borrowings (on net basis)	366.33	(296.77)
Interest and other financial charges Paid (including interest on lease liabilities)	(10.10)	(12.46)
Payment of lease liabilities	(0.52)	(0.58)
Dividend Paid	(12.09)	-
Dividend distribution Tax paid	-	-
Net Cash used in financing activities (C)	343.63	(309.81)
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	19.66	(11.43)
Cash and cash equivalents at the beginning of the period	21.37	32.80
Cash and cash equivalents at the end of the period	41.03	21.37



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Notes:

- 1 These 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 May 25, 2022 and have been audited by the Statutory Auditors of the Company. The Statutory Auditors have expressed an unmodified opinion on the aforesaid results.
- 3 The figures of quarter ended March 31, 2022 and March 31, 2021 are the balancing figures between the audited figures in respect of full financial year and the published figures of nine months ended December 31, 2021 and December 31, 2020 respectively, which were subject to limited review by the Statutory Auditors.
- 4 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.
- 5 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.
- 6 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.
- 7 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.
- 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. 19.12 crores during the quarter ended 31st March, 2022, Rs. 5.30 crores during the quarter ended 31st December, 2021 and Rs. 30.65 crores during the financial year ended 31st March, 2022 which has been included under the head 'Other Expenses'. This amount includes a provision of Rs. 15.83 crores during the quarter ended 31st March, 2022 towards unspent CSR obligation in respect of ongoing projects and the same has been transferred to "Unspent CSR Account FY 21-22" in the subsequent year.
- 9 The Reserve Bank of India vide its notification no RBI/2020-21/180 dated 8th March, 2022 has extended the Interest Equalization Scheme on Pre and Post Shipment Rupee Export Credit. The extension takes effect from 1st October, 2021 and the interest equalization rates have been revised from 3% to 2% w.e.f. 1st October 2021. The impact of the same related to the period 1st October, 2021 to 31st December, 2021 amounting to Rs.1.60 crores has been considered in the quarter ended 31st March 2022.
- 10 The figures of comparative periods have also been reclassified wherever considered necessary to make them comparable with current period classification, if any.
- 11 The Board of Director has recommended a final dividend of ₹ 40/- per Equity Share of the face value of ₹ 10/- each for the financial year 2021-22, subject to approval of shareholders at the ensuing Annual General Meeting.



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12	<p>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:</p> <p>(a) On April 27, 2019, M/s Malana Power Company Ltd. (MPCL) received a provisional net demand of ₹8,069.00 Lakhs in relation to wheeling charges for the period April 01, 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 MPCL is not in accordance with the agreement entered between the MPCL and HPSEB (now HPSEBL) in August 1999. In this regard, MPCL has paid under protest an amount of ₹2,817.00 Lakhs. Based on the legal opinion obtained, MPCL is of the view that demand is not legally tenable and would not result in any material liability on 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.</p> <p>(b) Pending execution of the PPA expired on March 31, 2019, M/s. BG Wind Power Limited (BGWPL) has recognised revenue @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 has taken at applicable rate @0.50/- kWh.</p> <p>(c) On October 17, 2019, the Central Electricity Regulatory Commission (CERC) passed an Order on the Dedicated Transmission System of M/s. AD Hydro Power Limited (ADHPL) for three parties using the transmission line for transmitting the energy in which CERC stated the following:-</p> <p>(i) 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 ADHPL of ₹41,661.00 Lakhs (on the date of COD i.e. December 17, 2010)/ ₹45,284.00 Lakhs (on the date of March 31, 2013 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, ADHPL 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 ₹9,668.08 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.</p> <p>(ii) With respect to matter detailed in (a) above, ADHPL had filed an appeal against the CERC Order before Appellate Tribunal for Electricity (APTEL) in October 2019. APTEL vide Order dated 17.01.2020 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 ADHPL. ADHPL has accordingly started raising the invoices based on the CERC order effective 18th October, 2019 and recognized as transmission income.</p> <p>(d) (i) In case of M/s. NJC Hydro Power Limited (NHPL), 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).</p> <p>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.</p> <p>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.</p> <p>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 Nyamjang 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.</p> <p>The appeal filed by the company in Guwahati High court under Section 37 for refund of upfront premium was taken up the High Court on 13th December 2021.</p> <p>The Guwahati High Court vide its order dated 13th December 2021 has ordered that matter relating to refund/forfeiture of the upfront premium be resolved through arbitration mechanism as provided in the MoA dated 28th May 2009.</p> <p>(e) In case of M/s. Chango Yangthang Hydro Power Limited (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 surrender of the project and 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.</p>
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Place : Noida(U.P)
Dated : 25th May, 2022



For HEG Limited


Manish Gulati
Executive Director
DIN: 08697512

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of HEG Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
HEG Limited

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of HEG Limited ("the Company") for the quarter and year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder



and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosure made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.



- Conclude on the appropriateness of the Board of Directors's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in Our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Financial Results of the Company to express an opinion on the Financial Result.

Materiality is the magnitude of misstatements in the Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Statement.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to limited review by us, as required under the Listing Regulations.

Our opinion on the Statement is not modified in respect of the above matter.

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



[Signature]
(Sanjay Mohan)
Partner
M. No. 086066

Place: Ludhiana
Date: 25th May, 2022

UDIN: 22086066AJOSVK9117

Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of HEG Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
**The Board of Directors of
HEG Limited**

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date consolidated financial results of HEG Limited ("the Company") and its associates for the quarter and year ended March 31, 2022 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements/financial results/financial information of the associates, the Statement:

- i. includes the results of the following entities;

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

- ii. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Company and its associates for the quarter and year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the company and its associates in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.



Matters reported in the Auditor's Report on Consolidated financial Statements 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 Report on Consolidated financial statements 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 decision to surrender the ChangoYangthang HEP (180 MW) project to Directorate of Energy, Government of Himachal Pradesh due to delay and uncertainty in project execution and long delay in Government approvals and licenses lapse, the company has written off Capital Work in progress during the previous year amounting to INR 2,713.18 lakhs. These events or conditions 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 Report on Consolidated financial Statements of Bhilwara Energy Limited, an associate of the Company, which are being reproduced hereunder:

(i) 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 fee and security deposit as mentioned above have been grouped under Other Non-Current Assets and Non-Current Loans-Security Deposit respectively

We also draw attention to note no. 12(e) of the financial results in this regard.



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

The 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 Nyamjnag Chhu HEP at site and arbitration notice sent by the company for invoking arbitration as per the directions of the Hon'ble Supreme Court.

We also draw attention to note no. 12 (d) 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. The Company has continued to recognise Revenue from Sale of Power of INR 310.11 lakhs and Generation Based Incentive (GBI) of INR 50.34 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.

We also draw attention to note no. 12 (b) of the financial results in this regard.

(iv) 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).

We also draw attention to note no. 12 (a) of the financial results in this regard.

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

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

We also draw attention to note no. 12 (c) 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.

Further, our opinion on the Statement is not modified in respect of these matters.

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the company including its associates in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the company and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the



company and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the company and its associates are responsible for assessing the ability of the company and its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the company and its associates are also responsible for overseeing the financial reporting process of the company and its associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Company.
- Evaluate the appropriateness and reasonableness of disclosure made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material



uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company and its associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the company and its associates to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Statement.

We communicate with those charged with governance of the Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD 1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matter

- (i) The accompanying Statement includes the audited financial results/statements and other financial information, in respect of two associates, whose financial results/statements include company's share of net profit/(loss) of Rs. 16.02 crores and Rs. 40.47 crores and company's share of other comprehensive income of Rs. (0.13) crores and Rs. 0.01 crores for the quarter and for the year ended March 31, 2022 respectively, as considered in the Statement whose financial results/financial statements, other financial information have been audited by their respective independent auditors. The independent auditor's report on the financial statements/financial results/financial information of these entities have been furnished to us by the Management and our opinion 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 such auditors and the procedures performed by us as stated in paragraph above.



(ii) The Statement includes the results for the quarter ended March 31, 2022 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

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

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

Place: Ludhiana
Date: 25th May, 2022



(Sanjiv Mohan)
Partner
M. No. 086066

UDIN: 22086066AJOTBP9872



PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL

HEG/SECTT/2022

25th May, 2022

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: Declaration pursuant to Regulation 33 (3) (d) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sirs,

I, Gulshan Kumar Sakhuja, Chief Financial Officer of HEG Limited (CIN L23109MP1972PLC008290) having its Registered Office at Mandideep, Distt. Raisen, Madhya Pradesh - 462 046 and its Corporate Office at Bhilwara Towers, A-12, Sector -1, Noida - 201 301, hereby declare that, the Statutory Auditor M/s. SCV & Co. LLP., Chartered Accountants (Firm Registration No.00235N / N500089) have issued an Audit Report (Standalone & consolidated) with unmodified opinion on Audited Financial Results of the Company for the quarter and financial year ended 31st March, 2022.

This declaration is given in compliance to Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For HEG Limited



(Gulshan Kumar Sakhuja)
Chief Financial Officer
heg.investor@lnjbhilwara.com

HEG LIMITED

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Fax: +91-120-4277841
GSTN No.: 09AAACH6184K2Z6
Website: www.lnjbhilwara.com

Regd. Office :

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GSTN No.: 23AAACH6184K1ZH
Website: www.hegltd.com

ISO 9001
BUREAU VERITAS
Certification



ISO 14001
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Certification



Corporate Identification No.: L23109MP1972PLC008290

SCV & Co. LLP.

The primary service offerings of the Firm are Assurance, Risk Advisory, Tax Advisory, Corporate Advisory and Outsourcing. The Firm has experience of working with clients across various industries such as Auto, Banking, Beverages, Commodities, Engineering, FMCG, Fertilizers, Fintech, Graphite Electrodes, Healthcare, Hospitality, Information Technology, ITES, Insurance, Infrastructure, Manufacturing, Media, Mining, NBFC, Paper, Plastics, Pharmaceuticals, Power, Real Estate, Sugar, Steel, Textiles and Telecom in India.

Such clients include Listed companies , Unlisted companies, Public Sector entities and Not for Profit entities .

The Firm has 14 Partners and team of over 250 members with offices at Delhi, Noida, Ludhiana and Mumbai.