



HEG/SECTT/2021

11th November, 2021



PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL

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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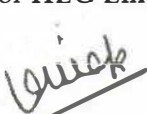
Sub: Investors presentation on the Unaudited Financial Results of the Company for the quarter & half year ended 30th September, 2021.

Dear Sirs,

Please find enclosed a copy of Investors Presentation on the Unaudited Financial Results of the Company for the quarter & half year ended 30th September, 2021 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 :

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



Corporate Identification No.: L23109MP1972PLC008290





**PROUD TO BE INDIAN
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HEG LIMITED
Investor Presentation

Performance Highlights

Q2 of FY 2021-22

HEG is part of LNJ Bhilwara group a diversified, reputed and large Indian business house having more than five decades of industrial experience and presence in



PROUD TO BE INDIAN
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THE FAMILY TREE

IT Enabled Services

Buds flower in our service sector offerings.

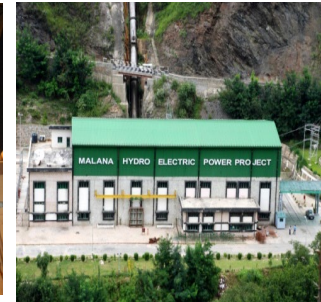
- Bhilwara Infotech Ltd. – IT Software
- Bhilwara Scribe Pvt. Ltd. – Medical transcription



Power Generation & Power Consultancy

The branches spread forth, powered by

- Bhilwara Energy Ltd.
- Malana Power Company Ltd.
- AD Hydro Power Ltd.



Textiles

The roots of our Group heritage

- RSWM Ltd.
- Maral Overseas Ltd.
- BSL Ltd.
- BMD Pvt. Ltd.
- Bhilwara Technical Textiles Ltd.



Graphite Electrodes

Standing tall, the shaft supports the branches

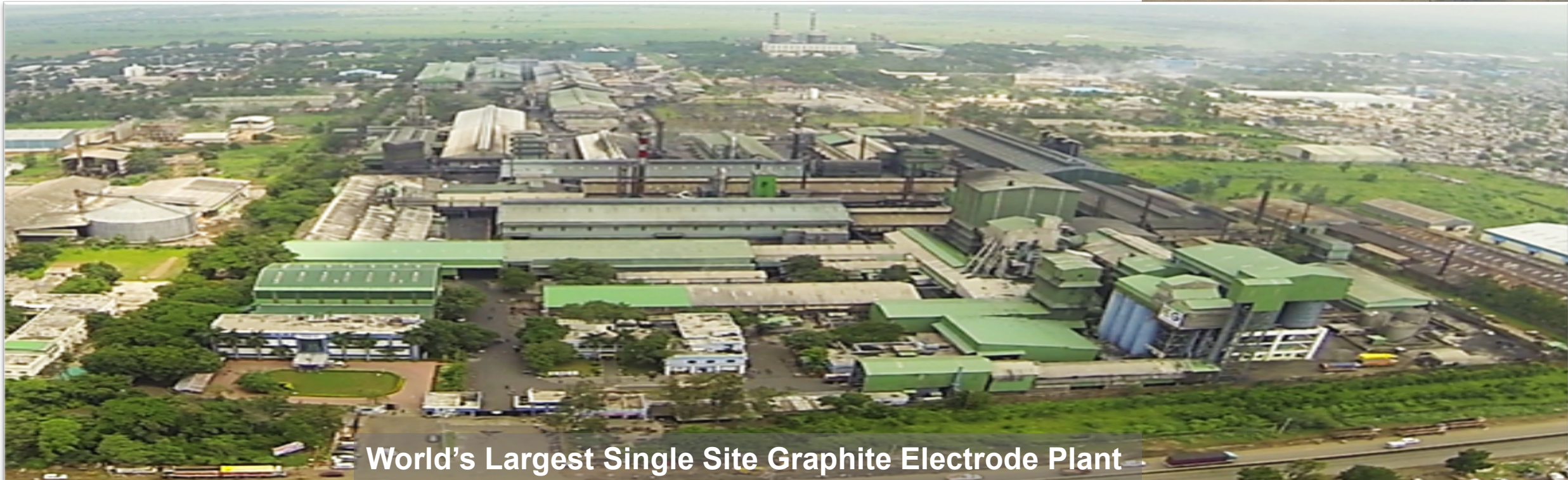
- HEG Limited



HEG Limited – Profile



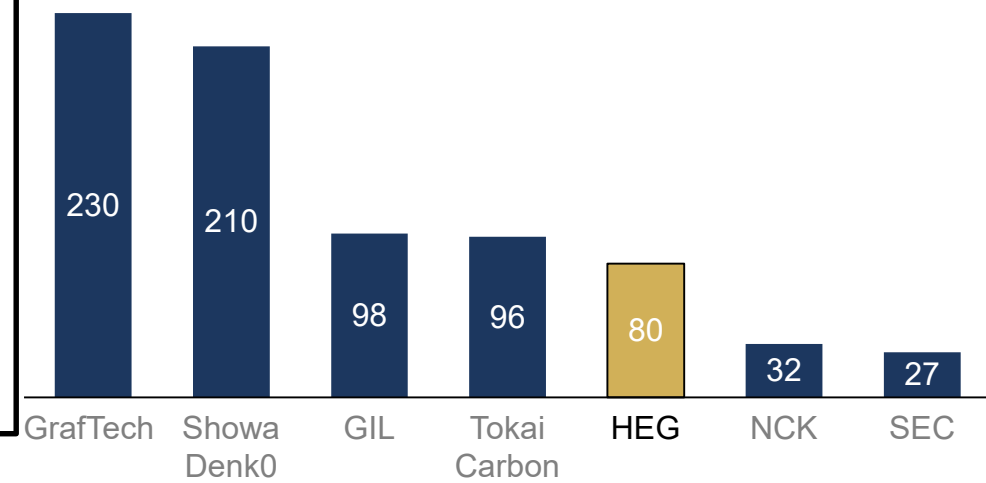
- HEG Limited is a leading graphite electrode manufacturer & exporter globally.
- Exports approximately 70% of its production to about 30 countries around the world.
- Diversified customers - supplying large portion of production to top 20 steel companies of the world.
- Graphite electrodes manufacturing plant (capacity of 80,000 tons /Year) located at Mandideep in MP, India - is the largest single-site facility in the world. Further expanding to 100,000 tons in by early 2023.
- Captive power generation capacity of around 76.5 mw (2 thermal power plants & 1 hydro power plant)



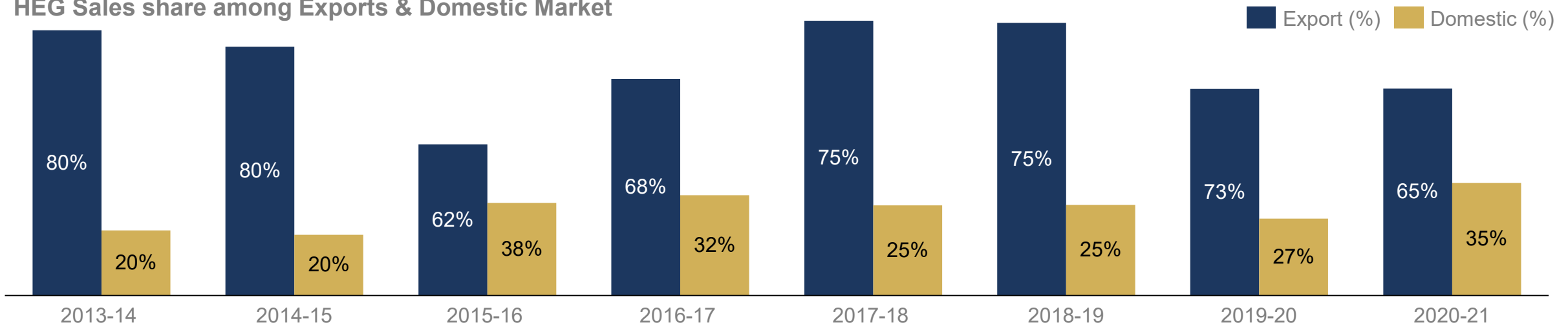
World's Largest Single Site Graphite Electrode Plant

- HEG is among the world's top five graphite electrode manufacturers
- Steel production levels have improved significantly in last one year in rest of the world excluding China.
- The Steel prices touched record levels recently resulting in record high margins for steel companies globally .
- Electrode prices have improved Q-o-Q & are expected to strengthen further.
- Prices of Needle coke & few other inputs are also increasing Q-o-Q.

Graphite Electrode Capacity (KMT/Year)



HEG Sales share among Exports & Domestic Market





- 1977 - Established in Financial (appx 25% equity) / Technical participation of Pechiney, France
- 1992 - Pechiney sold their Graphite business to SGL, Germany & Indian Promoters bought these shares in HEG
- 1995 / 2011 – Kept expanding from 10,000 mt in small tranches & in 2011 took a quantum leap from 60,000 to 80,000 mt
- Single largest Graphite plant in the world under one roof.
- Consistently exporting appx 65-70% of production to more than 30 countries and to more than 100 customers around the world incl ArcelorMittal, Nucor, Posco, Tata, Sail, Jindals, Sabc, Gerdau, Ferroatlantica, Celsa etc.
- Capacity Expansion to 100,000 mt by early 2023..

R&D Center



- R&D set up to corroborate the Quality & Improvement Drives with small scale production facilities
- The focus is also on development of new product lines
- Development is focused towards Carbon

TOP 10 CRUDE STEEL-PRODUCING COUNTRIES- 2021 vs 2020 (9 months)



Rank	Country	Crude Steel Jan-Sep CY-2021 (MMt)	Crude Steel Jan-Sep CY-2020 (MMt)	Absolute Change	%2021/2020
1	China	805.9	790.1	15.8	2.0%
2	India	87.3	70.8	16.5	23.3%
3	Japan	72.1	61.2	10.9	17.9%
4	United States	64.4	53.7	10.6	19.8%
5	Russia	56.4	53.1	3.3	6.2%
6	South Korea	52.9	49.5	3.4	6.8%
7	Germany	29.9	25.8	4.2	16.2%
8	Turkey	29.9	26.0	3.9	15.0%
9	Brazil	27.2	22.6	4.6	20.2%
10	Iran	19.3	21.1	-1.8	-8.6%
	Subtotal	1,245.3	1,174.0	71.3	2.0%
Source WSA	World	1,461.1	1,354.5	106.6	7.9%
	World ex China	653.4	566.0	87.5	15.5%

TOP 10 CRUDE STEEL-PRODUCING COUNTRIES- Q2 vs Q3'2021 (3 months)



Rank	Country	Crude Steel Apr-Jun CY-2021 (MMt)	Crude Steel Jul-Sep CY-2021 (MMt)	Absolute Change	%Q3/Q2
1	China	292.3	243.8	-48.5	-16.6%
2	India	28.0	29.2	1.2	4.1%
3	Japan	24.3	24.1	-0.3	-1.1%
4	United States	21.7	22.3	0.6	2.9%
5	Russia	19.3	18.3	-1.0	-5.2%
6	South Korea	17.6	17.7	0.1	0.5%
7	Germany	10.4	9.3	-1.2	-11.1%
8	Turkey	9.9	10.2	0.3	2.9%
9	Brazil	9.3	9.2	-0.0	-0.5%
10	Iran	8.1	4.0	-4.0	-49.9%
	Subtotal	440.8	387.9	-51.8	-12.0%
Source WSA	World	517.1	462.6	-54.5	-10.5%
	World ex China	224.8	218.8	-6.0	-2.7%

Financial Snapshot (Standalone)

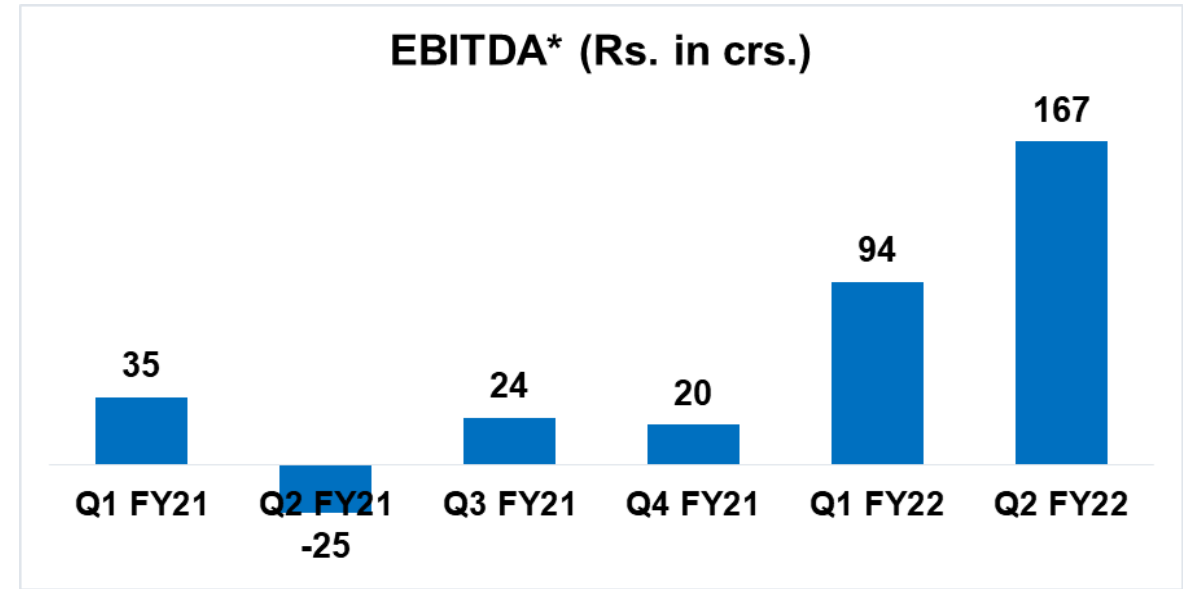
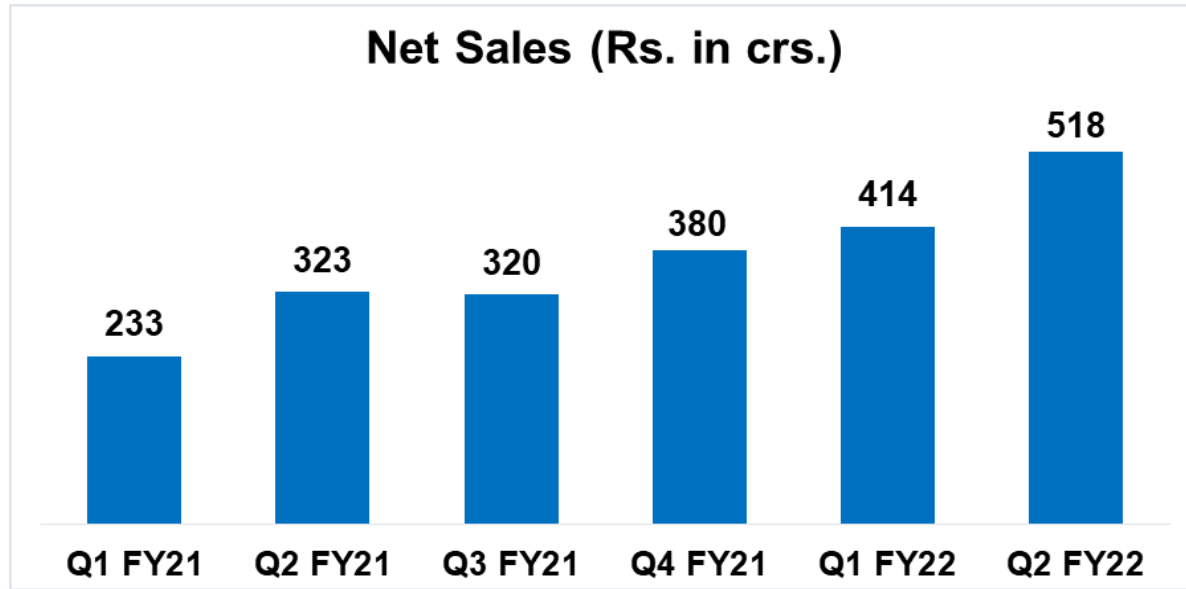


in Rs. Crore (except EPS)

PARTICULARS	Q2 FY 21-22	Q1 FY 21-22	FY 20-21	FY 19-20	FY 18-19	FY 17-18
REVENUE FROM OPERATIONS	518	414	1256	2,149	6,593	2,758
EBITDA*	167	94	54	138	4,767	1,734
EBIT	149	76	(19)	66	4,695	1,661
PAT	113	56	(25)	53	3,050	1,081
EPS	29.28	14.46	(6.56)	13.83	763.60	270.61
EBITDA Margin (%)	31%	22%	4%	6%	72%	63%
PAT Margin (%)	21%	13%	(2%)	2%	46%	39%

* EBITDA includes Other Income

Quarterly Performance Trend (Standalone)

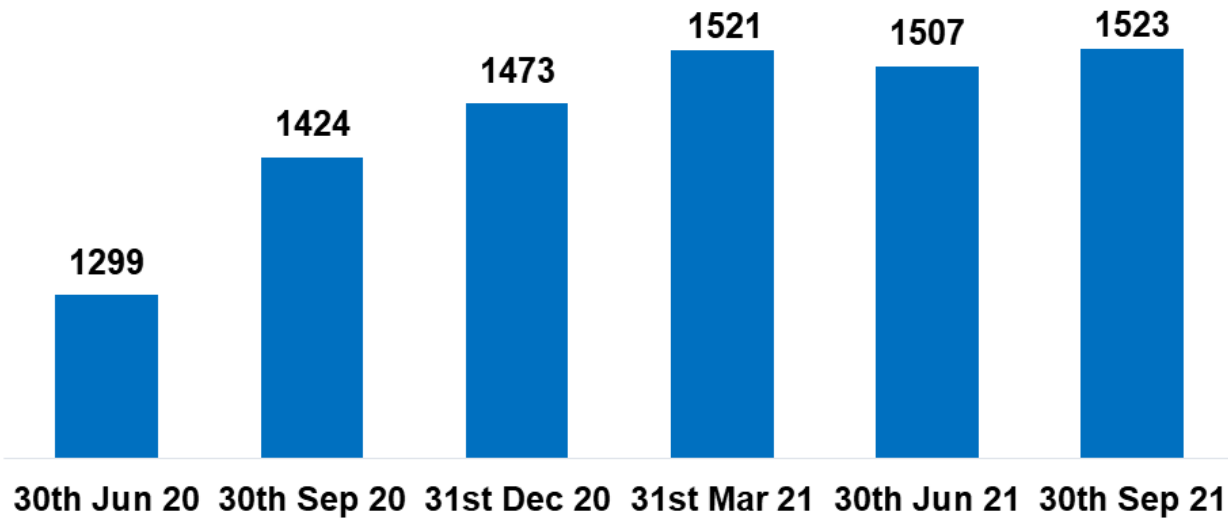


* EBITDA includes Other Income

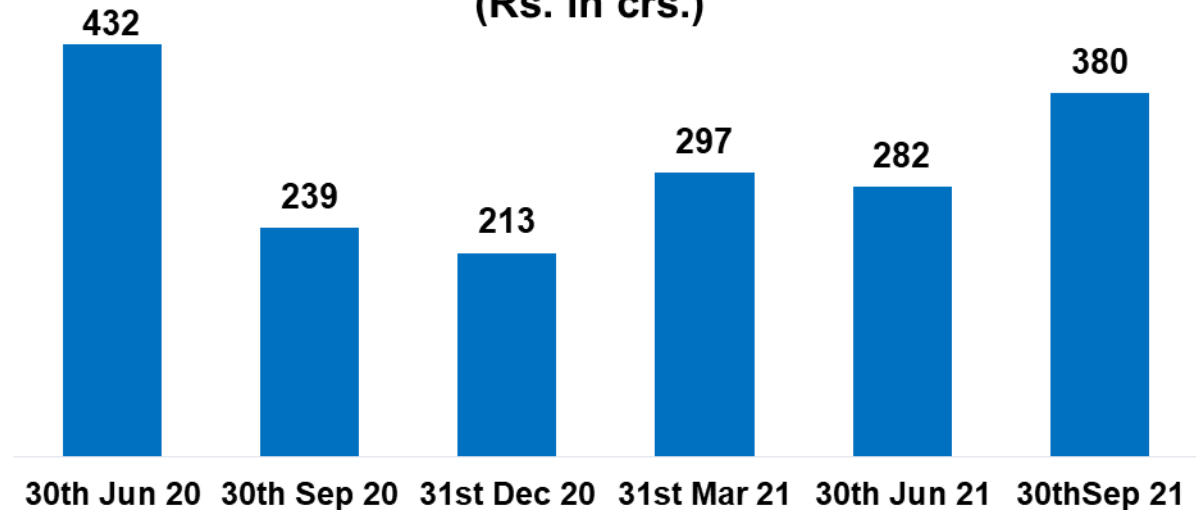
Note:

During the quarter ended 30th September 2021, the rates and other guidelines have been notified under Remission of Duties and Taxes on Exported Products (RoDTEP) scheme vide notification dated August 17, 2021. Accordingly, the Company has accrued the benefits amounting to Rs. 4.85 crores under the aforesaid scheme on the eligible export sales for the period from January 1, 2021 to September 30, 2021, out of which Rs.3.24 crores pertains to eligible export sales for the period from January 1, 2021 to June 30, 2021.

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 investment in Associates.

Financial Results for the Quarter & Half year ended 30th Sep 2021 Standalone

(in Rs. Cr)



Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-09-2021	30-06-2021	30-09-2020	30-09-2021	30-09-2020	31-03-2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from Operation	517.56	413.69	322.88	931.25	556.17	1,256.23
II	Other Income	25.35	22.06	16.41	47.41	62.45	112.91
III	Total Revenue (I+II)	542.91	435.75	339.29	978.66	618.62	1369.14
IV	Expenses						
	Cost of materials consumed	191.26	160.64	158.29	351.90	244.81	504.94
	Purchase of stock -in-trade	-	-	-	-	-	-
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.11	19.38	93.12	19.49	159.24	304.15
	Employee benefits expense	21.35	17.88	12.51	39.22	26.28	54.53
	Finance cost	1.15	1.17	3.04	2.32	9.01	11.37
	Depreciation and amortisation expense	18.12	18.73	18.34	36.85	36.11	73.12
	Power and Fuel (Net of Interdivisional Purchases)	60.96	56.06	30.19	117.02	58.10	139.38
	Other Expenses	101.95	87.32	70.64	189.27	120.93	312.41
	Total expenses (IV)	394.90	361.18	386.13	756.08	654.48	1399.90
V	Profit/(Loss) before exceptional items and tax (III-IV)	148.01	74.57	(46.84)	222.58	(35.86)	(30.76)
VI	Exceptional Items	-	-	-	-	-	-
VII	Profit/(Loss) before Tax (V-VI)	148.01	74.57	(46.84)	222.58	(35.86)	(30.76)

Financial Results for the Quarter & Half year ended 30th Sep 2021 Standalone

(in Rs. Cr)



Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-09-2021	30-06-2021	30-09-2020	30-09-2021	30-09-2020	31-03-2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
VII	Profit/(Loss) before Tax (V-VI)	148.01	74.57	(46.84)	222.58	(35.86)	(30.76)
VIII	Tax expense						
	(1) Current Tax	35.88	17.34	0.20	53.22	0.20	0.20
	(2) Deferred Tax	(0.87)	1.43	(13.13)	0.56	(12.91)	(5.66)
IX	Net Profit/(Loss) for the period (VII-VIII)	113.00	55.80	(33.91)	168.80	(23.15)	(25.30)
X	Other Comprehensive Income (Net of Taxes)						
	A (i) Items that will not be reclassified to profit or loss	(0.64)	-	0.91	(0.64)	0.91	1.40
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.16	-	(0.23)	0.16	(0.23)	(0.35)
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
XI	Total Comprehensive Income for the period	112.52	55.80	(33.23)	168.32	(22.47)	(24.25)
XII	Paid -Up Equity Share Capital (Face Value ₹ 10/- per share)	38.60	38.60	38.60	38.60	38.60	38.60
XIII	Reserves (Excluding Revaluation Reserves)	-	-	-	-	-	3,360.04
XIV	Earnings Per Share (₹) (not annualised except for the year ended 31st March,2021)						
	- Basic (Rs.)	29.28	14.46	(8.79)	43.74	(6.00)	(6.56)
	- Diluted (Rs.)	29.28	14.46	(8.79)	43.74	(6.00)	(6.56)

Financial Results for the Quarter & Half year ended 30th Sep 2021 Consolidated

(in Rs.Cr)



Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-09-2021	30-06-2021	30-09-2020	30-09-2021	30-09-2020	31-03-2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from Operation	517.56	413.69	322.88	931.25	556.17	1,256.23
II	Other Income	25.35	22.06	16.41	47.41	62.45	112.91
III	Total Revenue (I+II)	542.91	435.75	339.29	978.66	618.62	1,369.14
IV	Expenses						
	Cost of materials consumed	191.26	160.64	158.29	351.90	244.81	504.94
	Purchase of stock -in-trade	-	-	-	-	-	-
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	0.11	19.38	93.12	19.49	159.24	304.15
	Employee benefits expense	21.35	17.88	12.51	39.22	26.28	54.53
	Finance cost	1.15	1.17	3.04	2.32	9.01	11.37
	Depreciation and amortisation expense	18.12	18.73	18.34	36.85	36.11	73.12
	Power and Fuel (Net of Interdivisional Purchases)	60.96	56.06	30.19	117.02	58.10	139.38
	Other Expenses	101.95	87.32	70.64	189.27	120.93	312.41
	Total expenses (IV)	394.90	361.18	386.13	756.08	654.48	1,399.90
V	Profit/(Loss) before exceptional items and tax (III-IV)	148.01	74.57	(46.84)	222.58	(35.86)	(30.76)
VI	Exceptional Items	-	-	-	-	-	-
VII	Profit/(Loss) before Tax (V-VI)	148.01	74.57	(46.84)	222.58	(35.86)	(30.76)

Financial Results for the Quarter & Half year ended 30th Sep 2021 Consolidated

(in Rs.Cr)



Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-09-2021	30-06-2021	30-09-2020	30-09-2021	30-09-2020	31-03-2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
VII	Profit/(Loss) before Tax (V-VI)	148.01	74.57	(46.84)	222.58	(35.86)	(30.76)
VIII	Tax expense						
	(1) Current Tax	35.88	17.34	0.20	53.22	0.20	0.20
	(2) Deferred Tax	(0.87)	1.43	(13.13)	0.56	(12.91)	(5.66)
IX	Share of Profit/ (loss) of associates	18.51	0.97	18.55	19.48	22.11	7.36
X	Net Profit/(Loss) for the period (VII-VIII+IX)	131.52	56.77	(15.36)	188.28	(1.04)	(17.94)
XI	Other Comprehensive Income (Net of Taxes)						
	A (i) Items that will not be reclassified to profit or loss	(0.64)	-	0.91	(0.64)	0.91	1.40
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.16	-	(0.23)	0.16	(0.23)	(0.35)
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	C. Share of Other comprehensive Income of Associates	0.02	0.07	(0.04)	0.09	(0.09)	0.24
XII	Total Comprehensive Income for the period	131.05	56.84	(14.72)	187.89	(0.45)	(16.65)
XIII	Paid -Up Equity Share Capital (Face Value ₹ 10/- per share)	38.60	38.60	38.60	38.60	38.60	38.60
XIV	Reserves (Excluding Revaluation Reserves)	-	-	-	-	-	3456.48
XV	Earnings Per Share (₹) (not annualised except for the year ended 31st March,2021)						
	- Basic (Rs.)	34.07	14.71	(3.98)	48.78	(0.27)	(4.65)
	- Diluted (Rs.)	34.07	14.71	(3.98)	48.78	(0.27)	(4.65)

Thank You



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

HEG Limited

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