



PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL

HEG/SECTT/2022

17th August, 2022

1	BSE Limited 25 th Floor, P J Towers Dalal Street MUMBAI - 400 001. Scrip Code : 509631	2	National Stock Exchange of India Limited Exchange Plaza, 5th Floor Plot No.C/1, G Block, Bandra - Kurla Complex Bandra (E),MUMBAI - 400 051. Scrip Code : HEG
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Sub: Investors presentation on the Un-audited Financial Results of the Company for the quarter ended 30th June, 2022.

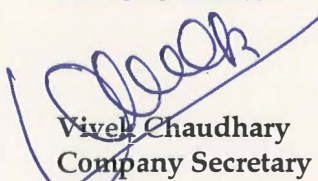
Dear Sirs,

Please find enclosed a copy of Investors Presentation on the Un-audited Financial Results of the Company for the quarter ended 30th June, 2022 for your information and record please.

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

Thanking you,

Yours faithfully,
For **HEG Limited**


Vivek Chaudhary
Company Secretary
A-13263

heg.investor@lnjbhilwara.com



Encl: As above

HEG LIMITED

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

ISO 9001
BUREAU VERITAS
Certification



ISO 14001
BUREAU VERITAS
Certification



Corporate Identification No.: L23109MP1972PLC008290



**PROUD TO BE INDIAN
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HEG LIMITED

Investor Presentation

Performance Highlights

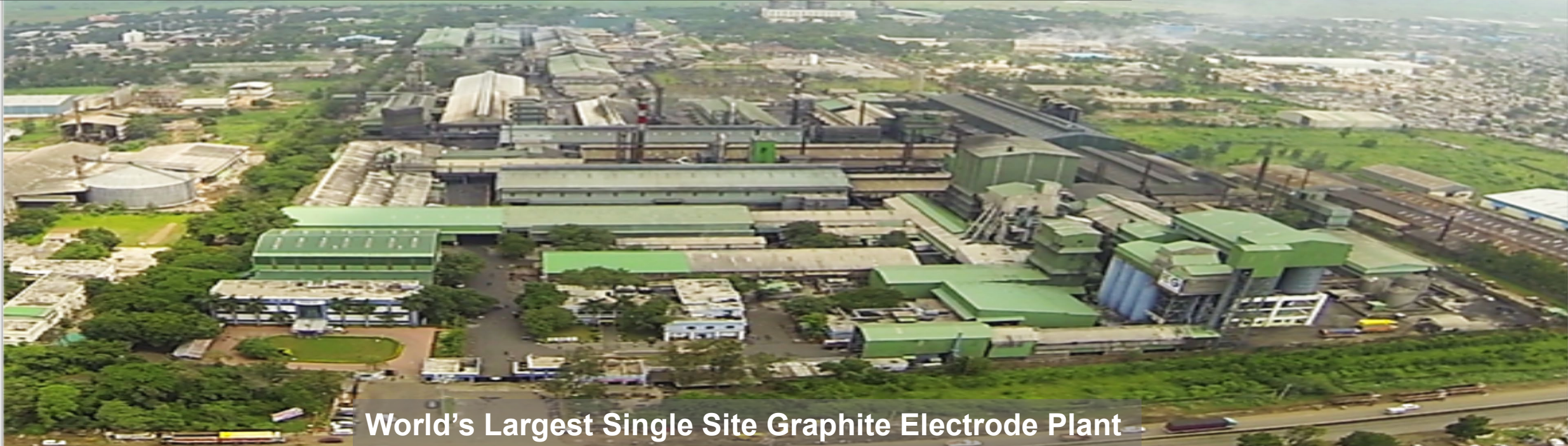
Q1 of FY 2022-23



HEG Limited – Profile



- HEG Limited is a leading graphite electrode manufacturer & exporter globally.
- Exports approximately 70% of its production to about 35 countries around the world.
- Diversified customers - supplying large portion of production to top 25 steel companies of the world.
- Graphite electrodes manufacturing plant capacity of 80,000 tons per annum located at Mandideep in MP, India - is the largest single-site facility in the world.
- Expansion from 80,000 tons to 100,000 tons going on in full swing and expected to be complete by end Dec'22 and commercial production to start in Jan-March'23 quarter.
- Captive power generation capacity of around 76.5 mw (2 thermal power plants & 1 hydro power plant)



World's Largest Single Site Graphite Electrode Plant



- GE- An indispensable material for Electric Arc Furnaces (EAF) for Steel production
- They are used as electrical conductors in Electric Arc Furnaces to generate heat to melt steel scrap.
- High Entry Barrier – HEG the last new entrant in the world -1976
- EAF Steel emits one fourth the carbon emission in the environment as compared to same Steel produced by traditional Blast Furnaces
- World production of Steel, through EAF without China, is around 47% of total, while China's production through EAF currently is around 12 % and is likely to go up to around 15-20% by 2025.

TOP 10 Crude Steel - Producing Countries



Sr. no.	Country	Jan-June'22	Jan-June'21	YoY in %	Jan-Mar'22	Apr-Jun'22	QoQ in %
1	China	526.9	563.5	(6.5)%	246.3	280.1	13.7%
2	India	63.2	58.1	8.8%	32.2	31.0	(3.7)%
3	Japan	46.0	48.1	(4.3)%	23.0	23.0	0.0%
4	United States	41.2	42.1	(2.2)%	20.2	20.9	3.5%
5	Russia	35.4	38.2	(7.2)%	18.3	17.1	(6.6)%
6	South Korea	33.8	35.2	(3.9)%	16.9	16.9	0.0%
7	Germany	19.6	20.7	(5.6)%	9.8	9.8	0.0%
8	Turkey	19.0	19.9	(4.6)%	9.4	9.5	1.1%
9	Brazil	17.4	17.9	(2.9)%	8.6	8.8	2.3%
10	Iran	13.6	15.3	(10.8)%	6.9	6.7	(2.9)%
	World	949.4	1,004.8	(5.5)%	459.3	489.6	6.6%
	World Excl. China	422.6	441.3	(4.2)%	213.0	209.5	(1.6)%

Note : Above data are estimates from the World Steel Association and may be amended with the next month's production update.

- Global crude steel output declined by 5.5% in the first six months of 2022, with steel production declining year on year in all major steel producing regions except India (+8.8% Y-o-Y).
- According to the World Steel Association (WSA), worldwide steel demand will be subdued in 2022 (+0.4% year on year), while India's steel demand growth would be the greatest among major steel consuming nations, at 7.5%.
- Steel prices have moderated in the April-June'22 timeframe due to a slowdown in global demand and restriction.
- Rising energy costs and inflationary pressure on the economic growth due to Russia - Ukraine conflict have lowered consumer confidence, particularly in the EU.
- China steel exports have increased but are still down year to date; nevertheless, export volumes are strong typically from April to June.

Financial Snapshot (Standalone)



in Rs. Crore (except EPS)

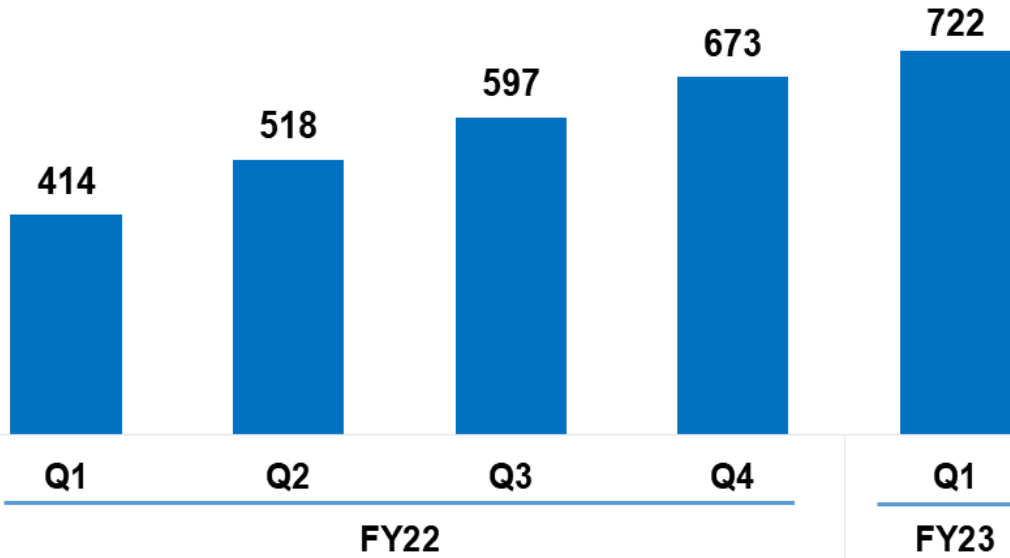
PARTICULARS	Q1 FY 22-23	FY 21-22	FY 20-21	FY 19-20
REVENUE FROM OPERATIONS	722	2202	1256	2149
EBITDA*	205	607	54	138
EBIT	184	527	(19)	66
PAT	134	391	(25)	53
EPS	34.61	101.20	(6.56)	13.83
EBITDA Margin (%)	28%	28%	4%	6%
PAT Margin (%)	19%	18%	(2%)	2%

* EBITDA includes Other Income

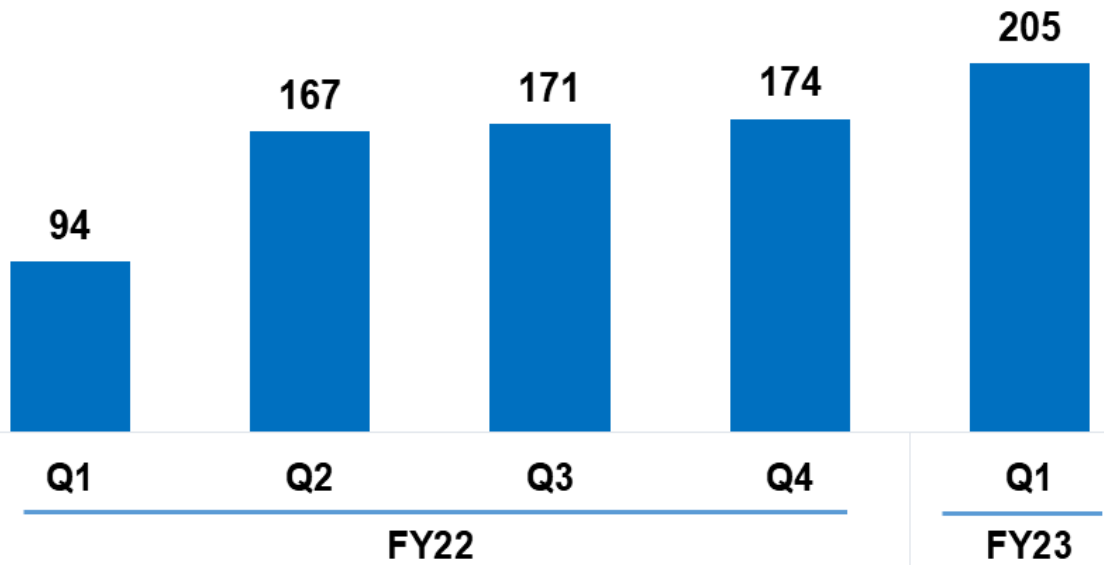
Quarterly Performance Trend (Standalone)



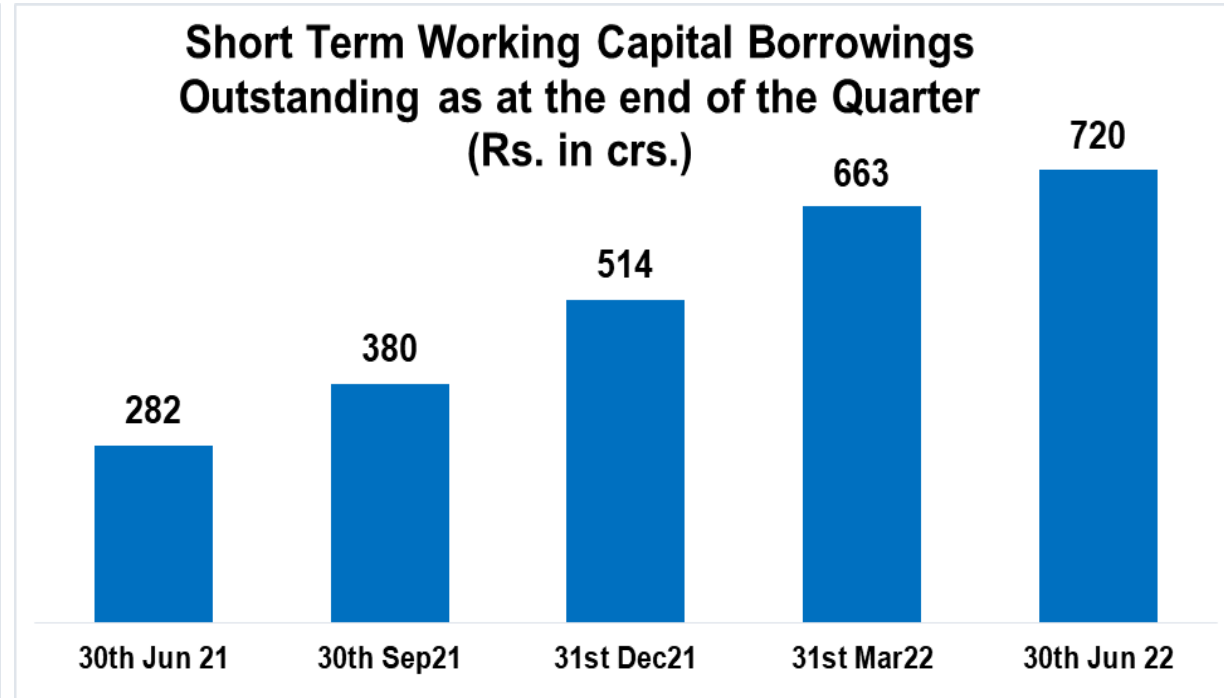
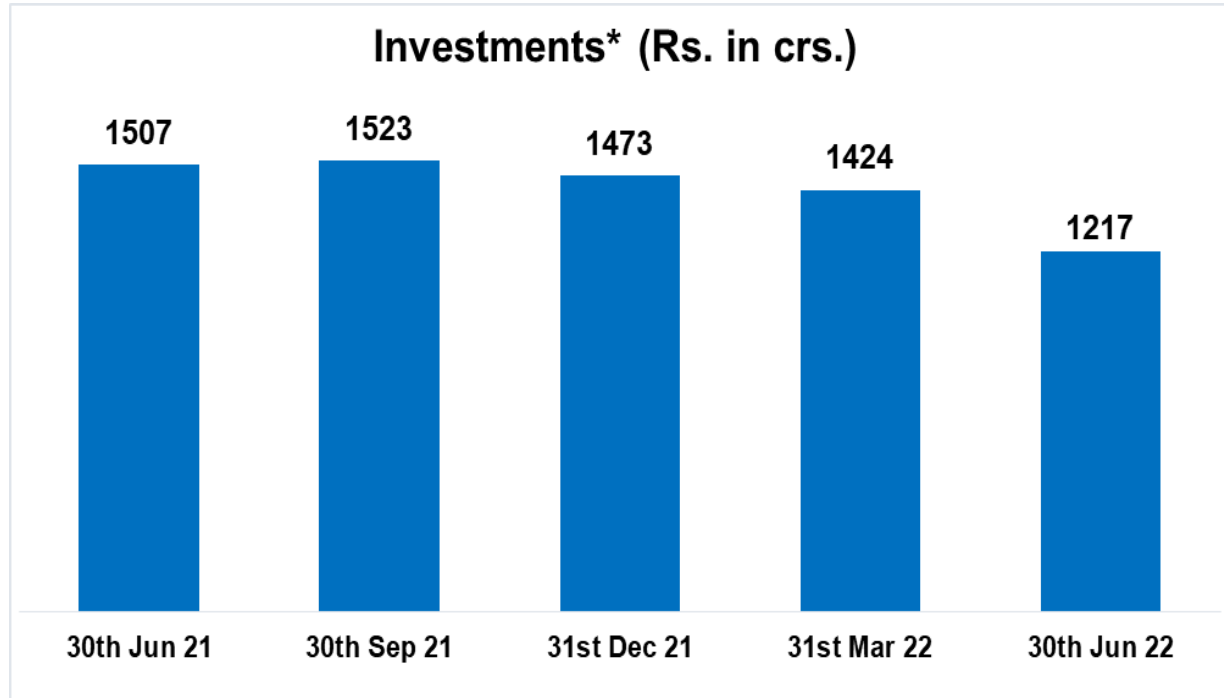
Net Sales (Rs. in crs.)



EBITDA* (Rs. in crs.)



* EBITDA includes Other Income



* Investments including Cash & Cash equivalents and excluding investment in Associates.

Financial Results for the Quarter ended 30th June 2022 Standalone

(Rs. cr)



Sl. No.	Particulars	Quarter Ended			Year Ended
		30-06-2022	31-03-2022	30-06-2021	31-03-2022
		Unaudited	Audited	Unaudited	Audited
I	Revenue from Operations	721.95	673.06	413.69	2,201.61
II	Other Income	21.33	17.40	22.06	79.55
III	Total Income (I+II)	743.28	690.46	435.75	2,281.16
IV	Expenses				
	Cost of materials consumed	330.93	314.27	160.64	940.42
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	(47.79)	(70.25)	19.38	(111.41)
	Employee benefits expense	23.17	19.56	17.88	80.00
	Finance cost	4.03	1.00	1.17	7.49
	Depreciation and amortisation expense	21.00	21.39	18.73	79.29
	Power and Fuel (Net of Interdivisional Purchases)	85.58	77.71	56.06	271.11
	Other Expenses	146.04	174.88	87.32	494.26
	Total expenses	562.96	538.56	361.18	1,761.16
V	Profit/(Loss) before exceptional items and tax (III-IV)	180.32	151.90	74.57	520.00
VI	Exceptional Items	-	-	-	-
VII	Profit/(Loss) before Tax (V-VI)	180.32	151.90	74.57	520.00

Financial Results for the Quarter ended 30th June 2022 Standalone

(Rs. cr)



Sl. No.	Particulars	Quarter Ended			Year Ended
		30-06-2022	31-03-2022	30-06-2021	31-03-2022
		Unaudited	Audited	Unaudited	Audited
VII	Profit/(Loss) before Tax (V-VI)	180.32	151.90	74.57	520.00
VIII	Tax expense				
	(1) Current Tax	55.31	39.04	17.34	129.56
	(2) Deferred Tax	(8.55)	(0.39)	1.43	(0.14)
IX	Net Profit/(Loss) for the period (VII-VIII)	133.56	113.25	55.80	390.58
X	Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss	-	(0.59)	-	(1.23)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	0.15	-	0.31
	B (i) Items that will be reclassified to profit or loss	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
XI	Total Comprehensive Income for the period	133.56	112.81	55.80	389.66
XII	Paid -Up Equity Share Capital (Face Value ₹ 10/- per share)	38.60	38.60	38.60	38.60
XIII	Other Equity (Excluding Revaluation Reserves)	-	-	-	3,738.12
XIV	Earnings Per Share (₹) (for the quarters not annualised)				
	- Basic (₹)	34.61	29.34	14.46	101.20
	- Diluted (₹)	34.61	29.34	14.46	101.20

Financial Results for the Quarter ended 30th June 2022 Consolidated

(Rs. cr)



Sl. No.	Particulars	Quarter Ended			Year Ended
		30-06-2022	31-03-2022	30-06-2021	31-03-2022
		Unaudited	Audited	Unaudited	Audited
I	Revenue from Operations	721.95	673.06	413.69	2,201.61
II	Other Income	21.33	17.40	22.06	79.55
III	Total Income (I+II)	743.28	690.46	435.75	2281.16
IV	Expenses				
	Cost of materials consumed	330.93	314.27	160.64	940.42
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	(47.79)	(70.25)	19.38	(111.41)
	Employee benefits expense	23.17	19.56	17.88	80.00
	Finance cost	4.03	1.00	1.17	7.49
	Depreciation and amortisation expense	21.00	21.39	18.73	79.29
	Power and Fuel (Net of Interdivisional Purchases)	85.58	77.71	56.06	271.11
	Other Expenses	146.04	174.88	87.32	494.26
	Total expenses	562.96	538.56	361.18	1761.16
V	Profit/(Loss) before exceptional items and tax (III-IV)	180.32	151.90	74.57	520.00
VI	Exceptional Items	-	-	-	-
VII	Profit/(Loss) before Tax & Share of profit/loss of Associates (V-VI)	180.32	151.90	74.57	520.00
VIII	Share of Profit/ (loss) of associates	25.44	16.02	0.97	40.47
IX	Profit/(Loss) before Tax (VII+VIII)	205.76	167.92	75.54	560.47

Financial Results for the Quarter ended 30th June 2022 Consolidated

(Rs. cr)



Sl. No.	Particulars	Quarter Ended			Year Ended
		30-06-2022	31-03-2022	30-06-2021	31-03-2022
		Unaudited	Audited	Unaudited	Audited
IX	Profit/(Loss) before Tax (VII+VIII)	205.76	167.92	75.54	560.47
X	Tax expense				
	(1) Current Tax	55.31	39.04	17.34	129.56
	(2) Deferred Tax	(8.55)	(0.39)	1.43	(0.14)
XI	Net Profit/(Loss) for the period (IX-X)	159.00	129.27	56.77	431.05
XII	Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss	-	(0.59)	-	(1.23)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	0.15	-	0.31
	B (i) Items that will be reclassified to profit or loss	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	C. Share of Other comprehensive Income of Associates	0.02	(0.13)	0.07	0.01
XIII	Total Comprehensive Income for the period	159.02	128.70	56.84	430.14
XIV	Paid -Up Equity Share Capital (Face Value ₹10/- per share)	38.60	38.60	38.60	38.60
XV	Other Equity (Excluding Revaluation Reserves)	-	-	-	3875.04
XVI	Earnings Per Share (₹) (for the quarters not annualised)				
	- Basic (₹)	41.20	33.49	14.71	111.68
	- Diluted (₹)	41.20	33.49	14.71	111.68

Thank You



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

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