



HEG/SECTT/2023

17th August, 2023

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
---	---	---	---

Sub: Investors presentation on the Unaudited Financial Results of the Company for the quarter ended 30th June, 2023.

Dear Sirs,

Please find enclosed a copy of Investors Presentation on the Unaudited Financial Results of the Company for the quarter ended 30th June, 2023 for your information and record please.

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

Thanking you,

Yours faithfully,
For **HEG Limited**

Vivek Chaudhary
Company Secretary
A-13263
heg.investor@lnjbhilwara.com

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) Dist. Raipur - 462046
(Madhya Pradesh), India
Tel.: +91-7480-405500, 233524 to 233527
Fax: +91-7480-233522
GSTN No.: 23AAACH6184K1ZH
Website: www.hegltd.com





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



HEG LIMITED
Investor Presentation

Performance Highlights
Q1 FY 2023-24





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



- Has been World's Largest Single Site Graphite Electrode Plant with a capacity of 80,000 tons pa for a long time.
- On the verge of completing expansion to 100,000 tons by Sept. 2023 (four out of five process are already operational)
- Except ours, no additional capacity announced by any other company in the western world.
- Exporting approx. 65 - 70% of its production to about 35 countries around the world consistently since more than 20 years
- Diversified customer base - supplying large portion of production to top 20 steel companies of the world
- Captive power generation capacity of around 80 mw (Two thermal power plants & One hydro power plant)



World's Largest Single Site Graphite Electrode Plant

TOP 10 CRUDE STEEL-PRODUCING COUNTRIES- 2023 vs 2022



Sr. No	Country	Jan-Jun'22 (mmt)	Jan-Jun'23 (mmt)	2022/2023
1	China	528.6	535.6	1.3%
2	India	63.3	67.9	7.4%
3	Japan	46.0	43.8	-4.7%
4	United States	41.0	39.9	-2.9%
5	Russia	37.1	37.5	1.0%
6	South Korea	33.8	33.7	-0.5%
7	Germany	19.6	18.5	-5.3%
8	Iran	15.4	16.1	4.8%
9	Brazil	17.5	16.0	-8.9%
10	Turkey	19.0	15.9	-16.3%
Source WSA	World	954.0	943.9	-1.1%
	World ex (China)	425.4	408.3	-4.0%

Steel Industry Outlook



1. Steel production alone accounts for 7% - 8% of the Global Carbon emission, and around 23% of Industrial Carbon emission.
2. Steel produced in a blast furnace emits four times the carbon as steel produced in an electric arc furnace (EAF).
3. Steel production through EAF (excluding China) increased from 44% to 50% between 2015 and 2022, increasing from 357 to 435 mmt in the Western World, adding 78 mmt (Asia 35 mmt, Middle East 21 mmt, North America and Africa, each 10 mmt).
4. EAF production (excluding China) will increase by 100 mmt by 2030, increasing EAF production from 435 to 535 mmt (resulting in an additional 200kmt of graphite electrode demand).
5. In the short term, steel production remains subdued due to steel production ex-China declining by 4% in January-June 2023 compared to the same period last year and is expected to remain unchanged in 2023.
6. However, GE demand is expected to remain robust in the medium to long term, with the focus shifting to EAF steel production as a result of decarbonization efforts and new EAF capacity coming online in the coming decades.

Financial Results for the Quarter ended 30th June 2023 Standalone

(in Rs. cr)



Sl. No.	Particulars	Quarter Ended			Year Ended
		30-06-2023	31-03-2023	30-06-2022	31-03-2023
		Unaudited	Audited	Unaudited	Audited
I	Revenue from Operations	671.43	616.88	721.95	2,467.24
II	Other Income	26.12	31.35	21.33	109.14
III	Total Income (I+II)	697.55	648.23	743.28	2576.38
IV	Expenses				
	Cost of materials consumed	308.40	316.37	330.93	1,312.64
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	(5.16)	(48.16)	(47.79)	(397.49)
	Employee benefits expense	23.84	24.50	23.17	91.83
	Finance cost	8.85	7.33	4.03	26.01
	Depreciation and amortisation expense	38.34	33.14	21.00	102.30
	Power and Fuel	84.63	73.79	85.58	315.90
	Other Expenses	108.30	126.60	146.04	524.71
	Total expenses	567.20	533.57	562.96	1975.90
V	Profit/(Loss) before exceptional items and tax (III-IV)	130.35	114.66	180.32	600.48
VI	Exceptional Items	-	-	-	-
VII	Profit/(Loss) before Tax (V-VI)	130.35	114.66	180.32	600.48

Financial Results for the Quarter ended 30th June 2023 Standalone

(in Rs. cr)



Sl. No.	Particulars	Quarter Ended			Year Ended
		30-06-2023	31-03-2023	30-06-2022	31-03-2023
		Unaudited	Audited	Unaudited	Audited
VII	Profit/(Loss) before Tax (V-VI)	130.35	114.66	180.32	600.48
VIII	Tax expense				
	(1) Current Tax	31.34	28.21	55.31	154.25
	(2) Deferred Tax	1.45	(2.78)	(8.55)	(9.29)
IX	Profit/(Loss) for the period (VII-VIII)	97.56	89.23	133.56	455.51
X	Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss	-	(0.47)	-	(0.83)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	0.12	-	0.21
	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 (IX+X)	97.56	88.88	133.56	454.89
XII	Paid -Up Equity Share Capital (Face Value Rs.10/- per share)	38.60	38.60	38.60	38.60
XIII	Other Equity (Excluding Revaluation Reserves)				4,038.63
XIV	Earnings Per Share (₹) (For the quarter not annualised)				
	- Basic (Rs.)	25.28	23.12	34.61	118.02
	- Diluted (Rs.)	25.28	23.12	34.61	118.02

Financial Results for the Quarter ended 30th June 2023 Consolidated

(in Rs. cr)



Sl. No.	Particulars	Quarter Ended			Year Ended
		30-06-2023	31-03-2023	30-06-2022	31-03-2023
		Unaudited	Audited	Unaudited	Audited
I	Revenue from Operations	671.43	616.88	721.95	2,467.24
II	Other Income	26.12	31.35	21.33	109.14
III	Total Income (I+II)	697.55	648.23	743.28	2576.38
IV	Expenses				
	Cost of materials consumed	308.40	316.37	330.93	1,312.64
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	(5.16)	(48.16)	(47.79)	(397.49)
	Employee benefits expense	24.03	24.72	23.17	92.05
	Finance cost	8.85	7.33	4.03	26.01
	Depreciation and amortisation expense	38.34	33.14	21.00	102.30
	Power and Fuel	84.63	73.79	85.58	315.90
	Other Expenses	108.36	126.70	146.04	525.75
	Total expenses	567.46	533.90	562.96	1977.16
V	Profit/(Loss) before exceptional items and tax (III-IV)	130.10	114.33	180.32	599.22
VI	Exceptional Items	-	-	-	-
VII	Profit/(Loss) before Tax & Share of Profit/(Loss) of Associates (V-VI)	130.10	114.33	180.32	599.22
VIII	Share of Profit/ (Loss) of Associates	41.82	10.83	25.44	78.11
IX	Profit/(Loss) before Tax (VII+VIII)	171.92	125.17	205.76	677.33

Financial Results for the Quarter ended 30th June 2023 Consolidated

(in Rs. cr)



Sl. No.	Particulars	Quarter Ended			Year Ended
		30-06-2023	31-03-2023	30-06-2022	31-03-2023
		Unaudited	Audited	Unaudited	Audited
IX	Profit/(Loss) before Tax (VII+VIII)	171.92	125.17	205.76	677.33
X	Tax expense				
	(1) Current Tax	31.34	28.22	55.31	154.26
	(2) Deferred Tax	1.45	(2.78)	(8.55)	(9.29)
XI	Profit/(Loss) for the period (IX-X)	139.12	99.72	159.00	532.36
XII	Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss	-	(0.47)	-	(0.83)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	0.12	-	0.21
	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	(0.04)	(0.14)	0.02	(0.13)
XIII	Total Comprehensive Income for the period (XI+XII)	139.08	99.23	159.02	531.61
XIV	Paid -Up Equity Share Capital (Face Value of ₹10/- per share)	38.60	38.60	38.60	38.60
XV	Other Equity (Excluding Revaluation Reserves)				4242.30
XVI	Earnings Per Share (₹) (For the quarter not annualised)				
	- Basic (Rs.)	36.05	25.84	41.20	137.93
	- Diluted (Rs.)	36.05	25.84	41.20	137.93

Financial Snapshot (Standalone)



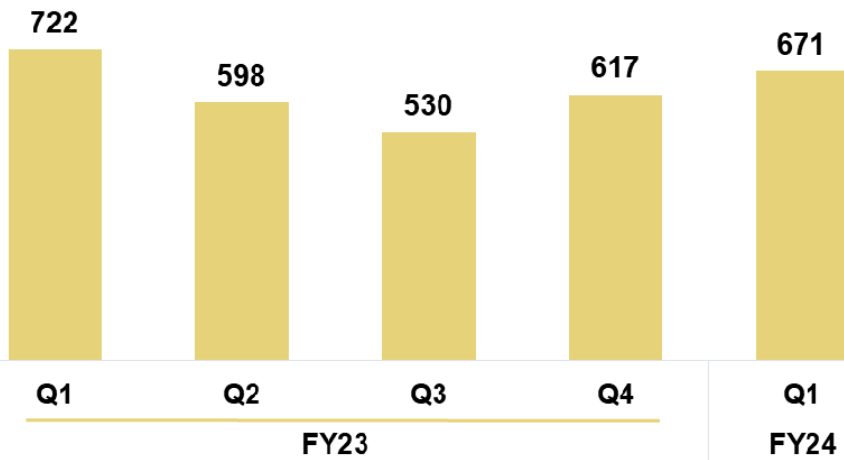
in Rs. cr (except EPS)

PARTICULARS	FY 23-24	FY		
	Q1	22-23	21-22	20-21
TOTAL INCOME	698	2576	2281	1369
EBITDA	178	729	607	54
EBIT	139	626	527	(19)
PAT	98	456	391	(25)
EPS	25.28	118.02	101.20	(6.56)
EBITDA Margin (%)	25%	28%	27%	4%
PAT Margin (%)	14%	18%	17%	(2%)

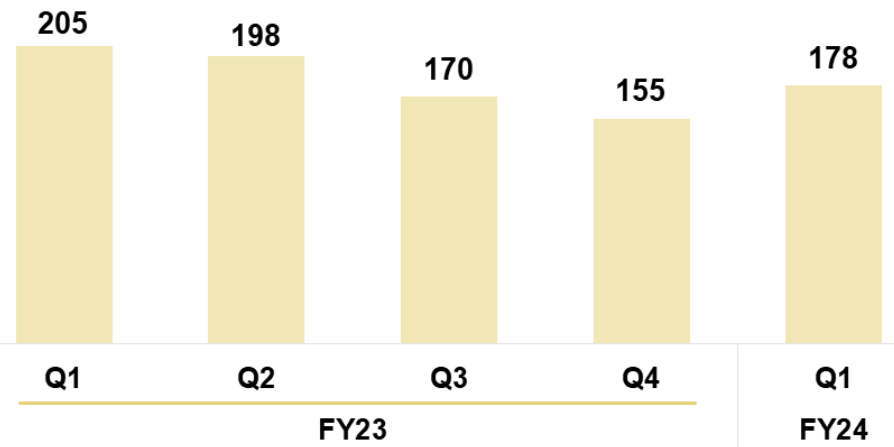
Quarterly Performance (Standalone)



Revenue from Operations (Rs. in crs.)



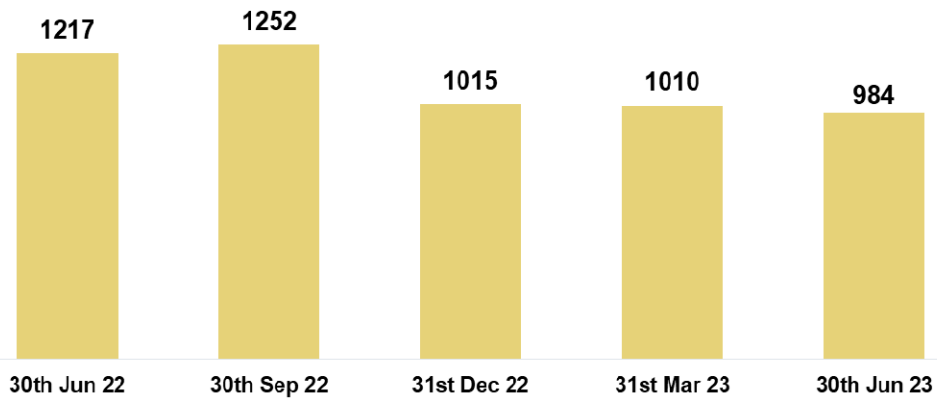
EBITDA (Rs. in crs.)



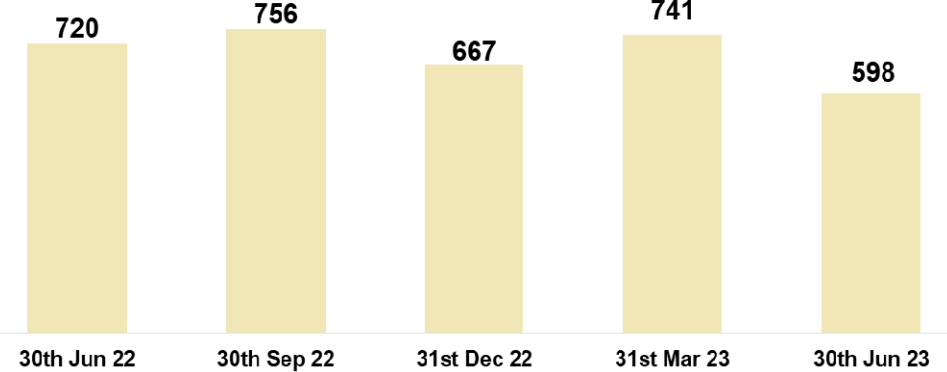
Investments and Borrowings (Standalone)



Investments* (Rs. in crs.)



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



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



Thank You



Mr.Manish Gulati : Executive Director
Mr.Om Prakash Ajmera : Group CFO
Mr.Gulshan Kr.Sakhuja : CFO

HEG Limited

Ph: +91 9910103865

Fax: +91 120 254 1575

Email: Manish.gulati@lnjbhilwara.com

Gulshan.sakhuja@lnjbhilwara.com

Disclaimer:

The content of this presentation contains forward-looking statements concerning HEG Ltd.'s strategic initiatives, business developments, and economic performance. While these statements represent our expectations, actual results may differ due to uncertainties like market trends, economic conditions, and regulatory changes. HEG Ltd. is not obligated to update these statements for future events or circumstances.