CELEBRATING 50 years 1972-2022

HEG LIMITED

50th ANNUAL REPORT **2021-22**

TIMING IS EVERYTHING.

Everyone realises the importance of time. But scarcely, people understand the significance of timing.

IF YOU DO NOT TIME YOUR ACTIONS RIGHT, EVEN THE BEST ACTIONS GO TO WASTE.

At HEG, we respect time and the criticality of timing.

WHEN WE STARTED OUR RECENT EXPANSION, MOST SECTORAL ONLOOKERS REMAINED SKEPTICAL OF OUR PROSPECTS.

Today, they realise and respect the accuracy of our vision and timing better.

DOCUMENT MILESTONES

Decarbonisation

Climate change is the critical concern across the globe. Global warming is the hot topic being deliberated upon at powerful forums, in the aisles of power by people in the seat of power. The singular objective is to reduce carbon dioxide emissions into the atmosphere.

Transitioning to a 'Net-Zero' ecosystem has almost immediately emerged as the Call-to-Action for every nation, sector, enterprise and operating unit. To date, 197 countries have agreed to gradually reduce the use of fossil fuels and CO_2 emissions to reach net carbon neutrality by 2050.

4x

Coming directly to the steel sector... our user sector.

It's not out of place to mention that every tonne of steel produced by Blast Furnaces emits about 4 times more carbon in the atmosphere as compared to the same tonne of Steel produced thru Electric Arc Furnace.

It is becoming abundantly clear that steel-making going forward will utilise more and more of EAFs. Hence new and large Electric Arc Furnaces should see the light of day.

25 million mt+

And this is already happening.

Large steel companies of the world, especially in US & Europe are establishing new EAF based Steel capacities of 25-30 million mt within next few years

This additional capacity will need 45-50,000 tonnes of Graphite Electrode. We are the only Graphite Electrode player in the western world who is expanding its capacity by 20,000 tonnes per annum which will come on stream in early 2023.

ABOUT
HEG LIMITED

The flagship of the LNJ Bhilwara Group, HEG Limited is engaged in manufacturing graphite electrodes.

Its manufacturing facility at Mandideep (Madhya Pradesh) is the world's largest single- location facility with the capability of producing UHP and HP variants.

About two-third's of the Company's production is exported to 35+ nations including some of the largest steel companies globally.

The Company also has power generation assets cumulating 76.5 MW (thermal and hydel) equipped to supply quality power for manufacturing graphite electrodes.

The Company is managed by a team of 300+ professionals rich in expertise in their areas of operations.

80,000 mt going to **100,000** mt by Dec'2022

Manufacturing capacity

40%

Sales volume to Top 25 Global steel players (ex China)

₹/crore

2,281

Revenue in FY22

₹/crore

607

EBITDA in FY22

₹/crore

391

Net Profit in FY22

₹/crore

0

Long-term debt

₹

979

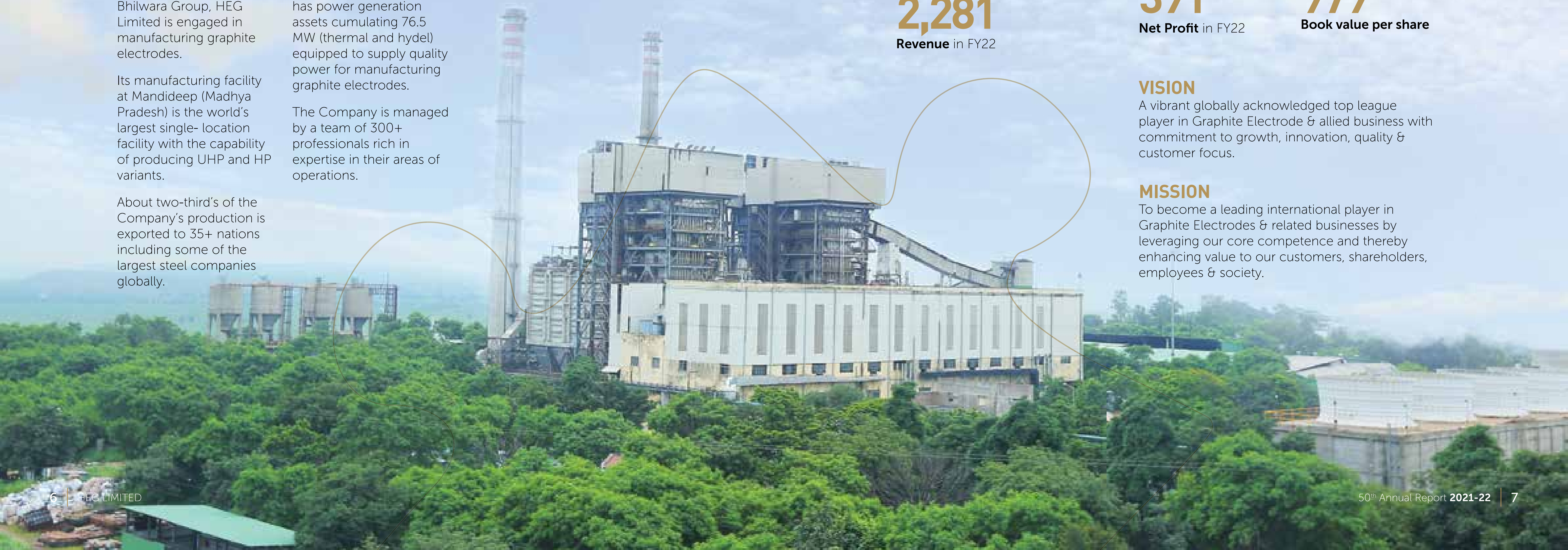
Book value per share

VISION

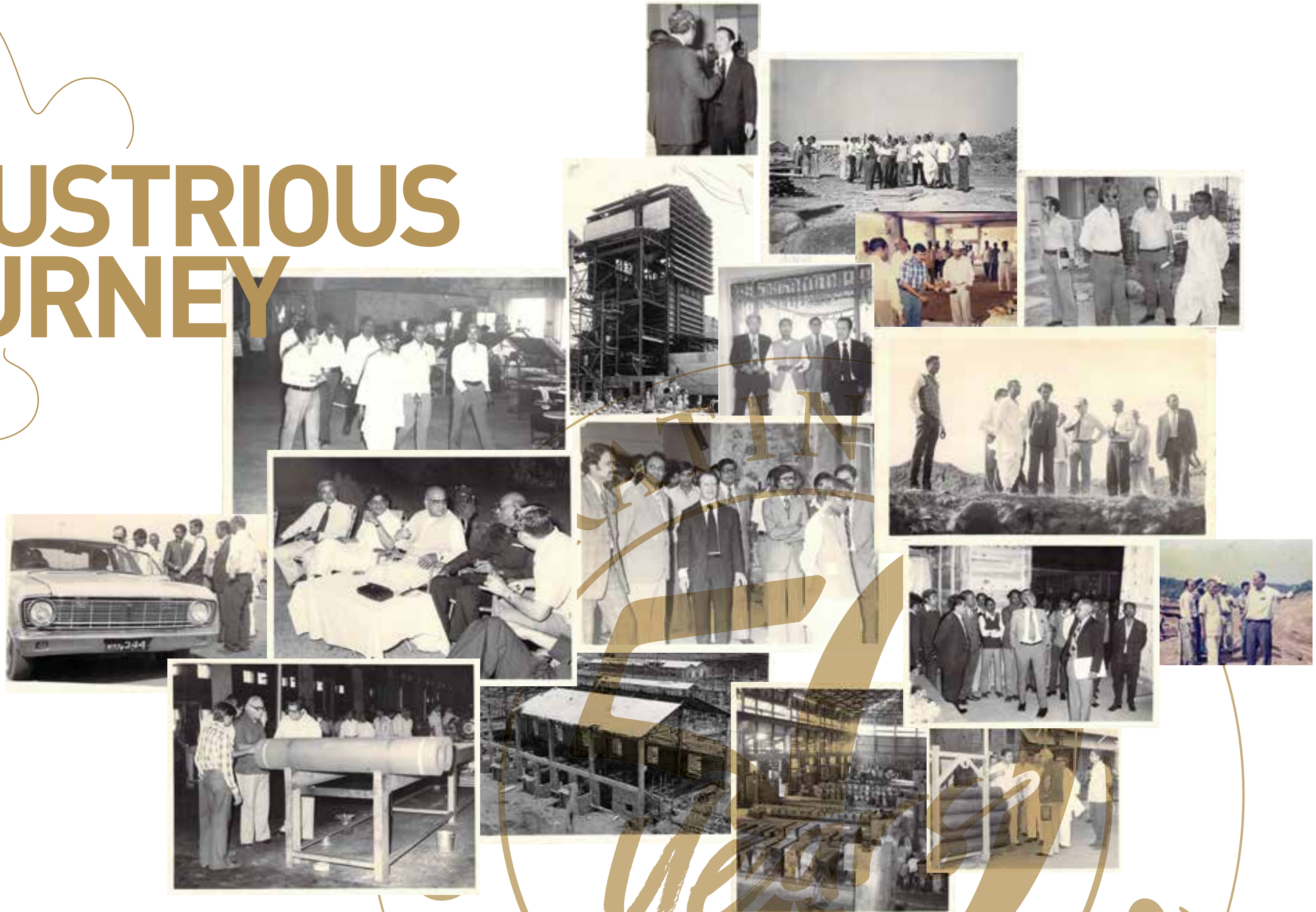
A vibrant globally acknowledged top league player in Graphite Electrode & allied business with commitment to growth, innovation, quality & customer focus.

MISSION

To become a leading international player in Graphite Electrodes & related businesses by leveraging our core competence and thereby enhancing value to our customers, shareholders, employees & society.



OUR ILLUSTRIOUS JOURNEY



From the Chairman's desk

"WITH OUR FIVE DECADES OF EXPERIENCE IN ELECTRODE MANUFACTURING, WELL ESTABLISHED QUALITY AND WELL NURTURED MARKET, WE EXPECT TO BE A SUPPLIER OF CHOICE TO ALL OUR GLOBAL AND INDIAN CUSTOMERS."

Dear Shareholders,

I hope you and your family are safe and in good health.

It is a pleasure to share my thoughts through this narrative as India has set a firm footing on the path of progressive development.

FY22 in retrospect

A rapid increase in industrial activity across the globe contributed to higher-than-expected demand for steel and steel products all over the world. Let me throw in some numbers to put the trend in proper perspective.

In calendar year 2021, excluding China, the top 10 steel producing countries increased their steel production by about 13% over 2020. Large steel producing countries like the US, Japan, Germany increased their steel production by 18.3%, 15.7% and 12.3% respectively. We have not seen double-digit increases of this kind for quite some time now.

This jump in steel production was primarily due to China's unwavering focus on reducing carbon emissions. In keeping with this resolve, the world's largest steel producer has shut down its highly polluting Blast Furnace capacities to the tune of 125-150 Mn mt between 2015 and 2017. As a result, steel exports from China plummeted from about 115 Mn mt in 2016 to about 55 Mn mt in 2020. Subdued steel exports continued through 2021 and in the first 4 months of 2022. The resultant vacuum allowed other steel producers across the world to produce more steel. Interestingly, world over about 45-47% of steel is produced through the Electric Arc Furnace route which uses our products.

As a logical fallout, demand for our products increased. We achieved highest ever production and sales. Our topline grew by 75% over the previous year. The EBITDA jumped from ₹54 crore in FY21 to ₹607 crore in FY22 and we registered a turnaround at the bottomline – from a net loss of ₹25 crore in FY21 we earned a net profit of ₹391 crore in FY22.

Our stellar performance happened to coincide with the 50th year of our illustrious business journey. I'm very proud of our entire team at HEG, past and present, who left no stone unturned to bringing HEG to where it is currently standing.

FY23 and beyond

After a momentous FY22, we have stepped into and exciting phase in our business journey. I am optimistic of our future owing to what I am able to visualise.

Globally, the decarbonisation trend is expected to pan out steadily and gain momentum over the next few decades – as developed economies have pledged to transition to the Net-Zero (carbon emission) zone by 2050.

Since steel making through the blast-furnace route is considered high polluting, there will be a replacement of these assets with greener technologies. Currently, the EAF technology appears to be the preferred route. This structural change is already transpiring in some advanced economies.

In recent times, there have been a flurry of announcements that large global steel companies, especially in US & Europe plan to establish new EAF capacities cumulating to about 25-30 million mt which should be commissioned in the next few years.

I also expect more EAF capacities to be announced in future.

In India too, the continued thrust on infrastructure creation and rapid industrialisation through large budgetary allocations and investment-friendly policies indicates the sustained focus of the Government in positioning India as a manufacturing hub for the world. It suggests that steel demand in India too would move northward.

All this points to one reality. Demand for graphite electrodes is expected to rise at a healthy uptick over the medium-term. While the demand scenario appears to be interesting, the supply-side ecosystem could be constrained as no western player has announced plans to increase their graphite electrode manufacturing capacity in the near future. Except one. **HEG.**

We had announced our 20,000 TPA capacity augmentation program in 2019. Currently, our new capacity is at an advanced stage of completion and should commence operations in early 2023. We are in the right place, at the right time to ride the opportunity wave – additional volumes coupled with healthy realisation. Moreover, if others global graphite electrode manufacturers also follow suit, it would take them about 3-4 years to commission their new capacity. It appears that we have a long runway.

I must appreciate the untiring efforts of the entire team, especially during the last two COVID years to make sure that we attain our targeted commissioning of the expanded capacity, more or less within the time period that we originally announced.

We have spent ₹800 crore up to March 31, 2022. We will invest the balance ₹400 crore in the current year. This is all being funded through internal accruals.

With our five-decade experience in electrode manufacturing, our well established quality, and local representation, we expect to emerge as a supplier of choice to all our global and Indian customers.

In closing, I thank my colleagues on the Board for their continued guidance in charting the Company's blueprint. I thank our business partners, financial institutions, government agencies all other stakeholders who have journeyed with us this far. We value your association and solicit your co-operation going forward. I also place on record my sincere appreciation to all our shareholders for their continued confidence and support.

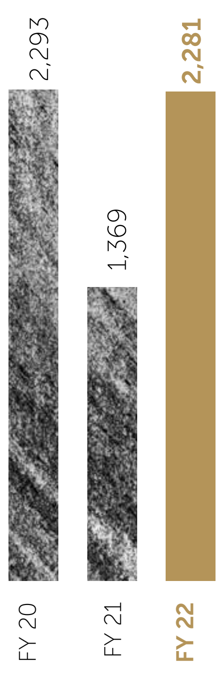
Stay safe.

Warm regards

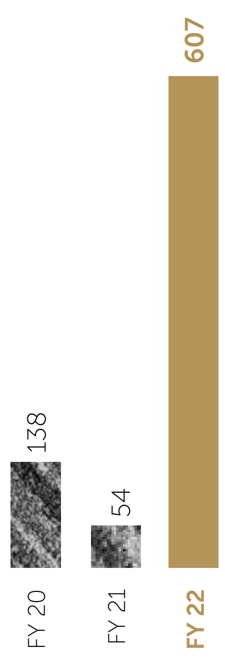
Ravi Jhunjhunwala
Chairman, MD & CEO

KEY PERFORMANCE INDICATORS

Net Revenue
(₹ crore)

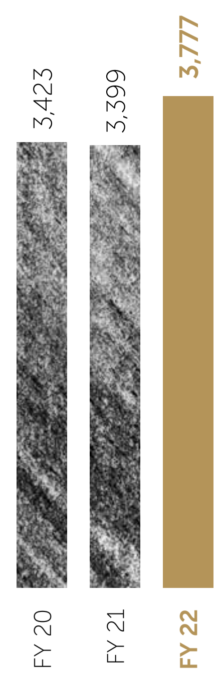


EBITDA
(₹ crore)



Net Profit
(₹ crore)

Net Worth
(₹ crore)



Earnings per share
(₹)

Dividend payout
(₹ crore)

MANAGEMENT DISCUSSION & ANALYSIS

AN ECONOMIC OVERVIEW

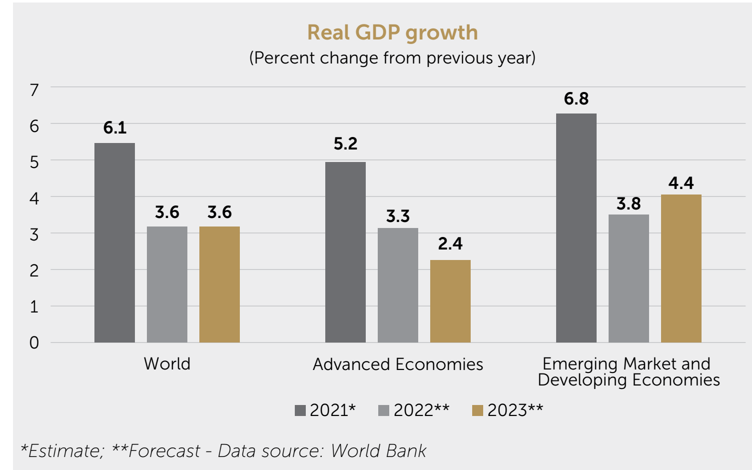
World economy: 2021 was one of the better years for the economy as the world in unison declared an all-out war on the invisible enemy – the Covid-19 pandemic. Despite multiple waves of the pandemic hitting nations at different times of the year, every nation adopted a single theme – resurgence and progression.

Despite the huge loss in lives and livelihoods across the world, the economy progressed at a healthy uptick. Driven by robust consumer spending and uptick in investment, with trade crossing pre-pandemic levels, global economy expanded by 6.1% in 2021 – the highest growth rate achieved in more than a decade after the great recession hit the world.

Global trade reached a record high of US$28.5 trillion in 2021, a jump of 25% over the previous year. Trade in services also increased by US$50 billion to reach US$1.6 trillion, just above pre-pandemic levels.

The recovery was uneven across the globe. Advanced economies recovered handsomely owing to the fiscal support, and accelerated vaccination drives. However, emerging economies & developing nations (EMDE) are completely different story altogether. A deeper impact from the pandemic, slower vaccine rollout, little policy support and persistent output loss marked the economies of EMDE. This loss was partially compensated by some solid near-term prospects in commodity exporting countries.

Going forward: Global economy is expected to grow at 3.6% in 2022, reflecting continued covid resurgence, reduced monetary support, ongoing logistics bottlenecks, inflation and geo-political turmoil. However, output and investments in advanced economies are projected to reach pre-pandemic level, but in EMDEs they may remain below owing to lower vaccination rates and tightening monetary policy. Positive growth rates are likely in both goods and services and efforts to shorten supply chain and diversified suppliers could mark the trade practices in 2022.



[Source: World Bank, Statistia, United Nations Conference on Trade and Development]

India economy: India shone as the shining star in the global economic landscape as it emerged as the fastest growing major economy in the world. From a GDP contraction of 6.6% in FY21, India rebounded sharply to register an 8.9% growth in its GDP in FY22. This was primarily owing to the government thrust on vaccination and ensuring adequate availability of vaccines, financial support by the government, waning of the fear from the pandemic, opening up of trades and services in most of the sectors.

Economic resurgence was supported by all the sectors – the agriculture and allied sector grew by 3.9%, the industrial sector grew by 11.8% while the services sector upped by 8.2%.

Estimates suggested that exports will touch US$670 billion in FY22, which will position the nation among the top-10 exporters globally in value terms. Despite this jump, India's mercantile trade deficit increased by 55% owing to high crude oil prices and a spike in prices of metals and other inputs. In addition, the inventory build-up by India Inc.to pre-empt supply-chain disruptions on account of the Ukraine war added to the deficit.

New investment and ordering activity witnessed a healthy rise in FY22. New investment announcements by the private sector saw a 145-150% rise in FY22 as compared to FY21. This was owing to megaproject announcements, especially in the steel sector.

Going forward, The Reserve Bank of India estimates India's GDP to growth by 7.2% in FY23 in keeping with the challenges emanating out of prevailing geo-political tension. This will position India as the fastest growing major economy in the world.

In its effort to provide an impetus to the "Make in India" initiative, the government introduced PLI schemes for 13 sectors in FY21, at a proposed incentive outlay of US$26.7 billion. This excludes the PLI scheme for the semiconductor sector.

THE STEEL SECTOR

World steel: Aligned with a sharp rise in industrial activity, demand for steel across the world surged. Moreover, the dry inventory pipeline for steel products resulted in pent-up demand. These factors contributed to a stronger than expected demand for steel and steel products. As a result, annual steel production stood at 1,950.5 mt (million tonnes) in 2021 - 3.7% higher than compared to 2020.

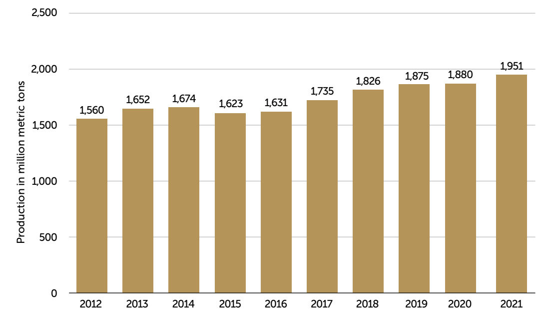
All the top 10 steel producing countries registered a positive growth except China and Iran. Despite a healthy recovery in the steel sector in the first half of 2021, China's crude steel production for the full year declined by 3% to 1,032.8 mt. This was owing to the multiple waves of the pandemic and government restrictions on some steel players owing to the government's unwavering focus on reducing environment pollution. Japan, the third crude steel producing country after China and India produced 96.3 mt - a rise of 15.8% over the previous year.

Steel prices continued to rise in the first half of 2021. As in July 2021, flat steel and long steel prices were higher by 134% and 58% respectively than what they were in the same period in the previous year. Aligning with this trend, benchmark prices for iron ore, coking coal and scrap also shot up 99%, 127% and 89% y-o-y respectively. Subsequently, iron ore prices cooled providing some respite to the steel manufacturers. Coking coal prices are also expected to draw down in the 2022 (calendar year).

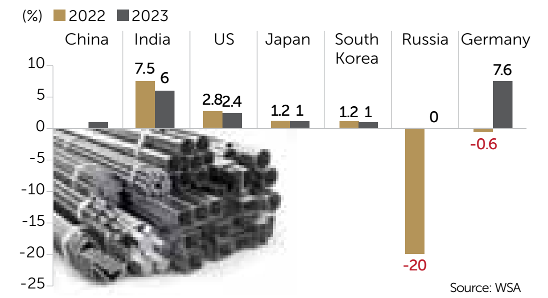
Going forward: According to the recent Worldsteel estimate, steel demand is expected to grow by 0.4% in 2022 to 1,840.2 mmt. The stable recovery of the global steel sector has been adversely impacted owing to the Russia-Ukraine crisis and rising inflation. In 2023, it is going to see a growth of 2.2% to reach 1,881.4 mmt.

The developed world is forecast to grow by 1.1% and 2.4% in 2022 and 2023 respectively. Chinese steel demand is expected to remain stable owing to the stringent government policy on real estate developers and their cap on steel production, whereas the EMDEs ex-China, continue to face challenges due to the ongoing global events – they will grow by 0.5% and 4.5% in 2022 and 2023 respectively.

World steel production (mt)



Projected annual growth rate in steel demand



India steel: India is the second largest crude steel producer of the world. The growth in the Indian steel industry is due to the easy and abundant availability of raw materials domestically and cost-effective labour. On the demand side, India's industrial revolution created an explosive demand for metals – interestingly that demand continues to surface in some form or the other.

The government's thrust of infrastructure development - creation of smart cities, affordable housing, development of industrial corridors, airport and port development - is driving steel demand in India. The private sector's growing investment in real estate and industrial infrastructure is also generating robust demand for steel. Additionally, the Governments scheme such as Make in India, Atmanirbhar India and PLI schemes is expected to spur investment in capital investment – further fueling steel demand.

Performance in 2021-22: India produced 118.24 million tonne (mt) of crude steel in FY22 which was about 18% higher than the production in the preceding year. India exported 13.5 mt of finished steel valued at an estimated ₹1 trillion and imported steel of about ₹46,000 crore. The stellar performance of the sector contributed handsomely to India's all-time record merchandise exports of US$420 billion in FY22.

Going forward: Supported by the Government's large infrastructure spending plans, domestic steel demand is pegged to grow at a healthy 7-8% in FY2023. The domestic steel industry's earnings in FY23 are expected to remain healthy, despite inflationary pressures. The industry's capacity utilisation levels is expected to be around 80% in FY23 after a gap of eight years. Moreover, buoyed by the prospects of large infrastructure spending plans, domestic steelmakers have announced capacity expansions cumulating to 34 MTPA to be commissioned by FY26.

The US recently announced a $1 trillion infrastructure funding which is going to boost country's steel consumption, thereby keeping the steel markets firm in international market.

EAF STEEL SECTOR

Electric Arc Furnace (EAF) is a currently considered as the preferred steel-making route owing to its environment-friendly process and its flexibility to produce steel customised to diverse applications.

EAFs can produce all kinds of steels, from metal for basic products like reinforcing bar to stainless and high alloyed special steels, where flexibility and smaller capacities are advantages. EAF is also more environment-friendly than the BOF route owing to use of steel scrap.

Unlike the blast furnace route of steel making, the EAF route uses steel scrap as the key input – Every tonne of scrap used for steel production helps reduce 1.5 tonne of carbon dioxide, eliminates the need for 1.4 tonne iron ore, 740 kg of coal, 120 kg of limestone. These attributes position the EAF route as the preferred route for steel making in a world.

Across the world (excluding China), 45-47% of steel is made through the EAF route. In China it was about 6% some years ago – it has creeped upto about 12% currently which is slated to increase to 20% of its total steel manufacturing capacity.

The migration to EAF steel-making is expected to accelerate across the globe especially in the US and Europe over the coming years as advanced economies are working hard to achieve a net zero-carbon position in the coming decades.

THE GRAPHITE ELECTRODE SECTOR

Graphite electrode channelises electrical energy from the power supply to the supply melt in the EAF tank. The key raw material to make graphite electrodes is needle coke, coal tar pitch and some additives.

Graphite electrodes are the principal heating material in an EAF. They are currently the only products that possess a high level of electrical conductivity and capability of sustaining extreme heat generated in EAF. They are also used in ladle furnaces and other smelting processes. As a result, the steel industry accounts for more than 90% of global demand for Graphite electrodes.

In 2021, resurgence in the demand for graphite electrodes continued to strengthen as the fortunes of the steel sector across the world improved. What was more pertinent was that steel production across the world other than China moved up at a healthy pace. This segment of the steel industry produces large quantities of steel using the EAF route. As a result, demand for graphite electrodes continued to scale northward.

Increasing demand for engineering and construction materials with the surge in the production of steel and iron as well as rise in industrialisation with modern infrastructures are some important factors driving the growth of the Global Graphite Electrode Market.

Opportunities	Threats
Short-term China's reduction of steel output in keeping with the Government's aim of reducing pollution will result in restarting/creating EAF capacities across the globe.	**Short-term** The Russia-Ukraine crisis has resulted in the spiraling of fuel prices and that of its derivates, which includes needle coke. The graphite electrode manufacturers may not be able to pass on the entire cost – impacting their margins.
Medium-term The Decarbonisation of Steel theme which is being widely discussed and implemented in a phased manner across the globe, could result in a transformational change in steel manufacturing – the graphite electrodes could be a major gainer from this structural shift.	**Medium-term** Growing demand of needle coke from the lithium battery sector (consequent to growing e-mobility) could significantly impact the growth aspirations of the sector.

BUSINESS PERFORMANCE

1) Graphite Electrodes

HEG, being a leading global player in the graphite electrode space reported a healthy performance despite the multiple waves of the pandemic hitting India. As the global demand for electrodes remained buoyant during the entire period under review, the Company operated its capacity at optimum utilisation. Stable operations at the peak level helped the Company improve shopfloor efficiencies.

The operations team continued their efforts to optimise costs by optimising the utilisation of resources and utilities. Cognizant to global supply-chain issues the team ensured adequate inventory of raw materials to ensure seamless plant operations.

The marketing team remained alert to successfully capitalise on emerging short-term opportunities that helped in shoring up business profitability. The projects team focused on implementing its capacity expansion which advanced rapidly during FY22.

FY23 is a critical period for the Company. On the one hand, the Company would work zealously on growing business volumes, while on the other the team would focus on commissioning the new capacity which will allow the HEG to capitalise on burgeoning global opportunities over the medium-term as decarbonising steel comes under the global spotlight.

2) Power generation

Power generation is largely a backward integration for the Company, supplying power to its power-guzzling graphite electrode manufacturing operations. Hence, revenue from this business vertical is closely dovetailed to the manufacturing operations of graphite electrodes.

The revenue from this vertical dropped from ₹62.97 crore in FY21 to ₹26.62 crore in FY22 owing to the coal prices shooting up and grid power being much more competitive. The coal based power plants essentially remained closed through the year. However, the Hydel plant continued its operations.

QUALITY MANAGEMENT

Quality, at HEG, is not a process but a culture that flows from the top floor right across to its shopfloor. This reality reflected in its marquee client base that comprise all global steel giants – they account for close to 80% of the Company's sales. The disciplined adherence to global quality standards have facilitated the Company to forge business relations with new clients and foster healthy engagements with global steel majors.

Check on the quality of inputs, continued training of its operations team on technical subjects, preventive maintenance of equipment, procedural discipline, institutionalised in-process checks and investment in a quality lab for a detailed check on the products are some of the key aspects that facilitate superior quality output.

Further, the marketing team continues to interact with majority of its customers at periodic intervals (physically and digitally) to seek feedback on its products. Their inputs are utilised for product and process improvements.

INNOVATION

The Company's sprawling R&D Centre, managed by a team of qualified scientists worked round the clock to enhance product quality and man-machine productivity, through process innovation. It also has a dedicated team to identify newer avenues like developing advanced carbon materials for energy, thermal and environmental management. The team also focuses on identifying new opportunities that are synergic to the main business to shore overall business growth and profitability. The R&D team also works closely with some reputable research institutes to develop environment- friendly approaches for sustainable growth.

HUMAN RESOURCE

Intellectual capital is the cornerstone of the Company's success. Understanding this reality, the Company continues to invest in its people. This was particularly visible during the initiatives taken by the Company during the multiple Covid waves to protect its people and to take care of its members who were infected by this deadly virus.

HEG's business operations is managed by a 837 -strong workforce as on 31st March, 2022. The Company continued to enhance the teams skills and capabilities through its training curriculum which includes technical, commercial and behavioural skills. The HR team continued to curate engagement forums for its team to strengthen team bonding and uplift their motivation.

The Company organised virtual training webinars to upgrade the skillset of its middle and senior management teams on technical and attributes during the year under review. The IT department is developing solutions for increased transparency in business operations and better connectivity with customers.

FINANCIAL PERFORMANCE

(based on Consolidated Financial Statements)

FY22 marked a resurgence in the Company's performance as it reported a strong business and profitability growth. This rebound was owing to the Company's success in capitalising on strong sectoral tailwinds.

Revenue from operations stood at ₹2,281 crore in FY22 against ₹1,369 crore in FY21 – a growth of 67 % owing to an increase in sales volume and realisations. EBITDA jumped from ₹54 crore in FY21 to ₹607 crore in FY22. And the Profit after Tax increased from loss of ₹25 crore in FY21 to ₹391 crore in FY22.

Improvement in business fortunes manifested itself in improving returns and profitability. EBITDA margin stood at 27% while the Return on Capital Employed was at 13% in FY22.

Net Cash flow from operations decreased from ₹729 crore in FY21 to ₹141 crore in FY22. The Company prudently deployed its liquidity in its brownfield project which is scheduled to commence operations in FY23. As a result, the balance under the head Capital Work-in-Progress stood at ₹696 crore as on March 31, 2022. On commissioning of the facility, a large part of this amount would be added to Tangible Assets.

Networth increased appreciably as business surplus (after paying dividend) was ploughed into the operations – it stood at ₹3777 crore as on March 31, 2022 against ₹3399 crore as on March 31, 2021. The Return on Networth also upped considerably – from [0.74]% in FY21 to 10.89% in FY22.

Significant changes (i.e. change of 25% or more as compared to the immediately previous financial years) in Key Financial Ratios, along with explanation are as under:

Particulars	2021-22	2020-21	Change	Reason
Operating Profit Margin (%)	24%	2%	1645%	The change is due to better sales realization and consequently higher margins during the financial year FY22 vis a vis previous year.
Return on Net Worth (%)	10.89%	(0.74)%	1567%	
Net Profit Margin (%)	17.97%	(2.05)%	977%	
Interest Coverage Ratio	70.45	1.71	4230%	This is mainly because of increase in working capital borrowings from ₹296 crore to ₹663 crore.
Current Ratio	2.34	3.22	27%	
Debt-Equity Ratio	0.18	0.09	101%	
Debtors Turnover Ratio	4.95	3.58	38%	The improvement in ratio is mainly due to better credit terms with the customers.
Inventory Turnover Ratio	1.06	1.02	4%	

Transaction of the Company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company is given below : There was no transaction of the Company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company

Internal control & its adequacy

The Company has in place a sound system of internal controls to ensure the achievement of goals, evaluation of risks and reliable reporting of financial and operational information. This efficient internal control procedure is driven by a robust system of checks and balances that ensures safeguarding of assets, compliance with all regulatory norms, and procedural and systemic improvements periodically.

The Company uses an ERP (Enterprise Resource Planning) package supported by in-built controls. This guarantees timely financial reporting. The audit system periodically reviews the control mechanism and legal, regulatory and environmental compliances. The internal audit team also checks the effectiveness of internal controls and initiates necessary changes arising out of inadequacies, if any. All financial and audit controls are further reviewed by the Audit Committee of the Board of Directors.

RISK MANAGEMENT

Risk is integral to any business. HEG's risk management framework seeks to proactively identify and address the existing and emerging risks. The mechanism goes beyond the traditional formulation and involves all key managers of the Company.

It has a formal monitoring process at the unit and the Company levels to identify and categorise new risks depending on their calculated impact and probability, map them to the responsibilities of select managers, and countered with an efficient mitigation strategy.

1) Demand risk

The rising demand may slow down owing to the sharp rise in prices of graphite electrode.

Mitigation approach: When that happens, it will impact the entire graphite electrode sector, including HEG. Owing to the decarbonisation theme playing out across the globe over the coming decades, demand for graphite electrodes is not expected to fall. What could happen is that prices will cool down in the near-term – to a level where the demand-price combination will allow for healthy growth of the sector.

2) Input availability risk

Availability of needle coke, the key raw material for graphite electrode, could emerge as a major challenge for the growth of the graphite electrode industry.

Mitigation approach: Being in this business for more than five decades, the Company has forged strong relations with its key business partners. Their committed supplies ensured that the Company's manufacturing operations run seamlessly. Going forward, their supply commitment has provided the strength to expand capacities.

3) Project delay risk

Delay in commissioning the ongoing project could impact business growth and profitability.

Mitigation approach: The Company's recent project is on track for scheduled commissioning despite the multiple waves of the pandemic in FY22 – owing to the disciplined management by the projects team. The Company has prudently utilised internal accruals to fund this brownfield expansion – a delay in commissioning, if any, would not lead to an additional financial burden, it may result in an opportunity loss.

4) Environment risk

When decarbonisation is the theme across the industrial world, the Company would at some point in time need to tread this journey.

Mitigation approach: HEG's product is facilitating the industrial world's ambition of decarbonised Earth by making a product which enables steel making through the EAF route which is by far much greener way of making steel compared to blast furnaces. In addition, the Company continues to optimise on resource and utilities consumption year-on-year. Further, the team remains focused on reducing waste generation and efficiently managing waste generated.

CORPORATE SOCIAL RESPONSIBILITY

CARE FOR OUR WORLD AROUND US

Taking forward the mantra of building a better tomorrow through social development and green initiatives, HEG fosters an inclusive business environment by stressing on collaborative efforts involving its stakeholders to create value for itself and others associated with it. The Company is committed to working towards the economic and social upliftment of the community through a variety of initiatives. It emphasizes on providing healthcare and education for the disadvantaged cross-section of the society and poverty alleviation.

NO CHILD SHOULD SLEEP HUNGRY

SUPPORTING AKSHAYA PATRA

HEG, in partnership with Akshaya Patra Bhopal, has set up the first mega kitchen in Bhopal which will provide 40,000 meals a day to school-going children in 900 Schools under the midday meal scheme. The kitchen is ready to start operations with the re-opening of schools in the city. This is the first Mega Kitchen of Akshaya Patra in Madhya Pradesh. HEG has spent almost ₹11 crore for setting up the kitchen and is committed to spending almost ₹5 crore per year on meal expenses.

FOOD SUPPORT FOR THE NEEDY

HEG has been providing 2000 meals per day since Oct'2021 to about 14 slum areas in Bhopal region to take care of the nutrition need of the poor including children.

MULTIPLYING FARMER INCOMES FIVEFOLD AND ALLEVIATING POVERTY

Global Vikas Trust is a not-for-profit organization with a mission to transform India by multiplying farmer incomes. GVT was established by Mayank Gandhi in 2016 with a specific focus on the rural economy, environment, and 360° development of farmers & their family. In the past few years, GVT has been able to completely transform the lives of more than 15,000 farmers from 12 districts in Maharashtra and 11 districts in Madhya Pradesh. This has been possible by creating a movement of farmers to change their cropping patterns to horticulture crops and training them in modern agricultural practices.

Global Vikas Trust created a proof-of-concept model in Parli, Marathwada, a district that was home to 6 droughts in 8 years, and one of the worst in terms of farmer suicides in the country. By following this model, they revolutionized Parli, with a massive decrease in suicide rates, and no droughts since they began working.

So far, after planting 2.5 crore trees, GVT has been successful in multiplying farmer incomes by more than 5 times in 3 years, from ₹30-40,000 to more than ₹2 to 2.5 lakh per annum!

STRENGTHENING INDIA'S FOUNDATION

ASHOKA UNIVERSITY

The Company supports Ashoka University, India's first liberal arts and sciences university, built on the principles of collective public philanthropy.

Located in Sonepat, Delhi NCR, Ashoka aims to provide the highest-quality, world-class education to deserving students with an emphasis on research and knowledge-creation.

Scholarships are provided to deserving students who cannot afford such an education.

A NEW SCHOOL TO PROVIDE EDUCATION TO CHILDREN OF COMMUNITIES AROUND OUR PLANT

The company has been running a CBSE affiliated school with capacity of 1400 children. As the school is very popular in the area , there is a demand for more capacity considering which the company is now building another school near our plant in Mandideep of another 1500 student capacity to cater to the children of local community which mostly comprises industrial workers and unorganized labor.

The new school will provide holistic education to children with latest teaching techniques , skill development and following CBSE curriculum. We believe that every child has a right to quality education and HEG wants to contribute to educating and empowering the future citizens of the country. HEG has already transferred ₹14.40 crore to the Graphite Education and Welfare Society.

SUPPORTING NEEDY CHILDREN

- Continued the scholarship programme for children below poverty line.
- Continued to subsidise annually school fees for more than 200 BPL-category students
- Supported meritorious but financially weak, poor students in the science and commerce streams to help them to prepare for competitive examinations.
- Assisted physically disabled students in their education.

A HOME FOR THE HOMELESS

HEG has sponsored an Ashram in Bhopal named APNA Ghar for the destitute and homeless. The ashram rescues neglected, homeless, ill and destitute persons generally found in very harsh and painful conditions on roadsides, railway stations, bus stands, religious and other public places. This ashram has the capacity to accommodate 48 people. We call them Prabhuji. The Ashram has rescued 206 such people and rehabilitated 45 of them. The ashram takes care of their stay, food, medical needs and care.

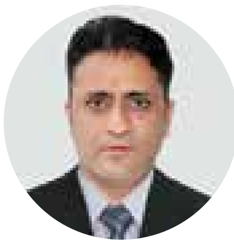
PRESERVING OUR RICH HERITAGE

SABHYATA FOUNDATION

HEG partnered with Sabhyata foundation, which is entrusted with the upkeep and facility development of several heritage sites in India including Red Fort, Bhimbetka ancient rock caves etc.

BOARD OF DIRECTORS

Ravi Jhunjhunwala
Chairman, Managing Director and CEO
DIN No. 00060972



Riju Jhunjhunwala
Vice Chairman, Non Executive Director
DIN No. 00061060

Dr. Kamal Gupta
Independent Director
DIN No. 00038490

Vinita Singhania
Non Executive Director
DIN No. 00042983

Satish Chand Mehta
Independent Director
DIN No. 02460558

Davinder Kumar Chugh
Independent Director
DIN No. 09020244

Ramni Nirula
Independent Director
DIN No. 00015330

Shekhar Agarwal
Non Executive Director
DIN No. 00066113

Jayant Davar
Independent Director
DIN No. 00100801

Manish Gulati
Executive Director
DIN No. 08697512

STATUTORY REPORTS & FINANCIAL STATEMENTS

BOARD'S REPORT

Dear Members,

Your Directors have the pleasure of presenting their 50th Annual Report together with Audited Financial Statements for the financial year ended 31st March, 2022.

1. Financial Results (₹ in Crores)

Particulars	2021-22	2020-21
Net sales	2,173.23	1,234.43
Other operating income	28.38	21.80
Total income from operations (Net)	2,201.61	1,256.23
Other income	79.55	112.91
Total income	**2,281.16**	**1,369.14**
Profit before finance cost, depreciation and amortisation	**606.77**	**53.73**
Finance cost	7.49	11.37
Profit before depreciation and amortisation	599.28	42.36
Depreciation and amortisation	79.29	73.12
Profit/(Loss) before tax	**520.00**	**(30.76)**
Provision for taxation:		
Current tax	129.56	0.20
Deferred tax	(0.14)	(5.66)
Net Profit/(Loss) for the period	**390.58**	**(25.30)**
EPS (Basic) ₹	**101.20**	**(6.56)**

Note: No amount transferred to reserves.

2. Overall Performance

The Company recorded net sales of ₹2,173.23 Crores during the financial year 2021-22 as compared to ₹1,234.43 Crores in the previous financial year. The Net Profit during the financial year 2021- 22 was at ₹390.58 Crores as compared to a net loss of ₹25.30 Crores in financial year 2020-21 translating to Basic Earnings Per Share at ₹101.20 for the financial year 2021-22 as against ₹(6.56) in financial year 2020-21.

3. Impact of Covid-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of the Annual Accounts 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 Annual Accounts, used internal and external sources of information and economic forecasts and expects that the carrying amount of these assets will be recovered.

The plant managed the Covid crises very well and has been running successfully since then without any interruption or slow down with our capacity utilisations / sales volumes going up consistently.

Since we export about 2/3rd of our production to more than 35 countries including some of the largest Steel Companies globally.

Our business is based upon the steel sector (Electric arc furnaces) which is largely dependent upon the construction sector, automobiles and other white goods. There is revival of demand and steel production returning to pre COVID levels. We are optimistic that once the COVID-19 impact gets over, the growth of steel sector will rebound further.

4. State of Company's Affairs

The analytical review of the Company's performance and its businesses, including initiatives in the areas of Human Resources and Corporate Social Responsibility have been presented in the section of Management Discussion and Analysis of this Annual Report.

Electrode Sector

In past years from 2010-2017, electrode prices had dropped to unviable levels due to lower demand for electrodes compared to capacity. As a result of which 6 plants in the western world closed down taking out 200,000 tons of excess capacity. When the capacity got balanced, came the sudden clampdown on Steel industry and Graphite industry in China due to pollution concerns. As the western world electrode capacity was already balanced with demand as a result of closures and also because western world steel plants started producing more due to drop in steel exports from China, there was a sudden spurt in demand of electrodes which led to shooting up of electrode prices.

In the year of 2017 and 2018, other suppliers outside China increased their production levels to meet the additional demand. Meanwhile Chinese electrode players also modified their plants to meet the new pollution norms and brought back their capacity. At the same time the EAF did not grow as expected in China. This led to electrode supply becoming more than electrode demand and thus the normalization of electrode prices around middle of 2019.

As the electrode supply was less in 2018, most of the steel companies overbought electrodes creating excess inventories. When the electrode supply eased and prices started to fall, all the steel companies started to correct their inventory levels from beginning of 2019.

By the end of 2020, the excess inventories with the customers got corrected and the consumption resulted in real demand for Graphite electrodes. At the same time, the COVID impact on economy started to wear out and consumption of steel returned to pre COVID levels.

Since the start of 2021, all graphite companies started working at higher capacity utilization levels which continues till date.

The pricing of electrodes kept increasing quarter by quarter for last 5 quarters. Although the key raw material prices also kept increasing quarter by quarter besides other inputs like pitches, metcoke, furnace oil, LNG , overseas freight etc, still the electrode prices were able to absorb the additional costs and turn out decent operating margins.

There are lot of new EAF capacities coming up in US in next 3-4 years. At the same time, due to decarbonisation pressures in developed economies like Europe, the trend is to shift some to Blast furnace production to EAF.

China too remains on the growth path for EAF albeit slower than expected.

All of the above factors bode well for the GE industry and resulting in increase in demand and improving prices and operating margins.

Our plant expansion is going on in full steam and we expect to complete construction by Dec 2022 and with a brief period of stabilisation and trials, we should start additional production by first quarter of 2023.

We remain one of the most cost competitive and quality producer of graphite electrodes in the world fully ready to capture any available opportunities.

Power Generation

The Company has captive power generation capacity of 76.5MW (comprising two thermal power plants and a hydroelectric power facility) leading to sustained supply of electricity for its graphite electrode facility. Company currently buys its power needs from MP state electricity board.

Excess power generated was sold in the market through IEX and bi-partite power purchase agreement with open access to consumers.

The turnover of the Power Segment marginally increased to ₹25.28 Crores in FY 2021-2022 (after inter-segmental sales) from ₹22.31 Crores in FY 2020-21 (after inter-segmental sales) due to following reason:

- Higher sales realisation on selling of power generating by hydel power plant.
- Increased Power intake from the Madhya Pradesh Electricity Board (MPEB) and reduced captive power from the thermal plant for availing rebate of ₹2 per kwh.

This initiative reduced the volume of captive generation of thermal and transfer to graphite, and reduced the average realisation in the power segment as the revenue in power segment is booked based on the corresponding rate of power defined by the state and utilities.

This measure, though has reduced revenue and bottom-line in the thermal power segment, had a favourable impact on the overall cost of power consumed in the graphite electrode business.

5. Change in Share Capital

During the Financial Year 2021-22, there was no change in the Share Capital of the Company.

6. Material Changes and Commitments

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

7. Change in the Nature of Business

There is no change in the nature of business during the financial year 2021-22.

8. Subsidiary, Associate Companies or Joint Ventures

There are two Associates of the Company namely Bhilwara Infotechnology Limited and Bhilwara Energy Limited.

Bhilwara Infotechnology Ltd. had a turnover (Revenue from Operations) of ₹35.09 Crores and Net Profit was ₹1.79 Crores in the financial year 2021-22.

Bhilwara Energy Ltd. had a consolidated turnover (Revenue from Operations) of ₹388.94 Crores and Net Profit (attributable to owners of the parent) was ₹81.16 Crores as per their audited consolidated financial statements for the financial year 2021-22.

The Company has neither have Subsidiaries nor Joint Ventures.

No Company has become/ceased to be an Associate or Joint Venture during the financial year 2021-22.

Performance of Associate Companies and their contribution to overall performance of the Company has been mentioned in the Notes to Accounts to the consolidated financial statements.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing the salient features of financial statements is annexed in the Form AOC-1 to the consolidated financial statements and hence not repeated here for the sake of brevity.

9. Consolidated Financial Statements

The Consolidated Financial Statements have been prepared by the Company in accordance with applicable provisions of the Companies Act, 2013, Accounting Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The audited consolidated financial statements together with Auditors' Report form part of the Annual Report. The Auditor's Report does not contain any qualification, reservation or adverse remarks.

10. Dividend

Your Directors are pleased to recommend a final dividend at the rate of ₹40/- per equity share on 3,85,95,506 equity shares of face value of ₹10 each for the financial year ended 31st March, 2022 subject to the approval of the Shareholders at the ensuing 50th Annual General Meeting (AGM) of the Company. The dividend, if declared by the Shareholders in the AGM will be subject to deduction of tax at source at applicable rates.

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Dividend Distribution Policy is attached as **Annexure IV,** which form part of this report and is also available on the website of the Company.

11. Corporate Governance

A report on Corporate Governance forms part of this Report along with the Auditors' Certificate on Corporate Governance as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Auditors' Certificate for the financial year 2021-22 does not contain any qualifications, reservations or adverse remarks.

12. Management Discussion and Analysis

Management Discussion and Analysis Report as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of Annual Report.

13. Business Responsibility Report

As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective is attached as part of the Annual Report.

14. Internal Control / Internal Financial Control Systems and Adequacy Thereof

The Company has an adequate internal control system commensurate with the size and nature of its business. An internal audit programme covers various activities and periodical reports are submitted to the top management. The Company has a well-defined organisational structure, authority levels and internal rules and guidelines for conducting business transactions.

Further, the Internal Financial Control framework is under consistent supervision of Audit Committee, Board of Directors and also Independent Statutory Auditors. During the year, no reportable material weakness in the design or operations was observed.

15. Personnel

a) Industrial relations

The industrial relations during the period under review generally remained cordial at all the plants of the Company.

b) Particulars of employees

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure-I.**

16. Public Deposits

Your Company has not invited any deposits from public/shareholders in accordance with Chapter V of the Companies Act, 2013.

17. Significant and Material Orders Passed By The Regulators Or Courts Or Tribunals

There were no significant material orders passed by the Regulators/Courts/Tribunals during the financial year 2021-22 which would impact the going concern status of the Company and its future operations.

18. Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo

The information with regard to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given as **Annexure-II** forming part of this Report.

19. Directors and Key Managerial Personnel

i. DIRECTORS

Shri Davinder Kumar Chugh (DIN: 09020244) was appointed upon the recommendation of Nomination and Remuneration Committee as an Additional Independent Director by Board of Directors on 11th August, 2021 for first term of 5 consecutive years subject to approval of Shareholders. The Board have expressed their satisfaction with regard to integrity, expertise and experience of Shri Davinder Kumar Chugh and hereby recommends his appointment for approval of shareholders in the ensuing Annual General Meeting, as the matter has been considered as unavoidable.

Dr. Om Parkash Bahl ceased the office as Independent Director on completion of his second term on 29th August, 2021.

Shri Manish Gulati (DIN: 08697512) and Smt. Vinita Singhania (DIN: 00042983) shall retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board hereby recommends their re-appointment for approval of shareholders in the ensuing Annual General Meeting.

The Board confirms that independent director appointed during the year possess the desired integrity, expertise and experience. The Independent Directors of the Company stated that they are in compliance with the Section 150 of the Companies Act, 2013 read with Rule 6 (1) & (2) of the Companies (Appointment & Qualification of Directors) Rules, 2014.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. They have also complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013.

In the opinion of Board, Independent Directors fulfil the conditions specified in the Companies Act, 2013 read with schedules and rules thereto as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Independent Directors are independent of management.

The Company has a Code of Conduct for the Directors and Senior Management Personnel. This Code is a comprehensive code applicable to all Directors and members of the Senior Management. A copy of the Code has been put on the Company's website www.hegltd.com.

The brief profile, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2, of the Directors eligible for appointment/re-appointment forms part of the Notice of Annual General Meeting and Corporate Governance Report.

ii. KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel of the Company as on 31st March, 2022:

a) Shri Ravi Jhunjhunwala, Chairman, Managing Director & CEO
b) Shri Manish Gulati, Executive Director
c) Shri Gulshan Kumar Sakhuja, Chief Financial Officer
d) Shri Vivek Chaudhary, Company Secretary

20. Board Evaluation

The Board has carried out an annual evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees, in the manner as enumerated in the Nomination and Remuneration Policy, in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The evaluation exercise covered various aspects of the Board's functioning such as composition of the Board & Committee(s), their functioning & effectiveness, contribution of all the Directors and the decision making process by the Board.

Your Directors express their satisfaction with the evaluation process and inform that the performance of the Board as a whole, its Committees and its member individually were adjudged satisfactory.

21. Nomination and Remuneration Policy

The Nomination & Remuneration Policy of the Company is in place and is attached as **Annexure-III** to this Report.

22. Meetings of the Board

The Board of Directors met four times in the financial year 2021-2022 through Video Conferencing as permitted by relevant MCA circulars & SEBI Circulars read with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014 under provisions of the Companies Act, 2013. The intervening period between any two consecutive Board Meetings was within the maximum time gap prescribed under the Companies Act, 2013, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-1 issued by ICSI. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

23. Contracts and Arrangements with Related Parties

The Board of Directors of the Company, acting upon the recommendation of its Audit Committee of Directors, has approved the policy and procedures with regard to Related Party Transactions for reviewing, approving and ratifying Related Party transactions and in providing disclosures with respect to the above transactions, as required under the Companies Act, 2013, Listing Agreement [now SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 ("Listing Regulations")] as amended from time to time and other applicable provisions, rules and regulations made thereunder.

All related party contracts/arrangements/ transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which are of a foreseen and repetitive nature. The statement of transactions entered into pursuant to the omnibus approval so granted is placed before the Audit Committee for approval on a quarterly basis. The statement is supported by a Certificate from the Statutory Auditors, Internal Auditor and Chief Financial Officer.

The updated policy on Related Party Transactions as approved by the Board is uploaded on the Company's website, the weblink of which is as under:

https://hegltd.com/wp-content/uploads/2022/05/HEG_RPT-Policy_09.02.2022.pdf

There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company that have a potential conflict with the interests of the Company.

In terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has submitted the half yearly disclosure of related party transactions on a consolidated basis to the BSE Ltd. and National Stock Exchange of India Ltd.

Since No material Related Party Transactions were entered during the financial year of the Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

24. Committees of the Board

The Board has following statutory committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee

Details of all the committees, along with their charters, composition and meetings held during the year, are provided in the Report on Corporate Governance, as part of this Annual Report.

All the recommendations of the Committees were accepted by the Board during the financial year 2021-22.

25. Auditors

M/s SCV & Co LLP having (Firm Registration No- 000235N/N500089), Chartered Accountants, the Statutory Auditors of the Company who had been appointed as the Statutory Auditors for a period of 5 years from the conclusion of 45th Annual General Meeting (AGM), will complete their present term on the conclusion of 50th AGM of the Company. The Board of Directors, on the recommendation of the Audit Committee, recommended for the approval of the members of the Company, the re-appointment of SCV & Co LLP having (Firm Registration No- 000235N/N500089), as Statutory Auditors for the second term of 5 years, from the conclusion of 50th AGM of the Company till the conclusion of 55th AGM of the Company with the authority to the Board to fix the remuneration for their tenure.

The Company has received confirmation from the Statutory Auditors to the effect that their re-appointment, if made, will be in accordance with the limits specified under the Companies Act, 2013 and they satisfy the criteria with respect to their eligibility, provided in Section 141 of the Companies Act, 2013 read with rules made thereunder.

The Auditors' Report read along with Notes to Accounts is self explanatory and therefore does not call for any further comments.

The Auditors' Report does not contain any qualification, reservation or adverse remark.

No fraud has been reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

26. Cost Auditors

In terms of sub-section (1) of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to maintain the cost records. Accordingly, such accounts and records have been maintained by the Company.

The Cost Audit for financial year ended March 31, 2021 was conducted by M/s. N.D. Birla & Co. (M. No. 7907). The said Cost Audit Report was filed on 8th September, 2021.

No fraud has been reported by the Cost Auditors under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

Based on the recommendation of Audit Committee at its meeting held on 25th May, 2022, the Board has approved the re-appointment of M/s. N.D. Birla & Co. (M. No. 7907), as the Cost Auditors of the Company for the financial year 2022- 2023 on a remuneration of ₹3,00,000/- plus applicable taxes and out of pocket expenses that may be incurred by them during the course of audit.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s. N.D. Birla & Co., Cost Auditors is included in the Notice convening the ensuing Annual General Meeting.

27. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had appointed M/s. GSK & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2021-22. The Secretarial Audit Report is annexed herewith as **Annexure-V.**

No fraud has been reported by the Secretarial Auditors under Section 143 (12) of the Companies Act, 2013 and the rules made thereunder.

The Board upon the recommendation of Audit Committee has re-appointed M/s. GSK & Associates, Company Secretaries in practice as Secretarial Auditor of the Company for the financial year 2022-23.

28. Qualification, Reservation or Adverse Remark in the Audit Reports

There is no qualification, reservation or adverse remark made by the Statutory or Cost or Secretarial Auditors in their Audit Reports issued by them.

29. Business Risk Management

The objective of risk management at the Company is to protect shareholders value by minimizing threats or losses, and identifying and maximising opportunities. An enterprise-wide risk management framework is applied so that effective management of risk is an integral part of every employee's job.

The Risk Management Policy of the Company is in place. The Company's risk management strategy is integrated with the overall business strategies of the organization and is communicated throughout the organisation. Risk management capabilities aide in establishing competitive advantage and allow management to develop reasonable assurance regarding the achievement of the Company's objectives.

The annual strategic planning process provides the platform for identification, analysis, treatment and documentation of key risks. It is through this annual planning process that key risks and risk management strategies are communicated to the Board. The effectiveness of risk management strategies is monitored both formally and informally by management and process owners. There is no major risk which may threaten the existence of the Company.

The Company has duly constituted Risk Management Committee inter-alia to oversee Risk Management framework of the Company. The details pertaining to the composition, meetings and terms of reference of the Risk Management Committee are included in the Report on Corporate Governance which forms part of the Annual Report.

30. Corporate Social Responsibility (CSR)

As part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken CSR projects directly and/or through implementation agencies in the areas of promotion of education, eradicating hunger & poverty, initiatives towards Community Service and Rural Development, Healthcare, Plantation & Environment Development, Protection of National heritage, Art, Culture etc. These projects were in accordance with the CSR Policy of the Company and Schedule VII of the Companies Act, 2013.

The Company has a policy on CSR and has constituted a CSR Committee for undertaking CSR activities. The Composition of Committees & other details are provided in the Corporate Governance Report which forms part of the Annual Report.

The CSR policy may be accessed on the Company's website at the link mentioned below:

https://hegltd.com/wp-content/uploads/2021/06/amended-csr-policy.pdf

The various CSR projects inter-alia undertaken will bring qualitative changes in the lives of the community around the plant location. One of the key project is the empowerment of farmers by fruiting cycle under Project Global Raisen (Rural Economic Transformation) which will result in improvement in their income resulting into their higher familial and societal status. During the financial year 2021-22, the Company has established first mega kitchen in Bhopal which will provide 40,000 meals a day serving approx. 900 schools. The Capital expenditure have already been completed and kitchen will start once the Covid-19 pandemic eases. The Company also run Graphite school at Mandideep, Bhopal, which is CBSE affiliated and run by the Company for last 20 years. The present capacity of which is 1400 students. The Company had decided to build a new modern school to house another 1500 children from class 6th to 12th. The construction has already been started and is expected to be completed by December, 2022.

The Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as **Annexure-VI,** forming part of this report.

31. Internal Auditors

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and based on the recommendation of Audit Committee, the Board has approved the re-appointment of M/s. S.L. Chhajed & Co. LLP, as the Internal Auditors of the Company for the financial year 2022-2023.

32. Directors Responsibility Statement

The Directors confirm that:

i) In preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;

ii) They have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2021-22 and of the profit of the Company for the year under review;

iii) They have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safe guarding the assets of the Company and for preventing and detecting frauds and other irregularities;

iv) They have prepared the annual accounts on a going concern basis;

v) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

33. Vigil Mechanism /Whistle Blower Policy

The Company has a vigil mechanism named "Whistle Blower Policy", which is overseen by the Audit Committee. The Policy inter-alia provides safeguards against victimization of the Whistle Blower. Employees and other stakeholders have direct access to the Chairperson of the Audit Committee for lodging concerns if any, for review. The policy is posted on the website of the Company, the weblink of which is as under:

https://hegltd.com/wp-content/uploads/2018/07/Whistle-Blower-Policy-08.05.2018.pdf

34. **Particulars of Loans, Guarantees or Investments**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in the Annual Report.

35. **Investor Education and Protection Fund (IEPF)**

As required under Section 124 of the Companies Act, 2013 the unclaimed dividend amount aggregating to ₹30.40 Lakh lying with the Company for a period of seven years pertaining to the financial year ended on 31st March, 2014, was transferred during the Financial Year 2021-22, to the Investor Education and Protection Fund established by the Central Government. The details of same are given in Corporate Governance Report under head Shareholder Information.

36. **Insider Trading**

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Regulations), your Company has adopted the following-

i) Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders- The said Code lays down guidelines, which advise Insiders on the procedures to be followed and disclosures to be made in dealing with the shares of the Company and cautions them on consequences of non-compliances.

ii) Code of Practices and Procedures of Fair Disclosures of Unpublished Price Sensitive Information- The Code ensures fair disclosure of events and occurrences that could impact price discovery in the market.

iii) Policy for dealing with Unpublished Price Sensitive Information (UPSI) and Whistle Blower Policy for employees to report any leak or suspected leak of UPSI- The policy aims to enable the employees of the Company to report any leak or suspected leak of UPSI, procedures for inquiry in case of leak of UPSI or suspected leak of UPSI and initiate appropriate action and informing the SEBI promptly of such leaks, inquiries and results of such inquiries.

iv) Internal Control Mechanism to prevent Insider Trading- The Internal Control Mechanism is adopted to ensure compliances with the requirements given in the regulations and to prevent Insider Trading. The Audit Committee also review compliance with the provision of regulations periodically.

37. **Annual Return**

In terms of the Section 92 (3) of Companies Act, 2013 as amended, the Annual Return of the Company is placed on the website of the Company www.hegltd.com on the following link:

https://hegltd.com/annual-general-meeting/

38. **General Disclosure**

a) The Company has maintained Cost Records in accordance with Section 148(1) of the Companies Act, 2013.

b) The Company has a group policy in place against Sexual Harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. The Company has complied with the provisions of above said act. The Company has undertaken 14 workshops or awareness programmes against sexual harassment of women at the workplace. No complaint of Sexual Harassment was received during the financial year 2021-22.

c) The Company is in compliance of all applicable secretarial standards issued by The Institute of Company Secretaries of India from time to time.

39. **Key Initiatives with respect to Stakeholder relationship, Customer relationship, Environment, Sustainability, Health and Safety**

The Company has duly constituted Stakeholders Relationship Committee with broad terms of reference, the details of which is provided in the Corporate Governance Report which forms part of the Annual Report.

As a responsible corporate citizen, the Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to shareholders at their e-mail address registered with the Depository Participants and Registrar & Transfer Agent.

To support the 'Green Initiative' and in compliance of Rule 18 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Members who have not yet registered their email addresses or want to update a fresh email id are requested to register the same with their Depository Participant in case the shares are held by them in electronic form and with Company's Registrar & Transfer Agents (RTA) in case the shares are held by them in physical form for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically. The Company has also sent the communication to the concerned shareholders with regard to registration of their email address etc. with the Registrar and Share Transfer Agent/ Depository Participants in connection with service of documents through electronic mode.

Further, as permitted by MCA Circulars and SEBI Circulars issued from time to time, in view of the prevailing Covid-19 Pandemic, the Notice of the 50th AGM and the Annual Report of the Company for the financial year ended 31st March, 2022 including therein the Audited Financial Statements for the year 2021-22, are being sent only by email to the Members.

During the year under review, the Company has also sent reminder letter to concerned shareholders who have not en-cashed any of the dividend warrants related to FY 2014-15 and FY 2017-18 to 2020-21, requesting them to claim their unpaid/unclaimed dividend of previous years.

The Company remained agile to emerging market opportunities by remaining connected with all its customers across the lean period. This effort allowed it to improve its capacity utilisation better than most peers in this space. A higher utilisation helped in better absorption of costs which improved cash flow. The Company stays in contact with its customers on a regular basis. The IT department is developing solutions for increased transparency in business operations and better connectivity with customers.

The Company is committed to protecting the environment. The R&D team works closely with some reputable research institutes to develop environment friendly approaches for sustainable growth which involves identifying alternative/ regenerative carbon feedstock.

The Company supports the principles of inclusive growth and equitable development through not just its corporate social responsibility initiates but through its core business as well. The Company's social upliftment initiatives focus around healthcare, education, removing hunger, working for the benefit of armed forces veterans and martyrs' community development and environmental conservation, which facilitates in bettering lives and improving livelihood, amongst others.

40. **Acknowledgements**

Your Directors wish to place on record, their appreciation for the valuable assistance and support received by your Company from banks, financial institutions, the Central Government, the Government of Madhya Pradesh, the Government of Uttar Pradesh and their departments. The Board also thanks the employees at all levels, for the dedication, commitment and hard work put in by them.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic. The Directors appreciate and value the contribution made by every member of the HEG family.

For and on behalf of the Board of Directors

Ravi Jhunjhunwala

Chairman,

Place: Noida (U.P.) Managing Director & CEO

Dated: 25th May, 2022 DIN: 00060972

Annexure–I to the Board's Report

I. The information required pursuant to Section 197 read with Rule 5 sub rule 1 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

a) Remuneration paid to Chairman, Managing Director & CEO, Whole-Time Director and Key Managerial Personnel

(₹ in Lakhs)

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director / KMP for financial year 2021-22	% increase in Remuneration in the financial year 2021-22	Ratio of Remuneration of each Director/ to median Remuneration of employees
1	Ravi Jhunjhunwala (Chairman, Managing Director & CEO)	1827.58 *	1140.38	438.90
2	Manish Gulati (Executive Director)	227.46 **	138.73	54.63
3	Gulshan Kumar Sakhuja (Chief Financial Officer)	54.13	35.33	NA
4	Vivek Chaudhary (Company Secretary)	33.83	31.84	NA

* includes commission of ₹1541 Lakhs
** includes commission of ₹100 Lakhs

b) Remuneration paid to Non-Executive and Independent Directors

(₹ in Lakhs)

Sl. No.	Name of Director	Remuneration of non-executive & Independent Director for financial year 2021-22*	% increase in Remuneration in the financial year 2021-22	Ratio of Remuneration of each Director/ to median Remuneration of employees
1	Riju Jhunjhunwala (Non-Executive Director)	3.60	35.85	0.86
2	Shekhar Agarwal (Non-Executive Director)	6.00	0.00	1.44
3	Kamal Gupta (Non-Executive & Independent Director)	12.00	3.45	2.88
4	Om Parkash Bahl (Non-Executive & Independent Director) **	4.90	N.A	N.A
5	Vinita Singhania (Non-Executive Director)	3.00	33.33	0.72
6	Satish Chand Mehta (Non-Executive & Independent Director)	6.75	0.00	1.62
7	Ramni Nirula (Non-Executive & Independent Director)	6.40	3.23	1.54
8	Jayant Davar (Non-Executive & Independent Director)	5.35	42.67	1.28
9	Davinder Kumar Chugh (Non-Executive & Independent Director) ***	4.70	N.A	N.A

* No commission was paid to Non- Executive Directors including Independent Directors of the Company during the FY 2021-22.
** Om Prakash Bahl had completed his tenure as Independent Director on 29th August, 2021.
*** Davinder Kumar Chugh was appointed as Additional Director (Independent) w.e.f. 11th August 2021.

c) The median remuneration of the employees of the Company for the financial year is ₹4,16,400 per annum.

d) Percentage increase in the median remuneration of employees in the financial year was 5%

e) Number of permanent employees on payroll of the Company were 837 nos. as on 31st March, 2022.

f) The average increase of employee's salary for the FY 2021-22 (Other than Shri Ravi Jhunjhunwala, Chairman, Managing Director & CEO and Shri Manish Gulati, Executive Director) was at a rate of 10% per annum. The percentile increase in remuneration of employees is in accordance with policy of the Company.

g) It is affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.

II. The information of employees receiving salary in excess of the limits as prescribed under the provisions of Section 197 read with Rule 5, sub rule 2 & 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 under the Companies Act, 2013, who were employed throughout or for a part of the financial year under review is given as under:

a) Details of top ten employees in terms of remuneration drawn is as under

Sl. No.	Name of Employee	Designation	Remuneration (₹ in Lakhs)	Qualification	Experience	Age	Date of Commencement of Employment	Last Employment held, Organisation, Designation & Duration
1	Ravi Jhunjhunwala	Chairman, Managing Director & CEO	1827.58*	B.Com (Hons.), MBA	42	66	08.09.1979	-
2	Manish Gulati	Executive Director	227.46 **	MBA (Marketing & Finance), BE (Electronics)	29	53	10.05.1993	J.N.Marshal Ltd., Pune, Senior Executive,0.5 Yr.
3	Atul Laxman Moghe	Assistant Vice President – Maintenance & Power	65.05	BE (Electronics)	29	52	17.05.1999	MP Iron & Steel Co. Pvt. Ltd., Malanpur, Engineer, 6.3 Yrs.
4	Jasvinder Singh Khosla	Assistant Vice President – Project / E&S / R&D / Specialty	62.75	BE (Mech)	30	52	25.11.2020	GIL Nasik, AVP(Works), 3.5 Yrs
5	Virendra Shrivastava	Assistant Vice President - Operations	57.39	B.Sc. (PCM), BE-Mechanical	31	55	14.05.1991	Hindustan Enterprises, Telearganj, Allahabad, Production Engineer, 0.6 Yr.
6	Prashant Kumar Jha	Deputy General Manager - Commercial	54.98	ICWA, PGDBM	22	49	15.07.2011	M/s. Timex Group Ind. Limited, Noida, Manager, 2.9 Yrs.
7	Gulshan Kumar Sakhuja	Chief Financial Officer	54.13	CA, B.Com (Hons.), Delhi University	18	43	14.09.2009	Caparo Engineering India Pvt Ltd. Senior Manager Finance, 3.10 Yrs
8	Ravi Kant Tripathi	General Manager - Finance	46.25	B.COM (TAXATION), ICWA, LLB	31	52	11.07.1994	Bharat Zinc Ltd. Bhopal, Accountant, 1 Yrs
9	Rajesh Jetha	General Manager – Information Technology	45.65	MCA(COMPUTER APPLICATION)	26	52	17.11.1997	NSMG Pvt Ltd, New Delhi, S/w Engineer, 2 Yrs
10	Manoj Kumar Gupta	Deputy General Manager – Design	45.35	BE(MECH),M. TECH(MECH)	31	53	07.02.2011	Hindalco Industries, Bharuch, Manager Maintenance, 5.6 Yrs

* includes commission of ₹1541 Lakhs
** includes commission of ₹100 Lakhs

b) **Statement related to employee employed throughout the year and in receipt of remuneration aggregating ₹1.02 Crores or more during the FY 2021-22**

Sl. No.	Name of Employee	Designation	Remuneration (₹ in Lakhs)	Qualification	Experience	Age	Date of Commencement of Employment	Last Employment held, Organisation, Designation & Duration
1	Ravi Jhunjhunwala	Chairman, Managing Director & CEO	1827.58*	B.Com (Hons.), MBA	42	66	08.09.1979	-
2	Manish Gulati	Executive Director	227.46 **	MBA (Marketing & Finance), BE (Electronics)	29	53	10.05.1993	J.N.Marshal Ltd., Pune, Senior Executive,0.5 Yr.

*Includes commission of ₹1541 Lakhs

**Includes commission of ₹100 Lakhs

c) **Statement related to employee employed for part of the year and in receipt of remuneration aggregating ₹8.50 Lakhs or more per month:**

Sl. No.	Name of Employee	Designation	Remuneration (₹ in Lakhs)	Qualification	Experience	Age	Date of Commencement of Employment	Last Employment held, Organisation, Designation & Duration
-	-	-	-	-	-	-	-	-

Notes:
-Shri Ravi Jhunjhunwala is a relative of Shri Riju Jhunjhunwala.
-As per records of the Company, no employee is holding more than 2% of the Paid-Up Share Capital of the Company.
-All appointments are contractual in nature and terminate by notice on either side.
-No employee drew remuneration at a rate in excess of that drawn by the Chairman, Managing Director & CEO.

Annexure–II to the Board's Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

(A) CONSERVATION OF ENERGY

(i)	the steps taken or impact on conservation of energy; Replacement of conventional lights of ratings – 264 KW with LED lights of ratings – 86 KW with the improvement of illumination level in various locations of plant and decreased/saved 2229 KWh/day by using LED lights then resulting saving of ₹42.07 Lacs/annum.	
(ii)	the steps taken by the Company for utilising alternate sources of energy;	-
(iii)	the capital investment on energy conservation equipment; The company has made an investment of ₹35 lacs for installing a new capacitor bank for better utilisation of active power.	

(B) TECHNOLOGY ABSORPTION

(i)	the efforts made towards technology absorption;	-
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	-
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) The details of technology imported (b) The year of import (c) Whether technology been fully absorbed (d) If not fully absorbed, areas where absorption has not taken place and the reason thereof; and	-
(iv)	the expenditure incurred on Research and Development	-

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Activities relating to export, initiatives to increase exports, developments of new export markets for Products and Services and Export Plan. The Company has continued to maintain focus and avail of export opportunities based on economic considerations.

2. Total foreign exchange used and earned (₹ in Lakhs)

		2021-22	2020-21
i)	Foreign Exchange Earned	1,26,373.77	74,605.91
ii)	Foreign Exchange Used	83,137.42	19,992.90

Annexure-III to the Board's Report

NOMINATION AND REMUNERATION POLICY

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and in accordance of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Key Objectives of the Committee would be:

a) to advise the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

b) to specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee and review its implementation and compliance.

c) to recommend to the Board on Remuneration in whatever form payable to the Directors, Key Managerial Personnel and Senior Management.

2. DEFINITIONS

(a) "Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

(b) "Board" means Board of Directors of the Company.

(c) "Key Managerial Personnel" (KMP) means—

(i) Chief Executive Officer or the Managing Director or the Manager;

(ii) Company Secretary;

(iii) Whole-time director;

(iv) Chief Financial Officer;

(v) such other officer not more than one level below the directors who is in whole-time employment, designated as Key Managerial Personnel by the Board; and

(vi) such other officer as may be prescribed.

d) Senior management shall mean officers/ personnel of the Company who are members of its core management team excluding Board of Directors. This would also include all members of management one level below chief executive officer/managing director/ whole time director/manager (including CEO/manager, in case they are not part of the Board) and including functional heads and shall specifically include Company Secretary & Chief Financial Officer.

3. ROLE OF COMMITTEE

The role of the Committee inter-alia will be the following:

a) To formulate of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

b) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board;

c) to recommend to the Board the appointment and removal of Director or KMP or Senior Management Personnel;

d) Formulate the criteria for effective evaluation of performance of Independent Directors, Board, its Committees and Individual Directors to be carried our either by the Board, by the Committee itself or by an independent external agency and review its implementation and compliance;

e) to carry out evaluation of Director's performance;

f) assessing the independence of independent directors;

g) to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;

h) making recommendations to the Board on the remuneration, in whatever form/fee payable to the Directors/KMPs/Senior Management so appointed/re-appointed;

i) ensure that level and composition of remuneration of Directors, KMP's and Senior Management is reasonable and sufficient. The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

j) the Committee is to assist the Board in ensuring Board nomination process with the diversity of gender, thought, experience, knowledge and perspective in the Board;

k) to develop a succession plan for the Board and Senior Management and to regularly review the plan;

l) to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

m) such other key issues/matters as may be referred by the Board or as may be necessary in view of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provision of the Companies Act, 2013 & Rules thereunder.

4. MEMBERSHIP

a) The Committee shall consist of a minimum 3 non-executive directors, two third of them being independent.

However, the Chairperson of the Company (whether executive or non—executive) may be appointed as a member of the Nomination and Remuneration Committee, but shall not chair such Committee.

b) Membership of the Committee shall be disclosed in the Annual Report.

c) Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRMAN

a) Chairman/Chairperson of the Committee shall be an Independent Director.

b) In the absence of the Chairman/Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

c) The Chairman of Nomination and Remuneration Committee shall attend the General Meeting or in his absence any member of the Committee authorized by him in this behalf shall attend the General Meeting of the Company to answer the shareholder's queries.

6. QUORUM

Either two (2) members or one third of the members of the Committee whichever is greater, with atleast one independent director shall constitute a quorum for the Committee meeting.

7. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held atleast once in a year or at such regular intervals as may be required.

8. COMMITTEE MEMBERS' INTERESTS

a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

9. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

10. VOTING

a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

11. POLICY ON BOARD DIVERSITY

The Nomination and Remuneration Committee shall ensure that Board of Directors have the combination of Directors from different areas / fields or as may be considered appropriate in the best interest of the Company. The Board shall have atleast one Board member who has accounting/ financial management expertise.

12. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

a) For appointment of any Directors/KMPs/ Senior Management, the Committee shall:

   i) assess the appointee against a range of criteria which includes but not limited to qualifications, skills, experience, integrity, background and other qualities required to operate successfully;

   ii) the extent to which the appointee is likely to contribute to the overall effectiveness, work constructively and enhance the efficiencies of the Company;

b) Ensuring that there is an appropriate induction & training programme in place for new Directors, Key Managerial Personnel's and members of Senior Management and reviewing its effectiveness;

c) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;

d) Determining the appropriate size and composition of the Board;

e) Follow a formal and transparent procedure for selecting new Directors for appointment to the Board, Key Managerial Personnel's and Senior Management Personnel;

f) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   i. use the services of an external agencies, if required;

   ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   iii. consider the time commitments of the candidates.

g) Establishing and reviewing Board and senior executive succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management;

h) Evaluating the performance of the Board members in the context of the Company's performance from business and compliance perspective;

i) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;

j) Delegating any of its powers to one or more of its members or the Secretary of the Committee;

k) Considering any other matters as may be requested by the Board.

13. TERM / TENURE

A. Appointment of Managing Director / Whole-time Director

The terms and conditions of appointment and remuneration payable to a Managing Director and Whole-time Director(s) shall be recommended by the Nomination and Remuneration Committee to the Board for its approval which shall be subject to approval by shareholders of the Company as per the applicable provisions of the Companies Act, 2013 and rules made thereunder and in compliance of the Listing Regulation, 2015 as amended time to time.

B. Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment for a period upto five years or such other period as may be stipulated on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

C. Removal/Retirement

Due to any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations. The Directors, KMP and Senior Management shall retire as may be recommended by the NRC and approved by the Board as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company.

D. Letter of Appointment

Each Independent/KMP/Senior Management, Director is required to sign the duplicate copy of the letter of appointment issued by the Company, which contains the terms and conditions of his/her appointment.

14. REMUNERATION DUTIES

The Committee will recommend the remuneration in whatever form/fee to be paid to the Managing Director, Whole-time Director, other Directors, Key Managerial Personnel and Senior Management Personnel to the Board for their approval.

The level and composition of remuneration/ fee so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration/fee to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

A. DIRECTOR/ MANAGING DIRECTOR

Besides the above Criteria, the Remuneration/ compensation/commission/fee/incentives to be paid to Director/Managing Director/ Whole Time Director shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

If any director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit prescribed by this section or without approval of members by way of Special Resolution, where required, he shall refund such sums to the company, within two years or such lesser period as may be allowed by the Company, and until such sum is refunded, hold it in trust for the company.

B. NON EXECUTIVE DIRECTORS INCLUDING INDEPENDENT DIRECTORS

The Non-Executive Directors (including Independent Directors) may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

A Company has profits in a financial year may pay remuneration to its Non-Executive Directors (including Independent Directors) within the limits as specified under Section 197 of the Companies Act, 2013 & rules thereto.

A company has no profits or its profits are inadequate, a Non-Executive Director (Including Independent Director) may receive remuneration, exclusive of any fees payable under sub-section (5) of section 197, in accordance with the provisions of Schedule V.

Except with the approval of the Company in the general meeting by a special resolution the overall Commission to the Non-Executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013 & rules thereto.

C. KEY MANAGERIAL PERSONNEL'S /SENIOR MANAGEMENT PERSONNEL ETC

The Remuneration to be paid to Key Managerial Personnel's/Senior Management Personnel shall be based on the experience, qualification, performance and expertise of the related personnel and governed by the limits, if any prescribed under the Companies

Act, 2013 and rules made thereunder or any other enactment for the time being in force and/or in accordance with HR Policy of the Company, wherever applicable.

D. DIRECTORS AND OFFICERS' INSURANCE

Where any insurance is taken by the Company on behalf of its Directors, Key Managerial Personnel's/Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

15(A). EVALUATION/ ASSESSMENT OF DIRECTORS OF THE COMPANY

The evaluation/assessment of the Directors, of the Company is to be conducted on an annual basis.

The following criteria may assist in determining how effective the performances of the Directors have been:

- Contributing to clearly defined corporate objectives & plans
- Obtain adequate, relevant & timely information from external sources
- Review of strategic and operational plans, objectives and budgets
- Regular monitoring of corporate results against projections
- Identify, monitor & take steps for mitigation of significant corporate risks
- Assess policies, structures & procedures
- Review management's succession plan
- Effective meetings
- Assuring appropriate board size, composition, independence, structure
- Clearly defining roles & monitoring activities of Committee
- Review of ethical conduct.

Additionally, for the evaluation/assessment of the performances of Managing Director(s)/ Whole Time Director(s) of the Company, following criteria may also be considered:

- Leadership abilities
- Communication of expectations & concerns clearly with subordinates
- Direct, monitor & evaluate KMPs, senior officials

Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.

The Executive Director/Non-Independent Directors along with the Independent Directors shall evaluate/assess each of the Independent Directors on the aforesaid parameters which shall also include the following:

(a) Performance of the Directors; and

(b) Fulfillment of the independence criteria as specified in LODR Regulations, 2015, as amended from time to time and their independence from the management.

Only the Director being evaluated shall not participate in the said evaluation discussion.

15(B). MANNER FOR EFFECTIVE EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS.

a) The Performance Evaluation of Directors, the Board as a whole, its Committees be carried out on Annual Basis.

b) The Performance Evaluation be carried out in the manner as enumerated in the Nomination and Remuneration Policy of the Company.

c) Nomination and Remuneration Committee should carry out the performance evaluation of all Directors, Key Managerial Personnel and Senior Officers of the Company and report to the Board of Directors for further evaluation.

d) The Board should carry out the Performance Evaluation of Independent Directors, Board as a whole and its Committees and individual Directors.

e) Only the Director being evaluated will not participate in evaluation discussions.

f) Review of implementation and monitoring of the above manner of Performance Evaluation be done as and when required.

16. PERFORMANCE EVALUATION OF KMPs/ SENIOR MANAGEMENT

The performance evaluation of KMPs/ Senior Management is measured with regard to the goals and objectives set for the year and increase in compensation & reward by way of variable bonus is linked to the evaluation of individual's performance. Additionally, industry benchmarks are also used to determine the appropriate level of remuneration, from time to time.

17. DISCLOSURE

The Remuneration policy and the evaluation criteria shall be disclosed in the Board's Report.

18. DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case. However this shall be subject to the approval of Board of Directors on the recommendation of Nomination and Remuneration Committee of the Company.

19. POLICY REVIEW

a. This Policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder and the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on the subject as may be notified from time to time.

b. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Nomination and Remuneration Committee and/or the Board of Directors.

Annexure-IV to the Board's Report

DIVIDEND DISTRIBUTION POLICY

A. Definitions:

i) 'Company' shall mean HEG Limited.

ii) 'Board' shall mean Board of Directors of the Company

iii) 'Members' shall mean shareholders of the Company who hold shares of the Company.

iv) 'Policy' shall mean Dividend Distribution Policy

B. Objective:

The objective of this document is to frame a policy for dividend distribution criteria of the Company.

C. Background:

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations"), the Company is required to formulate a Dividend Distribution Policy which shall be disclosed in the annual report and on the Company's website.

D. Policy:

The Board of the Company has approved this Dividend Distribution Policy to comply with these requirements.

The Company currently has only one class of shares, viz. equity, for which this policy is applicable. The policy is subject to review if and when the Company issues different classes of shares.

The circumstances under which Members may expect dividend are based on the following factors:

- Current year profits and outlook in line with internal and external environment.
- Operating cash flows.
- Funding growth needs including working capital, capital expenditure, repayment of debt, etc.
- Dividend payout trends (the dividend payout ratio will be calculated as a percentage of dividend (including dividend tax) recommended for the year to the net profit for that year).
- Tax implications if any, on distribution of dividends.
- Providing for unforeseen events and contingencies with financial implications.
- Any other relevant factor that the Board may deem fit to consider.

The Board may declare interim dividend(s) as and when they consider it fit and recommend the final dividend to the Members for their approval in the general meeting of the Company.

In case the Board proposes not to distribute the profit; the fact shall be disclosed in the Annual Report of the Company.

In the event of any conflict between the Act or the SEBI Regulations or any other statutory enactments ("Regulations") and the provisions of this policy, the Regulations shall prevail over this policy. Any subsequent amendment / modification in the Regulations, in this regard shall automatically apply to this policy.

THIS DOCUMENT DOES NOT SOLICIT INVESTMENTS IN THE COMPANY'S SECURITIES. NOR IS IT AN ASSURANCE OF GUARANTEED RETURNS (IN ANY FORM), FOR INVESTMENTS IN THE COMPANY'S EQUITY SHARES.

Annexure –V to the Board's Report

SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED 31ST MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
HEG Limited
Mandideep,
Near Bhopal, Distt Raisen
Madhya Pradesh-462046

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **HEG LIMITED (CIN: L23109MP1972PLC008290**) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year ended on 31st March, 2022 according to the provisions of:

I.

- The Companies Act, 2013 (the Act) and the rules made thereunder.
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder.
- Foreign Exchange Management Act, 1999 and rules and regulations made thereunder to the extent of External Commercial Borrowings.
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;

  b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; as amended from time to time;

  c. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

  d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time;

  e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;**(Not applicable to the Company during the audit period)**;

  f. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based

Employee Benefits) Regulations, 2014 notified on 28th October, 2014;**(Not applicable to the Company during the audit period)**;

g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;**(Not applicable to the Company during the audit period)**;

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;**(Not applicable to the Company during the audit period)**; and

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;**(Not applicable to the Company during the audit period)**;

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, etc. mentioned above.

II.

- The Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder
- The Air (Prevention and Control of Pollution) Act, 1981 and rules made thereunder
- The Environment (Protection Act 1986 and amended upto 1991) and The Environment (Protection) Rules 1986 & Amendment Rules, 2006
- The Hazardous Waste (Management Handling and Transboundary Movement) Rules, 2008 and amendment up to 2010
- Indian Boiler Act No. V of 1923 & amended 1960
- The Indian Electricity Act 2003, amendment up to 2007 and The Indian Electricity rule 1956 amended up to 2000
- Entry Tax Act, 1976 (Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976)
- Factories Act 1948 as amended in 1987 along with Madhya Pradesh Factories Rules, 1962
- Workmen's Compensation Act, 1923 and Workmen's Compensation (Madhya Pradesh) Rules, 1962 and Madhya Pradesh Workmen's Compensation (Occupational Diseases) Rules, 1963
- Employees' Provident Funds And Miscellaneous Provisions Act, 1952 as amended from time to time and rules made thereunder
- Employees' State Insurance Act, 1948 as amended from time to time and rules made thereunder
- Contract Labour (Regulation and Abolition) Act, 1970 as amended from time to time and rules made thereunder
- The Maternity Benefit Act, 1961 as amended from time to time and rules made thereunder
- Payment of Wages Act, 1936 as amended from time to time and rules made thereunder
- Minimum Wages Act, 1948 as amended from time to time and rules made thereunder
- The Payment of Bonus Act, 1965 as amended from time to time and rules made thereunder
- Manufacture, Storage and Import of Hazardous Chemicals Rules 1989 and Amendment Rules, 2000
- Public Liability Insurance Act, 1991 amended upto 1992 & Rules 1991 amended upto 2003
- Sexual harassment of women at the workplace (Prevention, Prohibition, Redressal) Act, 2013
- Private Security Agencies (Regulation) Act, 2009
- Goods and Services Tax Act, 2017

During the year under review, the Company has filed periodical return and has not received any show cause notice and has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have relied on the representation made by the Company and its officers on systems and mechanism formed by the Company for compliance under other Act, Laws and Regulations to the Company.

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Central Government
- The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while there has been no member dissenting from the decisions arrived.

We further report that, Mr. Davinder Kumar Chugh was appointed as Additional Director (Independent) of the Company w.e.f. 11th August, 2021, for the first term of 5 consecutive years subject to the approval of shareholders of the Company.

We further report that, Mr. Om Parkash Bahl retired from the post of directorship of the Company w.e.f. 29th August, 2021.

We further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **GSK & Associates**
(Company Secretaries)
FRN: P2014UP036000

Saket Sharma
Partner
(Membership No.: F4229)
(CP No.: 2565)
UDIN: F004229D000384125
PR No.: 2072/2022

Date: 25.05.2022
Place: New Delhi

Annexure-VI to the Board's Report

Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2021-22

1. **Brief outline on CSR Policy of the Company:** Refer to Point no. 30 of Board's Report

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i.	Shri Ravi Jhunjhunwala	Chairman, Managing Director & CEO	5	5
ii.	Shri Satish Chand Mehta	Non-Executive (Independent Director)	5	4
iii.	Smt. Vinita Singhania	Non- Executive Director	5	5

3. **Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

Weblink are as under:

Composition of CSR committee	:	https://hegltd.com/wp-content/uploads/2021/06/Composition-of-CSR-Committee.pdf
CSR Policy	:	https://hegltd.com/wp-content/uploads/2021/06/amended-csr-policy.pdf
CSR projects approved by the board are disclosed on the website of the company	:	https://hegltd.com/wp-content/uploads/2022/06/Annual-action-plan-2022-23.pdf

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.**

The Company has been conducting internal impact assessments to monitor and evaluate its all CSR programmes. The report on Impact assessment along with executive summary of its applicable CSR projects by Independent Agencies in terms of above rules are available on Company's website at link i.e. https://hegltd.com/impact-assessment/

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.**

Not Applicable

6. **Average net profit of the company as per section 135(5). :** ₹1,53,250 Lakhs

7.

(a)	**Two percent of average net profit of the company as per section 135(5).**	:	₹3,065 Lakhs
(b)	**Surplus arising out of the CSR projects or programmes or activities of the previous financial years.**	:	NIL
(c)	**Amount required to be set off for the financial year.**	:	NIL
(d)	**Total CSR obligation for the financial year (7a+7b-7c).**	:	₹3,065 Lakhs

8. **(a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹14,82,09,202	₹ 15,83,38,160	27th April, 2022	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year :

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project: State	Location of the project: District	Project duration	Amount allocated for the project (in ₹)	Amount spent in current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency: Name	Mode of Implementation - Through Implementing Agency: CSR Registration number
1.	Akshaya Patra Foundation, Bhopal	Eradicating hunger, poverty and malnutrition, promoting health care (including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation) and making available safe drinking water.	Yes	M.P	Bhopal	3 Yrs	14,52,46,160	-	4,02,46,160	No	Akshaya Patra Foundation	CSR00000286
2.	International Foundation for Research and Education-Ashoka University	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	Haryana	Sonepat	3 Yrs	10,00,00,000	2,50,00,000	3,50,00,000	No	International Foundation for Research and Education-Ashoka University	CSR00000712
3.	Sabhyata Foundation	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts	No	PAN India (including Delhi NCR)		3 Yrs	15,00,00,000	2,50,00,000	3,50,00,000	No	Sabhyata Foundation	CSR00021742
4.	Global Vikas Trust, Parli, Raisen*	Rural development projects	Yes	M.P	Bhopal	3 Yrs	12,30,92,000	7,50,00,000*	4,80,92,000	No	Global Vikas Trust	CSR00004400
							Total	**12,50,00,000**	**15,83,38,160**			

* includes an amount of ₹5,00,00,000 spent during the financial year before the Project classified as ongoing.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Loca area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Imple-mentation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Tribal areas of Raisen Distt. & surroundings -Diamond Chemist Bhopal	Eradicating hunger, poverty and malnutrition, [promoting health care including preventive health care] and sanitation [including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.	Yes	M.P	Bhopal	3,80,555	Yes	NA	NA
2.	Tribal areas of Raisen Distt. & surroundings -Sewa Bharti Bhopal		Yes	M.P	Bhopal	2,96,110	No	LNJ Bhilwara HEG Lok Nyas	CSR00003805
3.	RSDMA CSR Covid 19		No	Rajasthan	Ajmer	1,00,00,000	Yes	NA	NA
4.	PHD Family Welfare Foundation		No	Delhi	New Delhi	1,11,000	No	PHD Family Welfare Foundation	CSR00004544
5.	The Swabhiman Bhoj		No	Rajasthan	Ajmer, Bhilwara, Banswara	1,58,789	No	LNJ Bhilwara HEG Lok Nyas	CSR00003805
6.	Sulabh International Centre for Action Sociology	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	No	Delhi	New Delhi	2,00,000	No	Sulabh International Centre for Action Society	CSR00001004
7.	Maa Madhuri Brij Varis Sewa Sadan, Apna Ghar Sanstha, Bharatpur, Rajasthan		Yes	M.P	Bhopal	14,04,000	No	LNJ Bhilwara HEG Lok Nyas	CSR00003805
8.	Central Chinmaya Mission Trust	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	Maharashtra	Powai, Mumbai	2,50,000	No	The Central Chinmaya Mission Trust	CSR00008084
9.	Asha Niketan Deaf Education		Yes	M.P	Bhopal	1,21,500	No	LNJ Bhilwara HEG Lok Nyas	CSR00003805
10.	Sri Aurobindo Society		No	Pondicherry	Saint Martin, Pandicherry	10,00,000	No	Sri Aurobindo Society	CSR00000200
11.	Jagdamba Chandrakala Mathur Society for Development		No	Rajasthan	Ajmer	58,68,000	No	Jagdamba Chandrakala Mathur Society for Development	CSR00001879

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Loca area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Imple-mentation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
12.	People for Animals Trust	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].	No	Haryana	Faridabad	3,00,000	No	People for Animals Trust	CSR00007721
13.	Ramakrishna Mission Headquarters	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and work of art; setting up public libraries; promotion and development of traditional art and handicrafts.	No	West Bengal	Bally, Howrah	8,00,000	No	Ramakrishna Mission Headquarters	CSR00006101
					Total	**2,08,89,954**			

(d) Amount spent in Administrative Overheads: ₹23,19,248

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent (including administrative overheads) for the Financial Year: ₹14,82,09,202

(g) Excess amount for set off, if any: As under

Sl. No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	₹30,65,00,000
(ii)	Total amount Spent for the Financial Year : ₹14,82,09,202 Transferred to Unspent CSR Account as per Section 135(6) for ongoing projects : ₹15,83,38,160	₹30,65,47,362
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. **(a) Details of Unspent CSR amount for the preceding three financial years (₹ in Lakhs):**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the fund	Amount (in ₹)	Date of transfer	
1.	2020-21	-	-	-	-	-	-
2.	2019-20	-	-	-	-	-	-
3.	2018-19	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year.

Not applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

The Company has identified few CSR Projects undertaken by the Company as an ongoing projects, for which requisite amount have been transferred to Unspent CSR Account as per Section 135(6) of the Companies Act, 2013 read with relevant rules & Schedule VII. For more details, please refer to point no. 8 above.

For and on behalf of the Board of Directors

Ravi Jhunjhunwala

Place: Noida (U.P.)
Chairman, Managing Director & CEO

Dated: 25th May, 2022
DIN: 00060972

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Corporate Governance

The Company's Philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and all its interactions with the stakeholders including shareholders, employees, customers, government, suppliers and lenders and to build the confidence of the society in general. The Company believes in adopting the philosophy of professionalism, transparency and accountability in all areas and is committed to pursue growth by adhering to the highest national and international standards of Corporate Governance.

2. Board of Directors

(i) Composition

The Board has an appropriate composition of Executive, Non-Executive and Independent Directors. The composition of the Board satisfies the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Section 149 of the Companies Act, 2013, (hereinafter referred to as "the Act").

The Independent Directors on the Board are experienced, competent and reputed names in their respective fields. The Independent Directors take active part at the Board and Committee Meetings which adds value in the decision-making process of the Board of Directors. The Independent Directors constitute half of the total strength of Board as on 31st March, 2022, the details are as under:

Category of Directors	No. of Directors	% of total Directors
Independent Directors	5	50
Non Independent Non Executive Directors	3	30
Executive Directors	2	20
Total	**10**	**100**

As on 31st March, 2022, the details of composition of the Board, number of other Directorship, Chairmanship/ Membership of Committee of each Director in other Companies, attendance of Directors at the Board Meetings and last Annual General Meeting are given below:

Name of Director	Category of Directorship	No. of other Directorships* in Public Ltd. Companies	Number of Membership(s)/Chairmanship(s)** of Board Committees in other Companies as on 31.03.2022	No. of Board Meetings attended	Whether attended the last AGM (Yes/ No)
Shri Ravi Jhunjhunwala	Chairman, Managing Director & CEO -Promoter Executive	8	5 (including 2 as Chairman)	4	Yes
Shri Riju Jhunjhunwala	Vice-Chairman Promoter Non-Executive	6	1	4	No

Name of Director	Category of Directorship	No. of other Director-ships* in Public Ltd. Companies	Number of Member-ship(s)/Chairmanship(s)** of Board Committees in other Companies as on 31.03.2022	No. of Board Meetings attended	Whether attended the last AGM (Yes/ No)
Shri Shekhar Agarwal	Promoter Non-executive	4	3	4	Yes
Shri Manish Gulati	Executive Director	0	0	4	Yes
Dr. Kamal Gupta	Independent	5	7 (including 4 as Chairman)	4	Yes
Shri Davinder Kumar Chugh@	Independent	1	0	2	N.A.
Shri Satish Chand Mehta #	Independent	0	0	4	Yes
Smt. Ramni Nirula	Independent	4	3	4	Yes
Shri Jayant Davar	Independent	4	3	4	Yes
Smt. Vinita Singhania	Non-Executive	5	0	4	Yes
Dr. Om Parkash Bahl ##	Independent	0	0	2	Yes

Notes:

* Excludes Directorships in Private Limited Companies, Foreign Companies and Section 8 Companies.

** Only Audit Committee and Stakeholders Relationship Committee have been considered in terms of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. ("Listing Regulations"). Membership includes Chairmanship.

Re-appointed for a period of five years w.e.f. 23rd June, 2021. Approval of Members of the Company were obtained on 14th March, 2021 by way of Postal Ballot by passing special resolution.

Dr. Om Parkash Bahl had completed his tenure as Independent Director on 29th August, 2021.

@Appointed w.e.f. 11th August, 2021.

All Directors are in compliance with the limit on Directorships as prescribed under Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors are related to each other except Shri Ravi Jhunjhunwala and Shri Riju Jhunjhunwala, being relatives.

Independent Director means Director as mandated in Listing Regulations and Section 149(6) of the Companies Act, 2013. All the Independent Directors have given the declaration of their independence at the beginning of the financial year.

None of the Directors on the Board:

- is a member of more than 10 Board level committees and Chairman of 5 such committees across all the Public Companies in which he or she is a Director;
- holds directorships in more than ten public Companies;
- serves as Director or as Independent Director (ID) in more than seven listed entities; and
- who are the Executive Directors serves as ID in more than three listed entities.

All the Directors of the Company are appointed/ re-appointed by the Shareholders on the basis of recommendations of the Board and Nomination and Remuneration Committee.

The Board Meetings / Committee Meetings in financial year 2021-22 were held through Video Conferencing/ Physical and information as mentioned in Schedule II Part A of the SEBI Listing Regulations have been placed before the Board for its consideration. The process followed for holding the meeting through Video Conferencing was in compliance with the Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time

The Company also has a Risk Management Policy in place, procedures to inform Members of the Board about the risk assessment and minimization.

ii) Directorship in other listed entities including category of Directorship

Name of Director	Category of Directorship	Listed Entities
Shri Ravi Jhunjhunwala	Promoter-Non-Executive Non-Executive Independent Promoter-Non-executive Independent	RSWM Limited Maral Overseas Limited India Glycols Limited BSL Limited JK Lakshmi Cement Limited
Shri Shekhar Agarwal	Non-Executive Chairman, Managing Director & CEO-Promoter- Executive Chairman, Managing Director & CEO-Promoter-Executive Promoter-Non-Executive	RSWM Limited Maral Overseas Limited Bhilwara Technical Textiles Limited BSL Limited
Dr. Kamal Gupta	Independent Independent	Maral Overseas Limited RSWM Limited
Shri Davinder Kumar Chugh	Non-Executive-Nominee Director	Jayaswal Neco Industries Limited
Smt. Vinita Singhania	Vice Chairman, Managing Director Non-Executive Non-Executive Non-Executive	JK Lakshmi Cement Limited JK Paper Limited Bengal & Assam Company Limited Udaipur Cement Works Limited
Shri Riju Jhunjhunwala	Chairman, Managing Director & CEO–Promoter-Executive Promoter–Non-Executive	RSWM Limited Bhilwara Technical Textiles Limited
Shri Satish Chand Mehta	-	-
Smt. Ramni Nirula	Independent Non-Executive Independent Independent	PI Industries Limited DCM Shriram Limited Usha Martin Limited Kirloskar Brothers Limited
Shri Jayant Davar	Independent Managing Director	Jagran Prakashan Limited Sandhar Technologies Limited
Shri Manish Gulati	-	-

iii) Matrix of Core Skills/ Expertise/ Competencies of Directors in context of business of the Company.

The Matrix setting out the skills, expertise and competencies of Directors as on 31st March 2022, in context of business of the Company is as under:

		Skills/Expertise/Competence					
Sl. No.	Name of Director	Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities, the industry in which the Company operates and advising on domestic market and overseas market.	Behavioral skills – Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.	Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making.	Financial and Management skills.	Technical / Professional skills and specialized knowledge in relation to Company's business.	Environment, Health and Safety and Sustainability-Knowledge of working on environment, health and safety and sustainability activities.
1	Shri Ravi Jhunjhunwala	√	√	√	√	√	√
2	Shri Riju Jhunjhunwala	√	√	√	√	√	√
3	Shri Shekhar Agarwal	√	√	√	√		√
4	Dr. Kamal Gupta	√	√	√	√		√
5	Shri Davinder Kumar Chugh	√	√	√	√	√	√
6	Shri Satish Chand Mehta	√	√	√	√		√
7	Smt. Ramni Nirula	√	√		√		√

		Skills/Expertise/Competence					
Sl. No.	Name of Director	Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities, the industry in which the Company operates and advising on domestic market and overseas market.	Behavioral skills – Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.	Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making.	Financial and Management skills.	Technical / Professional skills and specialized knowledge in relation to Company's business.	Environment, Health and Safety and Sustainability-Knowledge of working on environment, health and safety and sustainability activities.
8	Smt. Vinita Singhania	√	√	√			√
9	Shri Jayant Davar	√	√	√	√		√
10	Shri Manish Gulati	√	√	√	√	√	√

iv. Shareholding of Non-Executive Directors

The number of Equity Shares of the Company held by Non- Executive Directors of the Company are as under:

Name of Director	No. of Equity Shares held
Dr. Kamal Gupta	189
Shri Riju Jhunjhunwala	1,356
Shri Jayant Davar	4

v. Board Meetings

The Board meets at least once in every quarter to review quarterly results and other items on the agenda. Additional meetings are held when necessary. Four Board Meetings were held during the financial year ended the 31st March, 2022 through Video Conferencing as permitted by relevant SEBI Circulars and MCA Circulars read with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014 under provisions of Companies Act, 2013. These were held on 27th May, 2021, 11th August, 2021, 09th November, 2021 and 9th February, 2022. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution by circulation, as permitted by law which is noted and confirmed in the subsequent Board Meeting. One resolution was passed by circulation on 11th June 2021.

Keeping in view the underlying objective of Green Initiatives, the Company has adopted a practice of making electronic presentation of the Agenda of Board Meeting and other Committee Meetings in the form of a power point presentation, wherever required. Adequate notice was given to all Directors w.r.t. the Board/ Committee Meetings held during the year. Agenda and detailed notes on agenda were sent well in advance so as to enable the Directors to become aware of all the facts on timely basis.

3. Audit Committee

The Audit Committee has been constituted by the Board in compliance with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

(i) Broad Terms of Reference

1. The Audit Committee at its discretion shall invite the Finance Director or Head of the Finance Function, Head of Internal Audit and a representative of the Statutory Auditor and any other such executives to be present at the meetings of the committee;

   Provided that occasionally the Audit Committee may meet without the presence of any of the executives of the Company.

2. The Audit Committee shall have the power to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if considered necessary;
3. The chairperson of the Audit Committee shall be an Independent Director and shall be present at Annual General Meeting to answer the shareholder's queries;
4. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
5. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
6. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
7. Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
   a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of Sub-Section 3 of Section 134 of the Companies Act, 2013
   b) Changes, if any, in accounting policies and practices and reasons for the same
   c) Major accounting entries involving estimates based on the exercise of judgement by management
   d) Significant adjustments made in the financial statements arising out of audit findings
   e) Compliance with listing and other legal requirements relating to financial statements
   f) Disclosure of any related party transactions
   g) Modified opinion(s) in the draft Audit Report.
8. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
9. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
10. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
11. Approval or any subsequent modification of transaction of the Company with related party;
12. Scrutiny of inter-corporate loans and investments;
13. Valuation of undertakings or assets of the Company, wherever it is necessary;

    Where a valuation is required to be made in respect of any property, stocks, shares, debentures, securities or goodwill or any other assets (herein referred to as the assets) or net worth of a Company or its liabilities under the provision of the Companies Act, 2013, it shall be valued by a person having such a qualifications and experience and registered as a valuer in such a manner, on such terms and conditions as may be prescribed and appointed by the Audit Committee or in its absence by the Board of Directors of the Company.

14. Evaluation of internal financial controls and risk management systems;
15. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
16. Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audits;

17. Discussion with Internal Auditors of any significant findings and follow up thereon;
18. Reviewing the findings of any internal investigations by the Internal Auditors into matter where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
19. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non- payment of declared dividends) and creditors;
21. To review the functioning of the Whistle Blower mechanism;
22. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate; and
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
24. The Audit Committee of the Company shall mandatorily review the following information:
    i. Management Discussion and Analysis of financial condition and results of operations.
    ii. Statement of Significant Related Party Transactions (as defined by the Audit Committee), submitted by management;
    iii. Management Letters/ Letters of Internal Control Weaknesses issued by the Statutory Auditors;
    iv. Internal Audit Reports relating to internal control weaknesses; and
    v. the appointment, removal and terms of remuneration of the Chief Internal Auditors shall be subject to review by the Audit Committee.
    vi statement of deviations:
        a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
        b. annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
25. The Internal Auditors may report directly to the Audit Committee;
26. The Audit Committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary;
27. All related party transactions shall require approval of the Audit Committee and the Committee may make omnibus approval for related party transactions proposed to be entered into by the Company on yearly basis;
28. The Audit Committee shall, after obtaining approval of the Board of Directors, specify the criteria for making the omnibus approval;
29. The Audit Committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval given;
30. The Audit Committee shall consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

ii) Composition of the Committee

The composition of the Audit Committee is as under:

Sl.No.	Name of Director	Designation	Category
1	Shri Satish Chand Mehta	Chairman	Independent Director
2	Shri Shekhar Agarwal	Member	Non-Executive Promoter Director
3	Dr. Kamal Gupta	Member	Independent Director
4	Shri Davinder Kumar Chugh*	Member	Independent Director
5	Dr. Om Parkash Bahl**	Member	Independent Director

*Appointed as member of Audit Committee w.e.f. 11th August, 2021.
** Ceased as member of Audit Committee w.e.f. 11th August, 2021.

All these Directors possess knowledge of corporate finance, accounts and corporate laws. The Statutory Auditors, Cost Auditors, Secretarial Auditor, Internal Auditors and Senior Executives of the Company are invited to attend the meetings of the Committee, whenever necessary. The Company Secretary acts as the Secretary of the Committee.

iii) Meetings and Attendance

During the financial year ended the 31st March, 2022, Four meetings were held through Video Conferencing as permitted by relevant SEBI Circulars and MCA Circulars read with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014 under provisions of Companies Act, 2013 on 27th May, 2021, 11th August, 2021, 09th November, 2021 and 09th February, 2022. The attendance at the above Meetings was as under:

Sl. No.	Name of Director	No. of meetings attended
1	Shri Satish Chand Mehta	4
2	Shri Shekhar Agarwal	4
3	Dr. Kamal Gupta	4
4	Shri Davinder Kumar Chugh*	2
5	Dr. Om Parkash Bahl**	2

* Appointed as member of Audit Committee w.e.f. 11th August, 2021.
** Ceased as member of Audit Committee w.e.f. 11th August, 2021.

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted by the Board in compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

i) Broad Terms of Reference

The terms of reference of the Committee as per the Nomination and Remuneration Policy of the Company inter-alia includes the following:

a) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board;

b) to recommend to the Board the appointment and removal of Director or KMP or Senior Management Personnel;

c) to carry out evaluation of Director's performance;

d) assessing the independence of Independent Directors;

e) to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;

f) making recommendations to the Board on the remuneration/fee payable to the Directors/ KMPs/ Senior Officials so appointed/re- appointed and remuneration, in whatever form, payable to senior management;

g) ensure that level and composition of remuneration of Directors, KMP's and Senior Management is reasonable and sufficient. The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

h) to devise a policy on Board's diversity;

i) to develop a succession plan for the Board and Senior Management and to regularly review the plan;

j) Specify the manner of effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by Board, the Nomination and Remuneration Committee or by independent external agency and review its implementation and compliance;

k) such other key issues/ matters as may be referred by the Board or as may be necessary in view of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provision of the Companies Act, 2013 and Rules thereunder.

ii. Composition of the Committee

The composition of the Nomination and Remuneration Committee is as under:

Sl. No.	Name of Director	Designation	Category
1	Dr. Kamal Gupta	Chairman	Independent Director
2	Smt. Ramni Nirula	Member	Independent Director
3	Shri Davinder Kumar Chugh*	Member	Independent Director
4	Dr. Om Parkash Bahl**	Member	Independent Director

*Appointed as member of Nomination & Remuneration Committee w.e.f. 11th August, 2021.
** Ceased as member of Nomination & Remuneration Committee w.e.f. 11th August, 2021.

The Company Secretary acts as Secretary of the Committee.

iii. Meetings and Attendance

During the financial year ended 31st March, 2022, three meetings were held through Video Conferencing as permitted by relevant SEBI Circulars and MCA Circulars read with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014 under provisions of Companies Act, 2013 on 27th May, 2021, 11th August, 2021 and 09th February, 2022.

The attendance at the above Meetings was as under:

Sl.No.	Name of Director	No. of meetings attended
1	Dr. Kamal Gupta	3
2	Smt. Ramni Nirula	3
3	Shri Davinder Kumar Chugh*	1
4	Dr. Om Parkash Bahl**	2

* Appointed as member of Nomination & Remuneration Committee w.e.f. 11th August, 2021.
** Ceased as member of Nomination & Remuneration Committee w.e.f. 11th August, 2021.

5. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee has been constituted by the Board in compliance with the requirements of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

i) Broad Terms of Reference

(1) Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants, annual reports, statutory notices by the shareholders of the Company.

ii) Composition of the Committee

The composition of the Committee is as under:

Sl. No.	Name of Director	Designation	Category
1	Shri Riju Jhunjhunwala	Chairman	Non-Executive Promoter Director
2	Shri Ravi Jhunjhunwala	Member	Executive-Promoter Director
3	Dr. Kamal Gupta	Member	Independent Director
4	Shri Davinder Kumar Chugh*	Member	Independent Director
5	Dr. Om Parkash Bahl**	Member	Independent Director

* Appointed as member of Stakeholders Relationship Committee w.e.f. 11th August, 2021.
** Ceased as member of Stakeholders Relationship Committee w.e.f. 11th August, 2021.

Shri Vivek Chaudhary, Company Secretary is the Compliance Officer of the Company.

iii) Meetings and Attendance

During the financial year ended 31st March, 2022, four meetings were held on 08th June, 2021, 27th August, 2021, 10th December, 2021, and 22nd February, 2022.

The attendance at the above Meetings was as under: -

Sl. No.	Name of Director	No. of Meetings attended
1	Shri Riju Jhunjhunwala	3
2	Shri Ravi Jhunjhunwala	3
3	Dr. Kamal Gupta	4
4	Shri Davender Kumar Chugh*	1
5	Dr. Om Parkash Bahl**	1

*Appointed as member of Stakeholders Relationship Committee w.e.f. 11th August, 2021.
** Ceased as member of Stakeholders Relationship Committee w.e.f. 11th August, 2021.

The Company received 38 complaints from Shareholders during the financial year 2021-22 and all were resolved to the satisfaction of the shareholders.

6. Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Companies Act, 2013.

i) Broad Terms of Reference

a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject specified in Schedule VII of the Companies Act, 2013;

b) Recommend and monitor the amount of expenditure to be incurred on the activities referred to in clause (a),

c) Monitor the Corporate Social Responsibility Policy of the Company from time to time; and

d) Any other functions as may deem fit by the CSR Committee/Board or as may be necessitated by any regulatory framework as amended from time to time.

ii. Composition of the Committee

The composition of the Corporate Social Responsibility Committee is as under:

Sl. No.	Name of Director	Designation	Category
1	Shri Ravi Jhunjhunwala	Chairman	Executive-Promoter Director
2	Smt. Vinita Singhania	Member	Non-Executive Director
3	Shri Satish Chand Mehta	Member	Independent Director

iii. Meetings and Attendance

During the financial year ended 31st March, 2022, five meetings were held out of which four meetings were held through Video Conferencing as permitted by relevant SEBI Circulars and MCA Circulars read with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014 under provisions of Companies Act, 2013 on 27th May, 2021, 11th August, 2021, 09th November, 2021 and 09th February, 2022 and one meeting was held physically on 22nd March, 2022.

The attendance at the above Meetings was as under: -

Sl. No.	Name of Director	No. of meetings attended
1	Shri Ravi Jhunjhunwala	5
2	Smt. Vinita Singhania	5
3	Shri Satish Chand Mehta	4

7. Risk Management Committee

The Risk Management Committee has been constituted by the Board in compliance with the requirements of Regulation 21 of the Listing Regulations.

i. Broad Terms of Reference

(1) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

(7) Revision/updation/implementation of SOPs relating to Cyber Security;

(8) Any other functions as may deem fit by the Risk Management Committee/Board or as may be necessitated by any regulatory framework as amended from time to time in connection with the risk management of the Company.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

ii. Composition of the Committee

Sl.No.	Name of Director	Designation	Category
1	Shri Ravi Jhunjhunwala	Chairman	Executive Promoter Director
2	Dr. Kamal Gupta	Member	Independent Director
3	Smt. Ramni Nirula	Member	Independent Director

iii. Meetings and Attendance

During the financial year ended 31st March, 2022, two meetings were held through Video Conferencing as permitted by relevant SEBI Circulars and MCA Circulars read with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014 under provisions of Companies Act, 2013 on 27th May, 2021 and 09th November, 2021.

The attendance at the above Meeting was as under: -

Sl.No.	Name of Director	No. of meeting attended
1	Shri Ravi Jhunjhunwala	2
2	Dr. Kamal Gupta	2
3	Smt. Ramni Nirula	2

8. Independent Directors' Meeting

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and also as per the Regulation 25 of Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 09th February, 2022 to review the performance of Non-Independent Directors (including the Chairman, Managing Director & CEO) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board & its Committees which is necessary to effectively and reasonably perform and discharge their duties. Further, the Independent Directors have included their names in the databank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

9. Performance Evaluation Criteria of Independent Directors

Pursuant to Regulation 17 of the Listing Regulations, evaluation of Independent Directors was carried out by the entire Board. Only the Independent Director being evaluated did not participate in the said evaluation discussion. All Independent Directors satisfies the independence criteria and are independent of management.

The Evaluation criteria for Independent Directors forms part of the Nomination and Remuneration Policy of the Company which is annexed in the Board's Report.

10. Familiarisation Programme

Pursuant to the Code of Conduct for Independent Directors specified under the Act and the SEBI Listing Regulations, the Company has in place a familiarization programme for all its Independent Directors. Such familiarization programmes help the Independent Directors to understand the Company's strategy, business model, operations, markets, organization structure, risk management etc. and such other areas as may arise from time to time. The Familiarization Programmes imparted to Independent Directors of the Company has been disclosed on its website and a weblink thereto is as under:

https://hegltd.com/wp-content/uploads/2022/04/Familiarization-programmes-imparted-to-IDs.pdf

11. Remuneration of Directors

i. Details of Remuneration paid to the Directors for the financial year ended 31st March, 2022.

(₹ in Lakhs)

Name of Director	Salary	Benefits	Commission	Bonuses	Stock Option & Pension	Sitting Fee	Total
Shri Ravi Jhunjhunwala	220.80	65.78	1541.00	-	-	-	1827.58
Shri Shekhar Agarwal	-	-	-	-	-	6.00	6.00
Dr. Kamal Gupta	-	-	-	-	-	12.00	12.00
Dr. Om Parkash Bahl*	-	-	-	-	-	4.90	4.90
Smt. Vinita Singhania	-	-	-	-	-	3.00	3.00
Shri Riju Jhunjhunwala	-	-	-	-	-	3.60	3.60
Shri Satish Chand Mehta	-	-	-	-	-	6.75	6.75
Smt. Ramni Nirula	-	-	-	-	-	6.40	6.40
Shri Jayant Davar	-	-	-	-	-	5.35	5.35
Shri Manish Gulati	98.02	29.44	100.00	-	-	-	227.46
Shri Davinder Kumar Chugh#	-	-	-	-	-	4.70	4.70

* Ceased on 29th August, 2021.
#Appointed w.e.f. 11th August, 2021

During the year under review, the Company had paid the sitting fees and reimbursed out of pocket expenses incurred for attending the meeting of the Board/Committees to the Non-Executive Directors including Independent Directors of the Company.

The appointment of Executive Directors, Key Managerial Personnel and other employees is by virtue of their employment with the Company, therefore, their terms of employment vis-a-vis salary, variable pay, service contract, notice period and severance fee, if any, are governed by the applicable policies at the relevant point in time.

ii. Criteria of making payments to Non-Executive/ Independent Director(s)

The criteria of making payments to Non-Executive Director/Independent Director(s) is available on the website of the Company and the weblink of the same is as under:

https://hegltd.com/wp-content/uploads/2018/08/Criteria-of-making-payments-to-Non-Executive-Directors.pdf

iii. Pecuniary Transactions

There are no pecuniary relationships or transactions of Non-Executive Directors vis-a-vis the Company that have a potential conflict with the interests of the Company.

12. Code of Conduct

The Company has a Code of Conduct for the Directors and Senior Management Personnel. This Code is a comprehensive code applicable to all Directors and members of the Senior Management. A copy of the Code has been put on the Company's website www.hegltd.com.

The Code has been circulated to all the Members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them. A declaration signed by the Chairman, Managing Director & CEO in this regard is given below:

"I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Conduct framed for Directors and Senior Management Personnel in respect of the financial year 2021-22."

13. Vigil Mechanism/Whistle Blower Policy

The Company is committed to pursue its business objectives in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour and has put in place a mechanism for reporting unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct. The Company has a Vigil Mechanism and Whistle-blower policy under which the employees or any other person are free to report. The Whistle-blower policy is available on the Company's website and a weblink thereto is as under:

https://hegltd.com/wp-content/uploads/2018/07/Whistle-Blower-Policy-08.05.2018.pdf

During the year, no personnel has been denied access to the audit committee and no complaints were received.

14. Prevention of Sexual Harassment of Women at Workplace

The protection against sexual harassment and right to work with dignity are universally recognized human rights. To provide safe working environment to women the LNJ Bhilwara Group has in place Policy on Prevention, Prohibition and Redressal against sexual harassment of Women Employees. The purpose of this policy is to communicate that LNJ Bhilwara Group has a "zero tolerance" approach towards sexual harassment to women at workplace. The disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, are as under:

(a) Number of complaints filed during the Year: NIL

(b) Number of complaints disposed off during the Year : NA

(c) Number of complaints pending as on end of the Year: NA

15. Disclosures

a) There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management, their Subsidiaries or relatives conflicting with Company's interest. The transactions with related parties are in the ordinary course of business and on arm's length basis. Suitable disclosure as required by the applicable Accounting Standards, has been made in the Annual Report. A web link for policy on dealing with related party transactions is as under:

https://hegltd.com/wp-content/uploads/2022/05/HEG_RPT-Policy_09.02.2022.pdf

b) No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during last three years.

c) The Company has complied with the requirements of the Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

d) The Senior Management Personnel of the Company have confirmed to the Board of Directors that they do not have any personal interest relating to material, financial and commercial transactions entered into with the Company that may have a potential conflict with the interests of the Company at large.

e) Commodity Price Risks and Commodity Hedging Activities:

In the recent times, sale and purchase of Graphite Electrodes have more or less commoditised, with customers preferring price as a key driver. The key raw material for the same is a petroleum based By-product. There is a clear relationship in the price movement of both, though with a small lead and lag effect. Both sourcing and sale contracts are short term these days and therefore offer ample opportunities for matching the Price movement on either side.

The Risk Management Framework includes inter-alia risk identification of raw material availability and cost, the markets for its products, foreign exchange etc. The functional heads / location heads are responsible for managing risk on various parameters and ensure implementation of appropriate and timely risk mitigation measures. Risks affecting the entire Company are discussed at Head Office. Risk perception and mitigation plan is presented to the Board on half yearly basis. With the constitution of the

Risk Management Committee, the same would also be discussed at the committee level and then placed before the Board.

There is no hedging mechanism for Company's material inputs as well as finished products in terms of price. The suppliers of Calcined Petroleum Needle coke (which is the key input) usually resort to annual quantity contract which is subject to the pricing to be discussed and mutually agreed on quarterly / half yearly basis. Therefore, it is not practically possible to provide data in the format as prescribed by SEBI circular dated 15th November, 2018. The pricing of electrodes (which is the key finished product) is usually fixed at the time of procuring order. In any case, the market conditions for Calcined Petroleum Needle coke and for finished electrodes are similar, such that changes in the prices of Calcined Petroleum Needle coke tend to remain in tandem (except for short transitional periods) with the price of the relevant finished electrodes. Therefore, there are no hedging arrangements with regard to future prices of Calcined Petroleum Needle coke. In view of the above factors, the price risk exposure is not material.

Company usually has foreign exchange exposure in the form of export receivables and payables for import, foreign currency loans and certain expenditure. The foreign currency risk exposures usually gets balanced and the resultant net asset / liability is not material. The position of unhedged currency wise foreign exchange risk exposure as on 31st March, 2022 is incorporated in note no. 46 to the Standalone Financial Statements.

f) The Company has a policy for determining Material Subsidiaries and the same is available on the Company's website and a weblink thereto is as under:

https://hegltd.com/wp-content/uploads/2020/07/Material-subsidary.pdf

At present the Company does not have any Subsidiary.

g) The Company has complied with all the applicable Accounting Standards.

h) The Chairman, Managing Director & CEO and Chief Financial Officer have certified to the Board, inter-alia the accuracy of financial statements and adequacy of Internal Controls for the financial reporting purpose as required under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31st March, 2022. The Annual Certificate given by the Chairman, Managing Director & CEO and the Chief Financial Officer is published in this report.

i) The Company also strives to adhere and comply with the following discretionary requirements specified under Regulation 27(1) and part E of the schedule II of the SEBI Listing Regulations, to the extent applicable:

   a) Modified opinion(s) in Audit Report: Company's financial statements have unmodified audit opinions.

   b) Reporting of Internal Auditor: Internal auditor of the Company directly reports to the Audit Committee. The Internal Auditor makes presentations and reports to the Audit Committee of the Company on a quarterly basis pertaining to the key internal audit findings and the action plan agreed with the Management.

j) The Audit Report contains unmodified audit opinion.

k) Total fee paid to Statutory Auditor for all services rendered is ₹33.81 Lakhs

l) No funds have been raised through preferential allotment or qualified institutions placement.

m) During the financial year 2021-22, the Board of Directors have accepted all the recommendations of its Committees.

n) The Company has obtained Directors & Officer insurance (D & O) policy for all the Directors including Independent Directors of the Company and details of same have been placed quarterly in the Audit Committee Meeting.

o) The Company has complied with the Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub- regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

16. Certificates

1. Certificate from JAIN VINEY & ASSOCIATES, Practicing Company Secretaries has been obtained that none of the Directors on Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI or Ministry of Corporate Affairs or any such authority. The certificate is reproduced as under:

CERTIFICATE UNDER REGULATION 34(3) OF SEBI (LODR) REGULATIONS, 2015

We JAIN VINEY & ASSOCIATES, Practicing Company Secretaries, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of HEG Limited (CIN: L23109MP1972PLC008290) having registered office at MANDIDEEP, NEAR BHOPAL, DIST RAISEN, MADHYA PRADESH-462046 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sl.No.	Name of Directors	DIN	Date of Appointment
1	RAMNI NIRULA	00015330	31/10/2018
2	KAMAL GUPTA	00038490	10/11/1994
3	VINITA SINGHANIA	00042983	31/10/2018
4	RAVI JHUNJHUNWALA	00060972	08/09/1979
5	RIJU JHUNJHUNWALA	00061060	30/04/2009
6	SHEKHAR AGARWAL	00066113	15/07/1996
7	JAYANT DAVAR	00100801	14/08/2019
8	SATISH CHAND MEHTA	02460558	23/06/2016
9	MANISH GULATI	08697512	01/03/2020
10	DAVINDER KUMAR CHUGH	09020244	11/08/2021

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Jain Viney & Associates**
Company Secretaries

Sd/-
Viney Kumar Jain
Company Secretary In Practice
M.No.: F 5376
CP. No.: 4614
PR Cert. No. 1234/2021
UDIN: F005376D000388451

Place: New Delhi
Date: 25th May, 2022

2. **CEO/CFO Certificate Under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is reproduced as under:**

CEO/CFO Certificate

Under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
HEG Limited

a) We have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March, 2022 and that to the best of our knowledge and belief:

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting in the Company and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit Committee:

   i) Significant changes in internal control over financial reporting during the financial year;

   ii) Significant changes in accounting policies during the financial year and the same have been disclosed in the notes to the financial statements; and

   iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Gulshan Kumar Sakhuja
Chief Financial Officer
M.No. 504626

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

3. **Statutory Auditor Certificate for compiling the conditions of Corporate Governance, is reproduced as under:**

Independent Auditors' Certificate on Corporate Governance

To the Members of
HEG Limited

This Certificate is issued in accordance with the terms of our engagement letter dated 15th May, 2022.

The accompanying Corporate Governance Report prepared by HEG Limited (hereinafter "the Company"), contains the details as specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") with respect to corporate governance for the year ended March 31, 2022.

Management's Responsibility

The compliance of the conditions of Corporate Governance as stipulated under the listing regulations along with preparation of the corporate governance report is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the accompanying Corporate Governance report, books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI") and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of accompanying Corporate Governance report, the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended March 31, 2022.

Other matter and Restriction on use

This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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

(Sanjiv Mohan)
Partner
Membership No.: 086066
UDIN: 22086066AKDSDS4995

Place: Ludhiana
Dated: 25th May, 2022

17. General Body Meetings

The last three Annual General Meetings were held as per detail below:

Date of AGM	Relevant Financial Year	Venue/Location where held	Time of Meeting	Whether any special resolution was passed
20th August, 2019	2018-2019	Mandideep, (Near Bhopal), Distt. Raisen, Madhya Pradesh – 462 046	3.00 P.M.	Yes
11th September, 2020	2019-2020	Video conferencing (VC) and/or other audio-visual means (OAVM), without physical presence of members. The venue of the AGM was deemed to be the Registered Office of the Company at Mandideep (Near Bhopal), Distt. Raisen – 462 046, Madhya Pradesh.	2.30 P.M.	Yes
28th July, 2021	2020-2021	Video conferencing (VC) and/or other audio-visual means (OAVM), without physical presence of members. The venue of the AGM was deemed to be the Registered Office of the Company at Mandideep (Near Bhopal), Distt. Raisen – 462 046, Madhya Pradesh.	11:00 A.M.	Yes

No Extra-ordinary General Meeting took place during the financial year 2021-22.

18. Postal Ballot

No special resolution was passed through postal ballot during the financial year 2021-22. Further, no Resolution has been proposed to be conducted through postal ballot.

19. Means of Communication

The Company publishes its quarterly results in leading national newspapers such as Business Standard in English language (all editions) and Nav Bharat in Hindi (Bhopal edition).

These results are displayed on the website of the Company along with other news releases and presentations, if any, made to institutional investors or to analysts among others. All other vital information is also placed on the website of the Company. The results are not sent individually to shareholders.

All price sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through NSE Electronic Application Processing System (NEAPS), NSE Digital Portal and BSE Listing Centre, for dissemination on their respective websites. The stock exchange filings are also made available on the investors section of the website of the Company at www.hegltd.com.

20. Disclosures Regarding Appointment/Re-Appointment of Directors in the ensuing Annual General Meeting

Re-appointment/Appointment of the following Directors are placed for Shareholders approval in the ensuing Annual General Meeting of the Company.

- Shri Manish Gulati (DIN: 08697512), Executive Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.
- Smt. Vinita Singhania (DIN: 00042983), Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment.
- Shri Davinder Kumar Chugh (DIN: 09020244) has been appointed as an Additional Independent Director by Board on 11th August, 2021 for first term of 5 consecutive years subject to approval of Shareholders. The Board recommends his appointment as an Independent Director of the Company for first term of 5 (five) consecutive years with effect from 11th August, 2021 upto 10th August, 2026 for shareholders approval in the ensuing Annual General Meeting

All the above appointment/re-appointments have been recommended by Nomination and Remuneration Committee.

The Board hereby recommends all the above appointment/re-appointment for approval of shareholders in the ensuing Annual General Meeting.

The requisite disclosures in respect of the above is attached as an Annexure at page no. 87 of this report.

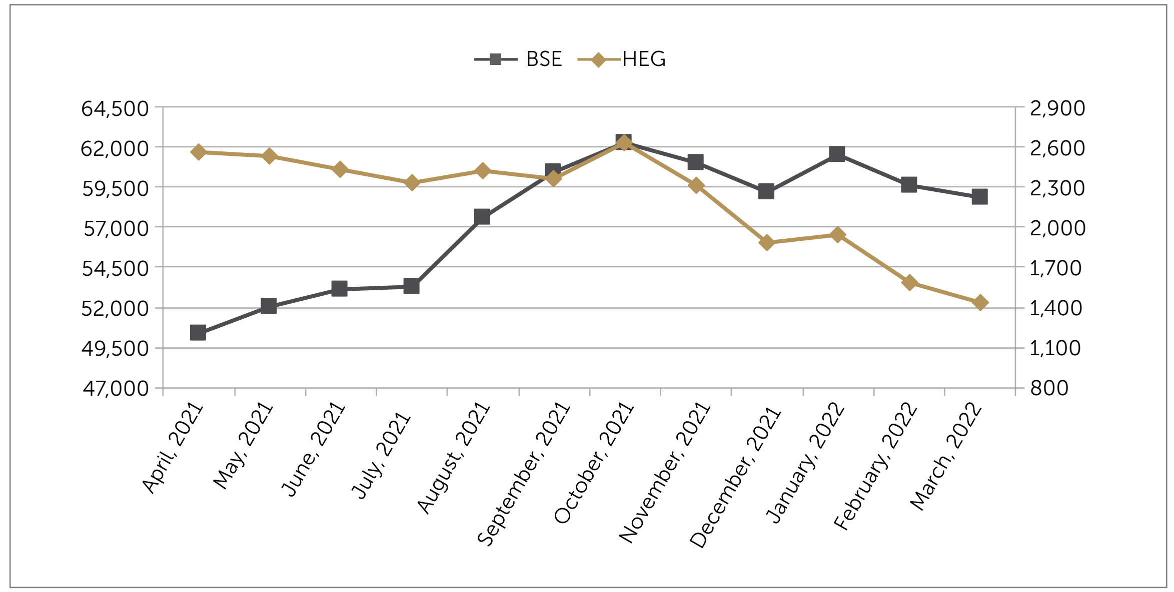
21. Shareholders' Information

a)	Annual General Meeting (AGM): Date, Time & Venue	Thursday, 1st September, 2022 at 11.30 A.M. through Video Conferencing / Other Audio Visual Means facility (Deemed Venue for Meeting: Registered Office at Mandideep (Near Bhopal), Distt. Raisen – 462046, Madhya Pradesh).
b)	Financial Year	Financial Year: 1st April, 2021 – 31st March, 2022.
c)	Date of Book Closure	Friday, 26th August, 2022 to Thursday, 1st September, 2022 (both dates inclusive)
d)	Dividend payment date:	The Final Dividend, if declared will be paid within 30 days from the date of AGM. The same is subject to TDS. You may visit www.hegltd.com for details.
e)	Listing of Shares on Stock Exchanges	**1. BSE Limited** BSE- Corporate Office Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001 Phones : (022) 22721233/4, (022) 66545695 (Hunting) Fax : (022) 22721919 **2. National Stock Exchange of India Limited** NSE – Corporate Office Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Phones: (022) 26598100 – 8114 Fax No: (022) 26598120
f)	Payment of Listing Fees	Annual Listing fees as applicable have been duly paid.
g)	Stock Code / ISIN	Equity Shares : BSE: 509631 NSE : HEG ISIN : INE545A01016
h)	Whether S&P BSE 500 Index	Yes

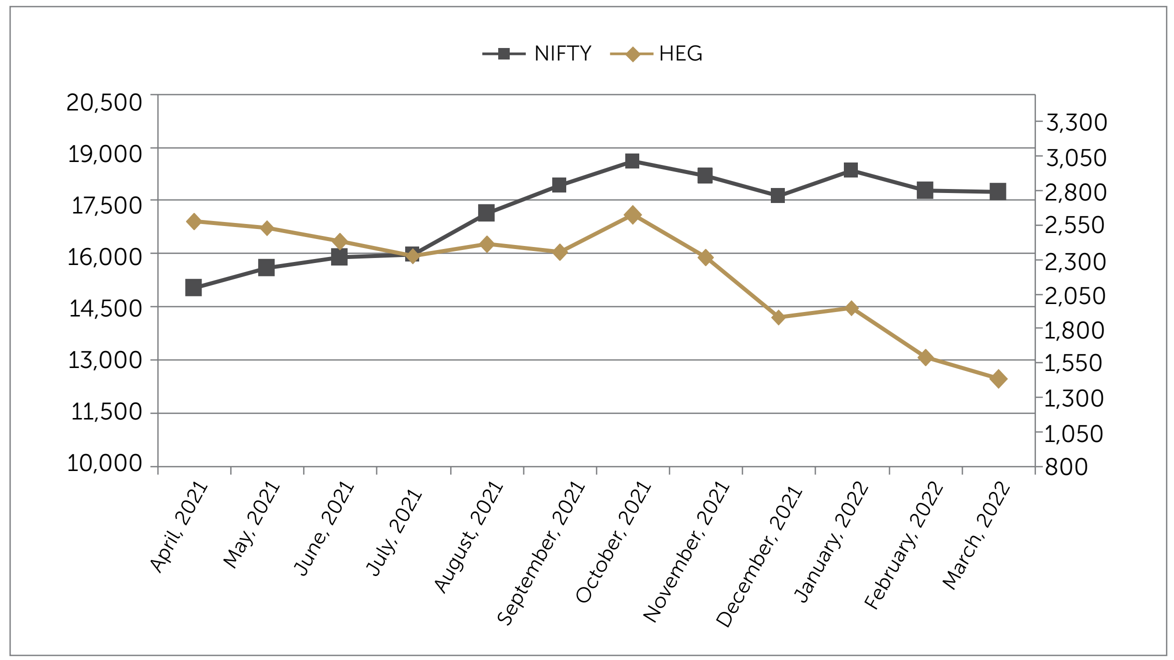
i) (a) Market Price Data: Monthly High-Low values (in ₹) at NSE & BSE and comparison with BSE Sensex and Nifty:

Month	NSE		BSE		BSE SENSEX		NIFTY	
	High	Low	High	Low	High	Low	High	Low
April, 2021	2,580.00	1,478.00	2,564.00	1,480.00	50,375.77	47,204.50	15,044.35	14,151.40
May, 2021	2,530.00	2,080.25	2,530.00	2,080.00	52,013.22	48,028.07	15,606.35	14,416.25
June, 2021	2,430.05	1,925.05	2,427.90	1,924.45	53,126.73	51,450.58	15,915.65	15,450.90
July, 2021	2,327.80	2,150.00	2,328.05	2,150.85	53,290.81	51,802.73	15,962.25	15,513.45
August, 2021	2,418.00	1,806.00	2,418.50	2,096.10	57,625.26	52,804.08	17,153.50	15,834.65
September, 2021	2,360.00	2,125.00	2,360.00	2,125.80	60,412.32	57,263.90	17,947.65	17,055.05
October, 2021	2,629.00	1,940.85	2,626.15	1,938.80	62,245.43	58,551.14	18,604.45	17,452.90
November, 2021	2,316.00	1,750.00	2,316.65	1,759.60	61,036.56	56,382.93	18,210.15	16,782.40
December, 2021	1,882.35	1,513.05	1,880.00	1,514.40	59,203.37	55,132,68	17,639.50	16,410.20
January, 2022	1,945.75	1,512.00	1,944.75	1,512.05	61,475.15	56,409.63	18,350.95	16,836.80
February, 2022	1,590.00	1,032.00	1,588.80	1,030.75	59,618.51	54,383.20	17,794.60	16,203.25
March, 2022	1,439.65	1,085.10	1,438.00	1,083.15	58,890.92	52,260.82	17,759.80	15,671.45

(b) Comparative chart of Company's share price movement vis-a-vis the movement of BSE Sensex during FY 2021-2022:



(c) Comparative chart of Company's share price movement vís-à-vís the movement of Nifty during FY2021-2022:



j) Registrar and Transfer Agent (RTA)

M/s. MCS Share Transfer Agent Limited

F-65, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020

Phone: 011-41406149 – 52, Fax: 011-41709881

E-mail Id: helpdeskdelhi@mcsregistrars.com

k) Share Transfer System

SEBI had mandated that, effective from 1st April, 2019, securities of listed companies can only be transferred in dematerialized form except where the claim is lodged for transmission or transposition of shares. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Further pursuant to SEBI Circular dated January 25, 2022 on "Issuance of Securities in dematerialized form in case of Investor Service Requests" the Company/RTA has started issuing 'Letter(s) of Confirmation' in lieu of physical share certificate(s) to the concerned shareholder(s)/ claimant(s). During the year, the Company had obtained, a certificate, from a Company Secretary in practice, as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and filed copy of the same with the Stock Exchanges.

l) Distribution of shareholding as on 31st March, 2022:

No. of Equity Shares held	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1-500	1,41,708	98.63	51,73,792	13.40
501-1,000	1,096	0.76	8,10,103	2.10
1,001-2,000	467	0.33	6,69,784	1.74
2,001-3,000	144	0.10	3,62,822	0.94
3,001-4,000	48	0.03	1,69,136	0.43
4,001-5,000	41	0.03	1,87,424	0.49
5,001-10,000	70	0.04	4,81,980	1.25
10,001&above	109	0.08	3,07,40,465	79.65
Total	1,43,683	100.00	3,85,95,506	100.00

m) Category of Shareholders as on 31st March, 2022:

Category	No. of shares held	% of shareholding
Promoters and Promoter Group	2,12,77,642	55.13
Mutual Funds	6,36,212	1.65
Financial Institutions / Banks / Central Govt. / State Govt. Institutions	2,267	0.00
Insurance Companies	25,26,155	6.55
Alternate Investment Funds	400	0.00
Foreign Institutional Investors	34,33,858	8.90
Bodies Corporate	14,30,153	3.71
Individuals	73,31,392	19.00
Others:		
I) Trusts	350	0.00
II) IEPF	2,33,039	0.60
III) NRI Individuals	2,29,666	0.59
III) Overseas Corporate Body	14,85,619	3.85
IV) NBFCs' Registered with RBI	8,753	0.02
Total	**3,85,95,506**	**100.00**

Note: Pursuant to Regulation 31A(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for Re-classification of Mekima Corporation, a member of Promoter group from "Promoter and Promoter Group" Category to "Public" Category, an application had been submitted to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on 17th March, 2021 by HEG Limited. Consequent to the approval for re-classification received from both the Stock Exchanges (BSE and NSE) on 6th August, 2021, Mekima Corporation is not part of Promoter Group of the Company.

n)	**Dematerialization of shares and liquidity.**	3,81,98,170 equity shares were dematerialized till 31st March, 2022 which was 98.97 % of the total paid-up Equity Share Capital of the Company on that date. The Company has sent communication to the shareholders encouraging them to dematerialize their physical holding in the Company. During the year, requests for dematerialization of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) within the statutory time limit from the date of receipt of share certificates and related documents. Trading in equity shares of the Company is permitted only in dematerialized form. Your attention is drawn to recent SEBI Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 on the Issuance of Securities in dematerialized form in case of Investor Service Requests, wherein it has been decided by the SEBI vide Gazette Notification no. SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022 that listed companies shall henceforth issue the securities in dematerialized form only while processing the service request relating to issuance of duplicate shares, transmission, endorsement etc. For more details, please refer to Investor Service Request head under Investors Section of website of the Company i.e. www.hegltd.com.
o)	**Commodity price risk or foreign exchange risk and hedging activities**	Please refer point no, 15(e) above and the head Risks and its mitigation, which forms part of Management Discussion and Analysis.
p)	**Outstanding GDRs/ADRs/warrants or any Convertible instruments, conversion date and likely impact on equity.**	There are no such instruments outstanding as on 31st March, 2022.
q)	**Plant Locations**	a) Mandideep (Near Bhopal), Distt. Raisen- 462046, Madhya Pradesh. b) Village Ranipur, Tawa Nagar, Distt. Hoshangabad – 461001 Madhya Pradesh.
r)	**Address for correspondence**	HEG Limited, Secretarial Department Bhilwara Towers, A-12, Sector –1, Noida - 201301 Phone: 0120-4390300, 4390000 Fax: 0120- 4277841 E-mail: heg.investor@lnjbhilwara.com

s) Transfer of Shares to the Investor Education and Protection Fund (IEPF)

Attention to the members is drawn to the provisions of Section 124(6) of the Companies Act, 2013 ('the Act'), read with relevant Rules, the Company is required to transfer the shares for which dividend has not been paid or claimed for 7 consecutive years or more to Investor Education and Protection Fund (IEPF).

The Company had sent individual communication to Members whose shares were liable to be transferred under the Rules at their registered address informing them of the above and for taking appropriate action.

Accordingly, the Company has transferred the equity shares in respect of which dividend upto 2013-14 has not been claimed or paid for a period of seven consecutive years or more to the IEPF.

The details are also available on website at www.hegltd.com and website of IEPF Authority at www.iepf.gov.in. No claim shall lie against the Company in respect of unclaimed dividend amounts and the corresponding shares transferred to IEPF, pursuant to relevant Rules. Members should note that both the unclaimed dividend and the shares transferred to IEPF can be claimed back by them from IEPF Authority by submitting an online application in web Form No. IEPF-5 available on the website of the IEPF Authority (www.iepf.gov.in) and sending a duly signed physical copy of the same alongwith requisite documents enumerated in the Form No. IEPF-5 duly completed in all respect, to the Company.

The details of unclaimed dividend and shares transferred to IEPF during the financial year 2021-22 are given hereunder:

Financial Year	Amount of unclaimed dividend transferred (₹ in Lakhs)	Number of shares transferred
2013-14	30.40	12,946

Tentative schedule for transfer to IEPF is as under:

Date of Declaration of Dividend	Financial Year	Tentative Schedule for transfer to IEPF
22-09-2015	2014-15	23-10-2022
08-02-2018	2017-18 (Interim)	12-03-2025
23-07-2018	2017-18 (Final)	23-08-2025
31-10-2018	2018-19 (Interim)	05-12-2025
20-08-2019	2018-19 (Final)	24-09-2026
11-02-2020	2019-20 (Interim)	18-03-2027
27-07-2021	2020-21 (Final)	02-09-2028

t) Investor Service Requests -Furnishing of PAN, KYC details & Nomination

Your kind attention is also drawn to the recent SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, wherein it has been decided by the SEBI to mandatorily update the PAN, KYC (including contact details viz. Email address / Mobile no.), Nomination details, Bank Account details and Specimen Signature of all Shareholders holding shares in physical form and compulsory linking of PAN with Aadhar number by all Shareholders. SEBI has also stipulated in the said circular that if the Shareholders holding shares in physical mode do not submit / update the above said information / details / documents with RTA of the Company by 31st March, 2023, then such folios shall be frozen by RTA on or after 1st April, 2023 as per directive issued by the SEBI. Therefore, Shareholders who have yet not updated the above said information / KYC details are requested to download the necessary Forms from the website of the Company i.e. www.hegltd.com under head Investors > Investor Service Request >Updation of PAN, KYC, Nomination and Bank Account Details etc. and submit the same duly completed in all respect to our RTA at their address.

u) Credit Rating

HEG Limited's Long-Term Issuer Rating is 'IND AA-' issued by India Ratings and Research (Ind-Ra) vide its letter dated 13th July, 2021. The Outlook is Stable. All credit ratings obtained by the Company are disclosed on the website of the Company i.e. www.hegltd.com. No credit rating has been obtained for any fixed deposit programme during the financial year 2021-22.

v) Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

During the Financial Year 2021-22, the Company has not given any Loans and advances in the nature of loans to firms/companies in which directors are interested.

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

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

Annexure

Details of Directors eligible for appointment/re-appointment pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2.

Name of Director	Smt Vinita Singhania	Shri Davinder Kumar Chugh*	Shri Manish Gulati
DIN	00042983	09020244	08697512
Category of Directorship	Non-Executive	Independent	Executive
Date of Birth	12.03.1952	20.07.1956	29.07.1969
Age	70 years	66 Years	53 Years
Date of Appointment on the Board	31st October, 2018	11th August, 2021	1st March, 2020
Qualification	Graduate in Arts.	MBA, B.Sc and LL.B	BSc (Statistics), BE (Electronics), and MBA (Marketing and Finance).
Experience	Smt. Vinitia Singhania is an Industrialist with diversified business experience. She is the Vice Chairman and Managing Director of JK Lakshmi Cement Ltd. and has a very long experience of managing cement business in particular. She was the First Woman President of Cement Manufacturers 'Association (CMA) as well as National Council for Cement and Building Materials (NCBM).	Shri Davinder Kumar Chugh has had a successful career at ArcelorMittal spanning over twenty years, of which the last ten years were served at Group Management Board level. 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).	Shri Manish Gulati is BSc (Statistics) Agra University, BE Electronics, Pune University and MBA (Marketing and Finance), FMS Delhi University having professional experience of more than 29 years. He has been associated with our Company (HEG Limited) for more than 28 years. Starting his career from marketing, he developed an in-depth understanding of the customers, Product application, Quality, Customer service, Production planning etc. Over some past years, he has been spending more and more time at the plant and has accumulated tremendous knowledge of operations, technical processes, projects, power plant, HR , R&D etc besides his core strength of marketing and commercial. Prior to elevation on Board, he was Chief Operating Officer and Chief Marketing Officer of the Company.
No. of other Directorships in Public Limited Companies	1. JK Paper Limited 2. Udaipur Cement Works Limited 3. Bengal & Assam Company Limited 4. JK Lakshmi Cement Limited 5. JKLC Employees' Welfare Association Limited	1. Jayaswal Neco Industries Limited	Nil
Chairman/Member of the Committees of the Board of Directors of the Company.#			
Audit Committee	Nil	Member	Nil
Stakeholders Relationship Committee	Nil	Member	Nil

Chairman/Member of the Committees of the Board of Directors of the other Companies.#			
Audit Committee	Nil	Nil	Nil
Stakeholders Relationship Committee	Nil	Nil	Nil
Listed Entities from which the Director has resigned in the past three years	Nil	Nil	Nil
No of Equity Shares held in the Company as on 31st March, 2022.	Nil	Nil	Nil
Number of Board Meetings attended during the year	4/4	2/4 (Appointed on the Board of the Company w.e.f. 11th August, 2021).	4/4
Terms and conditions of appointment/ re-appointment	Non-Executive Director, liable to retire by rotation.	Independent Director, not liable to retire by rotation.	Executive Director, liable to retire by rotation.
Remuneration sought to be paid and the remuneration last drawn	See Note given below.	See Note given below.	Mentioned in the item no.7 of the Notice of AGM and explanatory statement thereto. The remuneration drawn was ₹ 227.46 Lakhs
Relationship with other Directors, Manager and Key Managerial Personnel	No relationship with other Director, Manager and Key Managerial Personnel.	No relationship with other Director, Manager and Key Managerial Personnel.	No relationship with other Director, Manager and Key Managerial Personnel.
Justification for choosing the Independent Director	Not Applicable	As per Explanatory Statement of Notice.	Not Applicable
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Refer point no. 2 (iii) of Corporate Governance Report	As per the Explanatory Statement of Notice and also refer to point no. 2 (iii) of Corporate Governance Report	Refer point no. 2 (iii) of Corporate Governance Report

#Audit Committee and Stakeholders Relationship Committee have been considered.

*Shri Davinder Kumar Chugh was appointed as an Additional Independent Director on the Board of the Company w.e.f. 11th August, 2021 for the first term of five consecutive years, subject to the approval of shareholders. He will be appointed as an Independent Director of the Company in the ensuing Annual General Meeting for first term of 5 (five) consecutive years with effect from 11th August, 2021 upto 10th August, 2026.

Note: The Non-Executive Directors (including Independent Directors) are paid sitting fee for attending meetings of Board of Directors, Independent Directors and various Committee of Directors etc. in accordance with Nomination and Remuneration Policy of the Company.

BUSINESS RESPONSIBILITY REPORT

Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

About this report

The Securities and Exchange Board of India (SEBI) as per its Listing Obligations and Disclosure Requirements Regulations, 2015 has mandated the inclusion of a "Business Responsibility Report" (BRR) as part of Company's Annual Report for top 1000 listed entities based on market capitalization at the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The reporting framework is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)' released by the Ministry of Corporate Affairs, Government of India, in July 2011, which contains 9 Principles and Core Elements for each of these 9 Principles. Following is the Fifth Business Responsibility Report of HEG Ltd which is based on the format suggested by the SEBI. Any feedback related to this report may be sent to manish.gulati@lnjbhilwara.com

Furthermore, SEBI, in its meeting held on March 25, 2021 followed by an amendment to Regulation 34(2)(f) of the SEBI LODR vide Gazette notification no. SEBI/LAD-NRO/GN/2021/22 dated May 05, 2021, has introduced a new sustainability reporting requirement called as Business Responsibility and Sustainability Report (BRSR) which would replace the existing BRR. The BRSR is applicable to the top 1000 listed entities (by market capitalization), for reporting on a mandatory basis from the Financial Year (FY) 2022-23 and the Company will comply with the requisite provisions as per the SEBI guidelines from its effective date.

The BRR for FY 2021-22 describing the initiatives undertaken by your Company in the prescribed format is given below:

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L23109MP1972PLC008290
2.	Name of the Company	HEG Limited
3.	Registered address	Mandideep (Near Bhopal), Distt. Raisen – 462 046, Madhya Pradesh
4.	Website	www.hegltd.com
5.	E-mail id	heg.investor@lnjbhilwara.com
6.	Financial Year reported	2021-22
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Graphite Electrode (NIC Code 329)
8.	List three key products/services that the Company manufactures/provides (as in Balance Sheet)	Graphite Electrodes & Power
9.	Total number of locations where business activity is undertaken by the Company	
	a) Number of International Locations (Provide details of major 5)	Nil
	b) Number of National Locations	02
10.	Markets served by the Company - Local / State / National/ International	India, USA, Europe, Korea, Saudi Arabia, Turkey, Egypt, UAE, South Africa .

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	₹38.60 Crores
2.	Total Turnover (INR)	₹2201.61 Crores
3.	Total profit/(Loss) after taxes (INR)	₹390.58 Crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2%. (₹30.65 Crores)
5.	List of activities in which expenditure in 4 above has been incurred	The Company is engaged in following inter-alia CSR activities: Eradicating hunger, poverty and malnutrition; Promoting health care and sanitation; Providing safe drinking water; Promoting education and skill development; Promoting gender equality, empowering women, Setting up old age homes, day care centers and other facilities for senior citizens; Ensuring environmental sustainability and ecological balance; Protection of national heritage, art and culture, Rural Development Projects. For Details please refer to Annexure VI of Board's Report

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? – No.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) : NA
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] : No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

A. Details of the Director responsible for implementation of the BR policy/policies

a) DIN: 00060972

b) Name: Shri Ravi Jhunjhunwala

c) Designation: Chairman, Managing Director & CEO

B. Details of the BR head

a) DIN Number: 08697512

b) Name: Shri Manish Gulati

c) Designation: Executive Director

d) Telephone number: 07480-405500, 233524 to 233527

e) e-mail id: manish.gulati@lnjbhilwara.com

2. Principle-wise (as per NVGs) BR Policy/policies

a) Details of compliance (Reply in Y/N)

No.	Questions	P1 Ethics, transparency & accountability	P2 Sustainability throughout the life-cycle of the product	P3 Employee well-being	P4 Responsive towards stake-holders	P5 Promotion of human rights	P6 Environm-ental protection	P7 Responsible public policy advocacy	P8 Inclusive growth & equitable development	P9 Customer value
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	NA	Y NEMA Standards are followed	Y OHSAS 18001	NA	NA	Y ISO 14001, ISO 9001	NA	NA	NA
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ Owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the Implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6	Indicate the link for the policy to be viewed online#	1. Code of Conduct 2. Whistle Blower Policy 3. Code of Fair Disclosure of Unpublished Price Sensitive Information 4. Policy on Related Party Transactions 4. Policy on Disclosure on Material Events and Information 5. Policy for dealing with any leak in UPSI and Whistle Blower Policy for Employee to report any leak or suspected leak of UPSI	1. Quality and Safety Policy	1 Code of Conduct 2. Whistle Blower Policy 3. Prevention, Prohibition and Redressal against Sexual Harassment of Women Employees	1. Whistle Blower Policy 2. Prevention, Prohibition and Redressal against Sexual Harassment of Women Employees 3. Dividend Distribution Policy 4. Shareholder / Investor Services	1. Whistle Blower Policy 2. Prevention, Prohibition and Redressal against Sexual Harassment of Women Employees	1. Quality Policy 2. Safety Policy 3. Environ-ment Policy		1. CSR Policy	1. Quality Policy 2. Share-holders / Investors Services
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Ethics, transparency & accountability	Sustainability throughout the life-cycle of the product	Employee well-being	Responsive towards stake-holders	Promotion of human rights	Environm-ental protection	Responsible public policy advocacy	Inclusive growth & equitable development	Customer value
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	Y, OHSAS 18001 Certification	N	N	Y, ISO 14001, Certification ISO 9001	NA	N	N
		ED, CFO and Internal Audit Department monitor policy implementation and progress on initiatives and actions through periodic reviews.								
	# Link for Policies	**CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT** https://hegltd.com/wp-content/uploads/2017/02/CODE_OF_CONDUCT_HEG_05-02-2015.pdf **CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPUBLISHED PRICE SENSITIVE INFORMATION** https://hegltd.com/wp-content/uploads/2019/04/Code-of-Fair-Discloures-and-Conduct-final1-1.pdf **DIVIDEND DISTRIBUTION POLICY** https://hegltd.com/wp-content/uploads/2018/04/Dividend-Distribution-Policy.pdf **WHISTLE BLOWER POLICY** https://hegltd.com/wp-content/uploads/2018/07/Whistle-Blower-Policy-08.05.2018.pdf **POLICY ON RELATED PARTY TRANSACTIONS** https://hegltd.com/wp-content/uploads/2022/05/HEG_RPT-Policy_09.02.2022.pdf **POLICY ON DISCLOSURE ON MATERIAL EVENTS AND INFORMATION** https://hegltd.com/wp-content/uploads/2022/05/HEG_Determination-Materiality-of-Events_09.02.2022.pdf **QUALITY AND SAFETY POLICY** https://hegltd.com/quality-safety-policy/ **PREVENTION, PROHIBITION AND REDRESSAL AGAINST SEXUAL HARASSMENT OF WOMEN EMPLOYEES** https://hegltd.com/wp-content/uploads/2022/02/Sexual-Harrassment-Policy_January-2020.pdf **SHAREHOLDER / INVESTOR SERVICES** http://hegltd.com/#								

The policies are accessible to the employees always and are available on the intranet. The policies that are relevant to other stakeholders are communicated to them, time-to-time.

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	Principle 7: Responsible public policy advocacy
1	The company has not understood the Principles	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-
3	The company does not have financial or manpower resources available for the task	-
4	It is planned to be done within next 6 months	-
5	It is planned to be done within the next 1 year	-
6	Any other reason (please specify)	HEG is member of various Industrial and trade bodies and is part of task forces and forums within these bodies. We actively participate in these forums on issues and policy matters that impact the interest of our stakeholders. We prefer to be part of the broader policy development process and do not practice lobbying on any specific issue and hence do not feel such a policy is necessary given our way of doing business.

3. Governance related to BR

A)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	BR performance is reviewed annually by the Board of Directors. Based on this review budgetary allocations and CSR plans are decided for the next year. Quarterly review by the CSR Committee with regard to the CSR activities undertaken by the Company.
B)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	This is the Fifth Business Responsibility Report and is published annually as part of the Annual Report. Previous report can be assessed at https://hegltd.com/wp-content/uploads/2021/07/BRR-2021.pdf.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

Business should conduct and govern themselves with Ethics, Transparency and Accountability

1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?	The Company considers Corporate Governance as an integral part of good management. The Company's philosophy on Corporate Governance envisages attaining the highest levels of transparency, accountability and equity, in all facets of its operations and interaction with stakeholders including shareholders, employees, customers, government, suppliers and lenders and to build the confidence of the society in general. The Company believes in adopting the philosophy of professionalism, transparency and accountability in all areas and is committed to pursue growth by adhering to the highest national and international standards of Corporate Governance. http://hegltd.com/various- policies/ The Company also believes in zero-tolerance towards bribery and corrupt practices and the same has been followed across all persons associated with Company.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	No concerns/complaints were received relating to ethics, bribery and corruption from any of our stakeholders during financial year 2021-22.

Principle 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

HEG's sustainability platform is pivoted on the 3P philosophy – People, Planet and Profit. These facets have, over the years, emerged as key filter while formulating business strategies at the Company.

People

HEG realises the critical role played by its people in its successful business journey this far. Their dedicated passion and disciplined efforts have positioned HEG as one of the leading players in the global graphite electrode industry. The Company on its part takes significant care of its people this was clearly showcased during the pandemic and in its aftermath (details of which are mentioned in Principle 3).

HEG continued to invests in growing its people – their skills and capabilities – through knowledge-enhancing initiatives. To create a cohesive force, the Company encourages its team, across hierarchies, to suggest ideas for business improvement. Also, the Company creates cross-functional teams to developing solutions for addressing complex operational issues.

People for HEG also comprises communities surrounding its operating facilities. The Company continued to focus on fund development initiatives in neighbouring villages with the objective of growing and sustaining the livelihood.

Planet

The Company's business is about saving the planet. Its products (graphite electrodes) have emerged as the key component in decarbonizing steel manufacturing. (using the EAF route). The Company sources its raw materials for environment respecting vendors. Waste products are completely recycled in shopfloor operations. The Company has also invested in pollution management equipment which enables it to comply with the pollution norms prevalent in its state.

Profits

HEG continues to seek and capitalise on opportunities to enhance business profitability by streamlining business operations to optimise costs and by capitalizing of profitable business opportunities. The combination of these factors helps in increasing business margins and profits.

Business surplus is prudently deployed in investing in business to capitalise on opportunities and rewarding shareholders. In the last decade, the Company has not defaulted in its repayment schedule to its finance providers.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   a) Graphite electrodes

   b) Graphite Fines, flakes and lumps

   Refer to Schedule – I of Business Responsibility Report.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

Yes the Company has a sustainable sourcing procedure for its raw material.

a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Its key input, needle coke, is entirely sourced from large global oil refineries. The Company enjoys healthy, multi-decadal business relations with its global business partners. This has enabled it to secure seamless supplies even as it augmented its manufacturing capacity.

Fuel supplies are sourced from environment-respecting Indian oil refineries. Other inputs material such as pitch and fillers are sourced from large and respected Indian manufactures, which are common for both graphite and aluminium industry. Sourcing from both domestic vendors has been consistent since last five decades.

For inward and outward transportation, we use sea routes, railways and surface transport. Exports of finished electrodes and import of needle coke is primarily through sea. For domestic supplies, we rely on surface transport, for door to door delivery commitments. For surface transport, we engage with those fleets who abide by all regulatory norms

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Yes, the Company regularly sources raw materials and other inputs from local vendors.

a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The government has introduce the MSME Act in the year 2006 to protect the interest of micro, small and medium enterprises in India.

Towards supporting this cause of the government and the community at large, the company sources some of the inputs and services required for business operations from MSMEs. As on 31st March, 2022 the Company had 494 such vendors on its vendor list. Of these, 118 new vendors were added in FY22. Their interests were adequately taken care off. The company is also registered on TReDS Platform, an institutional mechanism set up to facilitate the trade receivable financing of MSMEs from corporate buyers through multiple financiers.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so

Yes, 100% of the waste generated after the first process (GEP) is reusable and is part of our manufacturing SOP which has been institutionalised in our shopfloor operations. Our by-products like graphite fines are re-used in making of graphite electrode and graphite speciality products. They are also sold to the steel industry (as carburisor) and to lithium-ion batteries makers (for anode material). We sell these by products to the actual users.

The structural steel scrap is re-melted into steel globally and hence is fully recyclable. This reduces the mining of natural resources from the Earth.

Principle 3

Businesses should promote the well-being of all employees

In a world where the competitive edge is largely owing to the human capital, people has emerged as the cornerstones of success.

In keeping with this reality, HEG considers its team as an important pillar of its robust enterprise. The Company has a culture of empowerment that values and respects individual potential and helps each one achieve it to the fullest. It strives hard to improve the quality of work-life for total job satisfaction and social harmony of its people.

HEG has institutionalised important training practices for its team members including workmen. It has various HR monitored development activities that are carried out from time to time for employees at different levels. The organization subscribes to various economic, environmental and social or charters, codes or voluntary initiatives.

Informational and informative seminars are held periodically for promoting environmental awareness. Various social activities are held periodically for boosting up morale of employees.

1.	Please indicate the Total number of employees	Total employees stands at 837 as on 31st March, 2022	
2.	Please indicate the Total number of employees hired on temporary/ contractual/ casual basis	Total 1,725 Nos. engaged on a temporary / contractual and casual basis	
3.	Please indicate the Number of permanent women employees	12 Nos	
4.	Please indicate the Number of permanent employees with disabilities	Nil	
5.	Do you have an employee association that is recognized by management	3 Employee Associations	
6.	What percentage of your permanent employees is members of this recognized employee association?	60% (32% in BMS, 16% in INTUC-1, 12% in INTUC-2)	
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	No of complaints filed during the financial year	No. of complaints pending as on end of the financial year
	- Child labour /forced labour/involuntary labour	Nil	Nil
	- Sexual Harassment	Nil	Nil
	- Discriminatory Employment	Nil	Nil
	The Company had undertaken 14 Workshops/Awareness programs for prevention against Sexual Harassment at Workplace. The Company has an Internal Complaint Committee (ICC) to deal with complaints related to Sexual Harassment.		
8.	What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?		
	a) Permanent Employees	95%	
	b) Permanent Women Employees	100%	
	c) Casual/Temporary/Contractual Employees	100%	
	d) Employees with Disabilities	N.A.	

The Company has also adopted a Covid Support Policy to extend support to families of employees who lost their lives owing to the COVID -19. To support the family in this tragic hour, the management has decided that the employee's family will receive the following:

- Half of the monthly salary or minimum of ₹25,000/- per month, whichever is higher, for two years to the family of deceased employee.
- Education expenses ₹5,000/- per month for school/ college going children, if any, for three years.
- The Mediclaim policy benefit was extended to the family for three years.
- Employment to the dependent as per the qualification/ skills.

Principle 4

Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

HEG is a globally-reputed organisation. As such it has a sizeable number of stakeholder groups each with distinct priorities and diverse interests. The Company has therefore developed a structured method for identification of stakeholder groups, understanding their concerns and incorporating their views in its sustainability strategy.

The senior and middle management teams actively engage with all stakeholder groups throughout the year. Material matters arising from stakeholder engagements are managed as part of the risk management process.

1. Has the company mapped its internal and external stakeholders?

Yes, the Company has mapped its internal and external stakeholders. It recognises employees, communities surrounding its operations, bankers, business associates, customers, shareholders, investors and regulatory authorities as its key stakeholders.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders**.**

Yes, the Company identifies communities around its manufacturing facilities at Mandideep, Bhopal and Tawa Nagar as such. The Company focuses on recruiting suitable talent from within the neighbouring communities to the extent possible. HEG is an equal opportunity employer. It has policies instituted to prevent sexual harassment, aid safety of employees, mandate travel guidelines for women employees, code of conduct, etc.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The initiatives taken in this regard are as under:

- Provided safe and law-abiding commuting facilities to children and teachers
- Continued to subsidise annually school fees for more than 200 BPL-category students
- Introduced a new scholarship program for children of below poverty lines wherein the company will ensure admission of 10 students every year to professional colleges and provide financial assistance to transform their career dream into reality
- Provided quality education, through its school, to children of artisans working in Mandideep industrial area
- Conducted a computer training at Tawa Nagar to provide basic education to 100 to 120 local under privileged students through Datanuts Private Ltd., Bhopal and completed two batches.

Our overall stakeholder engagement matrix

Stakeholder segment	Key engagement forums	Key issues
Investors	Presentations, analyst meets and general meetings, press releases, other communication through mail	Showcase Bhilwara Group's ethical and governance practices. Discuss business performance and prospects. Update on key developments.
Employees	Employee engagement initiatives, continuous interaction with management, appraisals, grievance redressal mechanism	Learning & Development on behavioural, technical and functional areas. Engagement with the management for motivation and updates on business strategy, performance and prospects.
Suppliers/ Partners	Meetings with key national and internal suppliers by senior management, supplier visits, suppliers' meet	Discussion on business issues, quality improvements and information on applicable statutory requirements and safety standards
Customers/ Dealers	Regional meets, Periodic visits by the marketing and branding teams, visits to dealers, need-based visits, visits by senior management to key customers and dealers	Timely redressal of issues, understand aspirations and evolving trends, market knowledge and technology exchange, servicing solutions
Community	community visits by company management, periodic cultural meets, attendance by company executives at CSR programs	CSR initiatives and Affirmative Action (AA)initiatives addressing priority areas of improving lives and livelihood.
Government/ Regulators	Plant visits, symposia and advocacy platforms	Compliance, Ethics, Corporate governance, Corporate citizenship

Principle 5

Businesses should respect and promote human rights

The Company strictly adheres to the human rights principle of dignity of workforce regardless of the nation, location, language, religion, ethnic origin or any other status of an individual.

Prime importance is given towards maintaining better working conditions in the plants to take care of the health & safety of employees.

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company's policy covers only the Company.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The Company has in place grievance redressal mechanisms in every manufacturing unit which aims to ensure a harassment free work environment along with workplace health and safety. Every operating unit has a Labour Welfare Officer round the clock to take care of ensuring basic amenities to workers.

The complainants are assured of complete anonymity and confidentiality. No complaint has been received pertaining to Human Rights Violations during the year.

Principle 6

Business should respect, protect and make efforts to restore the environment

HEG is committed to undertake continuous efforts in reducing the adverse impact of its products and facilities on the Earth and its environment. The Company's dedication goes beyond compliance with the law and encompasses the integration of sound environmental practices into its business decisions.

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures / Suppliers / Contractors / NGOs / others

The Company has a policy relating to environment management but its application is limited to the Company. But as a responsible corporate, the Company continues to sensitise neighbouring villages and communities and environment management. The Company has committed itself to improving the environment not only at its operating facilities but beyond their boundaries too.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Today, the Company's product, the graphite electrode, has emerged as critical component in manufacturing steel in a less-polluting way. As such HEG is not platformed as a company that is facilitating the global steel world in addressing climate change commitments and transitioning to a Net Zero Carbon zone.

The Company on its own has also taken important steps in reducing pollution and reducing its load on the Earth. It calculates its overall GHG emissions and have taken initiatives to reduce emissions. They include solar power project, use of LNG, LED lighting at its operating and corporate facilities, Tree Plantations apart from operation and maintenance of existing plant vide air and water pollution control devises like Effluent Treatment Plant, Electrostatic Precipitators, Dust Collection units, Foggers, Road Sweeper, Organic waste converter etc..

3. Does the company identify and assess potential environmental risks? Y/N

The Company undertakes an Environment Aspect Impact Assessment study periodically which is reviewed and analysed for undertaking further initiatives. This is part of ISO 14001:2015 standard.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

No.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Refer point No. 2 above.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The Company has ensured that its emissions have remained below the norms prescribed by the Pollution Control Board norms. The Company astute environment management is reflected in its ability to sustain business relations with leading global steel producers.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

None.

Principle 7

Businesses, when engaged in influencing public and regulatory policy should do so in a responsible manner.

HEG's commitment to being a responsible organization is showcases in its ability to align its operations with the global sustainability best practices. The Company's operations are ISO 9001: 2008 (Quality Management Systems) and ISO 14001: 2004 (Environmental Management Systems) certified.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

HEG is a member of several industrial and trade associations. These are listed as under:

a) FIEO
b) CAPEXIL
c) PHD Chamber of Commerce & Industry
d) FICCI

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) :

HEG is a member of various industrial and trade bodies and is part of task forces and forums within these bodies. The Company actively participate in these forums on issues and policy matters that impact the interest of its stakeholders. It prefer to be part of the broader policy development process. As a matter of policy, the Company does not practice lobbying on any specific issue.

Principle 8

Business should support inclusive growth and equitable development

1. Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company supports the principle of inclusive growth and equitable development through its corporate social responsibility initiates. The Company's social upliftment initiatives focus around healthcare, education, hunger eradication, working for the benefit of armed forces veterans and martyrs' community development and environmental conservation, which facilitates in bettering lives and improving livelihood, amongst others. Some of the initiatives are as follows:

Healthcare

- Providing medical consultation to general public at the OPD Centre in Mandideep and Tawanagar and distributed free medicines among BPL category patients
- Conducting medical health camps and distributing medicines in villages and to economically weaker sections, in collaboration with Sewa Bharti, Bhopal
- Covid-19 related help.
- Facilitating the Swabhiman Bhoj Programme, where pubic get lunch at token money of just ₹1/- in Bhilwara, Ajmer, Banswara and Jaipur in the State of Rajasthan.

Community Development

- Working alongside Akshaya Patra on the programme of midday meal.
- Associating itself with an organisation providing free and hygienic food to the attendants of the patients visiting AIIMS, Delhi.
- Aspiring to work with the local government for creating infrastructure for Government School upgradation and safe drinking water etc.
- Providing assistance to Apna Ghar, working for the homeless, helpless, hopeless, destitute persons generally found in very harsh and painful conditions on roadsides, railway stations, bus stands, religious and other public places.

Education

- Providing safe and law-abiding commuting facilities to children and teachers
- Continuing to subsidise annually school fees for more than 200 BPL-category students
- Providing quality education, through its Graphite Education school, at Mandideep, District Raisen, to children of artisans working in Mandideep industrial area
- Supporting meritorious but financially weaker/poor students by way of providing coaching in Bhopal for science and commerce students to help them to prepare for their competitive examinations.
- Helping the education of physically disabled students.
- Promoting Education by joining hands with Ashoka University, which is India's first Liberal Arts and Sciences University in a system dominated by technical and vocational education.

Environmental Conservation

- Conducting afforestation drives to combat air pollution
- Increasing Farmers Income and Eradicating Poverty in certain village around its Graphite Plant in District Raisen though Global Raisen project, a joint initiative with Shri Mayank Gandhi with a target to plant 27 Lakh fruit trees which should hopefully increase the farmers income by almost 10 times.

Promoting Heritage of the Country

The Company has collaborated with Sabhyata Foundation which is taking care of the upkeep and facility development of several heritage sites in India including sites Like Red Fort, Bhembetka ancient rock caves etc.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/ any other organization?

The Company has been conducting these activities directly as well as through implementing agencies, wherever applicable.

3. Have you done any impact assessment of your initiative?

Yes on Voluntary basis, the Company internally performs an impact assessment of its initiates at the end of the each year to understand the efficacy of the programme in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.

With effect from January 22, 2021, impact assessment of project outlay of ₹1 Crore or more and which have been completed not less than one year, shall be required through an independent agency.

The Company/Implementing Agencies had undertaken impact assessment, through an independent agency, of their CSR projects, wherever it is applicable in accordance with the provisions of law. For more details please use link i.e. https://hegltd.com/csr/

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

Refer to **Annexure VI** of the Board Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes, at HEG all our businesses and manufacturing units at Mandideep and Tawa Nagar continuously engage with communities surrounding their operations through surveys and focused meetings. This is done to gauge the needs, priorities and expectations of the local community. Initiatives are thus designed and delivered in a transparent manner in line with inputs from the Community itself.

Principle 9

Businesses should engage with the provide value to their customers and consumers in a responsible manner

Customer requirements evolve over a period of time in line with sectoral dynamism. As such adding value to a customer emerges as key to a sustainably business relation. Adding value would encompass delivering on commitments (quality and delivery) sustainably. It also includes raising the bar of the customers business knowledge sharing.

The Company offer best quality products with a prime focus on developing memorable customer experience. In keeping with our customer first philosophy, the senior management engages with its customers at multiple forums to know the customer satisfaction level so that necessary steps may be taken to enhance the same.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

8% of total complaints are in the process to be resolved.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A.

The Company displays additional information over and above the mandate.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

There is no case filed against the Company in this regard.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The Company seeks for and collects customer satisfaction feedback on regular basis.

Schedule – I
Product Life Cycle Plan

Sr No	Contents in crate	Material	Nature of product	Action -1	Action -2
1	Graphite Electrode	Pure Carbon	100 % Consumable during use	Unpack the Electrodes with Nipple and keep all the packing items well segregated	Re-machine & use if possible / Reuse the broken pieces in process to maintain carbon percentage
2	Graphite Nipple	Pure Carbon	100 % Consumable during use		
3	Thermocol Cap	Expanded Polysterene	Recyclable		Handover only to authorised recyclers
4	Thermocol Plug	Expanded Polysterene	Recyclable		Handover only to authorised recyclers
5	Steel Strip	Zinc Coated Steel	Recyclable		Handover to recyclers/Use as Input to EAF
6	Steel Clip	Zinc Coated Steel	Recyclable		Handover to recyclers/Use as Input to EAF
7	Steel Nails	Zinc Coated Steel	Recyclable		Handover to recyclers/Use as Input to EAF
8	Wood / Ply Board	Cellulose composite	Recyclable / Reusable		Handover to recyclers
9	Wrap Film	LDPE, Low Density Poly Ethylene	Recyclable		Handover only to authorised recyclers
10	Metwrapp (polypropylene)	Corrugated PP, Poly Propylene	Recyclable / Reusable		Handover only to authorised recyclers

Hazards identification

Hazard summary

Physical hazards - Not classified for physical hazards

Specific hazards – May get cut from the sharp edge of the electrode (socket circumference). If any part of body gets pressed against the sharp edge, injury may occur.

Precautionary Measures:

- Use proper hand gloves while handling
- Floor of the storage area must be anti-skid

Health hazards - Not classified for health hazards. However, occupational exposure to the mixture or substance(s) may cause adverse health effects.

Environmental hazards - Not classified for hazards to the environment.

Specific hazards

Processing may generate graphite dusts and fumes with the below listed potential health effects. Dust and fumes generated from the material can enter the body by inhalation. High concentrations of dust and fumes may irritate the throat and respiratory system and cause coughing. Frequent inhalation of dust over a long period of time increases the risk of developing lung diseases. Dust may irritate the eyes. Dust may irritate skin. Ingestion of dusts generated during working operations may cause nausea and vomiting. Prolonged and repeated overexposure to dust can lead to pneumoconiosis. Pre-existing pulmonary disorders, such as emphysema, may possibly be aggravated by prolonged exposure to high concentrations of graphite dusts.

Main symptoms - Exposed may experience eye tearing, redness, and discomfort. Prolonged skin contact may cause temporary irritation.

Precautionary statements

Prevention	Observe good industrial hygiene practices
Response	Wash skin with soap and water
Storage	Store away from incompatible materials
Disposal	Dispose of contents/container in accordance with local / regional / national / international regulations
Supplemental label information	Not applicable
Other hazards	The material may form dust and can accumulate electrostatic charges, which may cause an electrical spark (ignition source).

Individual protection measures, such as personal protective equipment

General information	Personal protective equipment should be chosen according to the CEN standards and in discussion with the supplier of the personal protective equipment. Make sure to provide adequate control by applying the 'COSHH Essentials' procedure
Eye/Face protection	Wear safety glasses with side shields (or goggles)

Skin protection

Hand protection	Wear suitable protective gloves to prevent cuts and abrasions. Suitable gloves can be recommended by the glove supplier
Other	Wear appropriate clothing to prevent repeated or prolonged skin contact
Respiratory protection	Use specified dust masks. Seek advice from local supervisor
Thermal hazards	Wear appropriate thermal protective clothing, when necessary
Hygiene measures	Always observe good personal hygiene measures, such as washing after handling the material and before eating, drinking, and/or smoking. Routinely wash work clothing and protective equipment to remove contaminants
Environmental exposure controls	Environmental manager must be informed of all significant spillages
Environmental fate - partition coefficient	Not available
Mobility in soil	Not available
Other adverse effects	The product is not expected to be hazardous to the environment

Ecological information

Waste treatment methods Residual waste - Not waste

Contaminated packaging

Disposal recommendations are based on material as supplied. Disposal must be in accordance with current applicable laws and regulations, and material characteristics at time of disposal. Recover and reclaim or recycle, if practical.

Transport information

ADR

The product is not covered by the International regulation on the transport of dangerous goods.

INDEPENDENT AUDITORS' REPORT

To the Members of
HEG Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of HEG Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash flows for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015,as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements 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 Standalone Financial statements under the provisions of the Act and the Rules made 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key Audit Matters are those matters that in our professional judgement were of most significance in our audit of the Standalone Financial Statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

S. No.	Key audit matter	Auditor's Response
1.	**Assessment of Provisions and Contingent liabilities in respect of litigations including Direct and Indirect Taxes, various claims filed by other parties not acknowledged as debt** There is high level of judgement required in estimating the level of provisioning. Accordingly, unexpected adverse outcomes may significantly impact the company's reported profit and state of affairs presented in the Balance Sheet. We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgement in interpretation of law. Accordingly, our audit was focused on analysing the facts of subject matter under consideration and judgements/ interpretation of law involved.	**Our audit procedures involved the following:** ➢ Obtaining an understanding of the process of identification of claims, litigations, arbitrations and contingent liabilities, and internal control relevant to the audit in order to design our audit procedures that are appropriate in the circumstances. ➢ Discussing and analysing material legal cases with the Company's legal department. ➢ Examining recent orders and/or communication received from various tax authorities/ judicial forums and follow up action thereon. ➢ Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal / tax advice including opinion of internal tax experts. ➢ Evaluating management's assumptions and estimates relating to the recognition of the provisions for disputes and disclosures of contingent liabilities in the financial statements. ➢ Assessing the adequacy of the disclosures with regard to facts and circumstances of the legal matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Corporate Governance report (but does not include the Standalone financial statements and our auditor's report thereon), which we obtained at the time of issue of this auditors' report, and the Directors' Report including annexures, if any, thereon, which is expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Directors' report including annexures, if any, thereon, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management is 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 management 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 Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are 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 these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, 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 financial controls 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 system 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 management.
- Conclude on the appropriateness of management'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 standalone financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements 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 financial Statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub section (11) of section 143 of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit, we report, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

   (e) On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of the company.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 38 to the standalone financial statements.

      ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      (ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      (iii) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

      v The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

Sanjiv Mohan
Partner
M. No. 086066
UDIN:22086066AJOPRT5382

Place: Ludhiana
Date : 25th May, 2022

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of HEG Limited of even date)

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has adopted a policy of physical verification of all the items of Property, Plant and Equipment so to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, Property, Plant and Equipment of Graphite division were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification and have been properly dealt with in the books of accounts.

(c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the standalone financial statements included under Property, Plant and Equipment and investment properties are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) Based on the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) According to the information and explanations given to us, the inventories have been physically verified by the management during the year at all its locations, except stocks located outside India, lying with third parties and materials-in-transit, which have been verified with reference to correspondence of third parties or subsequent receipt of goods. In our opinion, the frequency of verification is reasonable. No discrepancies of 10% or more in the aggregate for each class of inventory have been noticed on physical verification of inventories when compared with books of account. Inventories lying with third parties have been confirmed by them as at year end and no material discrepancies were noticed in respect of such confirmations.

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 Crore, in aggregate, during the year, from banks on the basis of security of current assets and Based on our verification, quarterly returns or statements filed by the company with such banks are in agreement with the books of account.

iii. According to the information and explanations given to us, we report that the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence, reporting under clause 3(iii) of the Order is not applicable.

iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not made any investments, provided any loan, guarantee or security as specified under Sections 185 and 186 of the Act. Therefore clause 3(iv) of the order is not applicable to the company.

v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Rules framed thereunder.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of such records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, the details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below

S. No	Name of Statute	Nature of Dues	Amount unpaid (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
1	Central Excise Act, 1944	Excise Duty	248.34	FY 2002-03, 2004-05, 2005-06, 2006-07	CESTAT, New Delhi
		Excise duty	1.42	FY 2004-05	Hon'ble High Court, Jabalpur
2	Income Tax Act, 1961	Income Tax	100.00	AY 2000-01	CIT (Appeals), Bhopal
		Income Tax	516.00	AY 2003-04, 2004-05	Hon'ble High Court, Jabalpur
		Income Tax	715.98	AY 2018-19	CIT (Appeals), Delhi
		Tax deducted at source	279.43	AY 2015-16, 2016-17, 2017-18	CIT (Appeals), Ahmedabad
3	Finance Act, 1994	Service Tax	104.17	FY 2012-13, 2013-14	CESTAT, New Delhi
4	Central Sales Tax Act, 1956	Central Sales Tax	21.30	FY 2003-04	Hon'ble High Court, Jabalpur
		Central Sales Tax	244.16	FY 2016-17	Commissioner (Appeals), Bhopal
5	Madhya Pradesh Parvesh Kar Adhiniyam, 1976	Entry Tax	2.35	FY 2014-15	Commissioner (Appeal), Bhopal
		Entry Tax	341.01	FY 2009-10,2010-11, 2012-13	Appellate Tribunal, Bhopal
		Entry Tax	28.98	FY 1997-98, 2003-04, 2007-08, 2008-09	Hon'ble High Court, Jabalpur
6	Chhattisgarh Commercial Tax	VAT	3.04	FY 2006-07	Commissioner (Appeals), Raipur
		VAT	1.51	FY 1992-93	Appellate Tribunal, Raipur
		Entry Tax	9.79	FY 2005-06	Appellate Tribunal, Raipur
		Entry Tax	12.00	FY 2007-08	Commissioner (Appeals), Raipur

viii. According to the information and explanations given to us and records of the company examined, there are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) Based on our overall examination of the standalone financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates. Further the Company does not hold any investment in any Subsidiary or joint venture during the year ended 31 March 2022.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its associate companies. The Company does not hold any investment in any subsidiary or joint venture during the year ended 31 March 2022.

x. (a) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3 (x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) According to the information and explanations given to us and based on our examination of records, no fraud by the Company and no fraud on the Company has been noticed or reported during the year

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) The company has not received whistle blower complaints during the year. Therefore the clause 3 (xi)(c) of the order is not applicable to the company.

xii. According to the information and explanation given to us, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us and based on our examination of records, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with Directors or person connected with them. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.

xvi. (a) Based on the information and explanations given to us, in our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(a) of the order is not applicable to the Company.

(b) Based on information and explanation given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934; and accordingly reporting under clause 3(xvi)(b) of the Order is not applicable.

(c) Based on information and explanation given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, and accordingly reporting under clause 3(xvi)(c) of the Order is not applicable.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The company has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than on-going projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.

(b) In respect of on-going projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the current financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial Statements. Accordingly, no comment in respect of the said clause has been included in report.

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

Sanjiv Mohan
Partner

Place: Ludhiana
M. No. 086066

Date : 25th May, 2022
UDIN:22086066AJOPRT5382

Annexure – "B" TO THE INDEPENDENT AUDITORS REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of HEG Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial control over financial reporting of HEG Limited ("the Company") as of 31st March 2022 in conjunction with our audit of standalone financial statements of company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sanjiv Mohan
Partner
M. No. 086066
UDIN:22086066AJOPRT5382

Place: Ludhiana
Date : 25th May, 2022

Standalone **Balance Sheet**

as at 31st March, 2022

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	4	74,840.20	68,350.53
(b) Capital work-in-progress	5	69,607.56	37,326.58
(c) Right of use Asset	6	666.70	708.92
(d) Investment Property	7	760.65	321.41
(e) Other Intangible assets	8	9.98	20.18
(f) Financial assets			
(i) Investments	9	36,507.31	70,214.91
(ii) Loans	11	81.90	39.88
(iii) Other financial assets	12	13,995.80	4,556.39
(g) Income Tax Assets(Net)	25	14,665.98	14,641.81
(h) Other non-current assets	13	5,262.94	11,228.40
Total Non-current assets		**2,16,399.02**	**2,07,409.00**
2. Current assets			
(a) Inventories	14	97,781.39	58,060.95
(b) Financial assets			
(i) Investments	9	66,886.05	55,910.30
(ii) Trade receivables	10	58,917.28	28,942.10
(iii) Cash and Cash equivalents	15	4,103.52	2,137.39
(iv) Bank balances other than (iii) above	16	56,062.98	52,920.26
(v) Loans	11	72.94	31.38
(vi) Other Financial Assets	12	1,689.61	1,049.81
(c) Other current assets	13	15,189.09	8,311.21
Total Current assets		**3,00,702.86**	**2,07,363.40**
Total Assets		**5,17,101.88**	**4,14,772.40**
EQUITY and LIABILITIES			
EQUITY			
(a) Equity Share Capital	17	3,859.59	3,859.59
(b) Other Equity	18	3,73,811.67	3,36,003.52
Total Equity		**3,77,671.26**	**3,39,863.11**
LIABILITIES			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	-	-
(ia) Lease Liabilities	21 A	78.33	81.29
(ii) Other financial liabilities	21 B	-	-
(b) Provisions	22	381.06	358.35
(c) Deferred tax liabilities (Net)	23	9,629.17	9,674.62
(d) Other non-current liabilities	24	633.52	391.92
Total Non-current liabilities		**10,722.08**	**10,506.18**
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	66,340.05	29,651.42
(ia) Lease Liabilities	21 A	49.61	73.10
(ii) Trade payable			
-Total outstanding dues of micro enterprises and small enterprises	20	1,817.35	1,208.30
-Total outstanding dues of creditors other than micro enterprises and small enterprises	20	42,971.76	24,522.98
(iii) Other financial liabilities	21 B	13,737.68	6,603.67
(b) Other current liabilities	24	2,483.43	1,231.21
(c) Provisions	22	516.32	484.67
(d) Current Tax Liabilities (Net)	25	792.34	627.77
Total Current liabilities		**1,28,708.54**	**64,403.12**
Total Liabilities		**1,39,430.62**	**74,909.30**
Total Equity and Liabilities		**5,17,101.88**	**4,14,772.40**

See accompanying notes to the Standalone financial statements

As per our report of even date

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

Sanjiv Mohan
Partner
Membership No. 086066

Place : Ludhiana
Dated: 25th May, 2022

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

Manish Gulati
Executive Director
DIN: 08697512

Shekhar Agarwal
Director
DIN: 00066113

Satish Chand Mehta
Director
DIN: 02460558

Gulshan Kumar Sakhuja
Chief Financial Officer
Membership No. 504626

Vivek Chaudhary
Company Secretary
Membership No. A13263

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

Standalone Statement of **Profit & Loss**

for the year ended 31st March, 2022

All amounts are in ₹ Lakhs unless otherwise stated

	Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I.	Revenue from Operations	26	2,20,161.18	1,25,622.84
II.	Other Income	27	7,954.57	11,290.84
III.	**Total Income (I + II)**		**2,28,115.75**	**1,36,913.68**
IV.	**Expenses:**			
	Cost of materials consumed	28	94,042.27	50,493.86
	Changes in inventories of finished goods and work-in-progress	29	(11,140.74)	30,415.46
	Employee benefits expense	30	7,999.98	5,452.82
	Finance costs	31	748.75	1,136.83
	Depreciation and amortization expense	32	7,928.76	7,311.56
	Other expenses	33	76,537.17	45,178.96
	Total expenses (IV)		**1,76,116.19**	**1,39,989.49**
V.	**Profit/(loss) before tax (III - IV)**		**51,999.56**	**(3,075.81)**
VI.	**Tax expense:**			
	(1) Current tax			
	- Current Tax	34	12,995.77	-
	- Current tax adjustment related to earlier years	34	(40.00)	20.00
	(2) Deferred tax	34	(14.43)	(565.87)
	Total tax expense: (VI)		12,941.34	(545.87)
VII.	**Profit/(loss) for the year (V-VI)**		**39,058.22**	**(2,529.94)**
VIII.	**Other Comprehensive Income**			
	Items that will not be classified to profit or loss			
	(i) Remeasurement of Employee Defined Benefit Plan	35	(123.23)	140.48
	(ii) Income tax relating to items that will not be reclassified to profit or loss	34	31.01	(35.36)
	Other Comprehensive Income for the year		**(92.22)**	**105.12**
IX.	**Total Comprehensive Income for the year (VII+VIII) (Comprising Profit/(loss) and Other Comprehensive Income for the year)**		**38,966.00**	**(2,424.82)**
	Earnings per equity share: (of ₹10/-each)			
	(1) Basic (₹)	36	101.20	(6.56)
	(2) Diluted (₹)	36	101.20	(6.56)

See accompanying notes to the Standalone financial statements

As per our report of even date

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

Sanjiv Mohan
Partner
Membership No. 086066

Place : Ludhiana
Dated: 25th May, 2022

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

Manish Gulati
Executive Director
DIN: 08697512

Shekhar Agarwal
Director
DIN: 00066113

Satish Chand Mehta
Director
DIN: 02460558

Gulshan Kumar Sakhuja
Chief Financial Officer
Membership No. 504626

Vivek Chaudhary
Company Secretary
Membership No. A13263

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

Standalone Statement of **Changes in Equity**

for the year ended 31st March, 2022

All amounts are in ₹ Lakhs unless otherwise stated

A) Equity Share Capital

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of reporting period	3,859.59	3,859.59
Changes in equity capital during the year	-	-
Balance at the end of reporting period	3,859.59	3,859.59

B) Other Equity

Particulars	Reserves and Surplus			Other Items of Other Comprehensive Income	Total Other Equity
	Capital reserve	Capital redemption reserve	Retained earnings	Remeasurement of defined benefit obligations	
Balance at the beginning of the current reporting period i.e. 1st April, 2021	**3,138.24**	**2,029.93**	**3,30,773.60**	**61.75**	**3,36,003.52**
Profit/(loss) for the year			39,058.22		39,058.22
Other Comprehensive Income for the year			(92.22)	-	(92.22)
Transferred to Retained Earnings			61.75	(61.75)	-
Dividend during the year	-	-	(1,157.86)	-	(1,157.86)
Balance at the end of reporting period i.e. 31st March, 2022	**3,138.24**	**2,029.93**	**3,68,643.49**	**-**	**3,73,811.66**

Particulars	Reserves and Surplus			Other Items of Other Comprehensive Income	Total Other Equity
	Capital reserve	Capital redemption reserve	Retained earnings	Remeasurement of defined benefit obligations	
Balance at the beginning of reporting period i.e. 1st April, 2020	**3,138.24**	**2,029.93**	**3,33,303.54**	**(43.37)**	**3,38,428.34**
Profit/(loss) for the year			(2,529.94)		(2,529.94)
Other Comprehensive Income for the year				105.12	105.12
Payment of Dividend			-	-	-
Payment of Dividend distribution tax			-		-
Balance at the end of reporting period i.e. 31st March, 2021	**3,138.24**	**2,029.93**	**3,30,773.60**	**61.75**	**3,36,003.52**

See accompanying notes to the Standalone financial statements

As per our report of even date

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

Sanjiv Mohan
Partner
Membership No. 086066

Place : Ludhiana
Dated: 25th May, 2022

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

Manish Gulati
Executive Director
DIN: 08697512

Shekhar Agarwal
Director
DIN: 00066113

Satish Chand Mehta
Director
DIN: 02460558

Gulshan Kumar Sakhuja
Chief Financial Officer
Membership No. 504626

Vivek Chaudhary
Company Secretary
Membership No. A13263

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

Standalone **Cash Flow Statement**

for the year ended 31st March, 2022

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A.CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	**51,999.56**	**(3,075.81)**
Adjustment for non operating and non cash transactions		
Depreciation and Amortisation expense	7,928.76	7,311.56
Interest expense	748.75	1,136.83
Net(Profit)/loss on property plant and equipment sold / discarded	281.35	594.02
Allowances for Expected Credit Losses	(28.86)	(227.84)
Unrealized (Gain)/Loss due to effect of exchange rate changes in assets and liabilities	159.09	56.47
Bad Debts	58.97	395.09
Gain on sale/fair valuation of investments	(3,418.34)	(6,110.84)
Dividend income	(114.31)	(104.42)
Rent income	(132.21)	(115.49)
Interest income	(3,245.39)	(2,888.32)
Adjustments for changes in Working Capital		
(Increase)/Decrease in Trade receivables	(29,924.93)	10,853.66
(Increase)/Decrease in Inventories	(39,720.44)	42,452.91
(Increase)/Decrease in Loans, financial and other assets	(7,899.98)	10,364.43
Increase/(Decrease) in Liabilities and provisions	22,062.20	11,185.15
Cash generated from operations	**(1,245.76)**	**71,827.41**
Income tax paid (net)	12,815.37	248.66
Net Cash generated from operating activities (A)	**(14,061.16)**	**71,578.74**
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)	(35,952.81)	(25,605.71)
Proceeds from sale of Property Plant and Equipments	88.27	72.17
Bank balances not considered as cash and cash equivalents	(11,568.22)	(14,535.79)
Payment for Purchase of Investments	(70,113.48)	(13,949.98)
Proceeds from sale of Investments	96,236.38	9,527.09
Return of Capital from INVIT	27.28	-
Rent received	132.21	115.49
Dividend received	114.31	104.42
Interest received	2,700.43	2,532.23
Net Cash from/(used in) investing activities (B)	**(18,335.63)**	**(41,740.08)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed/(Repayment) of working capital borrowings (on net basis) (also refer note no. 49)	36,633.27	(29,677.26)
Interest and other financial charges Paid (including interest on lease liabilities)	(1,009.51)	(1,246.18)
Payment of lease liabilities	(52.32)	(58.15)
Dividend Paid	(1,208.53)	-
Net Cash from/(used in) financing activities (C)	**34,362.91**	**(30,981.59)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**1,966.12**	**(1,142.93)**
Cash and cash equivalents at the beginning of the period	2,137.39	3,280.33
Cash and cash equivalents at the end of the period	4,103.52	2,137.39

Refer note 15 of financial statements for components of cash and cash equivalents

See accompanying notes to the Standalone financial statements

As per our report of even date

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

Sanjiv Mohan
Partner
Membership No. 086066

Place : Ludhiana
Dated: 25th May, 2022

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

Manish Gulati
Executive Director
DIN: 08697512

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Director
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Satish Chand Mehta
Director
DIN: 02460558

Gulshan Kumar Sakhuja
Chief Financial Officer
Membership No. 504626

Vivek Chaudhary
Company Secretary
Membership No. A13263

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

1. Company Information

"HEG Limited (the 'Company'), incorporated in 1972, is a leading manufacturer and exporter of graphite electrodes in India and operates world's largest single-site integrated graphite electrodes plant. The Company also operates three power generation facilities with a total capacity of about 76.5 MW.

The Company is a public limited company incorporated and domiciled in India, has its registered office at Mandideep, Bhopal, Madhya Pradesh and is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The standalone Ind AS financial statements are approved for issue by the Company's Board of directors in their meeting held on 25th May, 2022.

2.1 Statement of Compliance

The standalone financial statement comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the companies Act, 2013 read with Rule 3 of the Companies(Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

2.2 Basis of Measurement

(i) The standalone financial statements have been prepared on historical cost convention on accrual basis except for certain financial instruments (including derivative instruments) are measured at fair value at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these standalone financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Accounting policies have been consistently applied to all the years presented unless otherwise stated.

(ii) The functional and presentation currency of the Company is Indian rupees (INR) and all values are rounded to the nearest Lakhs and two decimals thereof, except otherwise stated.

2.3 Significant accounting policies

(i) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are net of returns, rebates, goods & services tax.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities, as described below.

Revenue recognized from major business activities:

(a) Sale of products

The Company derives revenue primarily from sale of Graphite Electrodes.

Revenue from contracts with customers is recognised as and when the company satisfies performance obligation by transfer of control of goods at an amount that reflects the consideration entitled in exchange for those goods. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Generally control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the company has not retained any significant risk of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods to a customer as specified in the contract, excluding amount collected on behalf of third parties (For example taxes and duties collected on the behalf of government). Consideration is generally due upon satisfaction of performance obligation and receivable is recognized when it becomes unconditional.

The company does not adjust short term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised goods will be transferred to the customer within a period of one year.

(b) Power

Revenue from power generation is recognized on transmission of electricity to State Electricity Board (SEB) or third parties at rate stipulated by SEB's and/or IEX at market rate equivalent.

(c) Other Income

(i) Entitlements to Renewal Energy Certificates owing to generation of power at Tawa hydel plant are recognized to the extent sold at actual rate of net realization.

(ii) Revenue in respect of interest from customers is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

(iii) Interest income is recognised using when it is probable that economic benefit will flow to the company and the amount of income can be measured reliably and is accrued on a time basis by reference to the principal amount outstanding and at effective interest rate applicable.

(iv) Dividend income is recognized when the right to receive payment is established and the amount of dividend can be measured reliably.

(v) Revenue in respect of other income is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof

(ii) Inventories

Inventories are valued at cost or net realizable value, whichever is lower except by products which are valued at net realizable value. The cost in respect of the various items of inventory is computed as under:

(i) In case of finished goods and work-in-progress, cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition.

(ii) In case of stores, spares and raw material at weighted average cost. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

(iii) Obsolete stocks are identified at each reporting date on the basis of technical evaluation and are charged off to revenue.

Net Realisable Value is the estimated selling price in ordinary course of business less estimated cost of completion and estimated cost necessary to make the sales.

(iii) Property, Plant and Equipment

Freehold Land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment, if any. Historical cost includes its purchase price (net of taxes and duty recoverable), after deducting trade discounts and rebates. It includes other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs for qualifying assets and the initial estimate of restoration cost if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent cost relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with the item will flow to the company and the costs of the item can be measured reliably. Repairs and maintenance costs are charged to the standalone statement of profit and loss when incurred.

An item of Property, Plant and Equipment and any significant part initially recognized is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset measured as the difference between the net disposal proceeds and the carrying amount of the asset is included in the income statement when the asset is derecognized.

Advances paid towards the acquisition of Property Plant and Equipment outstanding at each balance sheet date is classified as Capital advance under Non-current asset and the cost of asset not put to use before balance sheet date are disclosed under Capital work in progress.

On transition to Ind As, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1st April, 2016 measured as per previous GAAP and use that carrying value as its deemed cost of the property, plant and equipment.

(iv) Investment property

Investment Properties comprises freehold land and building (including property under construction) that are held for long-term rental yields or for capital appreciation and both are classified as investment property. Investment properties are measured initially at cost, comprising the purchase price and directly attributable transaction cost. Subsequently investment property is carried at cost model, which is cost less accumulated depreciation and impairment losses if any in similar lines of Ind AS 16.

An investment property is derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Gains or losses arising on derecognition of investment property are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in standalone statement of profit and loss in the period of the retirement or disposal.

(v) Other Intangible Assets

An Intangible asset is recognized when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably.

Intangible assets are measured on initial recognition at cost. Intangible assets are stated at cost less accumulated amortization and impairment, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in standalone statement of profit and loss as incurred.

The cost and related accumulated amortization are eliminated from standalone financial statements upon disposal or retirement of the assets and the resulted gain or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the standalone statement of profit and loss when the asset is derecognized.

On transition to Ind AS, the company has elected to continue with the carrying value of all intangible asset recognized as at 1st April,2016, measured as per previous GAAP and use that carrying value as the deemed cost of intangible assets.

(vi) Depreciation

(A) Property, Plant and Equipment

Based on internal assessment and independent technical evaluation carried out by external valuer, the Management believes that the useful life of the assets as stated below best represents the life over which the management expects to use the assets. Hence the useful life for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

The method of depreciation and useful life considered on different assets is as below:

(i) Depreciation on all the assets at Hydel Power Project at Tawa is provided on Straight Line Method. The useful life of assets determined is as below:

Sr. No.	Description of Asset	Useful Life (Approx)
1	Factory Building	33
2	Non Factory Building	33
3	Plant and Machinery	
	i) Dams, Spillways weirs, canals, reinforced concrete Flumes and symphons	51
	ii) Hydraulic control valves and other hydraulic works	30
	iii) Transformers having a rating of 100 KVA and over	13
4	Electrical Installation	
	i) Batteries	3
	ii) Lines on Fabricated steel operating at normal voltages higher than 66 kv	19
	iii) Residual	13
5	Furniture and Fixtures	8
6	Office Equipment and other assets	8
7	Vehicles	3

(ii) On the assets other than those mentioned at (i) above, depreciation is provided on following basis:

In case of Plant and machinery, depreciation is provided on Straight Line Method and in case of other assets on Written Down Method. The useful life of assets determined is as below:

Assets description	Useful Life
Building	20 - 60 Years
Plant and Machinery	1-24 Years
Railway Siding	9 Years
Office Equipment(Includes Computers and data processing units)	5-20 Years
Electrical Installation	5-20 Years
Furniture and Fixtures	15 Years
Vehicle	5-10 Years

(iii) Assets costing upto ₹5,000 are fully depreciated in the year of purchase.

(iv) Depreciation methods, estimated useful lives and residual values are reviewed at the end of each reporting period with the effect of any changes in estimate accounted for on a prospective basis.

(B) Investment property

Investment property is depreciated using written down value method over their estimated useful life. Investment property has a useful life of 58 years as prescribed in Schedule II to the Companies Act, 2013.

(vii) Amortization

Other Intangible Assets

Other Intangible assets are amortized over their respective individual useful lives on a straight line basis from date they are available. The estimated useful life is based on number of factors including effect of obsolescence and other economic factors and are as under

Assets description	Useful Life
Computer Software	05 Years

Amortisation method, useful lives and residual value are reviewed at the end of each financial year with the effect of any changes in estimate accounted for on a prospective basis.

(viii) Impairment of Non-Financial Assets

Intangible assets, Investment property and Property, Plant and Equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the standalone statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

An impairment loss is reversed in the standalone statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Impairment is reviewed periodically, including at each financial year end.

No impairment was identified in FY 2021-22 (FY 2020-21: Nil).

(ix) Foreign Currencies

Transactions in currencies other than the entity's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Exchange differences arising on the settlement of monetary items or on re-translated monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in standalone statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction, Non-monetary items that are measured in term of historical cost in foreign currency are not reinstated.

(x) Employee Benefits

(A) Post Employment Benefits

(a) Defined contribution Plan

(i) Provident Fund

The Company makes contribution to statutory Provident Fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

Notes to the Standalone Financial Statements
for the year ended 31st March,2022

(ii) Superannuation

The Company makes contribution to Hindustan Electro Graphites Ltd. Senior Executive Superannuation Fund Trust and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

(b) Defined Benefit Plan

Gratuity

The Company provides for gratuity, a defined benefit retirement plan "The gratuity plan" covering eligible employees. The gratuity plan provides for lump sum payment to vested employee at retirement, death, incapacitation or termination of employee of an amount based on the respective employees salary and the tenure of employment with the company.

Liability with regard to Gratuity is determined by actuarial valuation, performed by an independent actuary at each Balance sheet date using the project unit credit method.

The company fully contributes all ascertained liabilities to the Hindustan Electro Graphite's Staff Gratuity Fund Trust (The Trust), trustees administers the contributions made to the Trust and contribution are invested in a scheme with Life Corporation of India as permitted by Indian Law.

Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations is recognized in Other Comprehensive Income. The effect of any plan amendments are recognized in the standalone Statement of Profit and Loss.

The company recognizes the net obligation in the balance sheet as an asset or liability.

(B) Short term employee benefits

Short term employee benefits including non-accumulated absences are charged to standalone statement of profit and loss on an undiscounted, accrual basis for the period during which services are rendered by the employee.

(C) Other long term employee benefits- Compensated Absences

The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/ availed as a result of the unused entitlement that has accumulated at the balance sheet date.

(xi) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and Building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and of low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a systematic basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the lessee's incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease Liability and Right-of-Use Asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

For short-term leases i.e. leases of 12 months or below:

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on systematic basis over the lease term.

The Company as a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on systematic basis over the term of the relevant lease.

(xii) Segment Reporting

Segments are identified based on the manner in which the Company's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

(1) Segment Revenue includes sales and other income directly identifiable with/ allocable to the segment including inter- segment revenue.

(2) Expenses that are directly identifiable with/ allocable to the segments are considered for determining the segment result. Expenses not allocable to segments are included under unallocable expenditure.

(3) Income not allocable to the segments is included in unallocable income.

(4) Segment results includes margin on inter segment and sales which are reduced in arriving at the profit before tax of the company.

(5) Segment assets and Liabilities include those directly identifiable with the respective segments. Assets and liabilities not allocable to any segment are classified under unallocable category.

(xiii) Income Tax

Income Tax expense comprises of current and deferred income tax.

(1) Current income tax

Current income tax for current and prior period is recognized at the amount expected to be paid to the tax authorities using tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Income tax expense is recognized in the standalone statement of profit and loss except to the extent that it relates to the items recognized directly in equity and other comprehensive income.

(2) Deferred Income Tax

Deferred Income Tax assets and liabilities are recognized using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in financial statement.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that related tax benefits will be realized to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax assets to be recovered.

Deferred tax assets and deferred tax liabilities have been set off as it relates to income taxes levied by the same taxation authority.

(xiv) Government grants

The government grants are recognized only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received.

Government grants related to revenue are recognized on a systematic basis in the standalone statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

(xv) Borrowing Cost

Borrowing costs directly attributable to the acquisition or construction of items of qualifying assets, which are the assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset until such time as the assets are not ready for their intended use. All other borrowing costs are charged to the standalone statement of profit and loss in the period in which they are incurred.

(xvi) Provisions and Contingent Liabilities

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and are reliable estimate can be made of the amount of the obligation. As the timing of outflow of resources is uncertain, being dependent upon the outcome of the future proceedings, these provisions are not discounted to their present value.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the standalone financial statements since this may result in the recognition of income that may never be accrued/ realised.

(xvii) Earnings Per Share

Basic earnings per equity share is computed by dividing the profit or loss for the period attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by adjusting the net profit or loss for the period attributable to equity shareholders is divided by the weighted average number of shares outstanding during the period after adjusting for the effects of all dilutive potential equity shares if any.

(xviii) Financial instruments

(i) Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to or deducted from the fair value of the financial assets or financial liabilities on initial recognition.

Transaction cost directly attributable to the acquisition of financial assets and financial liabilities at value through Profit or Loss are recognised immediately in the standalone statement of Profit and Loss.

(ii) Subsequent measurement

For the purpose of subsequent measurement financial assets are classified in three broad categories:-

A. Non-derivative financial instruments

(a) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income is recognised in the standalone statement of profit and loss if instrument measured at fair value through other comprehensive income (FVOCI)

Investment in equity instruments at fair value through other comprehensive income. The Company can make an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. These elected investments are initially measured at fair value plus transaction cost, subsequently in cases where the company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income and accumulated in reserve for equity instruments through other comprehensive income. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investment. This election is not permitted if the equity investment is held for trading. Dividends on their investment in equity instrument are recognised in profit or loss, when the Company's right to receive the dividend is established.

(c) Financial assets at fair value through profit or loss

A financial asset which is not classified

in any of the above categories are subsequently measured at fair valued through profit or loss.

(d) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amount approximates fair value due to the short maturity of these instruments.

(e) Investment in Subsidiaries, Associates and Joint Ventures

Investment in subsidiaries, associates and joint ventures is carried at cost in the standalone financial statements.

B. Derivative financial instruments

The company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Although the company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

(iii) Impairment of Financial Assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

(iv) Derecognition

A financial asset (or, a part of a financial asset) is primarily derecognized when:

(i) The contractual right to receive cash flows from the financial assets expire, or

(ii) The company transfers the financial assets or its right to receive cash flow from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

A financial liability (or, a part of financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

(v) Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Write off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

C. Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and buy back of equity shares and share options are recognized as a deduction from equity, net of any tax effects.

(xix) Cash flow statement

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS) – 7 "Statement of Cash flows" using the indirect method for operating activities.

(xx) Cash and cash equivalents

The Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with original maturity period of three months or less from the acquisition date, which are subject to an insignificant risk of changes in value.

(xxi) Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

2.4 Significant accounting judgements, estimates and assumptions

In the application of the Company's accounting policies, which are described as stated above, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the standalone financial statements:

Useful lives of property, plant and equipment

The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset.

The Company reviews the useful life of property, plant and equipment at the end of each reporting date.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future, salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date

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for the year ended 31st March,2022

Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy. The Company annually assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary.

Fair Value measurements

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent is available. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 46B.

Recognition of deferred tax assets

Management judgement is required for the calculation of provision for current income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in financial statement.

2.5 Applicability of new and revised Ind AS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

(i) Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the standalone statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no significant impact on its standalone financial statements.

(ii) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and there is no significant impact on its standalone financial statements.

(iii) Ind AS 109 – Financial Instruments - The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company has evaluated the amendment and there is no significant impact on its standalone financial statements.

3. Current – non-current classification

All assets and liabilities have been classified as current and non-current on the basis of the following criteria:

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within 12 months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or use to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within 12 months after the reporting date; or

d) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterpart, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current

Operating cycle

Operating cycle is the time between the acquisition of assets for processing/servicing and their realization in cash or cash equivalents.

All amounts are in ₹ Lakhs unless otherwise stated

Note 4: Property, plant and equipment

Particulars	As at 31st March, 2022	As at 31st March, 2021
Carrying amount of		
Freehold land	317.81	317.81
Buildings	11,647.74	10,789.72
Plant and equipment	60,825.13	55,012.77
Furniture and fixtures	98.27	113.36
Vehicles	670.11	630.33
Office equipement	180.06	235.35
Electrical Installation	879.03	999.93
Railway Sidings	222.05	251.26
Total Property, Plant and Equipement	**74,840.20**	**68,350.53**

The change in the carrying amount of Property, Plant & Equipments during the year are as follows:

Particulars	Free-hold land	Buildings	Plant and equipment	Furni-ture and fixtures	Vehicles	Office equip-ment	Electrical instal-lation	Railway sidings	Total
Gross Carrying amount as at 1st April, 2020	**317.81**	**26,419.82**	**1,35,846.19**	**597.78**	**1,269.27**	**1,124.34**	**3,345.35**	**921.69**	**1,69,842.25**
Additions	-	43.39	2,528.34	1.15	122.68	69.22	100.82	-	2,865.60
Disposals/Deletions	-	(272.60)	(1,980.70)	(4.14)	(135.20)	(42.75)	(243.23)	(274.27)	(2,952.89)
Gross Carrying amount as at 31st March. 2021 (A)	**317.81**	**26,190.60**	**1,36,393.83**	**594.79**	**1,256.75**	**1,150.81**	**3,202.94**	**647.42**	**1,69,754.97**
Additions	-	2,436.11	12,377.70	3.48	267.71	19.61	44.12	-	15,148.72
Disposals/Deletions	-	(406.55)	(828.10)	(1.94)	(141.64)	(210.93)	(7.33)	-	(1,596.48)
Amount reclassified to Investment Property (Refer note vi below)		(560.48)	-	-	-	-	-	-	(560.48)
Gross Carrying amount as at 31st March, 2022 (B)	**317.81**	**27,659.68**	**1,47,943.43**	**596.33**	**1,382.83**	**959.47**	**3,239.73**	**647.42**	**1,82,746.73**
Accumulated Depreciation as at 1st April, 2020	-	14,738.51	77,256.93	458.66	526.08	877.70	2,181.89	444.54	96,484.31
Depreciation for the year	-	905.71	5,780.76	24.12	201.64	75.73	180.41	38.46	7,206.83
Disposals/Deletions	-	(243.34)	(1,656.62)	(1.36)	(101.30)	(37.96)	(159.29)	(86.84)	(2,286.70)
Accumulated Depreciation as at 31st March, 2021 (C)	**-**	**15,400.88**	**81,381.07**	**481.43**	**626.42**	**915.46**	**2,203.01**	**396.16**	**1,01,404.44**
Depreciation for the year	-	933.34	6,422.04	17.64	181.07	69.09	160.64	29.21	7,813.04
Disposals/Deletions	-	(238.79)	(684.80)	(1.01)	(94.77)	(205.14)	(2.95)	-	(1,227.46)
Amount reclassified to Investment Property (Refer note vi below)	-	(83.49)	-	-	-	-	-	-	(83.49)
Accumulated Depreciation as at 31st March, 2022 (D)	**-**	**16,011.94**	**87,118.30**	**498.06**	**712.72**	**779.41**	**2,360.70**	**425.37**	**1,07,906.53**
Net Carrying amount as at 31st March, 2021 (A)-(C)	**317.81**	**10,789.72**	**55,012.77**	**113.36**	**630.33**	**235.35**	**999.93**	**251.26**	**68,350.53**
Net Carrying amount as at 31st March, 2022 (B)-(D)	**317.81**	**11,647.74**	**60,825.13**	**98.27**	**670.11**	**180.06**	**879.03**	**222.05**	**74,840.20**

(i) One Building situated at Delhi having gross carrying amount of ₹83.13 Lakhs (Previous Year ₹83.13 Lakhs) is owned jointly with RSWM Ltd.
(ii) Property , plant and equipment pledged as security (Refer to note no. 47 for information on Property, Plant and Equipment pledged as security by the company.)
(iii) The borrowing cost capitalized during the year is NIL (Previous year NIL)
(iv) Also refer Note 2.3(iii) for option used by the Company to use carrying value of previous GAAP as deemed cost as on April 1, 2015
(v) The aggregate depreciation has been included under depreciation and amortisation expense in the statement of Profit and loss.
(vi) Flat situated at Mumbai which was occupied by the company for its own use has been leased out for rental income during the year ended 31-03-2022 and therefore has been reclassified as Investment Property in accordance with IND AS-40 "Investment Property".

Note 5 : Capital Work In Progress

Particulars	As at 31st March, 2022	As at 31st March, 2021
Building and Plant and Equipment under erection/installation (including project and pre-operative expense) (also refer Note - 44)	69,607.56	37,326.58

Capital work-in-progress ageing schedule is as follows:

Particulars	Amount in CWIP For a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital Work in Progress as at 31-03-2022					
Projects in progress	49,544.05	9,099.36	10,961.47	2.68	69,607.56
Project temporarily suspended	-	-	-	-	-
Total Capital work in progress	**49,544.05**	**9,099.36**	**10,961.47**	**2.68**	**69,607.56**
Capital Work in Progress as at 31-03-2021					
Projects in progress	27,454.28	8,032.49	1,701.80	138.02	37,326.58
Project temporarily suspended	-	-	-	-	-
Total Capital work in progress	**27,454.28**	**8,032.49**	**1,701.80**	**138.02**	**37,326.58**

Note: There is no such project in capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as on 31st March 2022 and 31st March 2021
(i) For details on Capital Commitments refer Note - 38(2)
(ii) The borrowing cost capitalized during the year is NIL (Previous year NIL)

Note 6: Right of Use Asset

Particulars	As at 31st March, 2022	As at 31st March, 2021
Carrying amount of		
Land	636.72	602.55
Building	29.98	106.37
Total	**666.70**	**708.92**

Particulars	Land	Building	Total
Gross Carrying amount as at 1st April, 2020	**840.16**	**131.62**	**971.78**
Additions	-	48.36	48.36
Adjustments	-	-	-
Gross Carrying amount as at 31st March, 2021 (A)	**840.16**	**179.98**	**1,020.14**
Gross Carrying amount as at 1st April, 2021	**840.16**	**179.98**	**1,020.14**
Additions	49.74	-	49.74
Adjustments	-	(23.86)	(23.86)
Gross Carrying amount as at 31st March, 2022 (B)	**889.90**	**156.12**	**1,046.02**
Accumulated Depreciation as at 1st April, 2020	**222.06**	**10.21**	**232.27**
Depreciation for the year	15.55	63.40	78.95
Other Adjustments for the year	-	-	-
Accumulated Depreciation as at 31st March, 2021 (C)	**237.61**	**73.61**	**311.23**
Accumulated Depreciation as at 31st March, 2021	**237.61**	**73.61**	**311.23**
Depreciation for the year	15.57	52.53	68.10
Other Adjustments for the year	-	-	-
Accumulated Depreciation as at 31st March, 2022 (D)	**253.18**	**126.14**	**379.33**
Net Carrying amount as at 31st March, 2021 (A)-(C)	**602.55**	**106.37**	**708.92**
Net Carrying amount as at 31st March, 2022 (B)-(D)	**636.72**	**29.98**	**666.70**

(i) Refer Note 41 for other disclosures related to leases.
(ii) The aggregate depreciation has been included under depreciation and amortisation expense in the statement of Profit and Loss.

Note 7 : Investment Property

Carrying amount of Investment Property

Particulars	As at 31st March, 2022	As at 31st March, 2021
Building	760.65	321.41

		Building
Gross Block		
As at 1st April, 2020		**440.83**
Additions		-
Disposals		-
As at 31st March, 2021	**(a)**	**440.83**
Additions		-
Amount reclassified from Property,Plant & Equipments (Refer note below)		560.48
Disposals		-
As at 31st March, 2022	**(b)**	**1,001.31**
Depreciation		
As at 1st April, 2020		**103.50**

for the year ended 31st March,2022 All amounts are in ₹ Lakhs unless otherwise stated

		Building
Charge for the year		15.92
Disposals		-
As at 31st March, 2021	**(c)**	**119.42**
Charge for the year		37.75
Disposals		-
Amount reclassified from Property,Plant & Equipments (Refer note below)		83.49
As at 31st March, 2022	**(d)**	**240.66**
Carrying value		
As at 31st March, 2021	**(a-c)**	**321.41**
As at 31st March, 2022	**(b-d)**	**760.65**

Note: Flat situated at Mumbai which was occupied by the company for its own use has been leased out for rental income during the year ended 31-03-2022 and therefore has been reclassified as Investment Property in accordance with IND AS-40 "Investment Property".

(i) Amounts recognised in profit or loss for investment properties

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Rental income	127.47	110.69
Direct operating expenses from property that generated rental income	4.90	4.83
Profit from Investment Properties before depreciation	122.57	105.86
Depreciation	37.75	15.92
Profit from Investment Properties	84.82	89.94

(ii) Fair value of Investment property

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Fair value of Investment property	5,530.30	5,358.07

The Company has obtained Independent Valuations of its investment property from independent registered valuer as defined under rule 2 of the Companies (Registered Valuers and valuation) Rules, 2017. The fair value of the investment property have been derived using the Direct Comparison Method. The direct comparison approach involves a comparison of the investment property to similar properties that have actually been sold in arms-length distance from investment property or are offered for sale in the same region. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market, and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This approach leads to a reasonable estimation of the prevailing price. Given that the comparable instances are located in close proximity to the investment property; these instances have been assessed for their locational comparative advantages and disadvantages while arriving at the indicative price assessment for investment property.

(ii) Fair Value Heirarchy

All fair value estimates for Investment properties have been categorized as level 3.

(iii) The aggregate depreciation has been included under depreciation and amortisation expense in the statement of Profit and loss.

Note:8 Other Intangible Assets

Carrying amount of Intangible assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
Software	9.98	20.18
	9.98	**20.18**

	Amount
Gross carrying amount	**Computer Software**
As at 1st April, 2020	**503.37**
Additions	-
Disposals	-
As at 31st March, 2021 (a)	**503.37**
Additions	0.27
Disposals	(25.51)
As at 31st March, 2022 (b)	**478.13**
Amortisation	
As at 1st April, 2020	**473.32**
Charge for the year	9.86
Disposals	-
As at 31st March, 2021 (c)	**483.19**
Charge for the year	9.87
Disposals	(24.91)
As at 31st March, 2022 (d)	**468.15**
Carrying value	
As at 31st March, 2021 (a-c)	**20.18**
As at 31st March, 2022 (b-d)	**9.98**

(a) The Company has not internally developed computer softwares.

(b) Also refer Note 2.3(v) for option used by the Company to use carrying value of previous GAAP as deemed cost as on April 1, 2015

(c) The amount of amortisation has been included under depreciation and amortisation expense in the statement of Profit and loss.

Note : 9 Investments

No of Units		Face Value	Non - current		Current	
			As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
A.	**Investments carried at cost**					
	Investments in Equity instruments					
(a)	**Equity Instruments in Associate Companies (Unquoted)**					
8,12,32,560	(Previous year 8,12,32,560) Fully paid up equity shares of Bhilwara Energy Ltd.	10	30,711.50	30,711.50		
12,62,048	(Previous year 12,62,048) Fully paid up equity shares of Bhilwara Infotechnology Ltd. (erstwhile Bhilwara Infotech Ltd.)	10	419.00	419.00		
B.	**Investments carried at Fair value through profit or loss**					
(a)	**Investments in Equity instruments (Quoted)**					
18	(Previous year 18) Equity Shares of ₹2/-each of Ballarpur Ind. Ltd.	2	0.01	0.01		

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for the year ended 31st March,2022
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No of Units		Face Value	Non - current		Current	
			As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
(b)	**Investments in Mutual Funds (Quoted)**					
NIL	(Previous Year-35416.31) Invesco India Liquid Fund	1000	-	-	-	1,000.89
1,86,225.63	(Previous Year-NIL) Invesco India Overnight Fund	1000	-	-	2,000.81	
NIL	(Previous Year-19871.53) Reliance Nippon life Mutual Fund	1000			-	1,000.05
17,85,034.55	(Previous Year-NIL) AXIS Overnight Mutual Fund	1000			2,000.83	-
34,390.98	(Previous Year-NIL) UTI Overnight Mutual Fund	1000			1,000.76	-
87,912.54	(Previous Year-NIL) DSP Overnight Mutual Fund	1000			1,000.78	-
28,891.99	(Previous Year-NIL) SBI Overnight Mutual Fund	1000			1,000.05	-
2,52,97,878.79	(Previous Year-25297878.79) ICICI Prud. Equity -Arbitrage	10	-	-	7,409.88	7,096.61
2,58,74,546.00	(Previous Year-25874545.00) Kotak Equity Arbitrage Fund	10	-	-	8,194.21	7,835.10
NIL	(Previous Year-8805577.94) IDFC Arbitrage Fund	10	-	-	-	2,356.34
3,41,08,007.08	(Previous Year-34108007.08) AXIS Bank Arbitrage Fund	10	-	-	5,520.86	5,267.20
NIL	(Previous Year-10846524.43) UTI Bank Arbitrage Fund	10	-	-	-	3,086.31
93,64,289.08	(Previous Year-NIL) EDELWEISS Arbitrage Fund	10			1,543.56	-
(c)	**Investments in Fixed Maturity Plans Scheme(Quoted)**					
10,00,00,000	(Previous Year-10,00,00,000) ICICI Prudential FMP Series 83 1406 Days Plan D- Direct Growth	10	-	12,980.60	13,540.10	-
NIL	(Previous Year-2,50,00,000) ICICI Prudential -FMP -Sr 83 - 1100 Days Plan	10	-	-	-	3,136.28
NIL	(Previous Year-2,50,00,000) SBI Debt Fund Series C-19 (1100 days)	10	-	-	-	3,124.45
NIL	(Previous Year-75,00,000) Axis Fixed Term Plan - Series 95 (1185 days)	10	-	-	-	946.97
NIL	(Previous Year-1,50,00,000) Kotak FMP Series 235 - 1140	10	-	-	-	1,883.82
NIL	(Previous Year-1,00,00,000) Reliance Fixed Horizon Fund-XXXIX-Series 6	10	-	1,286.92	-	-
1,50,00,000	(Previous Year-Nil) NIPPON INDIA FHF XXXIX SR 2	10	-	-	2,016.74	-
1,00,00,000	(Previous Year-Nil) NIPPON INDIA FHF XXXIX SR 6	10	-	-	1,341.93	-
1,50,00,000	(Previous Year-Nil) NIPPON INDIA FHF XXXIX SR 15	10	-	-	1,974.98	-
1,00,00,000	(Previous Year-Nil) NIPPON INDIA FHF XXXIX SR 9	10	-	-	1,328.87	-
NIL	(Previous Year-1,00,00,000) ABSL FTP Series QN	10	-	-	-	1,219.84
NIL	(Previous Year-1,50,00,000) SDFS C20 - 1100 Days	10	-	-	-	1,870.23
NIL	(Previous Year-2,50,00,000) HDFC FMP 1105D August 2018 (1)	10	-	-	-	3,128.83
NIL	(Previous Year-1,50,00,000) HDFC FMP 1105D August 2018 (2)	10	-	-	-	1,867.68
NIL	(Previous Year-1,50,00,000) Kotak FMP Series 240-1160#	10	-	-	-	1,881.89
2,00,00,000	(Previous Year-2,00,00,000) Aditya Birla Sunlife Fixed Term Plan Series RC (1295 days)	10	-	2,512.32	2,612.38	-
NIL	(Previous Year-1,70,00,000) Aditya Birla Sunlife Fixed Term Plan Series QV (1100 days)	10	-	-	-	2,099.13
NIL	(Previous Year-1,50,00,000) Aditya Birla Sunlife Fixed Term Plan Series QU (1100 days)	10	-	-	-	1,858.94
3,00,00,000	(Previous Year-3,00,00,000) Aditya Birla Sunlife Fixed Term Plan Series RN (1240 days)	10	-	3,732.63	3,886.17	-
NIL	(Previous Year-1,50,00,000) UTI Fixed Term Income Fund Series XXX - II (1107 days)	10	-	-	-	1,872.89
2,00,00,000	(Previous Year-2,00,00,000) ICICI Pru Fixed Maturity Plan- Sr 84 - 1245 days Plan N	10	-	2,518.48	2,624.04	-
NIL	(Previous Year-1,50,00,000) RELIANCE FX HRZ FUND XXXIX S15	10	-	1,894.61	-	-
1,00,00,000	(Previous Year-1,00,00,000) ICICI Pru Fixed Maturity Plan- Sr 84 - 1288 days Plan O	10	-	1,257.46	1,312.25	-
1,00,00,000	(Previous Year-1,00,00,000) Kotak FMP Series 251-1265 days	10	-	1,254.74	1,306.91	-
1,00,00,000	(Previous Year-1,00,00,000) HDFC FMT 1246D November, 2018 (1) - Series 43	10	-	1,254.48	1,306.87	-
NIL	(Previous Year-1,50,00,000) Kotak FMP Series 242-1152	10	-	-	-	1,877.88
1,50,00,000	(Previous Year-1,50,00,000) Kotak FMP Series 243 - 1319 days	10	-	1,928.52	2,013.48	-

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All amounts are in ₹ Lakhs unless otherwise stated

No of Units		Face Value	Non - current: As at 31st March, 2022	Non - current: As at 31st March, 2021	Current: As at 31st March, 2022	Current: As at 31st March, 2021
NIL	(Previous Year-1,50,00,000) Reliance Fixed Horizon Fund-XXXIX Series 2	10	-	1,935.17	-	-
NIL	(Previous Year-1,20,00,000) ICICI Prudential -FMP -Series 83 - 1101 Days Plan Z	10	-	-	-	1,499.00
NIL	(Previous Year-1,00,00,000) Reliance Fixed Horizon Fund-XXXIX Series 9	10	-	1,274.88	-	-
(d)	**Investments in Bond Funds (Quoted)**				-	-
62230.03	(Previous Year-NIL) Kotak Corporation Bond Fund #	10	-	-	1,949.59	-
(e)	**Investments in Infrastructure Trust (Quoted)**					
44,00,000	(Previous Year-4400000) ORIENTAL INFRATRUST	100	5,376.80	5,253.60	-	-
	Total		**36,507.31**	**70,214.91**	**66,886.05**	**55,910.30**

	Non - current: As at 31st March, 2022	Non - current: As at 31st March, 2021	Current: As at 31st March, 2022	Current: As at 31st March, 2021
Aggregate amount of quoted investments	5,376.81	39,084.41	66,886.05	55,910.30
Market value of quoted investments	5,376.81	39,084.41	66,886.05	55,910.30
Aggregate carrying value of unquoted investments	31,130.50	31,130.50	-	-
Aggregate amount for impairment in value of investments	-	-	-	

#Kotak FMP Series 240 scheme ("Merging Scheme") has been merged into Kotak Corporate Bond Fund scheme ("Surviving Scheme") in accordance with the provisions laid under Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996 w.e.f. 13th Oct 2021. The unit holders of the "Merging Scheme" have been allotted units in the "Surviving Scheme" equivalent to the value of their units held in the "Merging Scheme" at the close of business hours October 13, 2021, at the NAV of that day.

Note (i): Investments having maturity period of less than 12 months from 31st March, 2022 i.e. balance sheet date have been reclassified as current investments.

Note (ii): Refer Note 46B for Classification of Financial Assets.

Note: 10 Trade Receivables

Particulars	Current: As at 31st March, 2022	Current: As at 31st March, 2021
a) Trade Receivable considered good-Secured	-	-
b) Trade Receivable considered good-Unsecured	58,891.98	28,895.16
c) Trade Receivable which have significant increase in Credit Risk; and	69.89	113.43
Less: Allowance for expected credit loss	(44.59)	(66.49)
d) Trade Receivable credit impaired	374.98	381.95
Less: Allowance for credit impairment	(374.98)	(381.95)
Total	**58,917.28**	**28,942.10**

There is no amount due from directors or other Officer of the company or any of them either severally or jointly with any other person or firms or private company respectively in which any director is a partner or a director or a member.

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for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Trade receivables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

Particulars	Outstanding for following periods from due date of payment: Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March 2022							
(i) Undisputed Trade receivables – considered good	43,294.47	15,472.44	125.07	-	-	-	58,891.98
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	69.89	-	-	69.89
(iii) Undisputed Trade receivables – credit impaired	-	-	-	137.08	14.10	223.80	374.98
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
As at 31st March 2021							
(i) Undisputed Trade receivables – considered good	19,908.18	8,328.05	658.93	-	-	-	28,895.16
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	113.43	-	-	113.43
(iii) Undisputed Trade receivables – credit impaired	-	-	-	29.60	123.77	228.58	381.95
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-	

Refer Note 46B for Classification of Financial Assets

Refer Note 46C for credit risk and expected credit loss related to Trade receivables

Refer Note 47 for information of trade receivables pledged as security by the company.

Note: 11 - Financial Assets

Particulars	Non-Current: As at 31st March, 2022	Non-Current: As at 31st March, 2021	Current: As at 31st March, 2022	Current: As at 31st March, 2021
Financial asset at amortised cost				
Loans to employees				
a) Loans considered good-Secured	-	-	-	-
b) Loans considered good-Unsecured	81.90	39.88	72.94	31.38
c) Loans which have significant increase in Credit Risk; and	-	-	-	-
d) Loans credit impaired	-	-	-	-
Total	**81.90**	**39.88**	**72.94**	**31.38**

Refer Note 46B for Classification of Financial Assets

Note (i) : The above figure includes loans to whole time director in the capacity of employee amounting to ₹71.11 Lakhs

(Previous year ₹ NIL) which is repayable in accordance with the Company's policy applicable to all the employees. Such loan outstanding as at the end of the year amounts to 45.93% (Previous Year Nil) of total loans to employees outstanding as on that date.

Note (ii) : The above figure includes loans to Chief Financial officer (KMP) amounting to ₹1.78 Lakhs (Previous year ₹4.44 Lakhs) which is repayable in accordance with the Company's policy applicable to all the employees. Such loan outstanding as at the end of the year amounts to 1.15% (Previous Year 6.24%) of total loans to employees outstanding as on that date.

Note: 12 - Other Financial Assets

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Financial assests at amortised cost				
Security deposits	3,286.01	2,489.48	-	-
Interest accrued but not due on fixed deposits	220.70	3.32	1,366.42	1,038.85
Bank balances having maturity period of more than 12 months from reporting date	-	-	-	-
- Earmarked deposits with banks against LC/BG	1,189.09			
- Other Deposits	9,300.00	2,063.59		
Interest subvention recoverable (on working capital loans)	-	-	313.67	
Financial assests at Fair Value through Profit or Loss				
*Derivative Financial Instruments	-	-	9.52	10.97
Total	**13,995.80**	**4,556.39**	**1,689.61**	**1,049.81**

* The company enters into derivative financial instruments (usually foreign exchange forward contracts) to manage its exposure to foreign exchange rate risk. For details of derivate financial instruments, Refer note 46C.

Refer Note 46B for Classification of Financial Assets

Note: 13 - Other Assets

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Unsecured, considered good unless stated otherwise			-	-
Capital Advances	4,729.08	10,714.75	-	-
Other Advances (other than advances to related parties)	-	-	686.79	644.73
Advances to related parties	-	-	0.11	0.11
Prepaid expenses	63.01	42.81	1,442.30	1,392.56
Balances with statutory authorities	-	-	4,080.21	3,511.95
GST Refunds Receivable	-	-	5,901.50	296.18
Payments under protest (excluding direct taxes other than TDS)	470.85	470.85	-	-
Export Benefits Receivable (including MEIS Licenses in hand)	-	-	1,819.45	1,141.86
Other Employee Advances			39.20	35.49
Gratuity Fund Receivable (also refer note 40)	-	-	611.81	589.54
Others			607.72	698.79
Total	**5,262.94**	**11,228.40**	**15,189.09**	**8,311.21**

Detail of payments under protest(excluding direct taxes other than TDS) is as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Entry Tax	222.84	222.84
Central Sales Tax	105.92	105.92
Excise duty/Service Tax	79.62	79.62
MPST/MPCT	0.46	0.46
Tax deducted at source	62.01	62.01
Commercial Legal Cases	-	-
Total	**470.85**	**470.85**

Note: (i) Based on legal advice, discussions with the solicitors, etc., the management believes that there are fair chances of decisions in Company's favour in respect of all the items listed above and no value adjustment is considered necessary.

(ii) There are no advances to the directors or other officers of the company or any of them either severally or jointly with any other persons or advances to firms or private companies in which any director is a partner or a director or a member.

Note 14:INVENTORIES (Valued at lower of cost or Net realizable value)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw materials [Includes material in transit ₹13888.24 Lakhs ; Previous year: ₹10109.74 Lakhs]	41,406.68	13,641.45
Finished goods	24,134.77	16,799.35
Work-in-progress	27,696.24	23,890.92
Stores and Spares	4,543.70	3,729.23
[Includes stores in transit ₹367.86 Lakhs ; Previous year: ₹321.03 Lakhs]		
Total	**97,781.39**	**58,060.95**

(a) The cost of inventories recognised as an expense during the year was ₹1,12,091.66 Lakhs (March 31,2021 ₹1,28,880.03 Lakhs)

(b) The cost of inventories recognised as an expense includes ₹ Nil (31 March, 2021 ₹2350 Lakhs) in respect of write down of inventories to net realisable value.

(c) The cost of inventories recognised as an expense includes ₹338.09 Lakhs (31 March, 2021 ₹474.75 Lakhs) in respect of write down of inventories on account of slow moving items.

(d) The cost of inventories recognised as an expense include ₹ Nil (31 March, 2021 ₹857 Lakhs) as reduction to cost in respect of reversal of write down of inventories arising from increase in net realisable value.

(e) Refer to note no. 47 for information of inventory pledged as security by the company.

Note:15 Cash and Cash Equivalents

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances with banks		
In Current accounts	2,833.94	704.79
In Cash Credit accounts	1,262.62	1,413.19
Cheques, drafts in hand	-	11.22
Cash on hand	6.96	8.19
Total cash and cash equivalent	**4,103.52**	**2,137.39**

Refer Note 46B for Classification of Financial Assets

Note:16 Other Bank balances

Particulars	As at 31st March, 2022	As at 31st March, 2021
I. Earmarked deposits with banks		
a) As margin money against LC for Raw Material and capital goods	1,666.25	5,172.53
b) As margin money against Bank Gurantee	254.47	-
c) Held for Unpaid dividend/Unclaimed dividend	500.07	550.74
II. Other Deposits with banks/financial Institutions		
-Deposits with original maturity of more than 3 months (due within 12 month from reporting date)	53,642.19	47,196.99
Total	**56,062.98**	**52,920.26**

Refer Note 46B for Classification of Financial Assets

Note: 17 Equity Share Capital

Particulars	As at 31st March, 2022	As at 31st March, 2021
Authorised		
5,50,00,000 (previous year 5,50,00,000) Equity Shares of ₹10/- each	5,500.00	5,500.00
15,00,000 (previous year 15,00,000) Preference shares of ₹100/- each	1,500.00	1,500.00
	7,000.00	**7,000.00**
Issued, Subscribed and Fully paid-up		
3,85,95,506 (previous year 3,85,95,506) Equity Shares of ₹10/- each	3,859.55	3,859.55
1,150 (previous year 1,150) Forfeited Equity Shares	0.04	0.04
Total	**3,859.59**	**3,859.59**

a) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting period

Particulars	2021-22		2020-21	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Equity Shares				
At the beginning of the year	3,85,95,506	3,859.55	3,85,95,506	3,859.55
Change during the year	-	-	-	-
Outstanding at the end of the year	**3,85,95,506**	**3,859.55**	**3,85,95,506**	**3,859.55**

b) Terms/Rights attached to equity shares

Company has only one class of equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share. The dividend (if any) proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Detail of Shareholders holding more than 5% Shares in the Company

Name of Shareholders	As at 31st March, 2022		As at 31st March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
NORBURY INVESTMENTS LIMITED	53,62,991	13.90	53,62,991	13.90
MICROLIGHT INVESTMENTS LIMITED	46,65,579	12.09	46,65,579	12.09
BHARAT INVESTMENTS GROWTH LIMITED	24,64,913	6.39	24,64,913	6.39
LICI ASM NON PAR	21,39,276	5.54	24,25,714*	6.28

*holding was in the name of Life Insurance Corporation of India.

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares exept Bharat Investments Growth Limited, in which significant benificial owner is Shri Ravi Jhunjunwala, Chairman, Managing Director & CEO, who is also the promoter of the Company and exercises significant influence over it.

d) Aggregate number of equity shares issued for consideration other than cash, alloted by way of bonus shares and shares bought back for the period of five years immediately preceding the reporting date.

Particulars	Aggregate No. of Shares				
	2021-22	2020-21	2019-20	2018-19	2017-18
a) Equity shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
b) Equity shares allotted as fully paid up by way of bonus shares	-	-	-	-	-
c) Equity shares bought back by the company.	-	-	-	13,63,636	-

e) Details of shares held by holding company or its ultimate holding company or their subsidiaries or associates

There is no holding company /ultimate holding company of the company.

f) Details of Shareholdings by the Promoters and Promoter's Group of the Company

Sl. No.	Name	As at 31st March, 2022		As at 31st March, 2021		% Change
		No. of Shares	%	No. of Shares	%	
1	Ravi Jhunjhunwala	719	0.00%	5,98,719	1.55%	-1.55%
2	Riju Jhunjhunwala	1,356	0.00%	2,20,356	0.57%	-0.57%
3	Rita Jhunjhunwala	1,876	0.00%	2,11,876	0.55%	-0.54%
4	Rishabh Jhunjhunwala	1,807	0.00%	1,75,807	0.46%	-0.45%
5	Bharat Investments Growth Ltd.	27,34,913	7.09%	24,64,913	6.39%	0.70%
6	Purvi Vanijya Niyojan Ltd.	18,68,583	4.84%	16,48,583	4.27%	0.57%
7	LNJ Financial Services Ltd.	16,48,323	4.27%	13,48,323	3.49%	0.78%
8	Raghav Commercial Ltd.	14,48,163	3.75%	14,48,163	3.75%	0.00%
9	Jet (India) Pvt Ltd.#	10,05,599	2.61%	10,05,599	2.61%	0.00%
10	Giltedged Industrial Securities Ltd.	8,87,689	2.30%	4,76,689	1.24%	1.06%
11	Shashi Commercial Company Ltd.	6,75,536	1.75%	6,75,536	1.75%	0.00%
12	M.L. Finlease Pvt Ltd.	3,46,461	0.90%	3,46,461	0.90%	0.00%
13	RSWM Ltd.	3,18,391	0.82%	3,18,391	0.82%	0.00%
14	India Texfab Marketing Ltd.	2,06,718	0.54%	2,06,718	0.54%	0.00%
15	Nivedan Vanijya Niyojan Ltd.	66,684	0.17%	66,684	0.17%	0.00%
16	Investors India Ltd.	36,254	0.09%	36,254	0.09%	0.00%
17	Norbury Investments Ltd.	53,62,991	13.90%	53,62,991	13.90%	0.00%
18	Microlight Investments Ltd.	46,65,579	12.09%	46,65,579	12.09%	0.00%
19	Mekima Corporation##	-	-	17,32,389	4.49%	-4.49%
	Total	**2,12,77,642**	**55.13%**	**2,30,10,031**	**59.62%**	**-4.49%**

Sl. No.	Name	As at 31st March, 2021		As at 31st March, 2020		% Change
		No. of Shares	%	No. of Shares	%	
1	Ravi Jhunjhunwala	5,98,719	1.55%	1,28,517	0.33%	1.22%
2	Riju Jhunjhunwala	2,20,356	0.57%	2,20,356	0.57%	0.00%
3	Rita Jhunjhunwala	2,11,876	0.55%	2,11,876	0.55%	0.00%
4	Rishabh Jhunjhunwala	1,75,807	0.46%	1,75,807	0.46%	0.00%

for the year ended 31st March,2022 All amounts are in ₹ Lakhs unless otherwise stated

Sl. No.	Name	As at 31st March, 2021 No. of Shares	%	As at 31st March, 2020 No. of Shares	%	% Change
5	Ravi Jhunjhunwala - HUF	-	-	2,02,806	0.53%	-0.53%
6	Lakshmi Niwas Jhunjhunwala	-	-	1,69,775	0.44%	-0.44%
7	Mani Devi Jhunjhunwala	-	-	97,621	0.25%	-0.25%
8	Bharat Investments Growth Ltd.	24,64,913	6.39%	24,64,913	6.39%	0.00%
9	Purvi Vanijya Niyojan Ltd.	16,48,583	4.27%	16,48,583	4.27%	0.00%
10	LNJ Financial Services Ltd.	13,48,323	3.49%	13,48,323	3.49%	0.00%
11	Raghav Commercial Ltd.	14,48,163	3.75%	14,48,163	3.75%	0.00%
12	Jet (India) Pvt Ltd.#	10,05,599	2.61%	10,05,599#	2.61%	0.00%
13	Giltedged Industrial Securities Ltd.	4,76,689	1.24%	4,76,689	1.24%	0.00%
14	Shashi Commercial Company Ltd.	6,75,536	1.75%	6,75,536	1.75%	0.00%
15	M.L. Finlease Pvt Ltd.	3,46,461	0.90%	3,46,461	0.90%	0.00%
16	RSWM Ltd.	3,18,391	0.82%	3,18,391	0.82%	0.00%
17	India Texfab Marketing Ltd.	2,06,718	0.54%	2,06,718	0.54%	0.00%
18	Nivedan Vanijya Niyojan Ltd.	66,684	0.17%	66,684	0.17%	0.00%
19	Investors India Ltd.	36,254	0.09%	36,254	0.09%	0.00%
20	Norbury Investments Ltd.	53,62,991	13.90%	53,62,991	13.90%	0.00%
21	Microlight Investments Ltd.	46,65,579	12.09%	46,65,579	12.09%	0.00%
22	Mekima Corporation##	17,32,389	4.49%	17,32,389	4.49%	0.00%
	Total	**2,30,10,031**	**59.62%**	**2,30,10,031**	**59.62%**	**0.00%**

Deepak Pens & Plastics Pvt. Ltd. (4,69,820 shares) and Sandhu Auto Deposits Ltd. (5,35,779 shares), have been amalgamated with Jet (india) Pvt. Ltd. pursuant to scheme of amalgamation duly approved by NCLT, Kolkata w.e.f. 25th September,2020

During the financial year ended 31-03-2022, Mekima corporation has been reclassified from "Promoter and Promoter Group" category to "Public category", after taking necessary approvals from stock exchanges in accordance with Regulation 31A of the Listing Regulations.

Note: The disclosure of shareholding of Promoter and Promoter's Group is based on shareholding pattern filed with the stock exchanges under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Note : 18-Other Equity

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
A.	**Capital Reserves**		
	Balance as at the beginning of the year	3,138.24	3,138.24
	Add: Additions during the year	-	-
	Balance as at the end of the year	**3,138.24**	**3,138.24**
B.	**Capital Redemption Reserve**		
	Balance as at the beginning of the year	2,029.93	2,029.93
	Add: Addition during the year	-	-
	Balance as at the end of the year	**2,029.93**	**2,029.93**
C.	**Retained Earnings**		
	Balance as at the beginning of the year	3,30,773.60	3,33,303.54
	Add: Amount transferred from Statement of Profit and Loss		
	- Profit for the year	39,058.22	(2,529.94)
	- Other comprehensive income for the year (remeasurment of Net Defined Benefit Plan)*	(92.21)	-
	Add: Amount transferred from Other Comprehensive Income	61.75	-
	Less: Dividend on equity shares during the year	1,157.86	-
	Balance as at the end of the year	**3,68,643.50**	**3,30,773.60**
	**Movement in remeasurment of Net Defined Benefit Plan*		
D.	**Items of other comprehensive income (Remeasurement of Defined benefit plans)**		
	Balance as at the beginning of the year	61.75	(43.37)
	Less: Amount transferred to Retained Earnings	(61.75)	
	Remeasurement of Defined benefit plans during the year		105.12
	Balance as at the end of the year	**-**	**61.75**
	Total	**3,73,811.67**	**3,36,003.52**

NATURE AND PURPOSE OF RESERVES

1) **Capital Reserve:**
The Company created part of Capital Reserve on account of warrant money forfeited and part on profit made on hive off of Steel business .

2) **Capital Redemption Reserve:**
The Company created Capital Redemption Reserve at the time of redemption of Preference Shares and buy back of its own shares. The reserve can be utilised for issuing bonus shares.

3) **Retained Earnings**
Retained earnings refer to net earnings not paid out as dividend but retained by the company to be reinvested in its core business. The amount is available for distribution of dividend to its equity shareholders.

Remeasurements of Net Defined Benefit Plans: Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.

4) **Reserve for other items through Other comprehensive income**
The reserve represents cumulative gains and losses on remeasurement of defined benefit plan net of taxes. The balance in Other Comprehensive income can be transferred to Other Components of equity i.e. retained earnings as and when the company decides to do so. The company has transferred the said reserve to the retained earnings during the current year.

Note: 19 Borrowings

Particulars	Non-Current As at 31st March, 2022	Non-Current As at 31st March, 2021	Current As at 31st March, 2022	Current As at 31st March, 2021
Loans repayable on demand from banks				
Working Capital loans from banks	-	-	66,340.05	29,651.42
Total	**-**	**-**	**66,340.05**	**29,651.42**

Current Borrowings

Particulars	Maturity date	Terms of Repayment	Interest Rate	As at 31st March, 2022	As at 31st March, 2021
LOANS REPAYABLE ON DEMAND	Payable on Demand	Payable on Demand	At negotiated rates		
Secured					
Working Capital from Banks				36,210.12	22,827.82
Unsecured					
Working Capital from Banks				30,129.93	6,823.60
Total				**66,340.05**	**29,651.42**

for the year ended 31st March,2022 All amounts are in ₹ Lakhs unless otherwise stated

a) Working Capital Borrowings from Banks are secured by first charge against hypothecation of all stocks present and future, stores, spare parts, packing materials, raw materials, finished goods, goods in transit / process, book debts, outstanding monies receivable, claims, bills etc.
b) Pari-passu second charge over entire fixed assets (including land & building and plant & machineries) of the Company in respect of Graphite & Thermal Power Unit at Mandideep and Hydel Power unit at Tawa Nagar, Hoshangabad.

Refer Note 46B for Classification of Financial Liabilities

Refer Note 47 for carrying amount of assets pledged as security for borrowings.

Note: 20 Trade Payables

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade Payable		
(A) Total outstanding dues of micro enterprises and small enterprises	1,817.35	1,208.30
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	42,971.76	24,522.98
	44,789.11	**25,731.28**

(i) Trade payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March 2022						
(i) MSME	1776.21	41.14	-	-	-	1817.35
(ii) Others	36736.23	479.79	67.61	23.72	1998.80	39306.15
(iii) Disputed dues –MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	3,665.61	3665.61
As at 31st March 2021						
(i) MSME	1087.70	118.75	1.85	-	-	1208.30
(ii) Others	18611.07	217.93	27.84	122.23	1878.30	20857.38
(iii) Disputed dues –MSME	-	-	-	-	-	-
(iv)Disputed dues -Others	-	-	-	-	3,665.61	3665.61

(ii) Refer Note 46B for Classification of Financial Liabilities

(iii) The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available with them. This information has been relied upon by the auditors. The detail information relating to Micro, Small and Medium Enterprises is as under :-

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) The amount remaining unpaid to any supplier at the end of each accounting year.		
a) Principal	1,817.35	1,208.30
b) Interest	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

NOTE: 21A Lease Liabilities

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Lease Liabilities - Land (refer Note - 41)	78.33	35.05	9.71	4.96
Lease Liabilities - Building (refer Note - 41)	-	46.24	39.90	68.14
	78.33	**81.29**	**49.61**	**73.10**

NOTE: 21B Other Financial Liabilities

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Interest accrued but not due on borrowings	-	-	59.03	6.11
Security Deposits	-	-	130.49	107.32
Unpaid dividends-Unclaimed#	-	-	500.07	550.74
Creditors for Capital purchases	-	-	-	-
Payable to Micro Enterprises and Small Enterprises			3,019.70	137.67
Payable to other than micro enterprises and small enterprises			5,802.81	3,193.34
Other payables	-	-		
Employees Related	-	-	2,139.89	952.58
Others	-	-	2,085.69	1,655.91
	-	**-**	**13,737.68**	**6,603.67**

Unpaid dividends do not include any amount which is required to be transferred to the Investor's Education and Protection Fund.
Refer Note 46B for Classification of Financial Liabilities

Note: 22 Provisions

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Provision for employee benefits				
Compensated absences	381.06	358.35	77.27	45.61
Other provisions				
Provision against indirect taxes (pending litigations)	-	-	439.05	439.06
Total	**381.06**	**358.34**	**516.32**	**484.67**

for the year ended 31st March,2022 All amounts are in ₹ Lakhs unless otherwise stated

Movement of provision against indirect taxes (pending litigations)

Nature of Provisions	Non- Current		Current	
	2021-22	2020-21	2021-22	2020-21
Carrying amount at the beginning of the year	-	-	439.06	453.44
Amount provided made during the year	-	-	-	-
Amount reversed during the year	-	-	0.01	14.38
Carrying amount at the end of the year	-	-	439.05	439.06

Note: Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

The provisions for indirect taxes and legal matters comprises of numerous separate cases that arise in the ordinary course of business. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

The Company does not expect any reimbursements in respect of the above provisions

Note: 23 Deferred IncomeTax Liabilities (Net)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred tax liabilities (A)		
Difference between carrying value of Property plant and equipment as per books of account and Income tax	8,150.00	8,337.35
Fair valuation of Investments	1,656.64	2,420.99
Deferred tax assets (B)		
Expenses deductible on payment basis under Income tax	71.87	63.80
Allowances for expected credit loss	105.60	112.86
Unabsorbed depreciation and Unused losses	-	907.06
Net Deferred tax Liability (A)-(B)	**9,629.17**	**9,674.62**

The following is the analysis of the deferred income tax asset/(liability)presented in the standalone balance sheet

Movement in deferred income tax assets and liabilities for the year ended 31st March, 2022

Particulars	As at 1st April, 2021	Recognized in the profit or loss	Recognized in OCI	As at 31st March, 2022
Deferred tax liabilities (A)				
Difference between carrying value of Property plant and equipment as per books of account and tax base	8,337.35	(187.35)	-	8,150.00
Fair valuation of Investments	2,420.99	(764.35)	-	1,656.64
Deferred tax assets (B)				
Expenses deductible on payment basis under Income tax	63.80	(22.94)	31.01	71.87
Allowances for expected credit loss	112.86	(7.26)	-	105.60
Unabsorbed depreciation and Unused losses	907.06	(907.06)	-	-
Net Deferred tax Liability (A)-(B)	**9,674.62**	**(14.43)**	**(31.01)**	**9,629.17**

Movement in deferred income tax assets and liabilities for the year ended 31st March, 2021

Particulars	As at 1st April, 2020	Recognized in the profit or loss	Recognized in OCI	As at 31st March, 2021
Deferred tax liabilities (A)				
Difference between carrying value of Property plant and equipment as per books of account and tax base	8,743.95	(406.60)	-	8,337.35
Fair valuation of Investments	1,787.38	633.61	-	2,420.99
Deferred tax assets (B)				
Expenses deductible on payment basis under Income tax	155.99	(56.84)	(35.36)	63.80
Allowances for expected credit loss	170.21	(57.35)	-	112.86
Unabsorbed depreciation and Unused losses	-	907.06	-	907.06
Net Deferred tax Liability (A)-(B)	**10,205.13**	**(565.87)**	**35.36**	**9,674.62**

Note 24 Other Liabilities

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Deposits from employees against various schemes	393.06	391.92	88.01	28.66
Advance from Customers	-	-	310.07	142.55
Statutory dues payable	-	-	310.31	163.89
Payable against unspent corporate social responsibility expenditure (Refer note below)	240.46		1,342.92	-
Others Payable	-	-	432.12	896.11
Total	**633.52**	**391.92**	**2,483.43**	**1,231.21**

Note: It represents Corporate Social Responsibility (CSR) expense related to ongoing projects as at 31st March, 2022 (31st March, 2021: Not Applicable). The same was transferred to a special account designated as "Unspent Corporate Social Responsibility Account for the Financial Year 21-22" ("UCSRA – FY 2021-22") of the Company within 30 days from end of financial year.

Refer note 43 for more information about Corporate Social Responsibility expense.

Note 25:- Current Tax Asset & Liabilities (Net)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Income Tax Assets	14,665.98	14,641.81
Income Tax Liabilities	(792.34)	(627.77)
Total	**13,873.64**	**14,014.04**

Note: 26 Revenue From Operations

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
Sale of Products				
Manufactured goods				
Graphite Electrodes (Refer note 50)	2,15,268.13		1,21,850.87	
Power	2,054.61	2,17,322.74	1,592.40	1,23,443.27
Other Operating Income				
REC sales	468.62		577.22	
Fly Ash Income	4.52		60.98	
Export Incentives	2,365.30		1,541.37	
		2,838.44		2,179.59
		2,20,161.18		**1,25,622.84**

Notes to the Standalone Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Note: 27 Other Income

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Income from financial assets measured at amortized cost	3,117.07	2,721.82
Interest Income from financial assets measured at fair value through Profit or loss	128.32	166.50
Rental Income	132.21	115.49
Net Gain on sale of investment measured at fair value through Profit or loss	793.06	419.42
Net Gain on fair valuation of Investments measured at fair value through Profit or loss	2,625.28	5,691.42
Liabilities / provisions written back (including allowances for expected credit losses)	251.66	1,033.63
Dividend income from financial assets measured at fair value through Profit or loss	114.31	104.42
Foreign Currency Fluctuation (Net)	108.58	495.08
Miscellaneous	684.08	543.06
Total	**7,954.57**	**11,290.84**

Note: 28 Cost of Materials Consumed

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
Raw Material Consumed				
Opening Stock	3,531.70		23,448.37	
Add: Purchases	1,18,029.00		30,577.19	
	1,21,560.70		**54,025.56**	
Less: Closing Stock	27,518.43		3,531.70	
Cost of raw material consumed		**94,042.27**		**50,493.86**

Note: 29 Changes In Inventories of Finished Goods and Work-In-Progress

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(1) Inventories at the beginning of the period		
Finished Goods	16,799.35	36,566.62
Work-in-progress	23,890.92	34,539.11
Total	**40,690.27**	**71,105.73**
(2) Inventories at the end of the period		
Finished Goods	24,134.77	16,799.35
Work-in-progress	27,696.24	23,890.92
Total	**51,831.01**	**40,690.27**
Net (increase)/decrease	**(11,140.74)**	**30,415.46**

Note : 30 Employee Benefits Expense

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries and Wages	7,330.49	4,769.17
Contribution to Provident and other Funds	414.00	479.06
Staff Welfare expenses	255.49	204.59
Total	**7,999.98**	**5,452.82**

Notes to the Standalone Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Note: 31 Finance Costs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(i) Interest on Working Capital Borrowings	688.52	1,079.36
(ii) Foreign Exchange Fluctuation on Foreign Currency Loans to the extent regarded as an adjustment to interest costs	39.69	32.57
(iii) Others		
-Interest on lease liabilities	14.28	14.22
-Others	6.26	10.68
Total	**748.75**	**1,136.83**

Note: 32 Depreciation and Amortisation Expenses

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(1) Depreciation of Property Plant and Equipment (Refer note 4)	7,813.04	7,206.83
(2) Depreciation of Right of use assets (Refer note 6)	68.10	78.95
(3) Depriciation on Investment Property (Refer note 7)	37.75	15.92
(4) Amortisation of Intangible assets (Refer note 8)	9.87	9.86
Total	**7,928.76**	**7,311.56**

Note: 33 Other Expenses

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Consumption of stores and spare parts(Including Refractory Blocks)	15,622.48	8,809.82
Job/Process Charges	511.26	397.20
Power and fuel	27,110.80	13,938.23
Repairs and maintenance		
Plant and Machinery	2,955.79	2,853.81
Building	493.92	425.26
Others	741.62	658.09
Insurance	1,208.56	1,106.50
Rent (Refer Note 41)	36.88	36.88
Rates and taxes	88.34	86.27
Directors' sitting fees and incidental expenses	55.76	53.45
Freight & forwarding	16,667.18	6,643.06
Packing Expenses (including Packing material consumption)	1,765.76	1,406.62
Commission	1,751.21	1,056.13
Claims and Rebates	107.56	195.88
Donations	20.10	0.21
Contribution made to Political Parties	10.00	100.00
Power generation charges	236.11	247.14
Travelling Expenses	209.38	82.41
Postage and Communication	45.89	41.20
Payment to auditors(Refer details below*)	33.81	20.66
Contribution towards Corporate Social Responsibility(Refer Note 43)	3,065.47	4,185.70
Legal and Professional	589.76	431.39

for the year ended 31st March,2022 All amounts are in ₹ Lakhs unless otherwise stated

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Vehicle Running & Maintenance	67.94	60.35
Bad debts	58.97	395.09
Duties and Taxes	51.10	80.39
Net Loss on sale/discard of Property plant and equipments	281.35	594.02
Miscellaneous	2,750.11	1,273.16
Total	**76,537.17**	**45,178.96**

*Payments to the statutory auditors (excluding GST)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
As auditor		
Statutory audit	30.00	15.00
Other Services		
Tax Audit	2.00	2.00
Certification fees	-	2.31
Reimbursement of out of pocket expense	1.81	1.35
Total	**33.81**	**20.66**

Note 34. Tax expense

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A) Tax Expense Recognised in the statement of Profit and Loss		
1) Current Tax		
Income tax	12,995.77	-
Income tax - adjustment/(credits) related to previous year	(40.00)	20.00
2) Deferred tax	(14.43)	(565.87)
	12,941.34	**(545.87)**
B) Tax Expense recognised in Other Comprehensive Income		
1) Current Tax	-	-
2) Deferred tax	(31.01)	35.36
	(31.01)	**35.36**
C) Tax expense/(Income) relating to items that are charged or credited directly to equity		
1) Current Tax	-	-
2) Deferred tax	-	-
Total	**12,910.33**	**(510.52)**

(a) Effective Tax Reconciliation

Numerical reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Accounting profit before tax	51,999.56	(3,075.81)
At India's statutory income tax rate of 25.168%	25.168	25.168
Tax as per accounting profit (A)	**13,087.25**	**(774.12)**
Add/(Less) :		
Effect of expenses that are not deductible in determining taxable profits	782.54	1,083.51
Effect of expenses that are deductible in determining taxable profits	(21.68)	(18.21)
Tax rate differential and other adjustments on Gain on sale /Fair Valuation of Investments	(899.00)	(798.81)
Effect of Income that is not taxable in determining taxable profits	1.23	(26.28)
Others	-	62.27
Effect of brought forward of unsued tax losses	-	(58.88)
Effect of Change in Tax rate	-	-
Current tax adjustment/(credits) related to previous year	(40.00)	20.00
Total (B):	**(176.91)**	**263.60**
Income Tax Expense recognized for the year (A+B)	**12,910.34**	**(510.52)**

Note 35 : Other Comprehensive Income

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(i) Items that will not be reclassified to profit or loss		
-Remeasurement of Defined Benefits Plans	(123.23)	140.48
Total	**(123.23)**	**140.48**

Note 36: Earnings per share

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit attributable to equity shareholders of the company	39,058.22	(2,529.94)
Weighted average number of equity shares for basic/diluted earning per share	3,85,95,506	3,85,95,506
Basic / diluted earning per share(₹)	101.20	(6.56)

* There are no potential equity shares

NOTE: 37 Segment Information

The Company's Chief Operational Decision Makers consisting of Chief Executive Officer and Chief Finance Officer examines the company's performance both from product and geographic perspective and has identified two segments, i.e., Graphite electrodes (including other carbon products) and power. The business segments are monitored separately for the purpose of making decisions about resource allocation and performance assessment.

The Reportable Segments are:

- Graphite Electrodes (including other carbon products)- The segment comprises of manufacturing of graphite electrodes
- Power Generation - The segment comprises of generation of power for captive consumption and sale.

Segment Measurement

The measurement principles for segment reporting are based on IND AS 108. Segment's performance is evaluated based on segment revenue and profit or loss from operating activities. Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment.

Inter segment transactions are carried out at arm's length price.

1) Segment Revenue and results

Particulars	Graphite(including other carbon products)		Power		Unallocable items/ Others		Total	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Segment Revenue								
Turnover	2,17,633.43	1,23,390.95	2,661.75	6,297.11	-	1.29	2,20,295.18	1,29,689.35
Less: Inter Segment turnover	-	-	134.00	4,066.51	-	-	134.00	4,066.51
External Turnover	**2,17,633.43**	**1,23,390.95**	**2,527.75**	**2,230.60**	**-**	**1.29**	**2,20,161.18**	**1,25,622.84**
Segment Result before Interest & taxes	**49,981.04**	**(5,803.62)**	**(1,013.68)**	**(1,056.60)**	**(2,882.76)**	**(4,077.93)**	**46,084.59**	**(10,938.15)**
Add:Interest Income							3,245.39	2,888.32
Add: Gain on sale of Investments(Including gain/(loss) on Fair Valuation)							3,418.34	6,110.84
Less: Finance cost							748.75	1,136.83
Profit Before Tax							51,999.56	(3,075.81)
Less: Income Tax (including Deferred tax)							12,941.34	(545.87)
Net Profit for the period							39,058.22	(2,529.94)
Depreciation and amortisation expense	6,729.52	6,075.15	1,126.02	1,157.63	73.21	78.78	7,928.75	7,311.56
Non Cash Expenses other than depreciation and amortization	288.40	406.22	-	187.21	-	-	288.40	593.43

Notes to the Standalone Financial Statements
for the year ended 31st March,2022 *All amounts are in ₹ Lakhs unless otherwise stated*

2) Segment assets, liabilities and other details

Particulars	Graphite(including other carbon products)		Power		Unallocable items/ Others		Total	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Segment Assets	3,20,451.03	2,06,142.01	9,191.99	10,546.17	1,87,458.85	1,98,084.22	5,17,101.88	4,14,772.40
Segment Liabilities	1,26,601.31	62,796.29	265.15	910.12	12,564.15	11,202.88	1,39,430.60	74,909.29
Capital Expenditure incurred during the year	47,995.12	30,104.31	-	4.06	45.08	23.07	48,040.20	30,131.44

3) Details of Unallocated Items

Assets	As at 31st March, 2022	As at 31st March, 2021
Property, Plant & Equipments	(251.41)	222.49
Investment Property	760.66	321.41
Investments	1,03,393.34	1,26,125.20
Inventories	14.68	14.68
Cash and Cash Equivalents	455.29	307.23
Bank balances other than Cash & Cash equivalents	66,552.07	54,995.06
Financial Assets-Loans	93.11	40.12
Other financial assets	1,587.79	1,040.40
Other Assets	187.34	375.81
Income Tax Asset	14,665.98	14,641.81
Total	**1,87,458.85**	**1,98,084.22**

Liabilities	As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Liabilities	9,629.17	9,674.62
Current Tax Liabilities	792.34	627.77
Other Financial Liabilities	1,767.08	664.18
Other Liabilities	249.41	136.22
Provisions	126.15	100.09
Total	**12,564.15**	**11,202.88**

4) Geographical Information: The company operates in two principal geographical areas-India and Outside India.

Particulars	Within India #		Outside India		Total	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Segment Revenue	80,277.27	48,352.08	1,39,883.91	77,270.77	2,20,161.18	1,25,622.84

Notes to the Standalone Financial Statements

for the year ended 31st March,2022 *All amounts are in ₹ Lakhs unless otherwise stated*

5) The Company is domiciled in India. The Company's revenue from operations from external customers by location of the customers is as follows:

Revenue from External Customers	For the year ended 31st March, 2022	For the year ended 31st March, 2021
INDIA	81,482.66	48,437.57
UNITED ARAB EMIRATES	2,167.47	4,688.02
JAPAN	1,575.05	3,992.35
EGYPT	10,401.62	10,330.94
KOREA (SOUTH)	8,901.61	8,761.38
SOUTH AFRICA	9,656.21	3,579.06
SPAIN	10,022.58	4,615.69
TURKEY	17,849.76	10,346.22
USA	23,971.08	7,500.73
OTHERS*	54,133.14	23,370.88
Total	**2,20,161.18**	**1,25,622.84**

*Others includes revenue from countries having less than 5% of total revenue from outside India.

Export incentives have been included in segment revenues within India

6) The Company's major sales are export based which is diversified in different countries and no single customer contributes more than 10% of the total company's revenue in 2021-22 and 2020-21.

7) The company has business operations only in India and does not hold any non current asset outside India.

Note: 38 Contingencies and Commitments

1) Contingent Liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
For Taxation matters		
a) Excise duty under appeal	220.04	220.04
b) Service Tax	-	-
c) Income Tax	6,576.85	7,866.23
d) Sales Tax	737.15	737.15
Other than Taxation matters		
a) Power Related	3,997.25	4,522.23
b) Labour related matters	36.48	36.48
c) Others	970.00	1,005.00

Based on legal advice, discussions with the solicitors, etc., the management believes that there is fair chance of decisions in the company's favor in respect of all the items listed above and hence no provision is considered necessary against the same. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

Further Company has deposited amount to the tax authorities against the cases, which shown as payment under protest in Note 13 of Other assets.

Notes to the Standalone Financial Statements

for the year ended 31st March,2022 All amounts are in ₹ Lakhs unless otherwise stated

2) Commitment Outstanding

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) Estimated value of contracts remaining to be executed on capital account and not provided for [(net of advances of ₹4729.08 Lakhs, (previous year ₹10714.75 Lakhs.)]	21,981.64	40,244.67
b) Pending export obligation against EPCG/Advance license	10848.61	31651.27

3) Financial Guarantee

Particulars	As at 31st March, 2022	As at 31st March, 2021
The Company has with RSWM Ltd and Bhilwara Energy Limited on joint and several basis provided Guarantee in favor of International Finance Corporation (IFC) on behalf of M/s AD Hydro Power Ltd against loan availed by M/s AD Hydro Power Ltd from International Finance Corporation (IFC).*	-	600.00

*Note- Since the loss allowance was estimated to be nil, the guarantee is not recognised in the books of account. Further, the loan availed against which guarantee was given have been repaid during financial year ended 31 March 2022 and accordingly there is no guarantee outstanding as on 31st March 2022.

Note 39:Related Party Disclosure

A) Names of related parties and transactions taken place during the year

Relationship		Related Parties	
		Year Ended 31st March, 2022	Year Ended 31st March, 2021
I)	**Associates**	(i) Bhilwara Energy Limited	(i) Bhilwara Energy Limited
		(ii) Bhilwara Infotechnology Ltd	(ii) Bhilwara Infotechnology Ltd
II)	**Subsidiaries of Associates**	(i) BG Wind Power Limited	(i) BG Wind Power Limited
		(ii) NJC Hydro Power Limited	(ii) NJC Hydro Power Limited
		(iii) Chango Yangthang Hydro Power Ltd.	(iii) Chango Yangthang Hydro Power Ltd.
		(iv) Malana Power Company Ltd	(iv) Malana Power Company Ltd
		(v) AD Hydro Power Ltd	(v) AD Hydro Power Ltd
		(vi) Indo Canadian Consultancy Services Ltd.	(vi) Indo Canadian Consultancy Services Ltd.
III)	**Key Management Personnel**	Sh. Ravi Jhunjhunwala-CMD & CEO	Sh. Ravi Jhunjhunwala-CMD & CEO
		Sh. Riju Jhunjhunwala-Vice Chairman	Sh. Riju Jhunjhunwala-Vice Chairman
		Sh. Shekhar Agarwal	Sh. Shekhar Agarwal
		Sh. Satish Chand Mehta	Sh. Satish Chand Mehta
		Dr. Kamal Gupta	Dr. Kamal Gupta
		Dr. Om Parkash Bahl (till 29.08.2021)	Dr. Om Parkash Bahl
		Smt. Vinita Singhania	Smt. Vinita Singhania
		Smt. Ramni Nirula	Smt. Ramni Nirula
		Sh. Jayant Davar	Sh. Jayant Davar
		Sh. Davinder Kumar Chugh (w.e.f.11.08.2021)	-
		Sh Manish Gulati - Executive Director	Sh Manish Gulati - Executive Director
		Sh Gulshan Kumar Sakhuja - Chief Financial Officer	Sh Gulshan Kumar Sakhuja - Chief Financial Officer
		Sh. Vivek Chaudhary- Company Secretary	Sh. Vivek Chaudhary- Company Secretary

Relationship		Related Parties	
		Year Ended 31st March, 2022	Year Ended 31st March, 2021
IV)	Close family members of Key Management Personnel	Sh. L.N. Jhunjhunwala	Sh. L.N. Jhunjhunwala
		Smt Mani Devi Jhunjhunwala	Smt Mani Devi Jhunjhunwala
		Sh Rishabh Jhunjhunwala	Sh Rishabh Jhunjhunwala
		Smt Rita Jhunjhunwala	Smt Rita Jhunjhunwala
V)	Post employment benefit plan trust	(a) Hindustan Electro Graphites Staff Gratuity Fund Trust	(a) Hindustan Electro Graphites Staff Gratuity Fund Trust
		(b) Hindustan Electro Graphites Ltd Senior Executive Superannuation Fund Trust	(b) Hindustan Electro Graphites Ltd Senior Executive Superannuation Fund Trust
VI)	Enterprises in which KMP is able to exercise significant influence and with whom transactions have been taken place during the year	RSWM Ltd	RSWM Ltd
		Giltedged Industrial Securities Ltd	Giltedged Industrial Securities Ltd
		Purvi Vanijya Niyojan Ltd	Purvi Vanijya Niyojan Ltd
		Shashi Commercial Co Ltd	Shashi Commercial Co Ltd
		BSL Ltd	BSL Ltd
		Maral Overseas Ltd	Maral Overseas Ltd
		BMD Pvt Ltd	BMD Pvt Ltd
		Bharat Investments Growth Limited	Bharat Investments Growth Limited
		Jet (India) Pvt. Ltd.	Deepak Pens & Plastics Pvt Limited #
		India Texfab Marketing Limited	India Texfab Marketing Limited
		Investors India Limited	Investors India Limited
		LNJ Financial Services Limited	LNJ Financial Services Limited
		Nivedan Vanijya Niyojan Limited	Nivedan Vanijya Niyojan Limited
		M.L. Finlease Pvt Limited	M.L. Finlease Pvt Limited
		-	Sandhu Auto Deposits Limited#
		Raghav Commercial Limited	Raghav Commercial Limited
		-	Bhilwara Technical Textiles Ltd.
		-	Ravi Jhunjhunwala - HUF##
		Sabhyata Foundation (Section 8 company)	Sabhyata Foundation (Section 8 company)
		LNJ Bhilwara -HEG Lok Nyas (Trust)	LNJ Bhilwara -HEG Lok Nyas (Trust)
		Graphite Education & Welfare Society	Graphite Education & Welfare Society

Deepak Pens & Plastics Pvt. Ltd. and Sandhu Auto Deposits Ltd. have been amalgamated with Jet (india) Pvt. Ltd. pursuant to scheme of amalgamation duly approved by NCLT, Kolkata w.e.f. 25th September,2020.

Pursuant to Partition of Ravi Jhunjhuwala-HUF, the same has been dissolved w.e.f. 25th September, 2020.

Notes to the Standalone Financial Statements
for the year ended 31st March,2022 *All amounts are in ₹ Lakhs unless otherwise stated*

B) Transaction during the year with related parties

Relationship		Name of the Related Party	Nature of Transaction	Year Ended 31st March, 2022	Year Ended 31st March, 2021
I)	Associates	Bhilwara Energy Ltd	Reimbursement received	0.17	1.18
			Reimbursement made		0.54
		Bhilwara Infotechnology Limited	Maintenance Charges Paid	1.70	1.70
II)	Subsidiaries of Associates	Malana Power Co.Ltd.	Reimbursement received	2.40	5.09
		AD Hydro Power Ltd	Reimbursement received	0.45	8.65
		Indo Canadian Consultancy Services Ltd.	Reimbursement received	1.38	3.34
		BG Wind Power Limited	Reimbursement received	-	0.33
		NJC Hydro Power Limited	Reimbursement received	-	0.33
		Chango Yangthang Hydro Power Ltd.	Reimbursement received	-	0.14
III)	Key Management Personnel	Sh. Ravi Jhunjhunwala-CMD & CEO	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)#	286.58	147.34
			Commission	1,541.00	-
			Dividend Paid	0.02	-
		Sh Riju Jhunjhunwala-Vice Chairman	Director sitting fee	3.60	2.65
			Dividend Paid	0.04	-
			Reimbursement of expenses	0.21	0.15
		Sh. Shekhar Agarwal	Director sitting fee	6.00	6.00
			Reimbursement of expenses	0.24	0.24
		Sh. Satish Chand Mehta	Director sitting fee	6.75	6.75
			Reimbursement of expenses	0.39	0.39
		Dr. Kamal Gupta	Director sitting fee	12.00	11.60
			Reimbursement of expenses	0.81	0.75
			Dividend Paid	0.01	-
		Dr. Om Parkash Bahl	Director sitting fee	4.90	11.40
			Reimbursement of expenses	0.24	0.72
		Smt. Vinita Singhania	Director sitting fee	3.00	2.25
			Reimbursement of expenses	0.27	0.18
		Smt. Ramni Nirula	Director sitting fee	6.40	6.20
			Reimbursement of expenses	0.30	0.27
		Sh Jayant Davar	Director sitting fee	5.35	3.75
			Reimbursement of expenses	0.39	0.15
			Dividend Paid	0.00	-
		Sh. Davinder Kumar Chugh	Director sitting fee	4.70	-
			Reimbursement of expenses	0.21	

All amounts are in ₹ Lakhs unless otherwise stated

Relationship	Name of the Related Party	Nature of Transaction	Year Ended 31st March, 2022	Year Ended 31st March, 2021
	Sh Manish Gulati - Executive Director	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)#	127.46	95.28
		Commission	100.00	-
		Housing Loan given	80.00	-
		Housing Loan Repayment -Principal	8.89	-
		Housing Loan Repayment - Interest	0.79	-
		Closing Balance as at end of year	71.11	-
	Sh Gulshan Kumar Sakhuja - Chief Financial Officer	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)	54.13	40.00
		Housing Loan Repayment -Principal	2.67	2.67
		Housing Loan Repayment - Interest	0.13	0.24
		Closing Balance as at end of year	1.78	4.44
	Sh. Vivek Chaudhary- Company Secretary	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)#	33.83	25.66
IV) **Close family members of Key Management Personnel**	Sh Rishabh Jhunjhunwala	Dividend Paid	0.05	-
	Smt Rita Jhunjhunwala	Dividend Paid	0.06	-
		Rent Paid	4.72	14.16
V) **Post employment benefit Plan Trust**	(a) Hindustan Electro Graphites Staff Gratuity Fund Trust	Contribution in Employee Benefit Scheme	-	-
	(b) Hindustan Electro Graphites Ltd Senior Executive Superannuation Fund Trust	Contribution in Employee Benefit Scheme	71.85	176.86
VI) **Enterprises in which KMP is able to exercise significant influence.**	RSWM Ltd	Rent Paid	43.52	43.52
		Reimbursement received	13.66	16.45
		Reimbursement made	74.70	51.03
		Dividend Paid	9.55	-
	Shashi Commercial Co. Ltd.	Rent Paid	30.86	28.84
		Dividend Paid	20.27	-
		Reimbursement received	-	0.14
	Purvi Vanijaya Niyojan Ltd.	Rent Paid	3.50	3.50
		Reimbursement made	0.33	0.33
		Reimbursement received	-	0.09
		Dividend Paid	56.06	-
	Giltedged Industrial Securities Ltd.	Rent Paid	21.45	27.62
		Dividend Paid	26.63	-
		Reimbursement received	0.13	0.24
	BSL Ltd	Rent Received	12.19	12.19
		Purchase of Fabrics	2.56	1.18
		Reimbursement received	0.91	0.75

Relationship	Name of the Related Party	Nature of Transaction	Year Ended 31st March, 2022	Year Ended 31st March, 2021
	Maral Overseas Ltd	Reimbursement received	4.15	12.31
	BMD Pvt Ltd	Reimbursement received	-	3.69
	Bhilwara Technical Textiles Ltd.	Reimbursement received	-	0.24
	Bharat Investments Growth Ltd.	Reimbursement received	-	0.14
		Dividend Paid	82.05	-
	Jet (India) Pvt. Ltd.	Dividend Paid	30.17	-
	India Texfab Marketing Limited	Dividend Paid	6.20	-
	Investors India Limited	Dividend Paid	1.09	-
	LNJ Financial Services Limited	Dividend Paid	49.45	-
		Reimbursement received	-	0.14
	Nivedan Vanijya Niyojan Limited	Dividend Paid	2.00	-
		Reimbursement received	-	0.14
	M.L. Finlease Pvt Limited	Dividend Paid	10.39	-
	Raghav Commercial Limited	Dividend Paid	43.44	-
		Reimbursement received	-	0.33
	Sabhyata Foundation	Donation under Corporate Social Responsibility (CSR)	250.00	500.00
	LNJ Bhilwara -HEG Lok Nyas	Donation under Corporate Social Responsibility (CSR)	35.29	133.00
	Graphite Education & Welfare Society	Donation under Corporate Social Responsibility (CSR)	-	1,526.42

Note: Remuneration amount of Key Management Personnel represents remuneration paid for the whole year irrespective of the period for which the person is Key Management Personnel.

C) Details of Outstanding Balances as at the end of year

Sl.No.	Related Party	Name of the Related Party	Particulars	As At 31st March, 2022	As At 31st March, 2021
1	Associates	Bhilwara Energy Ltd.	Investments	30,711.50	30,711.50
			Loan and Advances given	0.11	0.11
		Bhilwara Infotechnology Ltd	Investments	419.00	419.00
2	Key Management Personnel	Sh Manish Gulati - Executive Director	Loan Oustanding at the end of the year	71.11	-
		Sh Gulshan Kumar Sakhuja - Chief Financial Officer	Loan Oustanding at the end of the year	1.78	4.44

Note: There is no provision for doubtful debts related to amount of outstanding balances due from related parties.

D) Commitments with the Related Parties

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
The Company has with RSWM Ltd. on joint and several basis provided guarantee in favor of International Finance Corporation (IFC) on behalf of AD Hydro Power Ltd.	-	600.00

Note: The loan availed against which guarantee was given has been repaid during financial year ended 31st March 2022 and accordingly there is no guarantee outstanding as on 31st March 2022.

Notes to the Standalone Financial Statements

for the year ended 31st March,2022 — *All amounts are in ₹ Lakhs unless otherwise stated*

E) Transactions with Key Management Personnel

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Short term benefits	2,092.82	280.46
Post employment benefits#	50.19	27.82
Director's Sitting Fee	52.70	50.60
Reimbursement of expenses and Incidental expenses	3.06	2.85
Dividend paid by the Company	0.07	-
Housing loan given	80.00	-
Housing loan repayment -principle	(11.56)	(2.67)
Housing loan repayment -interest	(0.92)	(0.24)

Remuneration does not Include provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

Note 40 : Indian Accounting Standard-19 "Employee Benefits"

(A) Defined Contribution Plan

The Company makes Contribution to Provident fund, ESIC and retirement benefits plans for eligible employees under the scheme and recognised as expense and included in the Note no. 30 Employee Benefits under the head "Contribution to provident and other funds". The details are as under:

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Employer's contribution to provident fund (incl. admin & other expenses)	324.69	274.61
Employer's contribution to superannuation Fund	71.85	173.34
Employer's contribution to ESIC	17.47	31.11

(B) Defined Benefit Plan

The Company sponsors funded defined benefit plan for qualifying employees. This defined benefit plan of gratuity is administered by a separate trust that is legally separate from the entity. The trust is responsible for investment policy with regard to the assets of the trust and the contributions are invested in a scheme with Life Insurance Corporation of India (LIC) as permitted by Law. The management of fund is entrusted with the LIC. The liability for employee gratuity is determined on actuarial valuation using projected unit credit method.

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) Investment Risk

The probability or likelihood of occurrence of losses related to the expected return on investment. if the actual return on plan assets is below the expected return, it will create plan deficit.

(ii) Interest Risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

(iii) Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

(iv) Salary Risk

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Notes to the Standalone Financial Statements

for the year ended 31st March,2022 — *All amounts are in ₹ Lakhs unless otherwise stated*

The following table set out the funded status of the gratuity plan and amounts recognised in the balance sheet:

Particulars	As At 31st March, 2022	As At 31st March, 2021
I. Movement in the present value of defined Benefit Obligation:		
Present Value of Defined benefit obligation at the beginning of the year	1,091.32	1,175.77
Current Service Cost	67.05	65.29
Interest Cost	73.66	79.48
Past Service Cost including curtailment (Gains)/Losses	-	-
Benefits paid	(187.68)	(220.32)
Actuarial Changes (Gain)/Loss	113.02	(8.90)
Present Value of Defined benefit obligation at the end of the year	**1,157.38**	**1,091.32**
II. Movement in fair value of Plan assets:		
Fair Value of Plan Assets at the beginning of the year:	1,680.85	1,468.01
Interest Income	113.46	99.24
Company's Contribution	-	-
Benefits paid	(14.92)	(17.97)
Remeasurement- Return on plan assets excluding amount included in interest income	(10.21)	131.58
Fair Value of Plan Assets at the end of the year	1,769.18	1,680.85
III. Net Assets/(liability) recognized in Balance Sheet:		
Present value of defined benefit obligation	1,157.38	1,091.32
Fair Value on Plan Assets	1,769.18	1,680.85
Surplus/(Deficit)	611.81	589.53
Effect of asset ceiling if any	-	-
Net Assets/(Liability) recognized in balance sheet	611.81	589.53
IV (a) Amount recognized in Statement of Profit and Loss		
Current Service Cost	67.05	65.29
Net Interest expense on net defined benefit liability / (asset)	(39.79)	(19.76)
Net Cost	**27.26**	**45.53**
The above amount has been included in Note-30 "Employee benefit expenses" under the head "Salaries and wages" in the statement of Profit and loss		
IV (b) Amount recognized in Other Comprehensive Income		
Actuarial Gain/ (Loss) on Obligation	(113.02)	8.90
Remeasurement- Return on plan assets (excluding amount included in net Interest on net defined benefit liability/(asset))	(10.21)	131.58
Net Income/(Expense) for the period Recognised in OCI	**(123.23)**	**140.48**
V. Bifurcation of Actuarial Gain/Loss on obligation.		
1. Actuarial changes arising from changes in demographic assumptions (Gain/ (Loss))	-	-
2. Actuarial changes arising from changes in financial assumptions (Gain/ (Loss))	(49.58)	(0.92)
3. Actuarial changes arising from changes in experience adjustments (Gain/ (Loss))	162.60	9.82
4 Acturial Gain/(loss) arising for the year on Plan Assets	(10.21)	131.58
VI. The major categories of plan assets as a percentage of the fair value of total plan assets :		
Insurer Management Fund	100%	100%

Particulars	As At 31st March, 2022	As At 31st March, 2021
VII. The Principal assumptions used for the purpose of acturial valuation are as follows:		
Discount Rate (per annum)	7.26%	6.75%
Salary escalation (per annum)	5.00	5.00
Retirement age	58/60	58/60
Mortality Rate during employment	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rate. Due to the complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.		
VIII. Withdrawal rates:		
Age:		
Upto 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00
IX.Sensitivity Analysis of the defined benefit obligation.		
Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity is computed by varying one actuarial assumption used for valuation of defined benefit obligation by 0.50% keeping all other actuarial assumptions constant. There is no change from the previous period in the methods and assumptions used in preparing the sensitivity analysis.		
a) Impact of the change in discount rate		
Impact due to increase of 0.50%-Increase(Decrease) in obligation	45.33	(43.85)
Impact due to decrease of 0.50 %-Increase(Decrease) in obligation	(48.67)	47.14
b) Impact of the change in salary increase		
Impact due to increase of 0.50%-Increase(Decrease) in obligation	(44.26)	42.85
Impact due to decrease of 0.50 %-Increase(Decrease) in obligation	42.42	(40.47)

X.The defined benefit obligation shall mature after the year end as follows:	31st March, 2022	31st March, 2021
a) 0-1 year	100.74	106.93
b) 1-2 year	62.35	44.80
c) 2-3 year	102.17	83.20
d) 3-4 years	58.55	87.40
e) 4-5 years	80.99	49.95
g) More than 5 years	753.05	719.02

XI. The Company expects to make a contribution of ₹32.98 Lakhs(31 March,2021 ₹33.01 Lakhs) to defined benefit plans during the financial year 2022-23.

(C) Other long term employee benefits (Compensated absences)

(i) Amount recognized towards compensated absences in statement of profit and loss in Note no. 30 "Employee Benefit Expense" under the head "salaries and wages" is B102.61 Lakhs (previous year (₹2.81) Lakhs)

(ii) Liability towards compensated absences as at the end of the year is as under:

Particulars	As at 31.03.2022	As at 31.03.2021
Current liability	77.27	45.61
Non-current liability	381.06	358.35

Note 41 : Leases

(i) Company as a lessee

(a) The depreciation expense on ROU assets of ₹68.10 Lakhs (previous year ₹78.95 Lakhs) is included under depreciation and amortization expense in the statement of Profit and Loss.

(b) Interest expense on the lease liability amounting to ₹14.28 Lakhs (previous year ₹14.22 Lakhs) has been included as component of finance costs in the statement of Profit and Loss.

(c) The change in the carrying value of Right of Use asset during the year is as under:

Particulars	Gross Carrying Value	Depreciation	Net Carrying Value
(i) Land			
As at April 1, 2020	**840.16**	**222.06**	**618.10**
Addition during the year	-	-	
Depreciation during the year	-	15.55	
As at March 31, 2021	**840.16**	**237.61**	**602.55**
As at April 1, 2021	**840.16**	**237.61**	**602.55**
Addition during the year	49.74	-	
Depreciation during the year	-	15.57	
As at March 31, 2022	**889.90**	**253.18**	**636.72**
(ii) Buildings			
As at April 1, 2020	**131.62**	**10.21**	**121.41**
Addition during the year	48.36	-	
Depreciation during the year	-	63.40	
As at March 31, 2021	**179.98**	**73.61**	**106.37**
As at April 1, 2021	**179.98**	**73.61**	**106.37**
Addition during the year	-	-	
Adjustments during the year	(23.86)	-	
Depreciation during the year	-	52.53	
As at March 31, 2022	**156.12**	**126.14**	**29.98**

(d) The following is the break-up of current and non-current lease liabilities

Particulars	As at 31st March,2022	As at 31st March,2021
Current lease liabilities	49.61	73.10
Non current lease liabilities	78.33	81.29
Total	**127.94**	**154.38**

(e) The following is the movement in lease liabilities

Particulars	As at 31st March,2022	As at 31st March,2021
Balance at the beginning of the year	154.38	164.16
Additions during the year	49.74	48.36
Adjustments during the year	(23.28)	-
Finance cost accrued during the year	14.28	14.22
Payment of lease liabilities	67.17	62.58
Balance at the end of the year	**127.94**	**154.38**

(f) The table below provides details regarding the contractual maturities of lease liabilities:

Particulars	For the Year Ended 31st March, 2022		For the Year Ended 31st March, 2021	
	Minimum Payments	Present value of payments	Minimum Payments	Present value of payments
Within one year	51.59	49.61	76.21	73.10
After one year but not more than 5 years	40.96	29.63	72.12	61.39
More than 5 years	338.21	48.70	93.10	19.90
Total Minimum lease payments	430.76	127.94	241.43	154.38
Less: Amount representing finance charges	302.82		87.06	
Present value of minimum lease payments	**127.94**	**127.94**	**154.38**	**154.38**

The Company does not face liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. The discount rate applied to lease liabilities is 7% p.a.

(g) Lease Commitments

The company incurred ₹36.88 Lakhs (previous year ₹36.88 Lakhs) for the year ended March 31, 2022 towards expense relating to short-term leases having tenure of less than 12 months. The amount of lessee's lease commitments for short term leases is as hereunder:

Particulars	As at 31st March,2022	As at 31st March,2021
Not later than one year	33.81	21.52
Later than one year and not later than five years	-	-
Later than five years	-	-

(ii) Company as a lessor

The Company has given on lease building under operating lease. The Rental income recorded for the year ended March 31, 2022 is ₹132.21 Lakhs (previous year ₹115.49 Lakhs). In accordance with Indian Accounting Standard (Ind AS-116) on 'Leases', disclosure of the future minimum lease income in the aggregate and for each of the following periods is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Not later than one year	134.72	107.69
(ii) Later than one year and not later than five years	411.87	447.36
(iii) Later than five years	0.00	39.58
Total	**546.59**	**594.63**

Note 42 : Events after the Reporting Period

The Board of directors have recommended the payment of final dividend of ₹40 per equity share (previous year ₹3) which is subject to the approval of shareholders in the Annual General Meeting.

Note 43 Corporate Social Responsibility(CSR)

The Company meeting the applicable threshold under Section 135 of the Companies Act, 2013 ("Act") read with related rules thereto, is mandatorily required to spent at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The funds were utilized throughout the year on the activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
(i) Amount required to be spent by the company during the year	3,065.47	4,185.70
(ii) Amount of expenditure incurred:		
a) Construction/ acquisition of any asset	Nil	Nil
b) On purposes other than (a) above	1,482.09	4,185.70
(iii) Shortfall at the end of the year	1,583.38	-
(iv) Total of previous years shortfall #	-	-
(v) Reason for shortfall	Pertains to ongoing projects	NA
(vi) Nature of CSR activities	Eradication of hunger and malnutrition, Promoting gender equality, empowering women, setting up homes and hostels for women, old age persons and orphans, promoting education, art and culture, healthcare, environment sustainability, Protection of national heritage, art and culture, and rural development projects.	
(vii) Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Refer note no. 39 of the financial statements	Refer note no. 39 of the financial statements

#For the purpose of this disclosure, shortfall pertaining to financial years prior to 1st April 2020 has not been considered.

Note: 44. Capitalization of Pre-Operative Expenditure

The following expenditure has been included under capital work in progress:

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
Bank and LC charges	229.12	218.53
Travelling expenses	7.83	6.68
Power cost	65.65	12.81
Insurance & Other Charges	221.16	158.53
Total	**523.76**	**396.54**

The amount capitalized during the year is ₹ Nil (previous year ₹ Nil)
The borrowing cost capitalized during the year is ₹ NIL (Previous year ₹ NIL)

Note: 45 Details of Loans given, Investments made and Guarantee given covered U/S 186(4) of The Companies Act, 2013

The following expenditure has been included under capital work in progress:

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
Loan given	-	-
Guarantee given (with RSWM Ltd and Bhilwara Energy Limited on joint and several basis) in favour of International Finance Corporation (IFC) on behalf of M/s AD Hydro Power Ltd against loan availed by M/s AD Hydro Power Ltd from International Finance Corporation (IFC).	-	600.00
Investment made (For detail of investments made, refer note no. 9)	31,130.50	31,130.50

Note: In line with Circular No 04/2015 issued by Ministry of Corporate Affairs dated 10th March, 2015, loans given to employees (including loan to whole time director in the capacity of employee) as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013

Note 46: Financial Instruments and Risk Management

Note 46 A: Capital Management

The Company's objective when managing capital are to:

i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(ii) Maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital using a gearing ratio, which is net debt (net of cash and cash equivalents) divided by total equity.

The Company is not subject to any externally imposed capital requirements.

(i) The gearing ratios were as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) Debt*	66,340.05	29,651.42
b) Cash & Cash Equivalents	(4,103.52)	(2,137.39)
(c) Net Debt (a)+(b)	62,236.52	27,514.03
Total equity	3,77,671.26	3,39,863.11
Net Debt to Equity Ratio	**0.16**	**0.08**

* Debt is defined as long- term and short-term borrowings (excluding derivative, financial guarantee contracts and contingent consideration), refer note 19 for the details of borrowings.

(ii) Loan Covenants:

The Company is long term debt free as on reporting period.

Note 46B: Financial Instruments- Accounting Classification and Fair Value Measurement

As at 31st March,2022

Particulars	Carrying amount					Total carrying amount	Total Fair Value
	At Amortised cost	At fair value through OCI		At fair value through profit or loss			
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Financial assets							
Investments (refer note 9) #							
-Equity instruments	-				0.01	0.01	0.01
-Fixed Maturity Plans					35,264.71	35,264.71	35,264.71
-Mutual Funds					29,671.73	29,671.73	29,671.73
-Bond funds					1,949.59	1,949.59	1,949.59
-Infra Trust					5,376.80	5,376.80	5,376.80
Trade Receivables (refer note 10)	58,917.28			-	-	58,917.28	58,917.28

Notes to the Standalone Financial Statements
for the year ended 31st March,2022
All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Carrying amount					Total carrying amount	Total Fair Value
	At Amortised cost	At fair value through OCI		At fair value through profit or loss			
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Cash and Cash Equivalents (refer note 15)	4,103.52			-	-	4,103.52	4,103.52
Other Bank balances (refer note 16)	56,062.98					56,062.98	56,062.98
Loans (refer note 11)	154.83			-	-	154.83	154.83
Other financial assets (refer note 12)	15,675.90					15,675.90	15,675.90
Derivative financial instruments (refer note 12)	-			-	9.52	9.52	9.52
Total Financial Assets	**1,34,914.51**	**-**	**-**	**-**	**72,272.36**	**2,07,186.87**	**2,07,186.87**
Financial Liabilities							
Borrowings (refer note 19)	66,340.05				-	66,340.05	66,340.05
Trade Payables (refer note 20)	44,789.11				-	44,789.11	44,789.11
Lease liabilities (refer note 21A)	127.94					127.94	127.94
Other Financial Liabilities (refer note 21B)	13,737.68				-	13,737.68	13,737.68
Derivative financial instruments (refer note 21B)	-				-	-	-
Total Financial Liabilities	**1,24,994.78**	**-**	**-**	**-**	**-**	**1,24,994.78**	**1,24,994.78**

As at 31st March,2021

Particulars	Carrying amount					Total carrying amount	Total Fair Value
	At Amortised cost	At fair value through OCI		At fair value through profit or loss			
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Financial assets							
Investments (refer note 9) #							
-Equity instruments					0.01	0.01	0.01
-Fixed Maturity Plans					62,098.60	62,098.60	62,098.60
- Mutual Funds					27,642.50	27,642.50	27,642.50
-Bond funds					-	-	-
-Infra Trust					5,253.60	5,253.60	5,253.60
Trade Receivables (refer note 10)	28,942.10					28,942.10	28,942.10

Particulars	Carrying amount					Total carrying amount	Total Fair Value
	At Amortised cost	At fair value through OCI		At fair value through profit or loss			
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Cash and Cash Equivalents (refer note 15)	2,137.39					2,137.39	2,137.39
Other Bank balances (refer note 16)	52,920.26					52,920.26	52,920.26
Loans (refer note 11)	71.26					71.26	71.26
Other financial assets (refer note 12)	5,595.23					5,595.23	5,595.23
Derivative financial instruments (refer note 12)	-				10.97	10.97	10.97
Total Financial Assets	**89,666.24**	**-**	**-**	**-**	**95,005.68**	**1,84,671.92**	**1,84,671.92**
Financial Liabilities							
Borrowings (refer note 19)	29,651.42	-	-	-	-	29,651.42	29,651.42
Trade Payables (refer note 20)	25,731.28	-	-	-	-	25,731.28	25,731.28
Lease liabilities (refer note 21A)	154.38					154.38	154.38
Other Financial Liabilities (refer note 21B)	6,603.67	-	-	-	-	6,603.67	6,603.67
Derivative financial instruments (refer note 21B)	-	-	-	-	-	-	-
Total Financial Liabilities	**62,140.75**	**-**	**-**	**-**	**-**	**62,140.75**	**62,140.75**

Investment value excludes investment in Associates of ₹31,130.50 Lakhs (March 31, 2021: ₹31,130.50 Lakhs) which are shown at cost in balance sheet as per Ind AS 27 "Separate Financial Statements."

(i) Fair value Measurement

The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. This section explains the judgements and estimates made in determining the fair values of the financial instruments. To provide an indication about the reliability of inputs used in determining fair values, the company has classified its financial instruments into three levels prescribed under the accounting standards.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying value largely due to the short-term maturities of these instruments.

Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. For borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation techniques:

Level 1: Quoted prices (unadjusted) in the active markets for identical assets or liabilities

Level 2: Other techniques for which all the inputs have a significant effect on the recorded fair values are observable, either directly or indirectly

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.Sensitivity of Level 3 Financial Instruments is insignificant

As at 31st March,2022

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets measured at Fair value through profit or loss				
Investments				
-Equity instruments (excluding investment in associates)	0.01	0.01		
-Fixed Maturity Plans	35,264.71	-	35,264.71	-
-Mutual Funds	29,671.73	-	29,671.73	-
-Bond Funds	1,949.59	-	1,949.59	
-Infra Trust	5,376.80	-	-	5,376.80
Derivative financial instruments	9.52	-	9.52	-
Total	**72,272.36**	**0.01**	**66,895.55**	**5,376.80**
Financial Liabilities measured at Fair value through profit or loss				
Derivative financial instruments	-	-	-	-
Total	**-**	**-**	**-**	**-**

As at 31st March,2021

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets measured at Fair value through profit or loss				
Investments				
-Equity instruments (excluding investment in associates)	0.01	0.01	-	-
-Fixed Maturity Plans	62,098.60	-	62,098.60	-
-Mutual Funds	27,642.50	-	27,642.50	-
-Bond Funds	-	-	-	-
-Infra Trust	5,253.60	-	-	5,253.60
Derivative financial instruments	10.97		10.97	
Total	**95,005.68**	**0.01**	**89,752.07**	**5,253.60**
Financial Liabilities measured at Fair value through profit or loss				
Derivative financial instruments	-	-	-	-
Total	**-**	**-**	**-**	**-**

The following methods and assumptions were used to estimate the fair values:

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Investments in mutual funds/ Fixed Maturity Plans/Bond funds : Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) declared by fund house.

Investment in Market Linked Non-convertible debentures: Fair value is determined by reference to valuation provided by CRISIL.

Investment in Infrastructure Trust: Fair value is derived on the basis of valuation certificate by independent professional based on net asset at fair value approach, in this approach the net asset at fair value is used to capture the fair value of these investments.

Derivative contracts: The Company has entered into foreign currency contracts to manage its exposure to fluctuations in foreign exchange rates . These financial exposures are managed in accordance with the Company's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data, i.e., mark to market values determined by the Authorised Dealers Banks.

Note 46C Financial risk management

This note explains the risk which company is exposed to and policies and framework adopted by the company to manage these risks.

The Company's principal financial liabilities comprise borrowings, trade and other payables and the main purpose of these financial liabilities is to manage finances for the day to day operations of the company. The Company's principal financial asset includes trade and other receivables, and cash and bank balances that arise directly from its operations.

The corporate treasury department reports quarterly to the Company's risk management Committee, an independent body who monitors risk and policies implemented to mitigate risk exposures.

The company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and approves policies for managing each of these risks, which are summarized below.

(A) Market Risk:

"Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. "

(i) Foreign Currency Risk:

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD and EURO. The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to accounts receivable and accounts payable. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

Notes to the Standalone Financial Statements
for the year ended 31st March,2022 *All amounts are in ₹ Lakhs unless otherwise stated*

a) Foreign currency forward contracts outstanding as at the balance sheet date

Category	Currency	Nature	As at 31st March, 2022			As at 31st March, 2021		
			No. of contracts	(USD) (in Lakhs)	(INR) (in Lakhs)	No. of contracts	(USD) (in Lakhs)	(INR) (Lakhs)
Against receivables	USD/ INR	Sold	8	95.00	7,201.67	13	200.00	14,700.94

The line item in the Balance Sheet that includes the above hedging instruments are "other financial assets and other financial liabilities."

b) Particulars of foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period is as follows:

Particulars	Currency	As at 31st March, 2022		As at 31st March, 2021	
		Amount in FC (FC in Lakhs)	Amount in INR (₹ in Lakhs)	Amount in FC (FC in Lakhs)	Amount in INR (₹ in Lakhs)
I. Financial Liabilities					
Loan (A)	USD	38.00	2,880.67	-	-
	Euro	110.00	9,312.59	105.00	9,040.40
Creditors (B)	USD	385.49	29,223.22	174.59	12,833.08
	Euro	22.41	1,897.00	14.99	1,290.92
Other payables (C)	USD	15.73	1,192.17	10.91	801.77
	Euro	6.66	563.57	4.45	383.50
Total exposure to foreign currency risk (liabilities) (D=A+B+C)	USD	439.22	33,296.06	185.50	13,634.85
	Euro	139.06	11,773.16	124.45	10,714.81
II. Financial Assets					
Trade receivables (E)	USD	401.13	30,408.24	198.17	14,566.44
	Euro	110.42	9,347.99	47.67	4,104.13
Total exposure to foreign currency risk (assets) (F=E)	USD	401.13	30,408.24	198.17	14,566.44
	Euro	110.42	9,347.99	47.67	4,104.13
Net exposure to foreign currency risk after considering natural hedge-Receivable/(Payable) (G=F-D)	USD	(38.09)	(2,887.82)	12.67	931.58
	Euro	(28.65)	(2,425.17)	(76.78)	(6,610.68)
Foreign currency forward contracts outstanding in respect of receivables (H)	USD	95.00	7,201.67	200.00	14,700.94
	Euro	-	-	-	-
Foreign currency forward contracts outstanding in respect of Payables (I)	USD	-	-	-	-
	Euro	-	-	-	-
Net exposure to foreign currency risk in respect of receivables after considering natural hedge and forward contracts # (G-H)	USD	-	-	-	-
	Euro	-	-	-	-
Net exposure to foreign currency risk in respect of Payables after natural hedge and considering forward contracts # (G-I)	USD	(38.09)	(2,887.82)	-	-

Particulars	Currency	As at 31st March, 2022		As at 31st March, 2021	
		Amount in FC (FC in Lakhs)	Amount in INR (₹ in Lakhs)	Amount in FC (FC in Lakhs)	Amount in INR (₹ in Lakhs)
	Euro	(28.65)	(2,425.17)	(76.78)	(6,610.68)

to the extent of receivable/payable in books of account

(c) Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments .

The following table demonstrates the sensitivity in the USD and Euro to the Indian Rupee with all other variables held constant and its impact on the Company's profit before tax :

Particulars	Impact on Profit	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
USD Sensitivity		
Increase in exchange rate by 5% (Previous year 5%)	(144.39)	0.00
Decrease in exchange rate by 5% (Previous year 5%)	144.39	0.00
EURO Sensitivity		
Increase in exchange rate by 5% (Previous year 5%)	(121.26)	(396.64)
Decrease in exchange rate by 5% (Previous year 5%)	121.26	396.64

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. In order to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

(a) Interest Risk Exposure:

The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	As At 31st March, 2022			As At 31st March, 2021		
	Weighted Average Interest Rate	Outstanding Balance (₹ in Lakhs)	% of Total Loans	Weighted Average Interest Rate	Outstanding Balance (₹ in Lakhs)	% of Total Loans
Working Capital Loans from banks						
Variable Rate Borrowings	2.60%	66,340.05	100	-	-	
Fixed Rate Borrowings	-	-		3.66%	29,651.42	100
Total Borrowings	**2.60%**	**66,340.05**	**100**	**3.66%**	**29,651.42**	**100**

Notes to the Standalone Financial Statements
for the year ended 31st March,2022 *All amounts are in ₹ Lakhs unless otherwise stated*

(b) Sensitivity:

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on Profit	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Rate - increase by 60 basis points	(398.04)	(177.91)
Interest Rate - decrease by 60 basis points	398.04	177.91

(iii) Security Price risk:

(a) Price Risk:

The Company manages the surplus funds majorly through investments in debt based Fixed Maturity Plans, mutual fund schemes, Non-convertible debentures and infrastructure trust. The price of investment in Fixed Maturity Plans, mutual fund schemes is reflected through Net Asset Value (NAV) declared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The price of investment in Non-convertible debentures is reflected through valuation by CRISIL on weekly basis. The price of investment in infrastructure trust is reflected through valuation certificate by the independent professional on quarterly basis where valuation is deteremined based on fair value of assets of trust as on date of valuation. The Company is exposed to price risk on such Investments.

Particulars	As At 31st March, 2022	As At 31st March, 2021
Investments in Fixed Maturity Plans, mutual fund schemes, Non-convertible debentures and Infrastructure trust	72,262.85	94,994.70

(b) Sensitivity:

The below is the sensitivity analysis at the end of the year in case NAV has been 1% higher / lower.

Particulars	Impact on Profit	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
NAV increase by 1%	722.63	949.95
NAV decrease by 1%	(722.63)	(949.95)

(B) Credit Risk:

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. The Company is exposed to credit risk from its operating activities (primarily trade receivables, loans to employees and security deposits). Credit risk on cash and cash equivalents, other bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. The Company's credit risk in case of all other financial instruments is negligible.

To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period.

The Company's major sales are export based which is diversified in different countries and none of the customer contributes 10% or more of the total company's revenue for the financial year 2021-22 and 2020-21

All amounts are in ₹ Lakhs unless otherwise stated

(i) Expected Credit Loss for Financial Assets

As at 31st March 2022

Financial assets to which loss allowance is measured using 12 months expected credit loss (ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of ECL
Loans to Employees	154.83	0%	-	154.83
Security Deposits	3,286.01	0%	-	3,286.01

Financial assets to which loss allowance is measured using life time expected credit loss (ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of ECL
Trade Receivables	59,292.26	Refer table below	374.98	58,917.28

Expected Probability of Default in case of Trade Receivables

Period from Invoice date	Expected probability of default
Less than 12 months	0.00%
12 to 15 months	25.00%
15 to 18 months	50.00%
18 to 21 months	75.00%
More than 21 months	100.00%

For the year ending 31st March 2021

Financial assets to which loss allowance is measured using 12 months Expected credit loss(ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of impairment provision
Loans to Employees	71.26	0%	-	71.26
Security Deposits	2,489.48	0%	-	2,489.48

Financial assets to which loss allowance is measured using lifetime Expected credit loss(ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount (net of ECL)
Trade Receivables	29,324.05	Refer table below	381.95	28,942.10

Expected Probability of Default in case of Trade Receivables

Period from Invoice date	Expected probability of default
Less than 12 months	0.00%
12 to 15 months	25.00%
15 to 18 months	50.00%
18 to 21 months	75.00%
More than 21 months	100.00%

(ii) Reconciliation of Expected credit loss and allowance for Credit impairment - Trade receivables

The following table summarizes the change in the loss allowances measured using life-time expected credit loss model:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
As at the beginning of year	**448.44**	**676.28**
Provided during the year	-	-
Reversal during the year	(28.87)	(227.84)
As at the end of the year	**419.57**	**448.44**

(C) Liquidity Risk:

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The financial liabilities of the Company, other than derivatives, include loans and borrowings, trade and other payables. The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

Prudent liquidity risk management implies maintaining sufficient availability of standby funding through an adequate line up committed credit facilities to meet financial obligations as and when due.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

As at 31st March 2022

Particulars	Less than 12 months	1 year to 3 years	3 years to 5 years	More than 5 years	Total
Financial Liabilities					
Borrowings(Current)	66,340.05				66,340.05
Trade payables	44,789.11	-	-	-	44,789.11
Lease liabilities	49.61	16.85	12.78	48.70	127.94
Other financial liabilities	13,737.68	-	-	-	13,737.68
Total	**1,24,916.44**	**16.85**	**12.78**	**48.70**	**1,24,994.78**
Financial Assets					
Investments (other than investment in associates)	66,886.05	5,376.81	-	-	72,262.85
Trade receivables	58,917.28				58,917.28
Cash and Cash Equivalents	4,103.52				4,103.52
Other bank balances (other than earmarked balances)	53,642.20				53,642.20
Loans	72.94	81.90	-	-	154.83
Others financial assets	1,689.61	10,709.79	-	3,286.01	15,685.42
Total	**1,85,311.60**	**16,168.50**	**-**	**3,286.01**	**2,04,766.09**

Notes to the Standalone Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

As at 31st March 2021

Particulars	Less than 12 months	1 year to 3 years	3 years to 5 years	More than 5 years	Total
Financial Liabilities					
Borrowings(Current)	29,651.42	-	-	-	29,651.42
Trade payables	25,731.28	-	-	-	25,731.28
Lease liabilities	73.10	58.55	2.83	19.90	154.38
Other financial liabilities	6,603.67				6,603.67
Total	**62,059.47**	**58.55**	**2.83**	**19.90**	**62,140.75**
Financial Assets					
Investments (other than investment in associates)	55,910.30	39,084.41	-		94,994.70
Trade receivables	28,942.10				28,942.10
Cash and Cash Equivalents	2,137.39				2,137.39
Other bank balances (other than earmarked balances)	47,196.99				47,196.99
Loans	31.38	39.88	-		71.26
Others financial assets	1,049.81	2,066.90		2,489.48	5,606.20
Total	**1,35,267.96**	**41,191.19**	**-**	**2,489.48**	**1,78,948.63**

Note: 47 Carrying Amount of pledged Assets

Particulars	As at 31st March,2022	As at 31st March,2021
First Charge		
Current Assets		
(a) Trade receivables	58,917.28	28,942.10
(b) Inventories	97,781.39	58,060.95
Total (A)	**1,56,698.66**	**87,003.05**
Secondary Charge		
Property, plant and equipment	1,44,628.54	1,05,791.61
Total (B)	**1,44,628.54**	**1,05,791.61**
Total (A+B)	**3,01,327.21**	**1,92,794.66**

Note: 48 Disclosure under Ind AS 115 "Revenue from Contracts with Customers"

(i) Disaggregation of revenue from contracts with customers

The table below presents disaggregated revenues from contracts with customers offerings and contract-type.

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
Type of Product		
- Graphite Electrode	2,02,880.92	1,13,863.89
- Mix Graphite Product	12,387.21	7,986.98
- Power	2,054.61	1,592.40
Total	**2,17,322.74**	**1,23,443.27**

Notes to the Standalone Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Total Revenue from Contracts with Customers

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
Revenue from Customers based in India	78,644.22	46,172.50
Revenue from Customers based outside India	1,38,678.52	77,270.77
Total	**2,17,322.74**	**1,23,443.27**

Reconciliation of revenue from contract with customer

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
Revenue from contract with customer as per the contract price	2,17,251.63	1,23,316.69
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives	-	-
b) Sales Returns / Credits / Reversals	71.11	126.58
Revenue from contract with customer	**2,17,322.74**	**1,23,443.27**
Other Operating revenue	2,838.44	2,179.59
Revenue from operations	**2,20,161.18**	**1,25,622.85**

Timing of Revenue Recognition

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
Revenue from goods transferred to customers at a point in time	2,17,322.74	1,23,443.27
Revenue from goods transferred to customers over time	-	-
Total	**2,17,322.74**	**1,23,443.27**

Export benefits are in the nature of government grants covering following benefits

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
(a) Refund of Duties and Taxes on Exported Products (RoDTEP)/MEIS	693.43	777.63
(b) Duty drawback benefits	1,671.87	763.74
Total	**2,365.30**	**1,541.37**

(ii) Trade receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as receivable.

The balances of trade receivables and advance from customers at the beginning and end of the reporting period have been disclosed at note no. 10 and 24 respectively.

The revenue recognised during the year ended 31st March 2022 includes revenue against advances from customers amounting to ₹142.55 Lakhs (Previous Year- ₹163.65 Lakhs) at the beginning of the year.

The revenue of ₹ Nil has been recognised during the year ended 31st March 2022 (Previous Year -Nil) against performance obligations satisfied (or partially satisfied) in previous periods.

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Notes to the Standalone Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	As at 31st March 2022	As at 31st March 2021
The aggregate value of performance obligations that are completely or partially unsatisfied	NIL	NIL

Note 49. Reconciliation of Cash flow from financing Activities

(Changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes)

Particulars	For the Year Ended 31st March, 2022		For the Year Ended 31st March, 2021	
	Borrowings (Current)	Borrowings (Non-Current)	Borrowings (Current)	Borrowings (Non-Current)
Opening Balance of Financial liabilities coming under the financing activities of Cash Flow Statement	29,651.42	-	59,261.72	-
Changes during the year				
a) Changes from financing cash flow	36,633.27	-	(29,677.26)	-
b) the effect of changes in foreign exchanges rates- (Gain)/Loss	55.35		66.96	
c) Changes in fair value	-	-	-	-
d) Other Changes	-	-	-	-
Closing Balance of Financial liabilities coming under the financing activities of Cash Flow Statement	66,340.05	-	29,651.42	-

Note 50: Details of Research & Development Expenditure

Particulars	As at 31st March 2022	As at 31st March 2021
a) Capitals	-	-
b) Revenue	124.02	113.47

Note: 51

There has been a Supreme Court (SC) judgement dated 28th February, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the judgement including the effective date of application. In view of the management, the liability for the period from date of the SC order to 31st March, 2019 is not significant and has been provided in the books of accounts. During the year ended 31st March, 2020, the group has incorporated the effect of changes in the books of accounts. The group will continue to assess any further developments in this matter for the implications on financial statements, if any. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, was not ascertainable and consequently no effect was given in the accounts.

Notes to the Standalone Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Note: 52 Key Financial Ratios

Particulars	Numerator	Denominator	Year ended 31st March 2022	Year ended 31st March 2021	Variance	Reasons for Variance
Current Ratio (in times)	Current assets	Current liabilities	2.34	3.22	-27.44%	Change is mainly because of increase in working capital borrowings from ₹296 Crore to ₹663 Crore.
Debt – Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.18	0.09	101.34%	Change is mainly because of increase in working capital borrowings from ₹296 Crore to ₹663 Crore.
Debt Service Coverage Ratio (in times)	Earnings available for debt service(1)	Debt Service(2)	0.72	0.23	218.38%	The improvement is due to higher sales realization and consequently higher margins during the financial year FY22 vis a vis previous year.
Return on Equity (ROE) (in %)	Profit after Tax	Average Shareholder's Equity	10.89%	-0.74%	1567.71%	The improvement is due to higher sales realization and consequently higher margins during the financial year FY22 vis a vis previous year.
Inventory turnover ratio (in times)	Cost of Goods sold	Average inventory	1.06	1.02	4.26%	-
Trade receivables turnover ratio (in times)	Revenue from sale of goods	Average Trade Receivable	4.95	3.58	38.03%	The improvement in ratio is mainly due to better credit terms with the customers.
Trade payables turnover ratio (in times)	Purchases of services and other expenses	Average Trade Payables	5.22	3.36	55.22%	The change is due to revision in payment terms of overseas Raw Material suppliers.
Net capital turnover ratio (in times)	Revenue from sale of goods	Working Capital	1.26	0.86	46.33%	The improvement is due to higher sales realization and consequently higher margins during the financial year FY22 vis a vis previous year.
Net profit ratio (in %)	Profit after Tax	Revenue from sale of goods	17.97%	-2.05%	976.93%	The improvement is due to higher sales realization and consequently higher margins during the financial year FY22 vis a vis previous year.
Return on capital employed (ROCE) (in %)	Earning before interest and taxes	Capital Employed(3)	12.67%	-0.49%	2683.59%	The improvement is due to higher sales realization and consequently higher margins during the financial year FY22 vis a vis previous year.
Return on Investment(ROI) (in %)	Income generated from investments	Average investments (other than Investment in Associates)	4.38%	7.11%	-38.45%	To meet expansion requirements, funds invested in short term funds to keep them more liquid. Most long term funds invested previously have matured.

(1) Earning available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets etc

(2) Debt service = Interest & Lease Payments + Principle Repayments

(3) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

Note: 53 Disclosure in relation to Undisclosed Income

During the year, the Company has not surrendered or disclosed any income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Accordingly, there are no transaction which are not recorded in the books of accounts.

Note: 54

The company has taken borrowings from banks on the basis of security of current assets. The quarterly returns/ statements filed by the company with the banks are in agreement with the books of account.

Note 55 Disclosure of transactions with struck off companies

The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the current financial year.

Note: 56

The figures of comparative period have been regrouped/reclassified to comply with the amendments in schedule III to the Companies Act, 2013 vide notification dated 24 March, 2021 or to make them comparable with current year classification, if any.

As per our report of even date
For **SCV & Co. LLP**
Chartered Accountants
Firm Regn. No. 000235N/N500089

Sanjiv Mohan
Partner
Membership No. 086066

Place : Ludhiana
Dated: 25th May, 2022

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

Manish Gulati
Executive Director
DIN: 08697512

Shekhar Agarwal
Director
DIN: 00066113

Satish Chand Mehta
Director
DIN: 02460558

Gulshan Kumar Sakhuja
Chief Financial Officer
Membership No. 504626

Vivek Chaudhary
Company Secretary
Membership No. A13263

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

INDEPENDENT AUDITORS' REPORT

To the Members of
HEG Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of HEG Limited ('the Company'), and its associates, which comprise the consolidated Balance Sheet as at 31 March 2022, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity, the consolidated Statement of Cash flows for the year then ended and notes to consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the reports of other auditors as referred in the Other Matters paragraph, the aforesaid consolidated financial statements give the information required by the Companies Act,2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the company and its associates as at 31 March 2022, and the consolidated Profit, consolidated total comprehensive income, the consolidated statement of changes in equity and the consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial statements under the provisions of the Act and the Rules made 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key Audit Matters are those matters that in our professional judgement were of most significance in our audit of the Consolidated Financial Statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report..

S. No.	Key audit matters	Auditor's Response
1.	**Assessment of Provisions and Contingent liabilities of the company in respect of litigations including Direct and Indirect Taxes, various claims filed by other parties not acknowledged as debt** There is high level of judgement required in estimating the level of provisioning. Accordingly, unexpected adverse outcomes may significantly impact the company's reported profit and state of affairs presented in the Balance Sheet. We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgement in interpretation of law. Accordingly, our audit was focused on analysing the facts of subject matter under consideration and judgements/ interpretation of law involved.	**Our audit procedures involved the following:** ➢ Obtaining an understanding of the process of identification of claims, litigations, arbitrations and contingent liabilities, and internal control relevant to the audit in order to design our audit procedures that are appropriate in the circumstances. ➢ Discussing and analysing material legal cases with the Company's legal department. ➢ Examining recent orders and/or communication received from various tax authorities/ judicial forums and follow up action thereon. ➢ Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal / tax advice including opinion of internal tax experts. ➢ Evaluating management's assumptions and estimates relating to the recognition of the provisions for disputes and disclosures of contingent liabilities in the financial statements. ➢ Assessing the adequacy of the disclosures with regard to facts and circumstances of the legal matters.

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

GoHP has formed a committee to deal with the issues of various projects which includes Chango Yangthang Hydro Power Limited (CYHPL). On the direction of GoHP, a public meeting was conveyed, in which the villagers categorically refused for development of any Hydro Electric project in the Hangrang valley including 180 MW Chango Yangthang HEP and refused to 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. 57(e) of the consolidated financial statements in this regard.

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

The uncertainty relating to the effects of outcome of petition filled 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. 57 (d) of the consolidated financial statements 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 @ ₹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 ₹310.11 Lakhs and Generation Based Incentive (GBI) of ₹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. 57 (b) of the consolidated financial statements 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. 57 (a) of the consolidated financial statements 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. 57 (c) of the consolidated financial statements 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.

Other Matters

The consolidated financial statements include the company's share of net profit of ₹4046.90 Lakhs and total comprehensive income of ₹4048.20 Lakhs for the year ended March 31, 2022 as considered in the consolidated financial statements, in respect of two associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Corporate Governance report of the company (but does not include the Consolidated financial statements and our auditor's report thereon), which we obtained at the time of issue of this auditors' report, and the Directors' Report of the company including annexures, if any, thereon, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Directors' report including annexures, if any, thereon, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the company including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) accounting Standards specified under section 133 of the Act. The Board of Directors of the company and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements 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 consolidated financial statements by the Board of Directors of the Company.

In preparing the consolidated financial statements, the management of the company and of its associates are responsible for assessing the ability of the company and of 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 management either intends to liquidate the company and of its associates or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the company and of 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 Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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 financial controls 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 and its associate companies which are incorporated in India, has adequate internal financial controls system 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 management.
- Conclude on the appropriateness of management'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 ability of 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 consolidated financial statements 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the company and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements 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 financial statements.

We communicate with those charged with governance of the company and such other entities included in the consolidated financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub section (11) of section 143 of the Act, we report that there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the associate companies included in the consolidated financial statements.

2. As required by Section 143(3) of the Act, based on our audit, we report, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.

   (c) The consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

   (e) On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of directors of the company and the reports of the statutory auditors of its associate companies incorporated in India, none of the directors of the company and its associate companies incorporated in India is disqualified as on 31st March 2022 from being appointed as a Director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; which is based on the auditor's reports of the company and its associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of the company and its associates.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and reports of the other auditors:

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the company and its associates. Refer Note 38 to the consolidated financial statements.

      ii. The company and its associates did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associate companies incorporated in India.

      iv. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its associates to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      (ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company or its associates from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its associates shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

      (v) The dividend declared and paid during the year by the Company or its associates is in compliance with Section 123 of the Act.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

Sanjiv Mohan
Partner
M. No. 086066
UDIN: 21086066AAAAJO2360

Place: Ludhiana
Date : 25th May, 2022

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of HEG Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial control over financial reporting of HEG Limited ("the Company") and its associate companies incorporated in India as of 31st March 2022 in conjunction with our audit of consolidated financial statements of company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The management of the Company and its associates incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the company and its associates, which are incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanation given to us and based on the reports of other auditors as referred in other matters paragraph, the company and its associate companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to separate financial statements of two associate companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Sanjiv Mohan
Partner
M. No. 086066
UDIN: 21086066AAAAJO2360

Place: Ludhiana
Date : 25th May, 2022

Consolidated **Balance Sheet**

as at 31st March, 2022

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
1.Non-current assets			
(a) Property, plant and equipment	4	74,840.20	68,350.53
(b) Capital work-in-progress	5	69,607.56	37,326.58
(c) Right of use Asset	6	666.70	708.92
(d) Investment Property	7	760.65	321.41
(e) Other Intangible assets	8	9.98	20.18
(f) Financial assets			
(i) Investments in associates accounted for using the equity method	9A	44,822.20	40,774.78
(ii) Other Investments	9B	5,376.81	39,084.41
(iii) Loans	11	81.90	39.88
(iv) Other financial assets	12	13,995.80	4,556.39
(g) Income Tax Assets(Net)	25	14,665.98	14,641.81
(h) Other non-current assets	13	5,262.94	11,228.40
Total Non-current assets		**2,30,090.72**	**2,17,053.28**
2. Current assets			
(a) Inventories	14	97,781.39	58,060.95
(b) Financial assets			
(i) Investments	9	66,886.05	55,910.30
(ii) Trade receivables	10	58,917.28	28,942.10
(iii) Cash and Cash equivalents	15	4,103.52	2,137.39
(iv) Bank balances other than (iii) above	16	56,062.98	52,920.26
(v) Loans	11	72.94	31.38
(vi) Other Financial Assets	12	1,689.61	1,049.81
(c) Other current assets	13	15,189.09	8,311.21
Total Current assets		**3,00,702.86**	**2,07,363.40**
Total Assets		**5,30,793.59**	**4,24,416.68**
EQUITY and LIABILITIES			
EQUITY			
(a) Equity Share Capital	17	3,859.59	3,859.59
(b) Other Equity	18	3,87,503.38	3,45,647.80
Total Equity		**3,91,362.97**	**3,49,507.39**
LIABILITIES			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	-	-
(ia) Lease Liabilities	21 A	78.33	81.29
(ii) Other financial liabilities	21 B	-	-
(b) Provisions	22	381.06	358.35
(c) Deferred tax liabilities (Net)	23	9,629.17	9,674.62
(d) Other non-current liabilities	24	633.52	391.92
Total Non-current liabilities		**10,722.08**	**10,506.18**
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	66,340.05	29,651.42
(ia) Lease Liabilities	21 A	49.61	73.10
(ii) Trade payable			
-Total outstanding dues of micro enterprises and small enterprises	20	1,817.35	1,208.30
-Total outstanding dues of creditors other than micro enterprises and small enterprises	20	42,971.76	24,522.98
(iii) Other financial liabilities	21 B	13,737.68	6,603.67
(b) Other current liabilities	24	2,483.43	1,231.21
(c) Provisions	22	516.32	484.67
(d) Current Tax Liabilities (Net)	25	792.34	627.77
Total Current liabilities		**1,28,708.54**	**64,403.12**
Total Liabilities		**1,39,430.62**	**74,909.30**
Total Equity and Liabilities		**5,30,793.59**	**4,24,416.68**

Refer note 15 of financial statements for components of cash and cash equivalents

See accompanying notes to the Consolidated financial statements

As per our report of even date

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

Sanjiv Mohan
Partner
Membership No. 086066

Place : Ludhiana
Dated: 25th May, 2022

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

Manish Gulati
Executive Director
DIN: 08697512

Shekhar Agarwal
Director
DIN: 00066113

Satish Chand Mehta
Director
DIN: 02460558

Gulshan Kumar Sakhuja
Chief Financial Officer
Membership No. 504626

Vivek Chaudhary
Company Secretary
Membership No. A13263

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

Consolidated Statement of **Profit & Loss**

for the year ended 31st March, 2022

All amounts are in ₹ Lakhs unless otherwise stated

	Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I.	Revenue from Operations	26	2,20,161.18	1,25,622.84
II.	Other Income	27	7,954.57	11,290.84
III.	**Total Income (I + II)**		**2,28,115.75**	**1,36,913.68**
IV.	**Expenses:**			
	Cost of materials consumed	28	94,042.27	50,493.86
	Changes in inventories of finished goods and work-in-progress	29	(11,140.74)	30,415.46
	Employee benefits expense	30	7,999.98	5,452.82
	Finance costs	31	748.75	1,136.83
	Depreciation and amortization expense	32	7,928.76	7,311.56
	Other expenses	33	76,537.17	45,178.96
	Total expenses (IV)		**1,76,116.19**	**1,39,989.49**
V.	**Profit/(Loss) before Tax & Share of profit/ loss of Associates (III-IV)**		**51,999.56**	**(3,075.81)**
VI.	**Share of Profit/(Loss) of Associates**		4,046.12	736.12
VII.	**Profit before Tax (V+VI)**		**56,045.69**	**(2,339.69)**
VIII.	**Tax Expense**			
	(1) Current tax			
	- Current Tax	34	12,995.77	-
	- Current tax adjustment related to earlier years	34	(40.00)	20.00
	(2) Deferred tax	34	(14.43)	(565.87)
	Total tax expense: (VIII)		**12,941.34**	**(545.87)**
IX.	**Profit/(Loss) for the year (VII-VIII)**		**43,104.35**	**(1,793.82)**
X.	**Other Comprehensive Income**			
	Items that will not be classified to profit or loss			
	(i) Remeasurement of Employee Defined Benefit Plan	35	(123.23)	140.48
	(ii) Income tax relating to items that will not be reclassified to profit or loss	34	31.01	(35.36)
	Other Comprehensive Income for the year		**(92.22)**	**105.12**
XI.	**Other comprehensive income of Associates**		1.30	24.18
XII.	**Total Comprehensive Income for the year (IX+X+XI) (Comprising Profit/(loss) and Other Comprehensive Income for the year)**		**43,013.42**	**(1,664.51)**
	Earnings per equity share: (of ₹10/-each)			
	(1) Basic (₹)	36	111.68	(4.65)
	(2) Diluted (₹)	36	111.68	(4.65)

See accompanying notes to the Consolidated financial statements

As per our report of even date

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

Sanjiv Mohan
Partner
Membership No. 086066

Place : Ludhiana
Dated: 25th May, 2022

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

Manish Gulati
Executive Director
DIN: 08697512

Shekhar Agarwal
Director
DIN: 00066113

Satish Chand Mehta
Director
DIN: 02460558

Gulshan Kumar Sakhuja
Chief Financial Officer
Membership No. 504626

Vivek Chaudhary
Company Secretary
Membership No. A13263

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

Consolidated Statement of **Changes in Equity**

for the year ended 31st March, 2022

All amounts are in ₹ Lakhs unless otherwise stated

A) Equity Share Capital

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of reporting period	3,859.59	3,859.59
Changes in equity capital during the year	-	-
Balance at the end of reporting period	3,859.59	3,859.59

B) Other Equity

Particulars	Reserves and Surplus			Other Items of Other Comprehensive Income	Total Other Equity
	Capital reserve	Capital redemption reserve	Retained earnings	Remeasurement of defined benefit obligations	
Balance at the beginning of the current reporting period i.e. 1st April, 2021	**10,726.49**	**2,029.93**	**3,32,802.13**	**89.25**	**3,45,647.80**
Profit/(loss) for the year			43,104.35		43,104.35
Other Comprehensive Income for the year			(90.92)		(90.92)
Transferred to Retained Earnings			89.25	(89.25)	-
Dividend during the year	-	-	(1,157.86)	-	(1,157.86)
Balance at the end of reporting period i.e. 31st March, 2022	**10,726.49**	**2,029.93**	**3,74,746.94**	**-**	**3,87,503.36**

Particulars	Reserves and Surplus			Other Items of Other Comprehensive Income	Total Other Equity
	Capital reserve	Capital redemption reserve	Retained earnings	Remeasurement of defined benefit obligations	
Balance at the beginning of reporting period i.e. 1st April, 2020	**10,726.49**	**2,029.93**	**3,34,595.95**	**(40.05)**	**3,47,312.33**
Profit/(loss) for the year			(1,793.82)		(1,793.82)
Other Comprehensive Income for the year				129.30	129.30
Payment of Dividend			-	-	-
Payment of Dividend distribution tax			-		-
Balance at the end of reporting period i.e. 31st March, 2021	**10,726.49**	**2,029.93**	**3,32,802.13**	**89.25**	**3,45,647.80**

See accompanying notes to the Consolidated financial statements

As per our report of even date

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

Sanjiv Mohan
Partner
Membership No. 086066

Place : Ludhiana
Dated: 25th May, 2022

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

Manish Gulati
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DIN: 08697512

Shekhar Agarwal
Director
DIN: 00066113

Satish Chand Mehta
Director
DIN: 02460558

Gulshan Kumar Sakhuja
Chief Financial Officer
Membership No. 504626

Vivek Chaudhary
Company Secretary
Membership No. A13263

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

Consolidated **Cash Flow Statement**

for the year ended 31st March, 2022

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before Tax	56,045.69	**(2,339.69)**
Adjustment for non operating and non cash transactions		
a) Share of profit/(loss) of associate	4,046.12	736.12
	51,999.56	**(3,075.81)**
b) Others		
Depreciation and Amortisation expense	7,928.76	7,311.56
Interest expense	748.75	1,136.83
Net(Profit)/loss on property plant and equipment sold / discarded	281.35	594.02
Allowances for Expected Credit Losses	(28.86)	(227.84)
Unrealized (Gain)/Loss due to effect of exchange rate changes in assets and liabilities	159.09	56.47
Bad Debts	58.97	395.09
Gain on sale/fair valuation of investments	(3,418.34)	(6,110.84)
Dividend income	(114.31)	(104.42)
Rent income	(132.21)	(115.49)
Interest income	(3,245.39)	(2,888.32)
Adjustments for changes in Working Capital		
(Increase)/Decrease in Trade receivables	(29,924.93)	10,853.66
(Increase)/Decrease in Inventories	(39,720.44)	42,452.91
(Increase)/Decrease in Loans, financial and other assets	(7,899.98)	10,364.43
Increase/(Decrease) in Liabilities and provisions	22,062.20	11,185.15
Cash generated from operations	**(1,245.76)**	**71,827.41**
Income tax paid (net)	12,815.37	248.66
Net Cash generated from operating activities (A)	**(14,061.16)**	**71,578.74**
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)	(35,952.81)	(25,605.71)
Proceeds from sale of Property Plant and Equipments	88.27	72.17
Bank balances not considered as cash and cash equivalents	(11,568.22)	(14,535.79)
Payment for Purchase of Investments	(70,113.48)	(13,949.98)
Proceeds from sale of Investments	96,236.38	9,527.09
Return of Capital from INVIT	27.28	-
Rent received	132.21	115.49
Dividend received	114.31	104.42
Interest received	2,700.43	2,532.23
Net Cash from/(used in) investing activities (B)	**(18,335.63)**	**(41,740.08)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed/(Repayment) of working capital borrowings (on net basis) (also refer note no. 49)	36,633.27	(29,677.26)
Interest and other financial charges Paid (including interest on lease liabilities)	(1,009.51)	(1,246.18)
Payment of lease liabilities	(52.32)	(58.15)
Dividend Paid	(1,208.53)	-
Net Cash from/(used in) financing activities (C)	**34,362.91**	**(30,981.59)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**1,966.12**	**(1,142.93)**
Cash and cash equivalents at the beginning of the period	2,137.39	3,280.33
Cash and cash equivalents at the end of the period	4,103.52	2,137.39

Refer note 15 of financial statements for components of cash and cash equivalent

See accompanying notes to the Consolidated financial statements

As per our report of even date

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

Sanjiv Mohan
Partner
Membership No. 086066

Place : Ludhiana
Dated: 25th May, 2022

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

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Director
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Gulshan Kumar Sakhuja
Chief Financial Officer
Membership No. 504626

Vivek Chaudhary
Company Secretary
Membership No. A13263

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

1. Company Information

"HEG Limited (the 'Company'), incorporated in 1972, is a leading manufacturer and exporter of graphite electrodes in India and operates world's largest single-site integrated graphite electrodes plant. The Company also operates three power generation facilities with a total capacity of about 76.5 MW.

The Company is a public limited company incorporated and domiciled in India, has its registered office at Mandideep, Bhopal, Madhya Pradesh and is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). "

The consolidated Ind AS financial statements are approved for issue by the Company's Board of directors in their meeting held on 25th May, 2022.

2.1 Statement of Compliance

The consolidated financial statement comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the companies Act, 2013 read with Rule 3 of the Companies(Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

2.2 Basis of measurement

(i) The consolidated financial statements have been prepared on historical cost convention on accrual basis except for certain financial instruments (including derivative instruments) are measured at fair value at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these consolidated financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Accounting policies have been consistently applied to all the years presented unless otherwise stated.

(ii) The functional and presentation currency of the Company is Indian rupees (INR) and all values are rounded to the nearest Lakhs and two decimals thereof, except otherwise stated.

2.3 Basis of consolidation

The consolidated financial statements relate to the Company and its associates. An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The consolidated financial statements have been prepared on the following basis:-

a. Interest in associates is consolidated using equity method as per IND AS 28 – 'Investment in Associates and Joint Ventures'. Under the equity method, an investment in an associate is initially recognized in the consolidated financial statements at cost and adjusted thereafter to recognize Company's share of profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment

b. When there has been a change recognized directly in the equity of the associate, the Company recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of interest in the associate.

c. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's standalone financial statements.

The aggregate of Company's share of profit or loss of an associate is shown on the face of the Statement of Profit and Loss.

2.4 Significant accounting policies

(i) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are net of returns, rebates, goods & services tax.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities, as described below.

Revenue recognized from major business activities:

(a) Sale of products

The Company derives revenue primarily from sale of Graphite Electrodes.

Revenue from contracts with customers is recognised as and when the company satisfies performance obligation by transfer of control of goods at an amount that reflects the consideration entitled in exchange for those goods. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Generally control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the company has not retained any significant risk of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods to a customer as specified in the contract, excluding amount collected on behalf of third parties (For example taxes and duties collected on the behalf of government). Consideration is generally due upon satisfaction of performance obligation and receivable is recognized when it becomes unconditional.

The company does not adjust short term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised goods will be transferred to the customer within a period of one year.

(b) Power

Revenue from power generation is recognized on transmission of electricity to State Electricity Board (SEB) or third parties at rate stipulated by SEB's and/or IEX at market rate equivalent.

(c) Other Income

(i) Entitlements to Renewal Energy Certificates owing to generation of power at Tawa hydel plant are recognized to the extent sold at actual rate of net realization.

(ii) Revenue in respect of interest from customers is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

(iii) Interest income is recognised when it is probable that economic benefit will flow to the company and the amount of income can be measured reliably and is accrued on a time basis by reference to the principal amount outstanding and at effective interest rate applicable.

(iv) Dividend income is recognized when the right to receive payment is established and the amount of dividend can be measured reliably.

(v) Revenue in respect of other income is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof

(ii) Inventories

Inventories are valued at cost or net realizable value, whichever is lower except by products which are valued at net realizable value. The cost in respect of the various items of inventory is computed as under:

(i) In case of finished goods and work-in-progress, cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition.

(ii) In case of stores, spares and raw material at weighted average cost. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

(iii) Obsolete stocks are identified at each reporting date on the basis of technical evaluation and are charged off to revenue.

Net Realisable Value is the estimated selling price in ordinary course of business less estimated cost of completion and estimated cost necessary to make the sales.

(iii) Property, Plant and Equipment

Freehold Land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment, if any. Historical cost includes its purchase price (net of taxes and duty recoverable), after deducting trade discounts and rebates. It includes other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs for qualifying assets and the initial estimate of restoration cost if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent cost relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with the item will flow to the company and the costs of the item can be measured reliably. Repairs and maintenance costs are charged to the consolidated statement of profit and loss when incurred.

An item of Property, Plant and Equipment and any significant part initially recognized is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset measured as the difference between the net disposal proceeds and the carrying amount of the asset is included in the income statement when the asset is derecognized.

Advances paid towards the acquisition of Property Plant and Equipment outstanding at each balance sheet date is classified as Capital advance under Non-current asset and the cost of asset not put to use before balance sheet date are disclosed under Capital work in progress.

On transition to Ind As, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1st April, 2016 measured as per previous GAAP and use that carrying value as its deemed cost of the property, plant and equipment.

(iv) Investment Property

Investment Properties comprises freehold land and building (including property under construction) that are held for long-term rental yields or for capital appreciation and both are classified as investment property. Investment properties are measured initially at cost, comprising the purchase price and directly attributable transaction cost. Subsequently investment property is carried at cost model, which is cost less accumulated

depreciation and impairment losses if any in similar lines of Ind AS 16.

An investment property is derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Gains or losses arising on derecognition of investment property are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in consolidated statement of profit and loss in the period of the retirement or disposal.

(v) Other Intangible Assets

An Intangible asset is recognized when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably.

Intangible assets are measured on initial recognition at cost. Intangible assets are stated at cost less accumulated amortization and impairment, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in Consolidated statement of profit and loss as incurred.

The cost and related accumulated amortization are eliminated from Consolidated financial statements upon disposal or retirement of the assets and the resulted gain or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated statement of profit and loss when the asset is derecognized.

On transition to Ind AS, the company has elected to continue with the carrying value of all intangible asset recognized as at 1st April,2016, measured as per previous GAAP and use that carrying value as the deemed cost of intangible assets.

(vi) Depreciation

(A) Property, Plant and Equipment

Based on internal assessment and independent technical evaluation carried out by external valuer, The Management believes that the useful life of the assets as stated below best represents the life over which the management expects to use the assets. Hence the useful life for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

The method of depreciation and useful life considered on different assets is as below:

(i) Depreciation on all the assets at Hydel Power Project at Tawa is provided on Straight Line Method. The useful life of assets determined is as below:

Sr. No.	Description of Asset	Useful Life (Approx)
1	Factory Building	33
2	Non Factory Building	33
3	Plant and Machinery	
	i) Dams, Spillways weirs, canals, reinforced concrete Flumes and symphons	51
	ii) Hydraulic control valves and other hydraulic works	30
	iii) Transformers having a rating of 100 KVA and over	13
4	Electrical Installation	
	i) Batteries	3
	ii) Lines on Fabricated steel operating at normal voltages higher than 66 kv	19
	iii) Residual	13
5	Furniture and Fixtures	8
6	Office Equipment and other assets	8
7	Vehicles	3

(ii) On the assets other than those mentioned at (i) above, depreciation is provided on following basis:

In case of Plant and machinery, depreciation is provided on Straight Line Method and in case of other assets on Written Down Method. The useful life of assets determined is as below:

Sr. No	Assets description	Useful Life
1	Building	20 - 60 Years
2	Plant and Machinery	1-24 Years
3	Railway Siding	9 Years
4	Office Equipment(Includes Computers and data processing units)	5-20 Years
5	Electrical Installation	5-20 Years
6	Furniture and Fixtures	15 Years
7	Vehicle	5-10 Years

(iii) Assets costing upto ₹5,000 are fully depreciated in the year of purchase.

(iv) Depreciation methods, estimated useful lives and residual values are reviewed at the end of each reporting period with the effect of any changes in estimate accounted for on a prospective basis.

(B) Investment property

Investment property is depreciated using written down value method over their estimated useful life. Investment property has a useful life of 58 years as prescribed in Schedule II to the Companies Act, 2013.

(vii) Amortization

Other Intangible Assets

Intangible assets are amortized over their respective individual useful lives on a straight line basis from date they are available. The estimated useful life is based on number of factors including effect of obsolescence and other economic factors and are as under

Assets description	Useful Life
Computer Software	05 Years

Amortisation method, useful lives and residual value are reviewed at the end of each financial year with the effect of any changes in estimate accounted for on a prospective basis.

(viii) Impairment of Non-Financial Assets

Intangible assets, Investment property and Property, Plant and Equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Consolidated statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

An impairment loss is reversed in the Consolidated statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Impairment is reviewed periodically, including at each financial year end.

No impairment was identified in FY 2021-22 (FY 2020-21: Nil).

(ix) Foreign Currencies

Transactions in currencies other than the entity's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Exchange differences arising on the settlement of monetary items or on re-translated monetary items at rates different from those at which they were translated on initial recognition during the period

Notes to the Consolidated Financial Statements
for the year ended 31st March,2022

or in previous financial statements are recognised in the consolidated statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction, Non-monetary items that are measured in term of historical cost in foreign currency are not reinstated.

(x) Employee Benefits

(A) Post Employment Benefits

(a) Defined contribution Plan

(i) Provident Fund

The Company makes contribution to statutory Provident Fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

(ii) Superannuation

The Company makes contribution to Hindustan Electro Graphites Ltd. Senior Executive Superannuation Fund Trust and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

(b) Defined Benefit Plan

(i) Gratuity

The Company provides for gratuity, a defined benefit retirement plan "The gratuity plan" covering eligible employees. The gratuity plan provides for lump sum payment to vested employee at retirement, death, incapacitation or termination of employee of an amount based on the respective employees salary and the tenure of employment with the company.

Liability with regard to Gratuity is determined by actuarial valuation, performed by an independent actuary at each Balance sheet date using the project unit credit method.

The company fully contributes all ascertained liabilities to the Hindustan Electro Graphite's Staff Gratuity Fund Trust (The Trust), trustees administers the contributions made to the Trust and contribution are invested in a scheme with Life Corporation of India as permitted by Indian Law.

Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations is recognized in Other Comprehensive Income. The effects of any plan amendments are recognized in the consolidated Statement of Profit and Loss.

The company recognizes the net obligation in the balance sheet as an asset or liability.

(B) Short term employee benefits

Short term employee benefits including non-accumulated absences are charged to consolidated statement of profit and loss on an undiscounted, accrual basis for the period during which services are rendered by the employee.

(C) Other long term employee benefits- Compensated Absences

The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/ availed as a result of the unused entitlement that has accumulated at the balance sheet date.

(xi) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and Building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and of low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a systematic basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the lessee's incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease Liability and Right-of-Use Asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

For short-term leases i.e. leases of 12 months or below:

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on systematic basis over the lease term.

The Company as a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on systematic basis over the term of the relevant lease.

(xii) Segment Reporting

Segments are identified based on the manner in which the Company's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

(1) Segment Revenue includes sales and other income directly identifiable with/ allocable to the segment including inter- segment revenue.

(2) Expenses that are directly identifiable with/ allocable to the segments are considered for determining the segment result. Expenses not allocable to segments are included under unallocable expenditure.

(3) Income not allocable to the segments is included in unallocable income.

(4) Segment results includes margin on inter segment and sales which are reduced in arriving at the profit before tax of the company.

(5) Segment assets and Liabilities include those directly identifiable with the respective segments. Assets and liabilities not allocable to any segment are classified under unallocable category.

(xiii) Income Tax

Income Tax expense comprises of current and deferred income tax.

(1) Current income tax

Current income tax for current and prior period is recognized at the amount expected to be paid to the tax authorities using tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Income tax expense is recognized in the Consolidated statement of profit and loss except to the extent that it relates to the items recognized directly in equity and other comprehensive income.

(2) Deferred Income Tax

Deferred Income Tax assets and liabilities are recognized using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in financial statement.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that related tax benefits will be realized to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax assets to be recovered.

Deferred tax assets and deferred tax liabilities have been set off as it relates to income taxes levied by the same taxation authority.

(xiv) Government grants

The government grants are recognized only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received.

Government grants related to revenue are recognized on a systematic basis in the consolidated statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

(xv) Borrowing Cost

Borrowing costs directly attributable to the acquisition or construction of items of qualifying assets, which are the assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset until such time as the assets are not ready for their intended use. All other borrowing costs are charged to the consolidated statement of profit and loss in the period in which they are incurred.

(xvi) Provisions and Contingent Liabilities

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and are reliable estimate can be made of the amount of the obligation. As the timing of outflow of resources is uncertain, being dependent upon the outcome of the future proceedings, these provisions are not discounted to their present value.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the consolidated financial statements since this may result in the recognition of income that may never be accrued/ realised.

(xvii) Earnings Per Share

Basic earnings per equity share is computed by dividing the profit or loss for the period attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by adjusting the net profit or loss for the period attributable to equity shareholders is divided by the weighted average number of shares outstanding during the period after adjusting for the effects of all dilutive potential equity shares if any.

(xviii) Financial instruments

(i) Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to or deducted from the fair value of the financial assets or financial liabilities on initial recognition.

Transaction cost directly attributable to the acquisition of financial assets and financial liabilities at value through Profit or Loss are recognised immediately in the Consolidated statement of Profit or Loss.

(ii) Subsequent measurement

For the purpose of subsequent measurement financial assets are classified in three broad categories:-

A. Non-derivative financial instruments

(a) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income is recognised in the consolidated statement of profit and loss if instrument measured at fair value through other comprehensive income (FVOCI)

Investment in equity instruments at fair value through other comprehensive income. The Company can make an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. These elected investments are initially measured at fair value plus transaction cost, subsequently in cases where the company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income and accumulated in reserve for equity instruments through other comprehensive income. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investment. This election is not permitted if the equity investment is held for trading. Dividends on their investment in equity instrument are recognised in profit or loss, when the Company's right to receive the dividend is established.

(c) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently measured at fair valued through profit or loss.

(d) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amount approximates fair value due to the short maturity of these instruments.

B. Derivative financial instruments

The company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Although the company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

(iii) Impairment of Financial Assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

(iv) Derecognition

A financial asset (or, a part of a financial asset) is primarily derecognized when:

(i) The contractual right to receive cash flows from the financial assets expire, or

(ii) The company transfers the financial assets or its right to receive cash flow from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

A financial liability (or, a part of financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

(v) Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Write off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

C. Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and buy back of equity shares and share options are recognized as a deduction from equity, net of any tax effects.

(xix) Cash flow statement

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS) – 7 "Statement of Cash flows" using the indirect method for operating activities.

(xx) Cash and cash equivalents

The Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with original maturity period of three months or less from the acquisition date, which are subject to an insignificant risk of changes in value.

(xxi) Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

2.5 Significant accounting judgements, estimates and assumptions

In the application of the Company's accounting policies, which are described as stated above, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements:

Useful lives of property, plant and equipment

The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, internal assessment of user experience and other economic factors (such as

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for the year ended 31st March,2022

the stability of the industry, and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset.

The Company reviews the useful life of property, plant and equipment at the end of each reporting date.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date

Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy. The Company annually assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary.

Fair Value measurements

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent is available. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 46B.

Recognition of deferred tax assets

Management judgement is required for the calculation of provision for current income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in financial statement.

2.6 Applicability of new and revised Ind AS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

(i) **Ind AS 16 – Property Plant and equipment -** The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the Consolidated statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no significant impact on its Consolidated financial statements.

(ii) **Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets –** The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and there is no significant impact on its Consolidated financial statements.

(iii) **Ind AS 109 – Financial Instruments -** The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company has evaluated the amendment and there is no significant impact on its consolidated financial statements.

3. Current – non-current classification

All assets and liabilities have been classified as current and non-current on the basis of the following criteria:

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within 12 months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or use to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within 12 months after the reporting date; or

d) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterpart, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current

Operating cycle

Operating cycle is the time between the acquisition of assets for processing/servicing and their realization in cash or cash equivalents.

All amounts are in ₹ Lakhs unless otherwise stated

Note 4: Property, plant and equipment

Particulars	As at 31st March, 2022	As at 31st March, 2021
Carrying amount of		
Freehold land	317.81	317.81
Buildings	11,647.74	10,789.72
Plant and equipment	60,825.13	55,012.77
Furniture and fixtures	98.27	113.36
Vehicles	670.11	630.33
Office equipement	180.06	235.35
Electrical Installation	879.03	999.93
Railway Sidings	222.05	251.26
Total Property, Plant and Equipement	**74,840.20**	**68,350.53**

The change in the carrying amount of Property, Plant & Equipments during the year are as follows:

Particulars	Free-hold land	Buildings	Plant and equipment	Furni-ture and fixtures	Vehicles	Office equip-ment	Electrical instal-lation	Railway sidings	Total
Gross Carrying amount as at 1st April, 2020	**317.81**	**26,419.82**	**1,35,846.19**	**597.78**	**1,269.27**	**1,124.34**	**3,345.35**	**921.69**	**1,69,842.25**
Additions	-	43.39	2,528.34	1.15	122.68	69.22	100.82	-	2,865.60
Disposals/Deletions	-	(272.60)	(1,980.70)	(4.14)	(135.20)	(42.75)	(243.23)	(274.27)	(2,952.89)
Gross Carrying amount as at 31st March. 2021 (A)	**317.81**	**26,190.60**	**1,36,393.83**	**594.79**	**1,256.75**	**1,150.81**	**3,202.94**	**647.42**	**1,69,754.97**
Additions	-	2,436.11	12,377.70	3.48	267.71	19.61	44.12	-	15,148.72
Disposals/Deletions	-	(406.55)	(828.10)	(1.94)	(141.64)	(210.93)	(7.33)	-	(1,596.48)
Amount reclassified to Investment Property (Refer note vi below)		(560.48)	-	-	-	-	-	-	(560.48)
Gross Carrying amount as at 31st March, 2022 (B)	**317.81**	**27,659.68**	**1,47,943.43**	**596.33**	**1,382.83**	**959.47**	**3,239.73**	**647.42**	**1,82,746.73**
Accumulated Depreciation as at 1st April, 2020	**-**	**14,738.51**	**77,256.93**	**458.66**	**526.08**	**877.70**	**2,181.89**	**444.54**	**96,484.31**
Depreciation for the year	-	905.71	5,780.76	24.12	201.64	75.73	180.41	38.46	7,206.83
Disposals/Deletions	-	(243.34)	(1,656.62)	(1.36)	(101.30)	(37.96)	(159.29)	(86.84)	(2,286.70)
Accumulated Depreciation as at 31st March, 2021 (C)	**-**	**15,400.88**	**81,381.07**	**481.43**	**626.42**	**915.46**	**2,203.01**	**396.16**	**1,01,404.44**
Depreciation for the year	-	933.34	6,422.04	17.64	181.07	69.09	160.64	29.21	7,813.04
Disposals/Deletions	-	(238.79)	(684.80)	(1.01)	(94.77)	(205.14)	(2.95)	-	(1,227.46)
Amount reclassified to Investment Property (Refer note vi below)	-	(83.49)	-	-	-	-	-	-	(83.49)
Accumulated Depreciation as at 31st March, 2022 (D)	**-**	**16,011.94**	**87,118.30**	**498.06**	**712.72**	**779.41**	**2,360.70**	**425.37**	**1,07,906.53**
Net Carrying amount as at 31st March, 2021 (A)-(C)	**317.81**	**10,789.72**	**55,012.77**	**113.36**	**630.33**	**235.35**	**999.93**	**251.26**	**68,350.53**
Net Carrying amount as at 31st March, 2022 (B)-(D)	**317.81**	**11,647.74**	**60,825.13**	**98.27**	**670.11**	**180.06**	**879.03**	**222.05**	**74,840.20**

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022 *All amounts are in ₹ Lakhs unless otherwise stated*

(i) One Building situated at Delhi having gross carrying amount of ₹83.13 Lakhs (Previous Year ₹83.13 Lakhs) is own jointly with RSWM Ltd..
(ii) Property , plant and equipment pledged as security (Refer to note no. 47 for information on Property, Plant and Equipment pledged as security by the company.)
(iii) The borrowing cost capitalized during the year is NIL (Previous year NIL)
(iv) Also refer Note 2.3(iii) for option used by the Company to use carrying value of previous GAAP as deemed cost as on April 1, 2015
(v)The aggregate depreciation has been included under depreciation and amortisation expense in the statement of Profit and loss.
(vi) Flat situated at Mumbai which was occupied by the company for its own use has been leased out for rental income during the year ended 31-03-2022 and therefore has been reclassified as Investment Property in accordance with IND AS-40 "Investment Property".

Note 5 : Capital Work In Progress

Particulars	As at 31st March, 2022	As at 31st March, 2021
Building and plant and equipment under erection/installation (including project and pre-operative expense) (also refer Note - 44)	69,607.56	37,326.58

Capital work-in-progress ageing schedule is as follows:

Particulars	Amount in CWIP For a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital Work in Progress as at 31-03-2022					
Projects in progress	49,544.05	9,099.36	10,961.47	2.68	69,607.56
Project temporarily suspended	-	-	-	-	-
Total Capital work in progress	**49,544.05**	**9,099.36**	**10,961.47**	**2.68**	**69,607.56**
Capital Work in Progress as at 31-03-2021					
Projects in progress	27,454.28	8,032.49	1,701.80	138.02	37,326.58
Project temporarily suspended	-	-	-	-	-
Total Capital work in progress	**27,454.28**	**8,032.49**	**1,701.80**	**138.02**	**37,326.58**

Note: There is no such project in capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as on 31st March 2022 and 31st March 2021
(i) For details on Capital Commitments refer Note - 38(2)
(ii) The borrowing cost capitalized during the year is NIL (Previous year NIL)

Note 6: Right of Use Asset

Particulars	As at 31st March, 2022	As at 31st March, 2021
Carrying amount of		
Land	636.72	602.55
Building	29.98	106.37
Total	**666.70**	**708.92**

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022 *All amounts are in ₹ Lakhs unless otherwise stated*

Particulars	Land	Building	Total
Gross Carrying amount as at 1st April, 2020	**840.16**	**131.62**	**971.78**
Additions	-	48.36	48.36
Adjustments	-	-	-
Gross Carrying amount as at 31st March, 2021 (A)	**840.16**	**179.98**	**1,020.14**
Gross Carrying amount as at 1st April, 2021	**840.16**	**179.98**	**1,020.14**
Additions	49.74	-	49.74
Adjustments	-	(23.86)	(23.86)
Gross Carrying amount as at 31st March, 2022 (B)	**889.90**	**156.12**	**1,046.02**
Accumulated Depreciation as at 1st April, 2020	**222.06**	**10.21**	**232.27**
Depreciation for the year	15.55	63.40	78.95
Other Adjustments for the year	-	-	-
Accumulated Depreciation as at 31st March, 2021 (C)	**237.61**	**73.61**	**311.23**
Accumulated Depreciation as at 31st March, 2021	**237.61**	**73.61**	**311.23**
Depreciation for the year	15.57	52.53	68.10
Other Adjustments for the year	-	-	-
Accumulated Depreciation as at 31st March, 2022 (D)	**253.18**	**126.14**	**379.33**
Net Carrying amount as at 31st March, 2021 (A)-(C)	**602.55**	**106.37**	**708.92**
Net Carrying amount as at 31st March, 2022 (B)-(D)	**636.72**	**29.98**	**666.70**

(i) Refer Note 41 for other disclosures related to leases.
(ii) The aggregate depreciation has been included under depreciation and amortisation expense in the statement of Profit and loss.

Note 7 : Investment Property

Carrying amount of Investment Property

Particulars	As at 31st March, 2022	As at 31st March, 2021
Building	760.65	321.41

		Building
Gross Block		
As at 1st April, 2020		**440.83**
Additions		-
Disposals		-
As at 31st March, 2021	**(a)**	**440.83**
Additions		-
Amount reclassified from Property,Plant & Equipments (Refer note below)		560.48
Disposals		-
As at 31st March, 2022	**(b)**	**1,001.31**
Depreciation		
As at 1st April, 2020		**103.50**

for the year ended 31st March,2022 All amounts are in ₹ Lakhs unless otherwise stated

		Building
Charge for the year		15.92
Disposals		-
As at 31st March, 2021	**(c)**	**119.42**
Charge for the year		37.75
Disposals		-
Amount reclassified from Property,Plant & Equipments (Refer note below)		83.49
As at 31st March, 2022	**(d)**	**240.66**
Carrying value		
As at 31 March, 2021	**(a-c)**	**321.41**
As at 31st March, 2022	**(b-d)**	**760.65**

Note: Flat situated at Mumbai which was occupied by the company for its own use has been leased out for rental income during the year ended 31-03-2022 and therefore has been reclassified as Investment Property in accordance with IND AS-40 "Investment Property".

(i) Amounts recognised in profit or loss for investment properties

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Rental income	127.47	110.69
Direct operating expenses from property that generated rental income	4.90	4.83
Profit from Investment Properties before depreciation	**122.57**	**105.86**
Depreciation	37.75	15.92
Profit from Investment Properties	**84.82**	**89.94**

(ii) Fair value of Investment property

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Fair value of Investment property	**5,530.30**	**5,358.07**

The Company has obtained Independent Valuations of its investment property from independent registered valuer as defined under rule 2 of the Companies (Registered Valuers and valuation) Rules, 2017. The fair value of the investment property have been derived using the Direct Comparison Method.The direct comparison approach involves a comparison of the investment property to similar properties that have actually been sold in arms-length distance from investment property or are offered for sale in the same region. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market, and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This approach leads to a reasonable estimation of the prevailing price. Given that the comparable instances are located in close proximity to the investment property; these instances have been assessed for their locational comparative advantages and disadvantages while arriving at the indicative price assessment for investment property.

(ii) Fair Value Heirarchy

All fair value estimates for Investment properties have been categorized as level 3.

(iii) The aggregate depreciation has been included under depreciation and amortisation expense in the statement of Profit and loss.

Note:8 Other Intangible Assets

Carrying amount of Intangible assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
Software	9.98	20.18
	9.98	**20.18**

	Amount
Gross carrying amount	**Computer Software**
As at 1st April, 2020	**503.37**
Additions	-
Disposals	-
As at 31st March, 2021 (a)	**503.37**
Additions	0.27
Disposals	(25.51)
As at 31st March, 2022 (b)	**478.13**
Amortisation	
As at 1st April, 2020	**473.32**
Charge for the year	9.86
Disposals	-
As at 31 March, 2021 (c)	**483.19**
Charge for the year	9.87
Disposals	(24.91)
As at 31st March, 2022 (d)	**468.15**
Carrying value	
As at 31 March, 2021 (a-c)	**20.18**
As at 31st March, 2022 (b-d)	**9.98**

(a) The Company has not internally developed computer softwares.

(b) Also refer Note 2.3(v) for option used by the Company to use carrying value of previous GAAP as deemed cost as on April 1, 2015

(c) The amount of amortisation has been included under depreciation and amortisation expense in the statement of Profit and loss.

Note : 9 Investments

No of Units		Face Value	Non - current		Current	
			As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
9A	**Investment in Assoicates accounted for using the Equity method**					
	Investments in Equity instruments (Unquoted)					
8,12,32,560	(Previous year 8,12,32,560) Fully paid up equity shares of Bhilwara Energy Ltd.	10	30711.50	30711.50	-	-
12,62,048	(Previous year 12,62,048) Fully paid up equity shares of Bhilwara Infotechnology Ltd (erstwhile Bhilwara Infotech Ltd.)	10	419.00	419.00	-	-
	Add: Share of profit in Associates up to reporting date		13,691.71	9,644.28	-	-
	Total		**44,822.20**	**40,774.78**	-	-
	Aggregate carrying value of unquoted investments		44,822.20	40,774.78	-	-
	Aggregate amount for impairment in value of investments		-	-	-	-

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

No of Units		Face Value	Non - current As at 31st March, 2022	Non - current As at 31st March, 2021	Current As at 31st March, 2022	Current As at 31st March, 2021
9B	**Other Investments**					
	Investments carried at Fair value through profit or loss					
(a)	**Investments in Equity instruments (Quoted)**					
18	(Previous year 18) Equity Shares of ₹2/-each of Ballarpur Ind. Ltd.	2	0.01	0.01	-	-
(b)	**Investments in Mutual Funds (Quoted)**					
NIL	(Previous Year-35416.31) Invesco India Liquid Fund	1000	-	-	-	1,000.89
1,86,225.63	(Previous Year-NIL) Invesco India Overnight Fund	1000	-	-	2,000.81	-
NIL	(Previous Year-19871.53) Reliance Nippon life Mutual Fund	1000			-	1,000.05
17,85,034.55	(Previous Year-NIL) AXIS Overnight Mutual Fund	1000			2,000.83	-
34,390.98	(Previous Year-NIL) UTI Overnight Mutual Fund	1000			1,000.76	-
87,912.54	(Previous Year-NIL) DSP Overnight Mutual Fund	1000			1,000.78	-
28,891.99	(Previous Year-NIL) SBI Overnight Mutual Fund	1000			1,000.05	-
2,52,97,878.79	(Previous Year-25297878.79) ICICI Prud. Equity -Arbitrage	10	-	-	7,409.88	7,096.61
2,58,74,546.00	(Previous Year-25874545.00) Kotak Equity Arbitrage Fund	10	-	-	8,194.21	7,835.10
NIL	(Previous Year-8805577.94) IDFC Arbitrage Fund	10	-	-	-	2,356.34
3,41,08,007.08	(Previous Year-34108007.08) AXIS Bank Arbitrage Fund	10	-	-	5,520.86	5,267.20
NIL	(Previous Year-10846524.43) UTI Bank Arbitrage Fund	10	-	-	-	3,086.31
93,64,289.08	(Previous Year-NIL) EDELWEISS Arbitrage Fund	10	-	-	1,543.56	-
(c)	**Investments in Fixed Maturity Plans Scheme(Quoted)**					
10,00,00,000	(Previous Year-10,00,00,000) ICICI Prudential FMP Series 83 1406 Days Plan D- Direct Growth	10	-	12,980.60	13,540.10	-
NIL	(Previous Year-2,50,00,000) ICICI Prudential -FMP -Sr 83 - 1100 Days Plan	10	-	-	-	3,136.28
NIL	(Previous Year-2,50,00,000) SBI Debt Fund Series C-19 (1100 days)	10	-	-	-	3,124.45
NIL	(Previous Year-75,00,000) Axis Fixed Term Plan - Series 95 (1185 days)	10	-	-	-	946.97

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for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

No of Units		Face Value	Non - current As at 31st March, 2022	Non - current As at 31st March, 2021	Current As at 31st March, 2022	Current As at 31st March, 2021
NIL	(Previous Year-1,50,00,000) Kotak FMP Series 235 - 1140	10	-	-	-	1,883.82
NIL	(Previous Year-1,00,00,000) Reliance Fixed Horizon Fund-XXXIX-Series 6	10	-	1,286.92	-	-
1,50,00,000	(Previous Year-Nil) NIPPON INDIA FHF XXXIX SR 2	10	-	-	2,016.74	-
1,00,00,000	(Previous Year-Nil) NIPPON INDIA FHF XXXIX SR 6	10	-	-	1,341.93	-
1,50,00,000	(Previous Year-Nil) NIPPON INDIA FHF XXXIX SR 15	10	-	-	1,974.98	-
1,00,00,000	(Previous Year-Nil) NIPPON INDIA FHF XXXIX SR 9	10	-	-	1,328.87	-
NIL	(Previous Year-1,00,00,000) ABSL FTP Series QN	10	-	-	-	1,219.84
NIL	(Previous Year-1,50,00,000) SDFS C20 - 1100 Days	10	-	-	-	1,870.23
NIL	(Previous Year-2,50,00,000) HDFC FMP 1105D August 2018 (1)	10	-	-	-	3,128.83
NIL	(Previous Year-1,50,00,000) HDFC FMP 1105D August 2018 (2)	10	-	-	-	1,867.68
NIL	(Previous Year-1,50,00,000) Kotak FMP Series 240-1160#	10	-	-	-	1,881.89
2,00,00,000	(Previous Year-2,00,00,000) Aditya Birla Sunlife Fixed Term Plan Series RC (1295 days)	10	-	2,512.32	2,612.38	-
NIL	(Previous Year-1,70,00,000) Aditya Birla Sunlife Fixed Term Plan Series QV (1100 days)	10	-	-	-	2,099.13
NIL	(Previous Year-1,50,00,000) Aditya Birla Sunlife Fixed Term Plan Series QU (1100 days)	10	-	-	-	1,858.94
3,00,00,000	(Previous Year-3,00,00,000) Aditya Birla Sunlife Fixed Term Plan Series RN (1240 days)	10	-	3,732.63	3,886.17	-
NIL	(Previous Year-1,50,00,000) UTI Fixed Term Income Fund Series XXX - II (1107 days)	10	-	-	-	1,872.89
2,00,00,000	(Previous Year-2,00,00,000) ICICI Pru Fixed Maturity Plan-Sr 84 - 1245 days Plan N	10	-	2,518.48	2,624.04	-
NIL	(Previous Year-1,50,00,000) RELIANCE FX HRZ FUND XXXIX S15	10	-	1,894.61	-	-
1,00,00,000	(Previous Year-1,00,00,000) ICICI Pru Fixed Maturity Plan-Sr 84 - 1288 days Plan O	10	-	1,257.46	1,312.25	-
1,00,00,000	(Previous Year-1,00,00,000) Kotak FMP Series 251-1265 days	10	-	1,254.74	1,306.91	-
1,00,00,000	(Previous Year-1,00,00,000) HDFC FMT 1246D November, 2018 (1) - Series 43	10	-	1,254.48	1,306.87	-

No of Units		Face Value	Non - current		Current	
			As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
NIL	(Previous Year-1,50,00,000) Kotak FMP Series 242-1152	10	-	-	-	1,877.88
1,50,00,000	(Previous Year-1,50,00,000) Kotak FMP Series 243 - 1319 days	10	-	1,928.52	2,013.48	-
NIL	(Previous Year-1,50,00,000) Reliance Fixed Horizon Fund-XXXIX Series 2	10	-	1,935.17	-	-
NIL	(Previous Year-1,20,00,000) ICICI Prudential -FMP -Series 83 - 1101 Days Plan Z	10	-	-	-	1,499.00
NIL	(Previous Year-1,00,00,000) Reliance Fixed Horizon Fund-XXXIX Series 9	10	-	1,274.88	-	-
(d)	**Investments in Bond Funds (Quoted)**				-	-
62230.03	(Previous Year-NIL) Kotak Corporation Bond Fund #	10	-	-	1,949.59	-
(e)	**Investments in Infrastructure Trust (Quoted)**					
44,00,000	(Previous Year-4400000) ORIENTAL INFRATRUST	100	5,376.80	5,253.60	-	-
	Total		**5,376.81**	**3,908.41**	**66,886.05**	**55,910.30**
Aggregate amount of quoted investments			5,376.81	39,084.41	66,886.05	55,910.30
Market value of quoted investments			5,376.81	39,084.41	66,886.05	55,910.30
Aggregate amount for impairment in value of investments			-	-	-	

Kotak FMP Series 240 scheme ("Merging Scheme") has been merged into Kotak Corporate Bond Fund scheme ("Surviving Scheme") in accordance with the provisions laid under Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996 w.e.f. 13th Oct 2021. The unit holders of the "Merging Scheme" have been allotted units in the "Surviving Scheme" equivalent to the value of their units held in the "Merging Scheme" at the close of business hours October 13, 2021, at the NAV of that day.

Investments having maturity period of less than 12 months from 31st March, 2022 i.e. balance sheet date have been reclassified as current investment.

Refer Note 46B for Classification of Financial Assets

Note: 10 Trade Receivables

Particulars	Current	
	As at 31st March, 2022	As at 31st March, 2021
a) Trade Receivable considered good-Secured	-	-
b) Trade Receivable considered good-Unsecured	58891.98	28,895.16
c) Trade Receivable which have significant increase in Credit Risk; and	69.89	113.43
Less: Allowance for expected credit loss	(44.59)	(66.49)
d) Trade Receivable credit impaired	374.98	381.95
Less: Allowance for credit impairment	(374.98)	(381.95)
Total	**58,917.28**	**28,942.10**

There is no amount due from directors or other Officer of the company or any of them either severally or jointly with any other person or firms or private company respectively in which any director is a partner or a director or a member.

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for the year ended 31st March,2022
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Trade receivables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March 2022							
(i) Undisputed Trade receivables – considered good	43,294.88	15,472.44	125.07	-	-	-	58891.98
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	69.89	-	-	69.89
(iii) Undisputed Trade receivables – credit impaired	-	-	-	137.08	14.10	223.80	374.98
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
As at 31st March 2021							
(i) Undisputed Trade receivables – considered good	19,908.18	8,328.05	658.93	-	-	-	28,895.16
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	113.43	-	-	113.43
(iii) Undisputed Trade receivables – credit impaired	-	-	-	29.60	123.77	228.58	381.95
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-	

Refer Note 46B for Classification of Financial Assets

Refer Note 46C for credit risk and expected credit loss related to Trade receivables

Refer Note 47 for information of trade receivables pledged as security by the company.

Note: 11 - Financial Assets

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Financial asset at amortised cost				
Loans to employees				
a) Loans considered good-Secured	-	-	-	-
b) Loans considered good-Unsecured	81.90	39.88	72.94	31.38
c) Loans which have significant increase in Credit Risk; and	-	-	-	-
d) Loans credit impaired	-	-	-	-
Total	**81.90**	**39.88**	**72.94**	**31.38**

Refer Note 46B for Classification of Financial Assets

Note (i) : The above figure includes loans to whole time director in the capacity of employee amounting to ₹71.11 Lakhs (Previous year ₹NIL) which is repayable in accordance with the Company's policy applicable to all the employees. Such loan outstanding as at the end of the year amounts to 45.93% (Previous Year Nil) of total loans to employees outstanding as on that date.

Note (ii) : The above figure includes loans to Chief Financial officer (KMP) amounting to ₹1.78 Lakhs (Previous year ₹4.44 Lakhs) which is repayable in accordance with the Company's policy applicable to all the employees. Such loan outstanding as at the end of the year amounts to 1.15% (Previous Year 6.24%) of total loans to employees outstanding as on that date..

Note: 12 - Other Financial Assets

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Financial assests at amortised cost				
Security deposits	3,286.01	2,489.48	-	-
Interest accrued but not due on fixed deposits	220.70	3.32	1,366.42	1,038.85
Bank balances having maturity period of more than 12 months from reporting date	-	-	-	-
- Earmarked deposits with banks against LC/BG	1,189.09			
- Other Deposits	9,300.00	2,063.59		
Interest subvention recoverable (on working capital loans)	-	-	313.67	
Financial assests at Fair Value through Profit or Loss				
*Derivative Financial Instruments	-	-	9.52	10.97
Total	**13,995.80**	**4,556.39**	**1,689.61**	**1,049.81**

* The company enters into derivative financial instruments (usually foreign exchange forward contracts) to manage its exposure to foreign exchange rate risk. For details of derivate financial instruments, Refer note 46C.

Refer Note 46B for Classification of Financial Assets

Note: 13 - Other Assets

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Unsecured, considered good unless stated otherwise				
Capital Advances	4,729.08	10,714.75	-	-
Other Advances (other than advances to related parties)	-	-	686.79	644.73
Advances to related parties	-	-	0.11	0.11
Prepaid expenses	63.01	42.81	1,442.30	1,392.56
Balances with statutory authorities	-	-	4,080.21	3,511.95
GST Refunds Receivable	-	-	5,901.50	296.18
Payments under protest (excluding direct taxes other than TDS)	470.85	470.85	-	-
Export Benefits Receivable (including MEIS Licenses in hand)	-	-	1,819.45	1,141.86
Other Employee Advances			39.20	35.49
Gratuity Fund Receivable (also refer note 40)	-	-	611.81	589.54
Others			607.72	698.79
Total	**5,262.94**	**11,228.40**	**15,189.09**	**8,311.21**

Detail of payments under protest(excluding direct taxes other than TDS) is as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Entry Tax	222.84	222.84
Central Sales Tax	105.92	105.92
Excise duty/Service Tax	79.62	79.62
MPST/MPCT	0.46	0.46
Tax deducted at source	62.01	62.01
Commercial Legal Cases	-	-
Total	**470.85**	**470.85**

Note: (i) Based on legal advice, discussions with the solicitors, etc., the management believes that there are fair chances of decisions in Company's favour in respect of all the items listed above and no value adjustment is considered necessary.

(ii) There are no advances to the directors or other officers of the company or any of them either severally or jointly with any other persons or advances to firms or private companies in which any director is a partner or a director or a member..

Note 14:INVENTORIES (Valued at lower of cost or Net realizable value)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw materials [Includes material in transit ₹13888.24 Lakhs ; Previous year: ₹10109.74 Lakhs]	41,406.68	13,641.45
Finished goods	24,134.77	16,799.35
Work-in-progress	27,696.24	23,890.92
Stores and Spares	4,543.70	3,729.23
[Includes stores in transit ₹367.86 Lakhs ; Previous year: ₹321.03 Lakhs]		
Total	**97,781.39**	**58,060.95**

(a) The cost of inventories recognised as an expense during the year was ₹1,12,091.66 Lakhs (March 31,2021 ₹1,28,880.03 Lakhs)

(b) The cost of inventories recognised as an expense includes ₹ Nil (31 March, 2021 ₹2350 Lakhs) in respect of write down of inventories to net realisable value.

(c) The cost of inventories recognised as an expense includes ₹338.09 Lakhs (31 March, 2021 ₹474.75 Lakhs) in respect of write down of inventories on account of slow moving items.

(d) The cost of inventories recognised as an expense include ₹ Nil (31 March, 2021 ₹857 Lakhs) as reduction to cost in respect of reversal of write down of inventories arising from increase in net realisable value.

(e) Refer to note no. 47 for information of inventory pledged as security by the company.

Note:15 Cash and Cash Equivalents

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances with banks		
In Current accounts	2,833.94	704.79
In Cash Credit accounts	1,262.62	1,413.19
Cheques, drafts in hand	-	11.22
Cash on hand	6.96	8.19
Total cash and cash equivalent	**4,103.52**	**2,137.39**

Refer Note 46B for Classification of Financial Assets

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022 *All amounts are in ₹ Lakhs unless otherwise stated*

Note:16 Other Bank balances

Particulars	As at 31st March, 2022	As at 31st March, 2021
I. Earmarked deposits with banks		
a) As margin money against LC for Raw Material and capital goods	1,666.25	5,172.53
b) As margin money against Bank Gurantee	254.47	-
c) Held for Unpaid dividend/Unclaimed dividend	500.07	550.74
II. Other Deposits with banks/financial Institutions		
-Deposits with original maturity of more than 3 months (due within 12 month from reporting date)	53,642.19	47,196.99
Total	**56,062.98**	**52,920.26**

Refer Note 46B for Classification of Financial Assets

Note: 17 Equity Share Capital

Particulars	As at 31st March, 2022	As at 31st March, 2021
Authorised		
5,50,00,000 (previous year 5,50,00,000) Equity Shares of ₹10/- each	5,500.00	5,500.00
15,00,000 (Previous year 15,00,000) Preference shares of ₹100/- each	1,500.00	1,500.00
	7,000.00	**7,000.00**
Issued, Subscribed and Fully paid-up		
3,85,95,506 (previous year 3,85,95,506) Equity Shares of ₹10/- each	3,859.55	3,859.55
1,150 (previous year 1,150) Forfeited Equity Shares	0.04	0.04
Total	**3,859.59**	**3,859.59**

a) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting period

Particulars	2021-22		2020-21	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Equity Shares				
At the beginning of the year	3,85,95,506	3,859.55	3,85,95,506	3,859.55
Change during the year	-	-	-	-
Outstanding at the end of the year	**3,85,95,506**	**3,859.55**	**3,85,95,506**	**3,859.55**

b) Terms/Rights attached to equity shares

Company has only one class of equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share. The dividend (if any) proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Detail of Shareholders holding more than 5% Shares in the Company

Name of the shareholders	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
NORBURY INVESTMENTS LIMITED	53,62,991	13.90	53,62,991	13.90
MICROLIGHT INVESTMENTS LIMITED	46,65,579	12.09	46,65,579	12.09
BHARAT INVESTMENTS GROWTH LIMITED	24,64,913	6.39	24,64,913	6.39
LICI ASM NON PAR	21,39,276	5.54	24,25,714*	6.28

*holding was in the name of Life Insurance Corporation of India.

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022 *All amounts are in ₹ Lakhs unless otherwise stated*

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares exept Bharat Investments Growth Limited, in which significant benificial owner is Shri Ravi Jhunjunwala, Chairman, Managing Director & CEO, who is also the promoter of the Company and exercises significant influence over it.

d) Aggregate number of equity shares issued for consideration other than cash, alloted by way of bonus shares and shares bought back for the period of five years immediately preceding the reporting date.

Particulars	Aggregate No. of Shares				
	2021-22	2020-21	2019-20	2018-19	2017-18
a) Equity shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
b) Equity shares allotted as fully paid up by way of bonus shares	-	-	-	-	-
c) Equity shares bought back by the company.	-	-	-	13,63,636	-

e) Details of shares held by holding company or its ultimate holding company or their subsidiaries or associates

There is no holding company /ultimate holding company of the company.

f) Details of Shareholdings by the Promoters and Promoter's Group of the Company

Sl. No.	Name	As at 31st March, 2022		As at 31st March 2021		% Change
		No. of Shares	%	No. of Shares	%	
1	Ravi Jhunjhunwala	719	0.00%	5,98,719	1.55%	-1.55%
2	Riju Jhunjhunwala	1,356	0.00%	2,20,356	0.57%	-0.57%
3	Rita Jhunjhunwala	1,876	0.00%	2,11,876	0.55%	-0.54%
4	Rishabh Jhunjhunwala	1,807	0.00%	1,75,807	0.46%	-0.45%
5	Bharat Investments Growth Ltd	27,34,913	7.09%	24,64,913	6.39%	0.70%
6	Purvi Vanijya Niyojan Ltd	18,68,583	4.84%	16,48,583	4.27%	0.57%
7	LNJ Financial Services Ltd	16,48,323	4.27%	13,48,323	3.49%	0.78%
8	Raghav Commercial Ltd	14,48,163	3.75%	14,48,163	3.75%	0.00%
9	Jet (India) Pvt Ltd#	10,05,599	2.61%	10,05,599	2.61%	0.00%
10	Giltedged Industrial Securities Ltd	8,87,689	2.30%	4,76,689	1.24%	1.06%
11	Shashi Commercial Company Ltd	6,75,536	1.75%	6,75,536	1.75%	0.00%
12	M.L. Finlease Pvt Ltd	3,46,461	0.90%	3,46,461	0.90%	0.00%
13	RSWM Ltd	3,18,391	0.82%	3,18,391	0.82%	0.00%
14	India Texfab Marketing Ltd	2,06,718	0.54%	2,06,718	0.54%	0.00%
15	Nivedan Vanijya Niyojan Ltd	66,684	0.17%	66,684	0.17%	0.00%
16	Investors India Ltd	36,254	0.09%	36,254	0.09%	0.00%
17	Norbury Investments Ltd	53,62,991	13.90%	53,62,991	13.90%	0.00%
18	Microlight Investments Ltd	46,65,579	12.09%	46,65,579	12.09%	0.00%
19	Mekima Corporation##	-	0.00%	17,32,389	4.49%	-4.49%
	Total	**2,12,77,642**	**55.13%**	**2,30,10,031**	**59.62%**	**-4.49%**

Sl. No.	Name	As at 31st March, 2021		As at 31st March 2020		% Change
		No. of Shares	%	No. of Shares	%	
1	Ravi Jhunjhunwala	5,98,719	1.55%	1,28,517	0.33%	1.22%
2	Riju Jhunjhunwala	2,20,356	0.57%	2,20,356	0.57%	0.00%
3	Rita Jhunjhunwala	2,11,876	0.55%	2,11,876	0.55%	0.00%
4	Rishabh Jhunjhunwala	1,75,807	0.46%	1,75,807	0.46%	0.00%

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for the year ended 31st March,2022 *All amounts are in ₹ Lakhs unless otherwise stated*

Sl. No.	Name	As at 31st March, 2021 No. of Shares	%	As at 31st March 2020 No. of Shares	%	% Change
5	Ravi Jhunjhunwala - HUF	-	-	2,02,806	0.53%	-0.53%
6	Lakshmi Niwas Jhunjhunwala	-	-	1,69,775	0.44%	-0.44%
7	Mani Devi Jhunjhunwala	-	-	97,621	0.25%	-0.25%
8	Bharat Investments Growth Ltd.	24,64,913	6.39%	24,64,913	6.39%	0.00%
9	Purvi Vanijya Niyojan Ltd.	16,48,583	4.27%	16,48,583	4.27%	0.00%
10	LNJ Financial Services Ltd.	13,48,323	3.49%	13,48,323	3.49%	0.00%
11	Raghav Commercial Ltd.	14,48,163	3.75%	14,48,163	3.75%	0.00%
12	Jet (India) Pvt Ltd.#	10,05,599	2.61%	10,05,599#	2.61%	0.00%
13	Giltedged Industrial Securities Ltd.	4,76,689	1.24%	4,76,689	1.24%	0.00%
14	Shashi Commercial Company Ltd.	6,75,536	1.75%	6,75,536	1.75%	0.00%
15	M.L. Finlease Pvt Ltd.	3,46,461	0.90%	3,46,461	0.90%	0.00%
16	RSWM Ltd.	3,18,391	0.82%	3,18,391	0.82%	0.00%
17	India Texfab Marketing Ltd.	2,06,718	0.54%	2,06,718	0.54%	0.00%
18	Nivedan Vanijya Niyojan Ltd.	66,684	0.17%	66,684	0.17%	0.00%
19	Investors India Ltd.	36,254	0.09%	36,254	0.09%	0.00%
20	Norbury Investments Ltd.	53,62,991	13.90%	53,62,991	13.90%	0.00%
21	Microlight Investments Ltd.	46,65,579	12.09%	46,65,579	12.09%	0.00%
22	Mekima Corporation##	17,32,389	4.49%	17,32,389	4.49%	0.00%
	Total	**2,30,10,031**	**59.62%**	**2,30,10,031**	**59.62%**	**0.00%**

Deepak Pens & Plastics Pvt. Ltd. (4,69,820 shares) and Sandhu Auto Deposits Ltd. (5,35,779 shares), have been amalgamated with Jet (india) Pvt. Ltd. pursuant to scheme of amalgamation duly approved by NCLT, Kolkata w.e.f. 25th September,2020.

During the financial year ended 31-03-2022, Mekima corporation has been reclassified from "Promoter and Promoter Group" category to "Public category", after taking necessary approvals from stock exchanges in accordance with Regulation 31A of the Listing Regulations.

Note: The disclosure of shareholding of Promoter and Promoter's Group is based on shareholding pattern filed with the stock exchanges under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Note : 18-Other Equity

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
A.	**Capital Reserves**		
	Balance as at the beginning of the year	10,726.49	10,726.49
	Add: Additions during the year	-	-
	Balance as at the end of the year	**10,726.49**	**10,726.49**
B.	**Capital Redemption Reserve**		
	Balance as at the beginning of the year	2,029.93	2,029.93
	Add: Addition during the year	-	-
	Balance as at the end of the year	**2,029.93**	**2,029.93**
C.	**Retained Earnings**		
	Balance as at the beginning of the year	3,32,802.13	3,34,595.95
	Add: Amount transferred from Statement of Profit and Loss		
	- Profit for the year	43,104.35	(1,793.82)
	- Other comprehensive income for the year (remeasurment of Net Defined Benefit Plan)*	(92.22)	-
	Share of Profit of Associates	1.30	
	Add: Amount transferred from Other Comprehensive Income	89.25	-
	Less: Dividend on equity shares during the year	1,157.86	-
	Balance as at the end of the year	**3,74,746.95**	**3,32,802.13**
	**Movement in remeasurment of Net Defined Benefit Plan*		
D.	**Items of other comprehensive income (Remeasurement of Defined benefit plans)**		
	Balance as at the beginning of the year	89.25	(40.05)
	Less: Amount transferred to Retained Earnings	(89.25)	-
	Remeasurement of Defined benefit plans during the year		129.30
	Balance as at the end of the year	-	**89.25**
	Total	**3,87,503.38**	**3,45,647.80**

NATURE AND PURPOSE OF RESERVES

1) **Capital Reserve:**
The Company created part of Capital Reserve on account of warrant money forfeited and part on profit made on hive off of Steel business .

2) **Capital Redemption Reserve:**
The Company created Capital Redemption Reserve at the time of redemption of Preference Shares and buy back of its own shares. The reserve can be utilised for issuing bonus shares.

3) **Retained Earnings**
Retained earnings refer to net earnings not paid out as dividend but retained by the company to be reinvested in its core business. The amount is available for distribution of dividend to its equity shareholders.
Remeasurements of Net Defined Benefit Plans: Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.

4) **Reserve for other items through Other comprehensive income**
The reserve represents cumulative gains and losses on remeasurement of defined benefit plan net of taxes. The balance in Other Comprehensive income can be transferred to Other Components of equity i.e. retained earnings as and when the company decides to do so. The company has transferred the said reserve to the retained earnings during the current year.

Note: 19 Borrowings

Particulars	Non-Current As at 31st March, 2022	Non-Current As at 31st March, 2021	Current As at 31st March, 2022	Current As at 31st March, 2021
Loans repayable on demand from banks				
Working Capital loans from banks	-	-	66,340.05	29,651.42
Total	-	-	**66,340.05**	**29,651.42**

Current Borrowings

Particulars	Maturity date	Terms of Repayment	Interest Rate	As at 31st March, 2022	As at 31st March, 2021
LOANS REPAYABLE ON DEMAND	Payable on Demand	Payable on Demand	At negotiated rates		
Secured					
Working Capital from Banks				36,210.12	22,827.82
Unsecured					
Working Capital from Banks				30,129.93	6,823.60
Total				**66,340.05**	**29,651.42**

a) Working Capital Borrowings from Banks are secured by first charge against hypothecation of all stocks present and future, stores, spare parts, packing materials, raw materials, finished goods, goods in transit / process, book debts, outstanding monies receivable, claims, bills etc.

b) Pari-passu second charge over entire fixed assets (including land & building and plant & machineries) of the Company in respect of Graphite & Thermal Power Unit at Mandideep and Hydel Power unit at Tawa Nagar, Hoshangabad.

Refer Note 46B for Classification of Financial Liabilities

Refer Note 47 for carrying amount of assets pledged as security for borrowings.

Note: 20 Trade Payables

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade Payable		
(A) Total outstanding dues of micro enterprises and small enterprises	1,817.35	1,208.30
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	42,971.76	24,522.98
	44,789.11	**25,731.28**

(i) Trade payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March 2022						
(i) MSME	1776.21	41.14	-	-	-	1817.35
(ii) Others	36736.23	479.79	67.61	23.72	1998.80	39306.15
(iii) Disputed dues –MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	3,665.61	3665.61
As at 31st March 2021						
(i) MSME	1087.70	118.75	1.85	-	-	1208.30
(ii) Others	18611.07	217.93	27.84	122.23	1878.30	20857.38
(iii) Disputed dues –MSME	-	-	-	-	-	-
(iv)Disputed dues -Others	-	-	-	-	3,665.61	3665.61

(ii) Refer Note 46B for Classification of Financial Liabilities

(iii) The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available with them. This information has been relied upon by the auditors. The detail information relating to Micro, Small and Medium Enterprises is as under :-

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) The amount remaining unpaid to any supplier at the end of each accounting year.		
a) Principal	1,817.35	1,208.30
b) Interest	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Notes to the Consolidated Financial Statements
for the year ended 31st March,2022 All amounts are in ₹ Lakhs unless otherwise stated

NOTE: 21A Lease Liabilities

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Lease Liabilities - Land (refer Note - 41)	78.33	35.05	9.71	4.96
Lease Liabilities - Building (refer Note - 41)	-	46.24	39.90	68.14
	78.33	**81.29**	**49.61**	**73.10**

NOTE: 21B Other Financial Liabilities

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Interest accrued but not due on borrowings	-	-	59.03	6.11
Security Deposits	-	-	130.49	107.32
Unpaid dividends-Unclaimed#	-	-	500.07	550.74
Creditors for Capital purchases	-	-	-	-
Payable to Micro Enterprises and Small Enterprises			3,019.70	137.67
Payable to other than micro enterprises and small enterprises			5,802.81	3,193.34
Other payables	-	-		
Employees Related	-	-	2,139.89	952.58
Others	-	-	2,085.69	1,655.91
	-	**-**	**13,737.68**	**6,603.67**

Unpaid dividends do not include any amount which is required to be transferred to the Investor's Education and Protection Fund.

Refer Note 46B for Classification of Financial Liabilities

Note: 22 Provisions

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Provision for employee benefits				
Compensated absences	381.06	358.35	77.27	45.61
Other provisions				
Provision against indirect taxes (pending litigations)	-	-	439.05	439.06
Total	**381.06**	**358.34**	**516.32**	**484.67**

Movement of provision against indirect taxes (pending litigations)

Nature of Provisions	Non- Current		Current	
	2021-22	2020-21	2021-22	2020-21
Carrying amount at the beginning of the year	**-**	**-**	**439.06**	**453.44**
Amount provided made during the year	-	-	-	-
Amount reversed during the year	-	-	0.01	14.38
Carrying amount at the end of the year	**-**	**-**	**439.05**	**439.06**

Note: Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

The provisions for indirect taxes and legal matters comprises of numerous separate cases that arise in the ordinary course of business. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

The Company does not expect any reimbursements in respect of the above provisions.

Note: 23 Deferred IncomeTax Liabilities (Net)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred tax liabilities (A)		
Difference between carrying value of Property plant and equipment as per books of account and Income tax	8,150.00	8,337.35
Fair valuation of Investments	1,656.64	2,420.99
Deferred tax assets (B)		
Expenses deductible on payment basis under Income tax	71.87	63.80
Allowances for expected credit loss	105.60	112.86
Unabsorbed depreciation and Unused losses	-	907.06
Net Deferred tax Liability (A)-(B)	**9,629.17**	**9,674.62**

The following is the analysis of the deferred income tax asset/(liability)presented in the Consolidated balance sheet

Movement in deferred income tax assets and liabilities for the year ended 31st March, 2022

Particulars	As at 1st April, 2021	Recognized in the profit or loss	Recognized in OCI	As at 31st March, 2022
Deferred tax liabilities (A)				
Difference between carrying value of Property plant and equipment as per books of account and tax base	8,337.35	(187.35)	-	8,150.00
Fair valuation of Investments	2,420.99	(764.35)	-	1,656.64
Deferred tax assets (B)				
Expenses deductible on payment basis under Income tax	63.80	(22.94)	31.01	71.87
Allowances for expected credit loss	112.86	(7.26)	-	105.60
Unabsorbed depreciation and Unused losses	907.06	(907.06)	-	-
Net Deferred tax Liability (A)-(B)	**9,674.62**	**(14.43)**	**(31.01)**	**9,629.17**

Movement in deferred income tax assets and liabilities for the year ended 31st March, 2021

Particulars	As at 1st April, 2020	Recognized in the profit or loss	Recognized in OCI	As at 31st March, 2021
Deferred tax liabilities (A)				
Difference between carrying value of Property plant and equipment as per books of account and tax base	8,743.95	(406.60)	-	8,337.35
Fair valuation of Investments	1,787.38	633.61	-	2,420.99
Deferred tax assets (B)				
Expenses deductible on payment basis under Income tax	155.99	(56.84)	(35.36)	63.80
Allowances for expected credit loss	170.21	(57.35)	-	112.86
Unabsorbed depreciation and Unused losses	-	907.06	-	907.06
Net Deferred tax Liability (A)-(B)	**10,205.13**	**(565.87)**	**35.36**	**9,674.62**

Notes to the Consolidated Financial Statements
for the year ended 31st March,2022
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Note 24 Other Liabilities

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Deposits from employees against various schemes	393.06	391.92	88.01	28.66
Advance from Customers	-	-	310.07	142.55
Statutory dues payable	-	-	310.31	163.89
Payable against unspent corporate social responsibility expenditure (Refer note below)	240.46		1,342.92	-
Others Payable	-	-	432.12	896.11
Total	**633.52**	**391.92**	**2,483.43**	**1,231.21**

Note: It represents Corporate Social Responsibility (CSR) expense related to ongoing projects as at 31st March, 2022 (31st March, 2021: Not Applicable). The same was transferred to a special account designated as "Unspent Corporate Social Responsibility Account for the Financial Year 21-22" ("UCSRA – FY 2021-22") of the Company within 30 days from end of financial year.

Refer note 43 for more information about Corporate Social Responsibility expense.

Note 25:- Current Tax Asset & Liabilities (Net)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Income Tax Assets	14,665.98	14,641.81
Income Tax Liabilities	(792.34)	(627.77)
Total	**13,873.64**	**14,014.04**

Note: 26 Revenue From Operations

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
Sale of Products				
Manufactured goods				
Graphite Electrodes (Refer note 50)	2,15,268.13		1,21,850.87	
Power	2,054.61	2,17,322.74	1,592.40	1,23,443.27
Other Operating Income				
REC sales	468.62		577.22	
Fly Ash Income	4.52		60.98	
Export Incentives	2,365.30		1,541.37	
		2,838.44		2,179.59
		2,20,161.18		**1,25,622.84**

Note: 27 Other Income

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Income from financial assets measured at amortized cost	3,117.07	2,721.82
Interest Income from financial assets measured at fair value through Profit or loss	128.32	166.50
Rental Income	132.21	115.49
Net Gain on sale of investment measured at fair value through Profit or loss	793.06	419.42
Net Gain on fair valuation of Investments measured at fair value through Profit or loss	2,625.28	5,691.42
Liabilities / provisions written back (including allowances for expected credit losses)	251.66	1,033.63
Dividend income from financial assets measured at fair value through Profit or loss	114.31	104.42
Foreign Currency Fluctuation (Net)	108.58	495.08
Miscellaneous	684.08	543.06
Total	**7,954.57**	**11,290.84**

Note: 28 Cost of Materials Consumed

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
Raw Material Consumed				
Opening Stock	3,531.70		23,448.37	
Add : Purchases	1,18,029.00		30,577.19	
	1,21,560.70		**54,025.56**	
Less: Closing Stock	27,518.43		3,531.70	
Cost of raw material consumed		**94,042.27**		**50,493.86**

Note: 29 Changes In Inventories of Finished Goods and Work-In-Progress

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(1) Inventories at the beginning of the period		
Finished Goods	16,799.35	36,566.62
Work-in-progress	23,890.92	34,539.11
Total	**40,690.27**	**71,105.73**
(2) Inventories at the end of the period		
Finished Goods	24,134.77	16,799.35
Work-in-progress	27,696.24	23,890.92
Total	**51,831.01**	**40,690.27**
Net (increase)/decrease	**(11,140.74)**	**30,415.46**

Note : 30 Employee Benefits Expense

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries and Wages	7,330.49	4,769.17
Contribution to Provident and other Funds	414.00	479.06
Staff Welfare expenses	255.49	204.59
Total	**7,999.98**	**5,452.82**

Notes to the Consolidated Financial Statements
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All amounts are in ₹ Lakhs unless otherwise stated

Note: 31 Finance Costs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(i) Interest on Working Capital Borrowings	688.52	1,079.36
(ii) Foreign Exchange Fluctuation on Foreign Currency Loans to the extent regarded as an adjustment to interest costs	39.69	32.57
(iii) Others		
-Interest on lease liabilities	14.28	14.22
-Others	6.26	10.68
Total	**748.75**	**1,136.83**

Note: 32 Depreciation and Amortisation Expenses

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(1) Depreciation of Property Plant and Equipment (Refer note 4)	7,813.04	7,206.83
(2) Depreciation of Right of use assets (Refer note 6)	68.10	78.95
(3) Depriciation on Investment Property (Refer note 7)	37.75	15.92
(4) Amortisation of Intangible assets (Refer note 8)	9.87	9.86
Total	**7,928.76**	**7,311.56**

Note: 33 Other Expenses

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Consumption of stores and spare parts(Including Refractory Blocks)	15,622.48	8,809.82
Job/Process Charges	511.26	397.20
Power and fuel	27,110.80	13,938.23
Repairs and maintenance		
Plant and Machinery	2,955.79	2,853.81
Building	493.92	425.26
Others	741.62	658.09
Insurance	1,208.56	1,106.50
Rent (Refer Note 41)	36.88	36.88
Rates and taxes	88.34	86.27
Directors' sitting fees and incidental expenses	55.76	53.45
Commission paid to Directors	-	-
Freight & forwarding	16,667.18	6,643.06
Packing Expenses (including Packing material consumption)	1,765.76	1,406.62
Commission	1,751.21	1,056.13
Claims and Rebates	107.56	195.88
Donations	20.10	0.21
Contribution made to Political Parties	10.00	100.00
Power generation charges	236.11	247.14
Travelling Expenses	209.38	82.41
Postage and Communication	45.89	41.20
Payment to auditors (Refer details below*)	33.81	20.66
Contribution towards Corporate Social Responsibility (Refer Note 43)	3,065.47	4,185.70

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Legal and Professional	589.76	431.39
Vehicle Running & Maintenance	67.94	60.35
Bad debts	58.97	395.09
Duties and Taxes	51.10	80.39
Net Loss on sale/discard of Property plant and equipments	281.35	594.02
Miscellaneous	2,750.11	**1,273.16**
Total	**76,537.17**	**45,178.96**

*Payments to the statutory auditors (excluding GST)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
As auditor		
Statutory audit	30.00	15.00
Other Services		
Tax Audit	2.00	2.00
Certification fees	-	2.31
Reimbursement of out of pocket expense	1.81	1.35
Total	**33.81**	**20.66**

Note 34. Tax expense

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A) Tax Expense Recognised in the statement of Profit and Loss		
1) Current Tax		
Income tax	12,995.77	-
Income tax - adjustment/(credits) related to previous year	(40.00)	20.00
2) Deferred tax	(14.43)	(565.87)
	12,941.34	**(545.87)**
B) Tax Expense recognised in Other Comprehensive Income		
1) Current Tax	-	-
2) Deferred tax	(31.01)	35.36
	(31.01)	35.36
C) Tax expense/(Income) relating to items that are charged or credited directly to equity		
1) Current Tax	-	-
2) Deferred tax	-	-
Total	**12,910.33**	**(510.52)**

(a) Effective Tax Reconciliation

Numerical reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Accounting profit before tax & Share of profit (loss) of Associates	51,999.56	(3,075.81)
At India's statutory income tax rate of 25.168%	25.168	25.168
Tax as per accounting profit (A)	**13,087.25**	**(774.12)**
Add/(Less) :		
Effect of expenses that are not deductible in determining taxable profits	782.54	1,083.51
Effect of expenses that are deductible in determining taxable profits	(21.68)	(18.21)
Tax rate differential and other adjustments on Gain on sale /Fair Valuation of Investments	(899.00)	(798.81)
Effect of Income that is not taxable in determining taxable profits	1.23	(26.28)
Others	-	62.27
Effect of brought forward of unsued tax losses	-	(58.88)
Effect of Change in Tax rate	-	-
Current tax adjustment/(credits) related to previous year	(40.00)	20.00
Total (B):	**(176.91)**	**263.60**
Income Tax Expense recognized for the year (A+B)	**12,910.33**	**(510.52)**

Note 35 : Other Comprehensive Income

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(i) Items that will not be reclassified to profit or loss		
-Remeasurement of Defined Benefits Plans	(123.23)	140.48
Total	**(123.23)**	**140.48**

Note 36: Earnings per share

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit attributable to equity shareholders of the company	43,105.12	(1,793.82)
Weighted average number of equity shares for basic/diluted earning per share	3,85,95,506	3,85,95,506
Basic / diluted earning per share(₹)	111.68	(4.65)

* There are no potential equity shares

NOTE: 37 Segment Information

The Company's Chief Operational Decision Makers consisting of Chief Executive Officer and Chief Finance Officer examines the company's performance both from product and geographic perspective and has identified two segments, i.e., Graphite electrodes (including other carbon products) and power. The business segments are monitored separately for the purpose of making decisions about resource allocation and performance assessment.

The Reportable Segments are:

- Graphite Electrodes (including other carbon products)- The segment comprises of manufacturing of graphite electrodes
- Power Generation - The segment comprises of generation of power for captive consumption and sale.

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Segment Measurement

The measurement principles for segment reporting are based on IND AS 108. Segment's performance is evaluated based on segment revenue and profit or loss from operating activities. Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment.

Inter segment transactions are carried out at arm's length price.

1) Segment Revenue and results

Particulars	Graphite(including other carbon products)		Power		Unallocable items/ Others		Total	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Segment Revenue								
Turnover	2,17,633.43	1,23,390.95	2,661.75	6,297.11	-	1.29	2,20,295.18	1,29,689.35
Less: Inter Segment turnover	-	-	134.00	4,066.51	-	-	134.00	4,066.51
External Turnover	**2,17,633.43**	**1,23,390.95**	**2,527.75**	**2,230.60**	**-**	**1.29**	**2,20,161.18**	**1,25,622.84**
Segment Result before Interest & taxes	**49,981.04**	**(5,803.62)**	**(1,013.68)**	**(1,056.60)**	**(2,882.76)**	**(4,077.93)**	**46,084.59**	**(10,938.15)**
Add:Interest Income							3,245.39	2,888.32
Add: Gain on sale of Investments(Including gain/(loss) on Fair Valuation)							3,418.34	6,110.84
Less: Finance cost							748.75	1,136.83
Profit Before Tax							**51,999.56**	**(3,075.81)**
Less: Income Tax (including Deferred tax)							12,941.34	(545.87)
Add: Share of profit of Associates							4,046.12	736.12
Net Profit for the period							43,104.56	(1793.82)
Depreciation and amortisation expense	6,729.52	6,075.15	1,126.02	1,157.63	73.21	78.78	7,928.75	7,311.56
Non Cash Expenses other than depreciation and amortization	288.40	406.22	-	187.21	-	-	288.40	593.43

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

2) Segment assets, liabilities and other details

Particulars	Graphite(including other carbon products)		Power		Unallocable items/ Others		Total	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Segment Assets	3,20,451.03	2,06,142.01	9,191.99	10,546.17	2,01,150.56	2,07,728.50	5,30,793.58	4,24,416.68
Segment Liabilities	1,26,601.31	62,796.29	265.15	910.12	12,564.15	11,202.88	1,39,430.60	74,909.29
Capital Expenditure incurred during the year	47,995.12	30,104.31	-	4.06	45.08	23.07	48,040.20	30,131.44

3) Details of Unallocated Items

Assets	As at 31st March, 2022	As at 31st March, 2021
Property, Plant & Equipments	(251.41)	222.49
Investment Property	760.66	321.41
Investments	1,17,085.04	1,35,769.48
Inventories	14.68	14.68
Cash and Cash Equivalents	455.29	307.23
Bank balances other than Cash & Cash equivalents	66,552.07	54,995.06
Financial Assets-Loans	93.11	40.12
Other financial assets	1,587.79	1,040.40
Other Assets	187.34	375.81
Income Tax Asset	14,665.98	14,641.81
Total	**2,01,150.56**	**2,07,728.50**

Liabilities	As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Liabilities	9,629.17	9,674.62
Current Tax Liabilities	792.34	627.77
Other Financial Liabilities	1,767.08	664.18
Other Liabilities	249.41	136.22
Provisions	126.15	100.09
Total	**12,564.15**	**11,202.88**

4) Geographical Information: The company operates in two principal geographical areas-India and Outside India.

Particulars	Within India #		Outside India		Total	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Segment Revenue	80,277.27	48,352.08	1,39,883.91	77,270.77	2,20,161.18	1,25,622.84

5) The Company is domiciled in India. The Company's revenue from operations from external customers by location of the customers is as follows:

Revenue from External Customers	For the year ended 31st March, 2022	For the year ended 31st March, 2021
INDIA	81,482.66	48,437.57
UNITED ARAB EMIRATES	2,167.47	4,688.02
JAPAN	1,575.05	3,992.35
EGYPT	10,401.62	10,330.94
KOREA (SOUTH)	8,901.61	8,761.38
SOUTH AFRICA	9,656.21	3,579.06
SPAIN	10,022.58	4,615.69
TURKEY	17,849.76	10,346.22
USA	23,971.08	7,500.73
OTHERS*	54,133.14	23,370.88
Total	**2,20,161.18**	**1,25,622.84**

*Others includes revenue from countries having less than 5% of total revenue from outside India.
Export incentives have been included in segment revenues within India

6) The Company's major sales are export based which is diversified in different countries and no single customer contributes more than 10% of the total company's revenue in 2021-22 and 2020-21.

7) The company has business operations only in India and does not hold any non current asset outside India.

Note: 38 Contingencies and Commitments

1) Contingent Liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
For Taxation matters		
a) Excise duty under appeal	220.04	220.04
b) Service Tax	-	-
c) Income Tax	6,576.85	7,866.23
d) Sales Tax	737.15	737.15
Other than Taxation matters		
a) Power Related	3,997.25	4,522.23
b) Labour related matters	36.48	36.48
c) Others	970.00	1,005.00

Based on legal advice, discussions with the solicitors, etc., the management believes that there is fair chance of decisions in the company's favor in respect of all the items listed above and hence no provision is considered necessary against the same. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

Further Company has deposited amount to the tax authorities against the cases, which shown as payment under protest in Note 13 of Other assets.

Notes to the Consolidated Financial Statements
for the year ended 31st March,2022 *All amounts are in ₹ Lakhs unless otherwise stated*

2) Commitment Outstanding

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) Estimated value of contracts remaining to be executed on capital account and not provided for [(net of advances of ₹4729.08 Lakhs, (previous year ₹10714.75 Lakhs.)]	21,981.64	40,244.67
b) Pending export obligation against EPCG/Advance license	10848.61	31651.27

3) Financial Guarantee

Particulars	As at 31st March, 2022	As at 31st March, 2021
The Company has with RSWM Ltd and Bhilwara Energy Limited on joint and several basis provided Guarantee in favor of International Finance Corporation (IFC) on behalf of AD Hydro Power Ltd against loan availed by AD Hydro Power Ltd from International Finance Corporation (IFC).*	-	600.00

*Note- Since the loss allowance was estimated to be nil, the guarantee is not recognised in the books of account. Further, the loan availed against which guarantee was given has been repaid during financial year ended 31 March 2022 and accordingly there is no guarantee outstanding as on 31st March 2022.

Note 39:Related Party Disclosure

A) Names of related parties and transactions taken place during the year

Relationship		Related Parties	
		Year Ended 31st March, 2022	Year Ended 31st March, 2021
I)	**Associates**	(i) Bhilwara Energy Limited	(i) Bhilwara Energy Limited
		(ii) Bhilwara Infotechnology Ltd	(ii) Bhilwara Infotechnology Ltd
II)	**Subsidiaries of Associates**	(i) BG Wind Power Limited	(i) BG Wind Power Limited
		(ii) NJC Hydro Power Limited	(ii) NJC Hydro Power Limited
		(iii) Chango Yangthang Hydro Power Ltd.	(iii) Chango Yangthang Hydro Power Ltd.
		(iv) Malana Power Company Ltd	(iv) Malana Power Company Ltd
		(v) AD Hydro Power Ltd	(v) AD Hydro Power Ltd
		(vi) Indo Canadian Consultancy Services Ltd.	(vi) Indo Canadian Consultancy Services Ltd.
III)	**Key Management Personnel**	Sh. Ravi Jhunjhunwala-CMD & CEO	Sh. Ravi Jhunjhunwala-CMD & CEO
		Sh. Riju Jhunjhunwala-Vice Chairman	Sh. Riju Jhunjhunwala-Vice Chairman
		Sh. Shekhar Agarwal	Sh. Shekhar Agarwal
		Sh. Satish Chand Mehta	Sh. Satish Chand Mehta
		Dr. Kamal Gupta	Dr. Kamal Gupta
		Dr. Om Parkash Bahl (till 29.08.2021)	Dr. Om Parkash Bahl
		Smt. Vinita Singhania	Smt. Vinita Singhania
		Smt. Ramni Nirula	Smt. Ramni Nirula
		Sh. Jayant Davar	Sh. Jayant Davar
		Sh. Davinder Kumar Chugh (w.e.f.11.08.2021)	-
		Sh Manish Gulati - Executive Director,	Sh Manish Gulati - Executive Director,
		Sh Gulshan Kumar Sakhuja - Chief Financial Officer	Sh Gulshan Kumar Sakhuja - Chief Financial Officer
		Sh. Vivek Chaudhary-Company Secretary	Sh. Vivek Chaudhary-Company Secretary

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Relationship	Related Parties	
	Year Ended 31st March, 2022	Year Ended 31st March, 2021
IV) Close family members of Key Management Personnel	Sh. L.N. Jhunjhunwala	Sh. L.N. Jhunjhunwala
	Smt Mani Devi Jhunjhunwala	Smt Mani Devi Jhunjhunwala
	Sh Rishabh Jhunjhunwala	Sh Rishabh Jhunjhunwala
	Smt Rita Jhunjhunwala	Smt Rita Jhunjhunwala
V) Post employment benefit plan trust	(a) Hindustan Electro Graphites Staff Gratuity Fund Trust	(a) Hindustan Electro Graphites Staff Gratuity Fund Trust
	(b) Hindustan Electro Graphites Ltd Senior Executive Superannuation Fund Trust	(b) Hindustan Electro Graphites Ltd Senior Executive Superannuation Fund Trust
VI) Enterprises in which KMP is able to exercise significant influence and with whom transactions have been taken place during the year	RSWM Ltd.	RSWM Ltd.
	Giltedged Industrial Securities Ltd.	Giltedged Industrial Securities Ltd.
	Purvi Vanijya Niyojan Ltd.	Purvi Vanijya Niyojan Ltd.
	Shashi Commercial Co Ltd.	Shashi Commercial Co Ltd.
	BSL Ltd.	BSL Ltd.
	Maral Overseas Ltd.	Maral Overseas Ltd.
	BMD Pvt Ltd.	BMD Pvt Ltd.
	Bharat Investments Growth Limited	Bharat Investments Growth Limited
	Jet(India) Pvt. Ltd.	Deepak Pens & Plastics Pvt Limited #
	India Texfab Marketing Limited	India Texfab Marketing Limited
	Investors India Limited	Investors India Limited
	LNJ Financial Services Limited	LNJ Financial Services Limited
	Nivedan Vanijya Niyojan Limited	Nivedan Vanijya Niyojan Limited
	M.L. Finlease Pvt Limited	M.L. Finlease Pvt Limited
	-	Sandhu Auto Deposits Limited#
	Raghav Commercial Limited	Raghav Commercial Limited
	-	Bhilwara Technical Textiles Ltd.
	-	Ravi Jhunjhunwala - HUF##
	Sabhyata Foundation (Section 8 company)	Sabhyata Foundation (Section 8 company)
	LNJ Bhilwara -HEG Lok Nyas	LNJ Bhilwara -HEG Lok Nyas
	Graphite Education & Welfare Society	Graphite Education & Welfare Society

Deepak Pens & Plastics Pvt. Ltd. and Sandhu Auto Deposits Ltd. have been amalgamated with Jet (india) Pvt. Ltd. pursuant to scheme of amalgamation duly approved by NCLT, Kolkata w.e.f. 25th September,2020.

Pursuant to partition of Ravi Jhunjhunwala-HUF, the same has been dissolved w.e.f. 25th September, 2020

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

B) Transaction during the year with related parties

Relationship	Name of the Related Party	Nature of Transaction	Year Ended 31st March, 2022	Year Ended 31st March, 2021
I) Associates	Bhilwara Energy Ltd.	Reimbursement received	0.17	1.18
		Reimbursement made		0.54
	Bhilwara Infotechnology Limited	Maintenance Charges Paid	1.70	1.70
II) Subsidiaries of Associates	Malana Power Co.Ltd.	Reimbursement received	2.40	5.09
	AD Hydro Power Ltd.	Reimbursement received	0.45	8.65
	Indo Canadian Consultancy Services Ltd.	Reimbursement received	1.38	3.34
	BG Wind Power Limited	Reimbursement received	-	0.33
	NJC Hydro Power Limited	Reimbursement received	-	0.33
	Chango Yangthang Hydro Power Ltd.	Reimbursement received	-	0.14
III) Key Management Personnel	Sh. Ravi Jhunjhunwala-CMD & CEO	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)#	286.58	147.34
		Commission	1,541.00	-
		Dividend Paid	0.02	-
	Sh Riju Jhunjhunwala Vice Chairman	Director sitting fee	3.60	2.65
		Dividend Paid	0.04	-
		Reimbursement of expenses	0.21	0.15
	Sh. Shekhar Agarwal	Director sitting fee	6.00	6.00
		Reimbursement of expenses	0.24	0.24
	Sh. Satish Chand Mehta	Director sitting fee	6.75	6.75
		Reimbursement of expenses	0.39	0.39
	Dr. Kamal Gupta	Director sitting fee	12.00	11.60
		Reimbursement of expenses	0.81	0.75
		Dividend Paid	0.01	-
	Dr. Om Parkash Bahl	Director sitting fee	4.90	11.40
		Reimbursement of expenses	0.24	0.72
	Smt. Vinita Singhania	Director sitting fee	3.00	2.25
		Reimbursement of expenses	0.27	0.18
	Smt. Ramni Nirula	Director sitting fee	6.40	6.20
		Reimbursement of expenses	0.30	0.27
	Sh Jayant Davar	Director sitting fee	5.35	3.75
		Reimbursement of expenses	0.39	0.15
		Dividend Paid	0.00	-
	Sh. Davinder Kumar Chugh	Director sitting fee	4.70	-
		Reimbursement of expenses	0.21	
	Sh Manish Gulati - Executive Director	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)#	127.46	95.28
		Commission	100.00	-
		Housing Loan given	80.00	-
		Housing Loan Repayment -Principal	8.89	-
		Housing Loan Repayment - Interest	0.79	-
		Closing Balance as at end of year	71.11	-

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Relationship	Name of the Related Party	Nature of Transaction	Year Ended 31st March, 2022	Year Ended 31st March, 2021
	Sh Gulshan Kumar Sakhuja - Chief Financial Officer	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)	54.13	40.00
		Housing Loan Repayment -Principal	2.67	2.67
		Housing Loan Repayment - Interest	0.13	0.24
		Closing Balance as at end of year	1.78	4.44
	Sh. Vivek Chaudhary- Company Secretary	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)#	33.83	25.66
IV) Close family members of Key Management Personnel	Sh Rishabh Jhunjhunwala	Dividend Paid	0.05	-
	Smt Rita Jhunjhunwala	Dividend Paid	0.06	-
		Rent Paid	4.72	14.16
V) Post employment benefit Plan Trust	(a) Hindustan Electro Graphites Staff Gratuity Fund Trust	Contribution in Employee Benefit Scheme	-	-
	(b) Hindustan Electro Graphites Ltd. Senior Executive Superannuation Fund Trust	Contribution in Employee Benefit Scheme	71.85	176.86
VI) Enterprises in which KMP is able to exercise significant influence.	RSWM Ltd.	Rent Paid	43.52	43.52
		Reimbursement received	13.66	16.45
		Reimbursement made	74.70	51.03
		Dividend Paid	9.55	-
	Shashi Commercial Co. Ltd.	Rent Paid	30.86	28.84
		Dividend Paid	20.27	-
		Reimbursement received	-	0.14
	Purvi Vanijaya Niyojan Ltd.	Rent Paid	3.50	3.50
		Reimbursement made	0.33	0.33
		Reimbursement received	-	0.09
		Dividend Paid	56.06	-
	Giltedged Industrial Securities Ltd.	Rent Paid	21.45	27.62
		Dividend Paid	26.63	-
		Reimbursement received	0.13	0.24
	BSL Ltd.	Rent Received	12.19	12.19
		Purchase of Fabrics	2.56	1.18
		Reimbursement received	0.91	0.75
	Maral Overseas Ltd.	Reimbursement received	4.15	12.31
	BMD Pvt Ltd.	Reimbursement received	-	3.69
	Bhilwara Technical Textiles Ltd.	Reimbursement received	-	0.24
	Bharat Investments Growth Ltd.	Reimbursement received	-	0.14
		Dividend Paid	82.05	-
	Jet (India) Pvt. Ltd.	Dividend Paid	30.17	-
	India Texfab Marketing Limited	Dividend Paid	6.20	-
	Investors India Limited	Dividend Paid	1.09	-
	LNJ Financial Services Limited	Dividend Paid	49.45	-
		Reimbursement received	-	0.14
	Nivedan Vanijya Niyojan Limited	Dividend Paid	2.00	-
		Reimbursement received	-	0.14

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Relationship	Name of the Related Party	Nature of Transaction	Year Ended 31st March, 2022	Year Ended 31st March, 2021
	M.L. Finlease Pvt Limited	Dividend Paid	10.39	-
	Raghav Commercial Limited	Dividend Paid	43.44	-
		Reimbursement received	-	0.33
	Sabhyata Foundation	Donation under Corporate Social Responsibility (CSR)	250.00	500.00
	LNJ Bhilwara -HEG Lok Nyas	Donation under Corporate Social Responsibility (CSR)	35.29	133.00
	Graphite Education & Welfare Society	Donation under Corporate Social Responsibility (CSR)	-	1,526.42

Note: Remuneration amount of Key Management Personnel represents remuneration paid for the whole year irrespective of the period for which the person is Key Management Personnel.

C) Details of Outstanding Balances as at the end of year

Sl.No.	Related Party	Name of the Related Party	Particulars	As At 31st March, 2022	As At 31st March, 2021
1	Associates	Bhilwara Energy Ltd.	Investments	30,711.50	30,711.50
			Loan and Advances given	0.11	0.11
		Bhilwara Infotechnology Ltd.	Investments	419.00	419.00
2	Key Management Personnel	Sh Manish Gulati - Executive Director,	Loan Oustanding at the end of the year	71.11	-
		Sh Gulshan Kumar Sakhuja - Chief Financial Officer	Loan Oustanding at the end of the year	1.78	4.44

D) Commitments with Related Parties

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
The Company has with RSWM Ltd. on joint and several basis provided guarantee in favor of International Finance Corporation (IFC) on behalf of AD Hydro Power Ltd.	-	600.00

Note: The loan availed against which guarantee was given has been repaid during financial year ended 31st March 2022 and accordingly there is no guarantee outstanding as on 31st March 2022

E) Transactions with Key Managerial Personnel

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Short term benefits	2,092.82	280.46
Post employment benefits#	50.19	27.82
Director's Sitting Fee	52.70	50.60
Reimbursement of expenses and Incidental expenses	3.06	2.85
Dividend paid by the company	0.07	-
Housing loan given	80.00	-
Housing loan repayment -principle	(11.56)	(2.67)
Housing loan repayment -interest	(0.92)	(0.24)

Remuneration does not Include provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022 *All amounts are in ₹ Lakhs unless otherwise stated*

Note 40 : Indian Accounting Standard-19 "Employee Benefits"

(A) Defined Contribution Plan

The Company makes Contribution to Provident fund, ESIC and retirement benefits plans for eligible employees under the scheme and recognised as expense and included in the Note no. 30 Employee Benefits under the head "Contribution to provident and other funds". The details are as under:

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Employer's contribution to Provident Fund (incl. admin and other expenses)	324.69	274.61
Employer's contribution to Superannuation Fund	71.85	173.34
Employer's contribution to ESIC	17.47	31.11

(B) Defined Benefit Plan

The Company sponsors funded defined benefit plan for qualifying employees. This defined benefit plan of gratuity is administered by a separate trust that is legally separate from the entity. The trust is responsible for investment policy with regard to the assets of the trust and the contributions are invested in a scheme with Life Insurance Corporation of India (LIC) as permitted by Law. The management of fund is entrusted with the LIC. The liability for employee gratuity is determined on actuarial valuation using projected unit credit method.

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) Investment Risk

The probability or likelihood of occurrence of losses related to the expected return on investment. if the actual return on plan assets is below the expected return, it will create plan deficit.

(ii) Interest Risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

(iii) Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

(iv) Salary Risk

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022 *All amounts are in ₹ Lakhs unless otherwise stated*

The following table set out the funded status of the gratuity plan and amounts recognised in the balance sheet:

Particulars	As At 31st March, 2022	As At 31st March, 2021
I. Movement in the present value of defined Benefit Obligation:		
Present Value of Defined benefit obligation at the beginning of the year	1,091.32	1,175.77
Current Service Cost	67.05	65.29
Interest Cost	73.66	79.48
Past Service Cost including curtailment (Gains)/Losses	-	-
Benefits paid	(187.68)	(220.32)
Actuarial Changes (Gain)/Loss	113.02	(8.90)
Present Value of Defined benefit obligation at the end of the year	**1,157.38**	**1,091.32**
II. Movement in fair value of Plan assets:		
Fair Value of Plan Assets at the beginning of the year:	1,680.85	1,468.01
Interest Income	113.46	99.24
Company's Contribution	-	-
Benefits paid	(14.92)	(17.97)
Remeasurement- Return on plan assets excluding amount included in interest income	(10.21)	131.58
Fair Value of Plan Assets at the end of the year	1,769.18	1,680.85
III. Net Assets/(liability) recognized in Balance Sheet:		
Present value of defined benefit obligation	**1,157.38**	**1,091.32**
Fair Value on Plan Assets	1,769.18	1,680.85
Surplus/(Deficit)	611.81	589.53
Effect of asset ceiling if any	-	-
Net Assets/(Liability) recognized in balance sheet	611.81	589.53
IV (a) Amount recognized in Statement of Profit and Loss		
Current Service Cost	67.05	65.29
Net Interest expense on net defined benefit liability / (asset)	(39.79)	(19.76)
Net Cost	**27.26**	**45.53**
The above amount has been included in Note-30 "Employee benefit expenses" under the head "Salaries and wages" in the statement of Profit and loss		
IV (b) Amount recognized in Other Comprehensive Income		
Actuarial Gain/ (Loss) on Obligation	(113.02)	8.90
Remeasurement- Return on plan assets (excluding amount included in net Interest on net defined benefit liability/(asset))	(10.21)	131.58
Net Income/(Expense) for the period Recognised in OCI	**(123.23)**	**140.48**
V. Bifurcation of Actuarial Gain/Loss on obligation.		
1. Actuarial changes arising from changes in demographic assumptions (Gain/ (Loss))	-	-
2. Actuarial changes arising from changes in financial assumptions (Gain/ (Loss))	(49.58)	(0.92)
3. Actuarial changes arising from changes in experience adjustments (Gain/ (Loss))	162.60	9.82
4. Acturial Gain/(loss) arising for the year on Plan Assets	(10.21)	131.58
VI. The major categories of plan assets as a percentage of the fair value of total plan assets :		
Insurer Management Fund	100%	100%

Particulars	As At 31st March, 2022	As At 31st March, 2021
VII. The Principal assumptions used for the purpose of acturial valuation are as follows:		
Discount Rate (per annum)	7.26%	6.75%
Salary escalation (per annum)	5.00	5.00
Retirement age	58/60	58/60
Mortality Rate during employment	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rate. Due to the complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method..		
VIII. Withdrawal rates:		
Age:		
Upto 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00
IX.Sensitivity Analysis of the defined benefit obligation.		
Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity is computed by varying one actuarial assumption used for valuation of defined benefit obligation by 0.50% keeping all other actuarial assumptions constant. There is no change from the previous period in the methods and assumptions used in preparing the sensitivity analysis.		
a) Impact of the change in discount rate		
Impact due to increase of 0.50%-Increase(Decrease) in obligation	45.33	(43.85)
Impact due to decrease of 0.50 %-Increase(Decrease) in obligation	(48.67)	47.14
b) Impact of the change in salary increase		
Impact due to increase of 0.50%-Increase(Decrease) in obligation	(44.26)	42.85
Impact due to decrease of 0.50 %-Increase(Decrease) in obligation	42.42	(40.47)

X. The defined benefit obligation shall mature after the year end as follows:	31st March, 2022	31st March, 2021
a) 0-1 year	100.74	106.93
b) 1-2 year	62.35	44.80
c) 2-3 year	102.17	83.20
d) 3-4 years	58.55	87.40
e) 4-5 years	80.99	49.95
g) More than 5 years	753.05	719.02

XI. The Company expects to make a contribution of ₹32.98 Lakhs(31 March,2021 ₹33.01 Lakhs) to defined benefit plans during the financial year 2022-23.

(C) Other long term employee benefits (Compensated absences)

(i) Amount recognized towards compensated absences in statement of profit and loss in Note no. 30 "Employee Benefit Expense" under the head "salaries and wages" is ₹102.61 Lakhs (previous year (₹2.81) Lakhs)

(ii) Liability towards compensated absences as at the end of the year is as under:

Particulars	As at 31.03.2022	As at 31.03.2021
Current liability	77.27	45.61
Non-current liability	381.06	358.35

Notes to the Consolidated Financial Statements
for the year ended 31st March,2022 *All amounts are in ₹ Lakhs unless otherwise stated*

Note 41 : Leases

(i) Company as a lessee

(a) The depreciation expense on ROU assets of ₹68.10 Lakhs (previous year ₹78.95 Lakhs) is included under depreciation and amortization expense in the statement of Profit and Loss.

(b) Interest expense on the lease liability amounting to ₹14.28 Lakhs (previous year ₹14.22 Lakhs) has been included as component of finance costs in the statement of Profit and Loss.

(c) The change in the carrying value of Right of Use asset during the year is as under:

Particulars	Gross Carrying Value	Depreciation	Net Carrying Value
(i) Land			
As at April 1, 2020	**840.16**	**222.06**	**618.10**
Addition during the year	-	-	
Depreciation during the year	-	15.55	
As at March 31, 2021	**840.16**	**237.61**	**602.55**
As at April 1, 2021	**840.16**	**237.61**	**602.55**
Addition during the year	49.74	-	
Depreciation during the year	-	15.57	
As at March 31, 2022	**889.90**	**253.18**	**636.72**
(ii) Buildings			
As at April 1, 2020	**131.62**	**10.21**	**121.41**
Addition during the year	48.36	-	
Depreciation during the year	-	63.40	
As at March 31, 2021	**179.98**	**73.61**	**106.37**
As at April 1, 2021	**179.98**	**73.61**	**106.37**
Addition during the year	-	-	
Adjustments during the year	(23.86)	-	
Depreciation during the year	-	52.53	
As at March 31, 2022	**156.12**	**126.14**	**29.98**

(d) The following is the break-up of current and non-current lease liabilities

Particulars	As at 31st March,2022	As at 31st March,2021
Current lease liabilities	49.61	73.10
Non current lease liabilities	78.33	81.29
Total	**127.94**	**154.38**

(e) The following is the movement in lease liabilities

Particulars	As at 31st March,2022	As at 31st March,2021
Balance at the beginning of the year	154.38	164.16
Additions during the year	49.74	48.36
Adjustments during the year	(23.28)	-
Finance cost accrued during the year	14.28	14.22
Payment of lease liabilities	67.17	62.58
Balance at the end of the year	**127.94**	**154.38**

(f) The table below provides details regarding the contractual maturities of lease liabilities:

Particulars	For the Year Ended 31st March, 2022		For the Year Ended 31st March, 2021	
	Minimum Payments	Present value of payments	Minimum Payments	Present value of payments
Within 1 year	51.59	49.61	76.21	73.10
After one year but not more than 5 years	40.96	29.63	72.12	61.39
More than 5 years	338.21	48.70	93.10	19.90
Total Minimum lease payments	430.76	127.94	241.43	154.38
Less: Amount representing finance charges	302.82		87.06	
Present value of minimum lease payments	**127.94**	**127.94**	**154.38**	**154.38**

The Company does not face liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. The discount rate applied to lease liabilities is 7% p.a.

(g) Lease Commitments

The company incurred ₹36.88 Lakhs (previous year ₹36.88 Lakhs) for the year ended March 31, 2022 towards expense relating to short-term leases having tenure of less than 12 months. The amount of lessee's lease commitments for short term leases is as hereunder:

Particulars	As at 31st March,2022	As at 31st March,2021
Not later than one year	33.81	21.52
Later than one year and not later than five years	-	-
Later than five years	-	-

(ii) Company as a lessor

The Company has given on lease building under operating lease. The Rental income recorded for the year ended March 31, 2022 is ₹132.21 Lakhs (previous year ₹115.49 Lakhs). In accordance with Indian Accounting Standard (Ind AS-116) on 'Leases', disclosure of the future minimum lease income in the aggregate and for each of the following periods is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Not later than one year	134.72	107.69
(ii) Later than one year and not later than five years	411.87	447.36
(iii) Later than five years	0.00	39.58
Total	**546.59**	**594.63**

Note 42 : Events after the Reporting Period

The Board of directors have recommended the payment of Final dividend of ₹40 per equity share (previous year ₹3 per equity share) which is subject to the approval of Shareholders in the Annual General meeting.

Note 43 Corporate Social Responsibility(CSR)

The Company meeting the applicable threshold under Section 135 of the Companies Act, 2013 ("Act") read with related rules thereto, is mandatorily required to spent at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The funds were utilized throughout the year on the activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
(i) Amount required to be spent by the company during the year	3,065.47	4,185.70
(ii) Amount of expenditure incurred:		
a) Construction/ acquisition of any asset	Nil	Nil
b) On purposes other than (a) above	1,482.09	4,185.70
(iii) Shortfall at the end of the year	1,583.38	-
(iv) Total of previous years shortfall #	-	-
(v) Reason for shortfall	Pertains to ongoing projects	NA
(vi) Nature of CSR activities	Eradication of hunger and malnutrition, Promoting gender equality, empowering women, setting up homes and hostels for women, old age persons and orphans, promoting education, art and culture, healthcare, environment sustainability, Protection of national heritage, art and culture, and rural development projects.	
(vii) Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Refer note no. 39 of the financial statements	Refer note no. 39 of the financial statements

#For the purpose of this disclosure, shortfall pertaining to financial years prior to 1st April 2020 has not been considered.

Note: 44. Capitalization of Pre-Operative Expenditure

The following expenditure has been included under capital work in progress:

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
Bank and LC charges	229.12	218.53
Travelling expenses	7.83	6.68
Power cost	65.65	12.81
Insurance & Other Charges	221.16	158.53
Total	**523.76**	**396.54**

The amount capitalized during the year is ₹ Nil (previous year ₹ Nil)
The borrowing cost capitalized during the year is NIL (Previous year NIL)

Note: 45 Details of Loans given, Investments made and Guarantee given covered U/S 186(4) of The Companies Act, 2013

The following expenditure has been included under capital work in progress:

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
Loan given	-	-
Guarantee given (with RSWM Ltd. and Bhilwara Energy Limited on joint and several basis) in favour of International Finance Corporation (IFC) on behalf of M/s AD Hydro Power Ltd. against loan availed by M/s AD Hydro Power Ltd. from International Finance Corporation (IFC).	-	600.00
Investment made (For detail of investments made, refer note no. 9)	31,130.50	31,130.50

Note: In line with Circular No 04/2015 issued by Ministry of Corporate Affairs dated 10th March, 2015, loans given to employees (including loan to whole time director in the capacity of employee) as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013

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for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Note 46: Financial Instruments and Risk Management

Note 46 A: Capital Management

The Company's objective when managing capital are to:

i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(ii) Maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital using a gearing ratio, which is net debt (net of cash and cash equivalents) divided by total equity.

The Company is not subject to any externally imposed capital requirements.

(i) The gearing ratios were as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) Debt*	66,340.05	29,651.42
b) Cash & Cash Equivalents	(4,103.52)	(2,137.39)
(c) Net Debt (a)+(b)	62,236.52	27,514.03
Total equity	3,91,363.75	3,49,507.39
Net Debt to Equity Ratio	**0.16**	**0.08**

* Debt is defined as long- term and short-term borrowings (excluding derivative, financial guarantee contracts and contingent consideration), refer note 19 for the details of borrowings.

(ii) Loan Covenants:

The Company is long term debt free as on reporting period.

Note 46B: Financial Instruments- Accounting Classification and Fair Value Measurement

As at 31st March,2022

Particulars	Carrying amount					Total carrying amount	Total Fair Value
	At Amortised cost	At fair value through OCI		At fair value through profit or loss			
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Financial assets							
Investments (refer note 9B)							
-Equity instruments	-				0.01	0.01	0.01
-Fixed Maturity Plans					35,264.71	35,264.71	35,264.71
-Mutual Funds					29,671.73	29,671.73	29,671.73
-Bond funds					1,949.59	1,949.59	1,949.59
-Infra Trust					5,376.80	5,376.80	5,376.80
Trade Receivables (refer note 10)	58,917.28			-	-	58,917.28	58,917.28
Cash and Cash Equivalents (refer note 15)	4,103.52			-	-	4,103.52	4,103.52

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for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Carrying amount					Total carrying amount	Total Fair Value
	At Amortised cost	At fair value through OCI		At fair value through profit or loss			
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Other Bank balances (refer note 16)	56,062.98					56,062.98	56,062.98
Loans (refer note 11)	154.83			-	-	154.83	154.83
Other financial assets (refer note 12)	15,675.90					15,675.90	15,675.90
Derivative financial instruments (refer note 12)	-			-	9.52	9.52	9.52
Total Financial Assets	**1,34,914.51**	**-**	**-**	**-**	**72,272.36**	**2,07,186.87**	**2,07,186.87**
Financial Liabilities							
Borrowings (refer note 19)	66,340.05				-	66,340.05	66,340.05
Trade Payables (refer note 20)	44,789.11				-	44,789.11	44,789.11
Lease liabilities (refer note 21A)	127.94					127.94	127.94
Other Financial Liabilities (refer note 21B)	13,737.68				-	13,737.68	13,737.68
Derivative financial instruments (refer note 21B)	-				-	-	-
Total Financial Liabilities	**1,24,994.78**	**-**	**-**	**-**	**-**	**1,24,994.78**	**1,24,994.78**

As at 31st March,2021

Particulars	Carrying amount					Total carrying amount	Total Fair Value
	At Amortised cost	At fair value through OCI		At fair value through profit or loss			
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Financial assets							
Investments (refer note 9B)							
-Equity instruments					0.01	0.01	0.01
-Fixed Maturity Plans					62,098.60	62,098.60	62,098.60
-Mutual Funds					27,642.50	27,642.50	27,642.50
-Bond funds					-	-	-
-Infra Trust					5,253.60	5,253.60	5,253.60
Trade Receivables (refer note 10)	28,942.10					28,942.10	28,942.10
Cash and Cash Equivalents (refer note 15)	2,137.39					2,137.39	2,137.39
Other Bank balances (refer note 16)	52,920.26					52,920.26	52,920.26
Loans (refer note 11)	71.26					71.26	71.26

for the year ended 31st March,2022 All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Carrying amount					Total carrying amount	Total Fair Value
	At Amortised cost	At fair value through OCI		At fair value through profit or loss			
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Other financial assets (refer note 12)	5,595.23					5,595.23	5,595.23
Derivative financial instruments (refer note 12)	-				10.97	10.97	10.97
Total Financial Assets	**89,666.24**	**-**	**-**	**-**	**95,005.68**	**1,84,671.92**	**1,84,671.92**
Financial Liabilities							
Borrowings (refer note 19)	29,651.42	-	-	-	-	29,651.42	29,651.42
Trade Payables (refer note 20)	25,731.28	-	-	-	-	25,731.28	25,731.28
Lease liabilities (refer note 21A)	154.38					154.38	154.38
Other Financial Liabilities (refer note 21B)	6,603.67	-	-	-	-	6,603.67	6,603.67
Derivative financial instruments (refer note 21B)	-	-	-	-	-	-	-
Total Financial Liabilities	**62,140.75**	**-**	**-**	**-**	**-**	**62,140.75**	**62,140.75**

(i) Fair value Measurement

The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. This section explains the judgements and estimates made in determining the fair values of the financial instruments. To provide an indication about the reliability of inputs used in determining fair values, the company has classified its financial instruments into three levels prescribed under the accounting standards.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying value largely due to the short-term maturities of these instruments.

Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. For borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation techniques:

Level 1: Quoted prices (unadjusted) in the active markets for identical assets or liabilities

Level 2: Other techniques for which all the inputs have a significant effect on the recorded fair values are observable, either directly or indirectly

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.Sensitivity of Level 3 Financial Instruments is insignificant

As at 31st March,2022

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets measured at Fair value through profit or loss				
Investments				
-Equity instruments (excluding investment in associates)	0.01	0.01		
-Fixed Maturity Plans	35,264.71	-	35,264.71	-
-Mutual Funds	29,671.73	-	29,671.73	-
-Bond Funds	1,949.59	-	1,949.59	
-Infra Trust	5,376.80	-	-	5,376.80
Derivative financial instruments	9.52	-	9.52	-
Total	**72,272.36**	**0.01**	**66,895.55**	**5,376.80**
Financial Liabilities measured at Fair value through profit or loss				
Derivative financial instruments	-	-	-	-
Total	-	-	-	-

As at 31st March,2021

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets measured at Fair value through profit or loss				
Investments				
-Equity instruments (excluding investment in associates)	0.01	0.01	-	-
-Fixed Maturity Plans	62,098.60	-	62,098.60	-
-Mutual Funds	27,642.50	-	27,642.50	-
-Bond Funds	-	-	-	-
-Infra Trust	5,253.60	-	-	5,253.60
Derivative financial instruments	10.97		10.97	
Total	**95,005.68**	**0.01**	**89,752.07**	**5,253.60**
Financial Liabilities measured at Fair value through profit or loss				
Derivative financial instruments	-	-	-	-
Total	**-**	**-**	**-**	**-**

The following methods and assumptions were used to estimate the fair values:

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Investments in mutual funds/ Fixed Maturity Plans/Bond funds : Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) declared by fund house.

Investment in Market Linked Non-convertible debentures: Fair value is determined by reference to valuation provided by CRISIL.

Investment in Infrastructure Trust: Fair value is derived on the basis of valuation certificate by independent professional based on net asset at fair value approach, in this approach the net asset at fair value is used to capture the fair value of these investments.

Derivative contracts: The Company has entered into foreign currency contracts to manage its exposure to fluctuations in foreign exchange rates . These financial exposures are managed in accordance with the Company's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data, i.e., mark to market values determined by the Authorised Dealers Banks.

Note 46C Financial risk management

This note explains the risk which company is exposed to and policies and framework adopted by the company to manage these risks.

The Company's principal financial liabilities comprise borrowings, trade and other payables and the main purpose of these financial liabilities is to manage finances for the day to day operations of the company. The Company's principal financial asset includes trade and other receivables, and cash and bank balances that arise directly from its operations.

The corporate treasury department reports quarterly to the Company's risk management Committee, an independent body who monitors risk and policies implemented to mitigate risk exposures.

The company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and approves policies for managing each of these risks, which are summarized below.

(A) Market Risk:

"Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. "

(i) Foreign Currency Risk:

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD and EURO. The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to accounts receivable and accounts payable. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

a) Foreign currency forward contracts outstanding as at the balance sheet date

Category	Cur-rency	Nature	As at 31st March, 2022			As at 31st March, 2021		
			No. of contracts	(USD) (in Lakhs)	(INR) (in Lakhs)	No. of contracts	(USD) (in Lakhs)	(INR) (Lakhs)
Against receivables	USD/ INR	Sold	8	95.00	7,201.67	13	200.00	14,700.94

The line item in the Balance Sheet that includes the above hedging instruments are "other financial assets and other financial liabilities."

b) Particulars of foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period is as follows:

Particulars	Currency	As at 31st March, 2022		As at 31st March, 2021	
		Amount in FC (FC in Lakhs)	Amount in INR (₹ in Lakhs)	Amount in FC (FC in Lakhs)	Amount in INR (₹ in Lakhs)
I. Financial Liabilities					
Loan (A)	USD	38.00	2,880.67	-	-
	Euro	110.00	9,312.59	105.00	9,040.40
Creditors (B)	USD	385.49	29,223.22	174.59	12,833.08
	Euro	22.41	1,897.00	14.99	1,290.92
Other payables (C)	USD	15.73	1,192.17	10.91	801.77
	Euro	6.66	563.57	4.45	383.50
Total exposure to foreign currency risk (liabilities) (D=A+B+C)	USD	439.22	33,296.06	185.50	13,634.85
	Euro	139.06	11,773.16	124.45	10,714.81
II. Financial Assets					
Trade receivables (E)	USD	401.13	30,408.24	198.17	14,566.44
	Euro	110.42	9,347.99	47.67	4,104.13
Total exposure to foreign currency risk (assets) (F=E)	USD	401.13	30,408.24	198.17	14,566.44
	Euro	110.42	9,347.99	47.67	4,104.13
Net exposure to foreign currency risk after considering natural hedge-Receivable/(Payable) (G=F-D)	USD	(38.09)	(2,887.82)	12.67	931.58
	Euro	(28.65)	(2,425.17)	(76.78)	(6,610.68)
Foreign currency forward contracts outstanding in respect of receivables (H)	USD	95.00	7,201.67	200.00	14,700.94
	Euro	-	-	-	-
Foreign currency forward contracts outstanding in respect of Payables (I)	USD	-	-	-	-
	Euro	-	-	-	-
Net exposure to foreign currency risk in respect of receivables after considering natural hedge and forward contracts # (G-H)	USD	-	-	-	-
	Euro	-	-	-	-
Net exposure to foreign currency risk in respect of Payables after natural hedge and considering forward contracts # (G-I)	USD	(38.09)	(2,887.82)	-	-
	Euro	(28.65)	(2,425.17)	(76.78)	(6,610.68)

to the extent of receivable/payable in books of account

(c) Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments .

The following table demonstrates the sensitivity in the USD and Euro to the Indian Rupee with all other variables held constant and its impact on the Company's profit before tax :

Particulars	Impact on Profit	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
USD Sensitivity		
Increase in exchange rate by 5% (Previous year 5%)	(144.39)	0.00
Decrease in exchange rate by 5% (Previous year 5%)	144.39	0.00
EURO Sensitivity		
Increase in exchange rate by 5% (Previous year 5%)	(121.26)	(396.64)
Decrease in exchange rate by 5% (Previous year 5%)	121.26	396.64

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. In order to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

(a) Interest Risk Exposure:

The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	As At 31st March, 2022			As At 31st March, 2021		
	Weighted Average Interest Rate	Outstanding Balance (₹ in Lakhs)	% of Total Loans	Weighted Average Interest Rate	Outstanding Balance (₹ in Lakhs)	% of Total Loans
Working Capital Loans from banks						
Variable Rate Borrowings	2.60%	66,340.05	100	-	-	
Fixed Rate Borrowings	-	-		3.66%	29,651.42	100
Total Borrowings	**2.60%**	**66,340.05**	**100**	**3.66%**	**29,651.42**	**100**

(b) Sensitivity:

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on Profit	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Rate - increase by 60 basis points	(398.04)	(177.91)
Interest Rate - decrease by 60 basis points	398.04	177.91

(iii) Security Price risk:

(a) Price Risk:

The Company manages the surplus funds majorly through investments in debt based Fixed Maturity Plans, mutual fund schemes, Non-convertible debentures and infrastructure trust. The price of investment in Fixed Maturity Plans, mutual fund schemes is reflected through Net Asset Value (NAV) declared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The price of investment in Non-convertible debentures is reflected through valuation by CRISIL on weekly basis. The price of investment

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in infrastructure trust is reflected through valuation certificate by the independent professional on quarterly basis where valuation is deteremined based on fair value of assets of trust as on date of valuation. The Company is exposed to price risk on such Investments.

Particulars	As At 31st March, 2022	As At 31st March, 2021
Investments in Fixed Maturity Plans, mutual fund schemes, Non-convertible debentures and Infrastructure trust	72,262.85	94,994.70

(b) Sensitivity:

The below is the sensitivity analysis at the end of the year in case NAV has been 1% higher / lower.

Particulars	Impact on Profit	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
NAV increase by 1%	722.63	949.95
NAV decrease by 1%	(722.63)	(949.95)

(B) Credit Risk:

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. The Company is exposed to credit risk from its operating activities (primarily trade receivables, loans to employees and security deposits). Credit risk on cash and cash equivalents, other bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. The Company's credit risk in case of all other financial instruments is negligible.

To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period.

The Company's major sales are export based which is diversified in different countries and none of the customer contributes 10% or more of the total company's revenue for the financial year 2021-22 and 2020-21

(i) Expected Credit Loss for Financial Assets

As at 31st March 2022

Financial assets to which loss allowance is measured using 12 months expected credit loss (ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of ECL
Loans to Employees	154.83	0%	-	154.83
Security Deposits	3,286.01	0%	-	3,286.01

Financial assets to which loss allowance is measured using 12 months expected credit loss (ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of ECL
Trade Receivables	59,292.26	Refer table below	374.98	58,917.28

for the year ended 31st March,2022 All amounts are in ₹ Lakhs unless otherwise stated

Expected Probability of Default in case of Trade Receivables

Period from Invoice date	Expected probability of default
Less than 12 months	0.00%
12 to 15 months	25.00%
15 to 18 months	50.00%
18 to 21 months	75.00%
More than 21 months	100.00%

For the year ending 31st March 2021

Financial assets to which loss allowance is measured using 12 months Expected credit loss(ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of (net of ECL)
Loans to Employees	71.26	0%	-	71.26
Security Deposits	2,489.48	0%	-	2,489.48

Financial assets to which loss allowance is measured using lifetime Expected credit loss(ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount (net of ECL)
Trade Receivables	29,324.05	Refer table below	381.95	28,942.10

Expected Probability of Default in case of Trade Receivables

Period from Invoice date	Expected probability of default
Less than 12 months	0.00%
12 to 15 months	25.00%
15 to 18 months	50.00%
18 to 21 months	75.00%
More than 21 months	100.00%

(ii) Reconciliation of Expected credit loss and allowance for Credit impairment - Trade receivables

The following table summarizes the change in the loss allowances measured using life-time expected credit loss model:

Particulars	Year ended 31st March,2022	Year ended 31st March,2021
As at the beginning of year	**448.44**	**676.28**
Provided during the year	-	-
Reversal during the year	(28.87)	(227.84)
As at the end of the year	**419.57**	**448.44**

(C) Liquidity Risk:

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The financial liabilities of the Company, other than derivatives, include loans and borrowings, trade and other payables. The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

Prudent liquidity risk management implies maintaining sufficient availability of standby funding through an adequate line up committed credit facilities to meet financial obligations as and when due.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

As at 31st March 2022

Particulars	Less than 12 months	1 year to 3 years	3 years to 5 years	More than 5 years	Total
Financial Liabilities					
Borrowings(Current)	66,340.05				66,340.05
Trade payables	44,789.11	-	-	-	44,789.11
Lease liabilities	49.61	16.85	12.78	48.70	127.94
Other financial liabilities	13,737.68	-	-	-	13,737.68
Total	**1,24,916.44**	**16.85**	**12.78**	**48.70**	**1,24,994.78**
Financial Assets					
Investments (other than investment in associates)	66,886.05	5,376.81	-	-	72,262.85
Trade receivables	58,917.28				58,917.28
Cash and Cash Equivalents	4,103.52				4,103.52
Other bank balances (other than earmarked balances)	53,642.20				53,642.20
Loans	72.94	81.90	-	-	154.83
Others financial assets	1,689.61	10,709.79	-	3,286.01	15,685.42
Total	**1,85,311.60**	**16,168.50**	**-**	**3,286.01**	**2,04,766.09**

As at 31st March 2021

Particulars	Less than 12 months	1 year to 3 years	3 years to 5 years	More than 5 years	Total
Financial Liabilities					
Borrowings(Current)	29,651.42	-	-	-	29,651.42
Trade payables	25,731.28	-	-	-	25,731.28
Lease liabilities	73.10	58.55	2.83	19.90	154.38
Other financial liabilities	6,603.67				6,603.67
Total	**62,059.47**	**58.55**	**2.83**	**19.90**	**62,140.75**
Financial Assets					
Investments (other than investment in associates)	55,910.30	39,084.41	-		94,994.70
Trade receivables	28,942.10				28,942.10
Cash and Cash Equivalents	2,137.39				2,137.39

Particulars	Less than 12 months	1 year to 3 years	3 years to 5 years	More than 5 years	Total
Other bank balances (other than earmarked balances)	47,196.99				47,196.99
Loans	31.38	39.88	-		71.26
Others financial assets	1,049.81	2,066.90		2,489.48	5,606.20
Total	**1,35,267.96**	**41,191.19**	**-**	**2,489.48**	**1,78,948.63**

Note: 47 Carrying Amount of pledged Assets

Particulars	As at 31st March,2022	As at 31st March,2021
First Charge		
Current Assets		
(a) Trade receivables	58,917.28	28,942.10
(b) Inventories	97,781.39	58,060.95
Total (A)	**1,56,698.66**	**87,003.05**
Secondary Charge		
Property, plant and equipment	1,44,628.54	1,05,791.61
Total (B)	**1,44,628.54**	**1,05,791.61**
Total (A+B)	**3,01,327.21**	**1,92,794.66**

Note: 48 Disclosure under Ind AS 115 " Revenue from Contracts with Customers

(i) Disaggregation of revenue from contracts with customers

The table below presents disaggregated revenues from contracts with customers offerings and contract-type.

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
Type of Product		
- Graphite Electrode	2,02,880.92	1,13,863.89
- Mix Graphite Product	12,387.21	7,986.98
- Power	2,054.61	1,592.40
Total	**2,17,322.74**	**1,23,443.27**

Total Revenue from Contracts with Customers

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
Revenue from Customers based in India	78,644.22	46,172.50
Revenue from Customers based outside India	1,38,678.52	77,270.77
Total	**2,17,322.74**	**1,23,443.27**

Reconciliation of revenue from contract with customer

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
Revenue from contract with customer as per the contract price	2,17,251.63	1,23,316.68
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives	-	-
b) Sales Returns / Credits / Reversals	71.11	126.58
Revenue from contract with customer	**2,17,322.74**	**1,23,443.27**
Other Operating revenue	2,838.44	2,179.59
Revenue from operations	**2,20,161.18**	**1,25,622.84**

Timing of Revenue Recognition

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
Revenue from goods transferred to customers at a point in time	2,17,322.74	1,23,443.27
Revenue from goods transferred to customers over time	-	-
Total	**2,17,322.74**	**1,23,443.27**

Export benefits are in the nature of government grants covering following benefits

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
(a) Refund of Duties and Taxes on Exported Products (RoDTEP)/MEIS	693.43	777.63
(b) Duty drawback benefits	1,671.87	763.74
Total	**2,365.30**	**1,541.37**

(ii) Trade receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as receivable.

The balances of trade receivables and advance from customers at the beginning and end of the reporting period have been disclosed at note no. 10 and 24 respectively.

The revenue recognised during the year ended 31st March 2022 includes revenue against advances from customers amounting to ₹142.55 Lakhs (Previous Year- ₹163.65 Lakhs) at the beginning of the year.

The revenue of ₹ Nil has been recognised during the year ended 31st March 2022 (Previous Year -Nil) against performance obligations satisfied (or partially satisfied) in previous periods.

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Particulars	As at 31st March 2022	As at 31st March 2021
The aggregate value of performance obligations that are completely or partially unsatisfied	NIL	NIL

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Note 49. Reconciliation of Cash flow from financing Activities

(Changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes)

Particulars	For the Year Ended 31st March, 2022		For the Year Ended 31st March, 2021	
	Borrowings (Current)	Borrowings (Non-Current)	Borrowings (Current)	Borrowings (Non-Current)
Opening Balance of Financial liabilities coming under the financing activities of Cash Flow Statement	29,651.42	-	59,261.72	-
Changes during the year				
a) Changes from financing cash flow	36,633.27	-	(29,677.26)	-
b) the effect of changes in foreign exchanges rates- (Gain)/Loss	55.35		66.96	
c) Changes in fair value	-	-	-	-
d) Other Changes	-	-	-	-
Closing Balance of Financial liabilities coming under the financing activities of Cash Flow Statement	**66,340.05**	**-**	**29,651.42**	**-**

Note 50: Details of Research & Development Expenditure

Particulars	As at 31st March 2022	As at 31st March 2021
a) Capitals	-	-
b) Revenue	124.02	113.47

Note: 51

There has been a Supreme Court (SC) judgement dated 28th February, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the judgement including the effective date of application. In view of the management, the liability for the period from date of the SC order to 31st March, 2019 is not significant and has been provided in the books of accounts. During the year ended 31st March, 2020, the group has incorporated the effect of changes in the books of accounts. The group will continue to assess any further developments in this matter for the implications on financial statements, if any. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, was not ascertainable and consequently no effect was given in the accounts.

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Note: 52 Key Financial Ratios

Particulars	Numerator	Denominator	Year ended 31st March 2022	Year ended 31st March 2021	Variance	Reasons for Variance
Current Ratio (in times)	Current assets	Current liabilities	2.34	3.22	-27.44%	Change is mainly because of increase in working capital borrowings from ₹296 Crore to ₹663 Crore
Debt – Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.17	0.08	99.80%	Change is mainly because of increase in working capital borrowings from ₹296 Crore to ₹663 Crore
Debt Service Coverage Ratio (in times)	Earnings available for debt service(1)	Debt Service(2)	0.78	0.25	212.10%	The improvement is due to higher sales realization and consequently higher margins during the financial year FY22 vis a vis previous year.
Return on Equity (ROE) (in %)	Profit after Tax	Average Shareholder's Equity	11.64%	-0.52%	2343.77%	The improvement is due to higher sales realization and consequently higher margins during the financial year FY22 vis a vis previous year.
Inventory turnover ratio (in times)	Cost of Goods sold	Average inventory	1.06	1.02	4.26%	-
Trade receivables turnover ratio (in times)	Revenue from sale of goods	Average Trade Receivable	4.95	3.58	38.03%	The improvement in ratio is mainly due to better credit terms with the customers.
Trade payables turnover ratio (in times)	Purchases of services and other expenses	Average Trade Payables	5.22	3.36	55.22%	The change is due to revision in payment terms of overseas Raw Material suppliers.
Net capital turnover ratio (in times)	Revenue from sale of goods	Working Capital	1.26	0.86	46.33%	The improvement is due to higher sales realization and consequently higher margins during the financial year FY22 vis a vis previous year.
Net profit ratio (in %)	Profit after Tax	Revenue from sale of goods	19.83%	-1.45%	1464.94%	The improvement is due to higher sales realization and consequently higher margins during the financial year FY22 vis a vis previous year.
Return on capital employed (ROCE) (in %)	Earning before interest and taxes	Capital Employed(3)	12.32%	-0.48%	2643.82%	The improvement is due to higher sales realization and consequently higher margins during the financial year FY22 vis a vis previous year.
Return on Investment(ROI) (in %)	Income generated from investments	Average investments (other than Investment in Associates)	4.38%	7.11%	-38.45%	To meet expansion requirements, funds invested in short term funds to keep them more liquid and long term funds invested previously have matured.

(1) Earning available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets etc

(2) Debt service = Interest & Lease Payments + Principal Repayments

(3) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

Notes to the Consolidated Financial Statements

for the year ended 31st March,2022

All amounts are in ₹ Lakhs unless otherwise stated

Note: 53 Disclosure in relation to Undisclosed Income

During the year, the Company has not surrendered or disclosed any income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Accordingly, there are no transaction which are not recorded in the books of accounts.

Note: 54

The company has taken borrowings from banks on the basis of security of current assets. The quarterly returns/ statements filed by the company with the banks are in agreement with the books of account.

Note 55 Disclosure of transactions with struck off companies

The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the current financial year.

NOTE 56 A. Interest in Other Entities

The Consolidated Financial Statements present the Consolidated Accounts of HEG Ltd. with its following Associates.

Name of Company	Country of Incorporation/Principal place of business	Activities	Proportion of Ownership of Interest	
			31st March, 2022	31st March, 2021
A. Associates				
Bhilwara Infotechnology Limited	India	IT enabled services	38.59%	38.59%
Bhilwara Energy Limited	India	Power Generation and Power Consultancy	49.01%	49.01%

NOTE 56 B. Summarised Financial Information of Associates

Particulars	Bhilwara Energy Limited		Bhilwara Infotechnology Limited	
	As at 31st March, 2022	As at 31st March, 2021#	As at 31st March, 2022	As at 31st March, 2021#
I. Assets				
(A) Non Current Assets	**1,57,845.31**	**1,66,392.97**	**3,211.22**	**2,184.92**
(B) Current Assets				
i) Cash and cash equivalent	2,075.95	1,647.07	186.87	542.93
ii) Others	18,950.36	11,735.35	1,924.39	2,451.41
Total Current Asset	**21,026.31**	**13,382.42**	**2,111.26**	**2,994.35**
Total Asset (A+B)	**1,78,871.62**	**1,79,775.39**	**5,322.47**	**5,179.27**
II. Liabilities				
(A) Non Current Liabilities				
i) Financial Liabilities				
A. Trade Payables	-	-	-	-
B. Other financial liabilities	15,792.63	32,623.62	151.27	222.99
ii) Non Financial Liabilities	-	-	-	-
iii) Provisions	442.77	433.30	119.55	129.01
iv) Deferred Tax Liabilities	1,126.34	559.75	-	-
Total Non Current Liabilities	**17,361.74**	**33,616.67**	**270.82**	**352.00**
(B) Current Liabilities				
a) Financial Liabilities				
(i) Borrowings	2,390.00	5,933.53	-	-
(ii) Trade Payables	2,123.50	1,562.93	127.34	116.32
(iii) Other financial liabilities	1,094.22	609.70	145.63	113.77
b) Non Financial Liabilities	321.03	229.58	76.82	84.54
c) Provisions	230.75	283.87	29.17	30.00
d) Current Tax Liabilities	785.31	260.03	-	-
Total Current Liabilities	**6,944.81**	**8,879.64**	**378.96**	**344.63**
Total Liabilities (A+B)	**24,306.55**	**42,496.31**	**649.79**	**696.63**
Net Assets (including non controlling interest((I-II)	**1,54,565.07**	**1,37,279.08**	**4,672.69**	**4,482.64**

The previous year figures mentioned above are the comparative figures as mentioned in the financial statements of associates for the year ended 31st March 2022.

NOTE 56 C. Summarised Performance of Associates

Particulars	Bhilwara Energy Limited		Bhilwara Infotechnology Limited	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
I. Summarised performance of Associates				
(i) Revenue from operations	38,893.55	27,335.21	3,508.55	3,437.11
(ii) Profit/(Loss) before Tax	20,836.69	5,396.47	285.98	357.42
(iii) Profit/(Loss) after Tax (net of non-controlling interest)	8,116.44	1,279.59	178.98	282.77
(iv) Other comprehensive Income(net of non-controlling interest)	(6.07)	44.36	11.07	6.33
(v) Total comprehensive Income(for the purpose of calculation of company's share)	8,110.37	1,323.95	190.05	289.10
II. Company's share in Associate				
Proportion of Company's ownership in associate	49.01%	49.01%	38.59%	38.59%
(i) Company's share in profit after tax	3,977.06	627.00	69.07	109.12
(ii) Company's share in other comprehensive income	(2.97)	21.74	4.27	2.44
(iii) Company's share in total comprehensive income	3,974.08	648.74	73.34	111.56
III. Other information				
(i) Depreciation & amortisation expense	6,533.33	6,971.30	89.02	95.89
(ii) Interest income	462.00	660.55	147.91	219.73
(iii) Interest expense	3,506.28	4,919.11	20.13	24.43
(iv) Tax expense	2,675.60	1,789.03	107.00	74.65

NOTE 56 D. Movement of Investment in Associates using equity method

Particulars	As at 31st March,2022	As at 31st March,2021
Investment at cost - at the beginning of the Period	**31,130.50**	**31,130.50**
Add: Cost of investment acquired during the year (including goodwill)	-	-
Investment at cost -at the end of the reporting year	**31,130.50**	**31,130.50**
Profit till date at the beginning of the year	9,644.28	8,883.98
Add: Share of profit for the period	4,046.12	736.12
Add: Share of OCI for the period	1.30	24.18
Profit till date at the end of the reporting year	**13,691.70**	**9,644.28**
Investment at equity method - at the beginning of the year	**40,774.78**	**40,014.48**
Investment at equity method - at the end of the year	**44,822.20**	**40,774.78**

NOTE 56 E. Other Details mandated by Schedule III of Companies Act 2013, by way of additional information:

As at 31st March 2022

Name of entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Company	96.50%	377671.26	90.61%	39,058.22	101.43%	-92.22	90.59%	38,966.00
Associates (Investment as per the equity method)								
Indian	3.50%	1,3691.71	9.39%	4,046.90	-1.43%	1.30	9.41%	4,047.42
Total	**100.00%**	**3,91,362.96**	**100.00%**	**43,105.12**	**100.00%**	**-90.92**	**100.00%**	**43,013.42**

As at 31st March 2021

Name of entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Company	97.24%	3,39,863.11	141.04%	(2,529.94)	81.30%	105.12	145.68%	(2,424.81)
Associates (Investment as per the equity method)								
Indian	2.76%	9,644.28	-41.04%	736.12	18.70%	24.18	-45.68%	760.30
Total	**100.00%**	**3,49,507.39**	**100.00%**	**(1,793.82)**	**100.00%**	**129.30**	**100.00%**	**(1,664.51)**

Note 57:

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, 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

(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.

(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:

(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.

(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.

(d) 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).

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.

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.

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.

(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.

Note: 58

The figures of comparative period have been regrouped/reclassified to comply with the amendments in schedule III to the Companies Act, 2013 vide notification dated 24 March, 2021 or to make them comparable with current year classification, if any.

As per our report of even date
For **SCV & Co. LLP**
Chartered Accountants
Firm Regn. No. 000235N/N500089

Sanjiv Mohan
Partner
Membership No. 086066

Place : Ludhiana
Dated: 25th May, 2022

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

Manish Gulati
Executive Director
DIN: 08697512

Shekhar Agarwal
Director
DIN: 00066113

Satish Chand Mehta
Director
DIN: 02460558

Gulshan Kumar Sakhuja
Chief Financial Officer
Membership No. 504626

Vivek Chaudhary
Company Secretary
Membership No. A13263

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

FORM NO. AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part – A : Subsidiaries

The Company has no subsidiaries, hence not applicable.

Part – B : Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Amount (₹ in Lakhs)

Name of Associates/Joint Ventures	Bhilwara Energy Ltd.	Bhilwara Infotechnology Ltd.
1. Latest audited Balance Sheet Date	31/03/2022	31/03/2022
2. Date on which the Associate was associated or acquired	28/03/2007	10/01/2012
3. Shares of Associate held by the company on the year end		
No. of Shares	8,12,32,560	12,62,048
Amount of Investment in Associates	30,711.50	419.00
Extend of Holding (in percentage)	49.01	38.59
4. Description of how there is significant influence	Due to percentage of share capital	Due to percentage of share capital
5. Reason why the associate is not consolidated	-	-
6. Net worth attributable to Shareholding as per latest audited Balance Sheet	39,662.29	1803.19
7. Profit / Loss for the year		
i. Considered in Consolidation (₹ in Lakhs)	3974.08	73.34
ii. Not Considered in Consolidation	-	-

1. Names of associates or joint ventures which are yet to commence operations: N.A.
2. Names of associates or joint ventures which have been liquidated or sold during the year: N.A.

As per our report of even date
For **SCV & Co. LLP**
Chartered Accountants
Firm Regn. No. 000235N/N500089

Sanjiv Mohan
Partner
Membership No. 086066

Place : Ludhiana
Dated: 25th May, 2022

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

Manish Gulati
Executive Director
DIN: 08697512

Shekhar Agarwal
Director
DIN: 00066113

Satish Chand Mehta
Director
DIN: 02460558

Gulshan Kumar Sakhuja
Chief Financial Officer
Membership No. 504626

Vivek Chaudhary
Company Secretary
Membership No. A13263

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

Notes:

CORPORATE INFORMATION

CHAIRMAN-EMERITUS
L. N. Jhunjhunwala

BOARD OF DIRECTORS

Ravi Jhunjhunwala
Chairman, Managing Director & CEO

Riju Jhunjhunwala
Vice-Chairman

Manish Gulati
Executive Director

Shekhar Agarwal
Director

Vinita Singhania
Director

Dr. Kamal Gupta
Director

Satish Chand Mehta
Director

Davinder Kumar Chugh
Director

Ramni Nirula
Director

Jayant Davar
Director

GROUP CHIEF FINANCIAL OFFICER
O. P. Ajmera

CHIEF FINANCIAL OFFICER
Gulshan Kumar Sakhuja

COMPANY SECRETARY
Vivek Chaudhary

BANKERS

State Bank of India	Axis Bank Ltd.
HDFC Bank Ltd.	YES Bank Ltd.
IDBI Bank Ltd.	ICICI Bank Ltd.
Kotak Mahindra Bank Ltd.	CTBC Bank Co.,Ltd.

AUDITORS

SCV & Co. LLP
Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENT
MCS Share Transfer Agent Ltd.
F-65, First Floor,
Okhla Industrial Area, Phase-I
New Delhi - 110020
Phone : 011-41406149-52
Fax : 011-41709881
Website: www.mcsregistrars.com
E-mail :helpdeskdelhi@mcsregistrars.com

STOCK EXCHANGES WHERE THE COMPANY'S SHARES ARE LISTED

BSE Ltd.
National Stock Exchange of India Ltd.

CORPORATE OFFICE
Bhilwara Towers, A-12, Sector-1
Noida - 201301, U.P., India
Phone : +91 (0120) 4390300
Fax : +91 (0120) 4277841
Website : www.hegltd.com
E-mail : heg.investor@lnjbhilwara.com

REGISTERED OFFICE
Mandideep (Near Bhopal)
Distt. Raisen - 462046
Madhya Pradesh, India
Phone : +91 (07480) 233524 to 233527
Fax : +91 (07480) 233522
CIN No. : L23109MP1972PLC008290

WORKS
Graphite Electrode & Thermal Power Plants
Mandideep (Near Bhopal)
Distt. Raisen - 462046
Madhya Pradesh, India
Phone : + 91 (07480) 233524 to 233527
Fax : +91 (07480) 233522

Hydro Electric Power
Village Ranipur, Tawa Nagar
Distt. Hoshangabad - 461001
Madhya Pradesh, India
Phone : +91 (07572) 272810, 272859
Fax : +91 (07572) 272849

BHILWARA GROUP

PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL

HEG LIMITED

Registered Office:

Mandideep (Near Bhopal)
Distt. Raisen - 462046, Madhya Pradesh, India
Website: www.hegltd.com/www.lnjbhilwara.com
E-mail: heg.investor@lnjbhilwara.com

CIN No. L23109MP1972PLC008290