



LNJ Bhilwara Group Company



PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL

HEG/SECTT/2024

20th February, 2024

1	BSE Limited P J Towers Dalal Street MUMBAI - 400 001. Scrip Code : 509631	2	National Stock Exchange of India Limited Exchange Plaza, 5th Floor Plot No.C/1, G Block, Bandra - Kurla Complex Bandra (E),MUMBAI - 400 051. Scrip Code : HEG
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Sub: Investors presentation on the Unaudited Financial Results of the Company for the quarter & nine months ended 31st December, 2023.

Dear Sirs,

Please find enclosed a copy of Investors Presentation on the Unaudited Financial Results of the Company for the quarter & nine months ended 31st December, 2023 for your information and record please.

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

Thanking you,

Yours faithfully,
For **HEG Limited**

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

Encl: As above

HEG LIMITED

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Corporate Identification No.: L23109MP1972PLC008290





**PROUD TO BE INDIAN
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HEG LIMITED
Investor Presentation

Performance Highlights
Q3 of FY 2023-24



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



- Has been World's Largest Single Site Graphite Electrode Plant under one roof with a capacity of 80,000 tons pa for a long time.
- Recently completed expansion to 100,000 tons to become the third largest producer of Graphite electrodes in the western world.
- Except ours, no additional capacity announced by any other company in the western world.
- Exporting approx. 65 - 70% of its production to about 35 countries around the world consistently since more than 20 years
- Diversified customer base - supplying large portion of production to top 20 steel companies of the world
- Captive power generation capacity of around 80 mw (Two thermal power plants & One hydro power plant)

Expanded plant at 100,000 tons now complete - Appearing on the horizon



TOP 10 Crude Steel - Producing Countries

Y-o-Y Comparison

Q-o-Q Comparison

Sr. No	Country	CY 23	CY 22	CY 23/22	Q4'23	Q3'23	Q-o-Q
1	China	1020.3	1019.1	0.1%	222.6	259.3	(-14.1%)
2	India	140.2	125.4	11.8%	36.0	35.1	2.4%
3	Japan	87.0	89.2	(-2.5%)	21.6	21.6	0.2%
4	United States	80.7	80.5	0.2%	20.1	20.7	(-3.2%)
5	Russia	75.8	71.7	5.6%	18.6	19.2	(-3.3%)
6	South Korea	66.7	65.8	1.3%	16.3	16.8	(-3.0%)
7	Germany	35.4	36.9	(-3.9%)	8.2	8.7	(-5.7%)
8	Turkey	33.7	35.1	(-4.0%)	9.2	8.6	6.8%
9	Brazil	31.9	34.1	(-6.5%)	7.9	8.0	(-1.5%)
10	Iran	31.1	30.6	1.8%	9.1	5.9	52.6%
Source WSA	World	1,888.2	1,888.7	(-0.0%)	440.0	474.2	(-7.2%)
	World ex china	868.0	869.7	(-0.2%)	217.3	214.9	1.1%

1. Global crude steel production remained unchanged in 2023 vs 2022 without any growth at 1.888 billion metric tons, as per Worldsteel data.
2. India, ranked as the second-largest global steel producer, recorded a notable 11.8% increase in production, reaching 140.2 mmt.
3. Steel industry production outside of China is constrained by subdued demand amid global economic uncertainty.
4. The situation worsened with a surge in steel exports from China from 67.3 mmt in 2022 to 90.3 mmt in 2023.
5. Growing geopolitical risks and inflation control efforts further burden economies in Europe and other developed regions.
6. China's transition to Electric Arc Furnace (EAF) steel production stagnates, leading to an oversupply of Chinese electrodes and price decline.
7. Expected initiatives for steel industry decarbonization are set to increase demand for graphite electrodes, driven by the adoption of EAF steelmaking , resulting in additional demand of 200,000 tons approx. by 2030 (excl China)
8. The GE demand remained sluggish through the year and is likely to stagnate for another 2-3 quarters.
9. However, considering the irreversible process of decarbonization, we are optimistic about the growth of GE demand in the medium to long run.

Financial Results for the Quarter ended 31st Dec 2023 - Standalone

(in Rs. cr)



Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-12-2023	30-09-2023	31-12-2022	31-12-2023	31-12-2022	31-03-2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from Operations	562.40	614.17	530.27	1,848.00	1,850.36	2,467.24
II	Other Income	23.22	28.02	36.89	77.36	77.79	109.14
III	Total Income (I+II)	585.62	642.19	567.16	1,925.36	1,928.15	2576.38
IV	Expenses						
	Cost of materials consumed	245.40	304.41	324.82	858.21	996.26	1,312.64
	Changes in inventories of finished goods, work-in- progress	34.17	(28.45)	(141.64)	0.56	(349.33)	(397.49)
	Employee benefits expense	22.77	22.99	22.02	69.61	67.33	91.83
	Finance cost	9.73	8.53	7.77	27.11	18.68	26.01
	Depreciation and amortisation expense	47.39	38.48	24.99	124.21	69.17	102.30
	Power and Fuel	73.58	78.41	76.68	236.63	242.11	315.90
	Other Expenses	99.75	134.36	115.32	342.40	398.10	524.71
	Total expenses	532.79	558.73	429.96	1,658.73	1,442.32	1975.90
V	Profit before exceptional items and tax (III-IV)	52.83	83.46	137.20	266.63	485.83	600.48
VI	Exceptional Items	-	-	-	-	-	-
VII	Profit before Tax (V-VI)	52.83	83.46	137.20	266.63	485.83	600.48

Financial Results for the Quarter ended 31st Dec 2023 - Standalone

(in Rs. cr)



Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-12-2023	30-09-2023	31-12-2022	31-12-2023	31-12-2022	31-03-2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
VII	Profit before Tax (V-VI)	52.83	83.46	137.20	266.63	485.83	600.48
VIII	Tax expense						
	(1) Current Tax	11.31	16.86	37.58	59.52	126.04	154.25
	(2) Deferred Tax	4.44	4.84	(3.21)	10.73	(6.51)	(9.29)
IX	Profit for the period (VII-VIII)	37.08	61.76	102.83	196.38	366.30	455.51
X	Other Comprehensive Income						
	A (i) Items that will not be classified to profit or loss						
	- Remeasurement of Employee Defined Benefit Plan	-	(0.01)	-	(0.01)	(0.36)	(0.83)
	(ii) Income tax relating to items that will not be reclassified to profit or loss						
	-	-	0.00	-	0.00	0.09	0.21
	B (i) Items that will be reclassified to profit or loss						
	(ii) Income tax relating to items that will be reclassified to profit or loss						
	-	-	-	-	-	-	-
XI	Total Comprehensive Income for the period (IX+X)	37.08	61.75	102.83	196.37	366.03	454.89
XII	Paid -Up Equity Share Capital (Face Value Rs.10/- per share)	38.60	38.60	38.60	38.60	38.60	38.60
XIII	Other Equity						4038.63
XIV	Earnings Per Share (₹) (Not annualised except for the year ended March 31,2023)						
	- Basic (Rs.)	9.61	16.00	26.64	50.88	94.91	118.02
	- Diluted (Rs.)	9.61	16.00	26.64	50.88	94.91	118.02

Financial Results for the Quarter ended 31st Dec 2023 - Consolidated

(in Rs. cr)



Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-12-2023	30-09-2023	31-12-2022	31-12-2023	31-12-2022	31-03-2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from Operations	562.40	614.17	530.27	1,848.00	1,850.36	2,467.24
II	Other Income	23.22	28.02	36.89	77.36	77.79	109.14
III	Total Income (I+II)	585.62	642.19	567.16	1,925.36	1,928.15	2576.38
IV	Expenses						
	Cost of materials consumed	245.40	304.41	324.82	858.21	996.26	1,312.64
	Changes in inventories of finished goods, work-in- progress	34.17	(28.45)	(141.64)	0.56	(349.33)	(397.49)
	Employee benefits expense	22.85	23.12	22.02	70.00	67.33	92.05
	Finance cost	9.73	8.53	7.77	27.11	18.68	26.01
	Depreciation and amortisation expense	47.39	38.48	24.99	124.21	69.17	102.30
	Power and Fuel	73.58	78.41	76.68	236.63	242.11	315.90
	Other Expenses	99.76	134.83	116.27	342.95	399.05	525.73
	Total expenses	532.88	559.33	430.91	1,659.67	1,443.26	1977.16
V	Profit before exceptional items and tax (III-IV)	52.74	82.86	136.25	265.69	484.89	599.22
VI	Exceptional Items	-	-	-	-	-	-
VII	Profit/(Loss) before Tax & Share of Profit/(Loss)of Associates	52.74	82.86	136.25	265.69	484.89	599.22
VIII	Share of Profit/ (Loss) of Associates	6.68	34.82	2.81	83.32	67.28	78.11
IX	Profit/(Loss) before Tax (VII+VIII)	59.42	117.68	139.06	349.01	552.17	677.33

Financial Results for the Quarter ended 31st Dec 2023 - Consolidated

(in Rs. cr)



Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-12-2023	30-09-2023	31-12-2022	31-12-2023	31-12-2022	31-03-2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
IX	Profit/(Loss) before Tax (VII+VIII)	59.42	117.68	139.06	349.01	552.17	677.33
X	Tax expense						
	(1) Current Tax	11.31	16.86	37.58	59.52	126.04	154.26
	(2) Deferred Tax	4.44	4.84	(3.21)	10.73	(6.51)	(9.29)
XI	Profit for the period (IX-X)	43.67	95.98	104.69	278.76	432.64	532.36
XII	Other Comprehensive Income						
	A (i) Items that will not be classified to profit or loss						
	- Remeasurement of Employee Defined Benefit Plan	-	(0.01)	-	(0.01)	(0.36)	(0.83)
	(ii) Income tax relating to items that will not be reclassified to profit or loss						
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	0.00	-	0.00	0.09	0.21
	B (i) Items that will be reclassified to profit or loss						
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	C Share of Other Comprehensive Income of Associates						
	C Share of Other Comprehensive Income of Associates	(0.07)	(0.02)	(0.01)	(0.13)	0.01	(0.13)
XIII	Total Comprehensive Income for the period (XI+XII)	43.60	95.95	104.68	278.62	432.38	531.61
XIV	Paid -Up Equity Share Capital (Face Value Rs. 10/- per share)	38.60	38.60	38.60	38.60	38.60	38.60
XV	Other Equity						4242.30
XIV	Earnings Per Share (₹) (Not annualised except for the year ended March 31,2023)						
	- Basic (Rs.)	11.32	24.87	27.13	72.22	112.10	137.93
	- Diluted (Rs.)	11.32	24.87	27.13	72.22	112.10	137.93

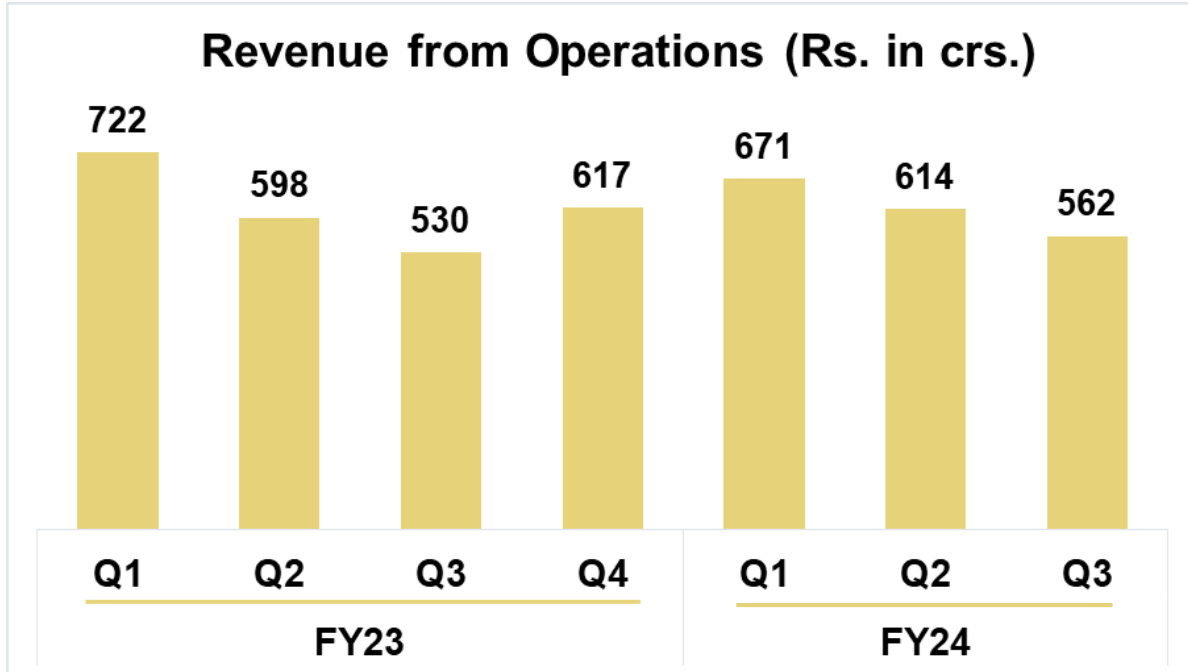
Financial Snapshot (Standalone)



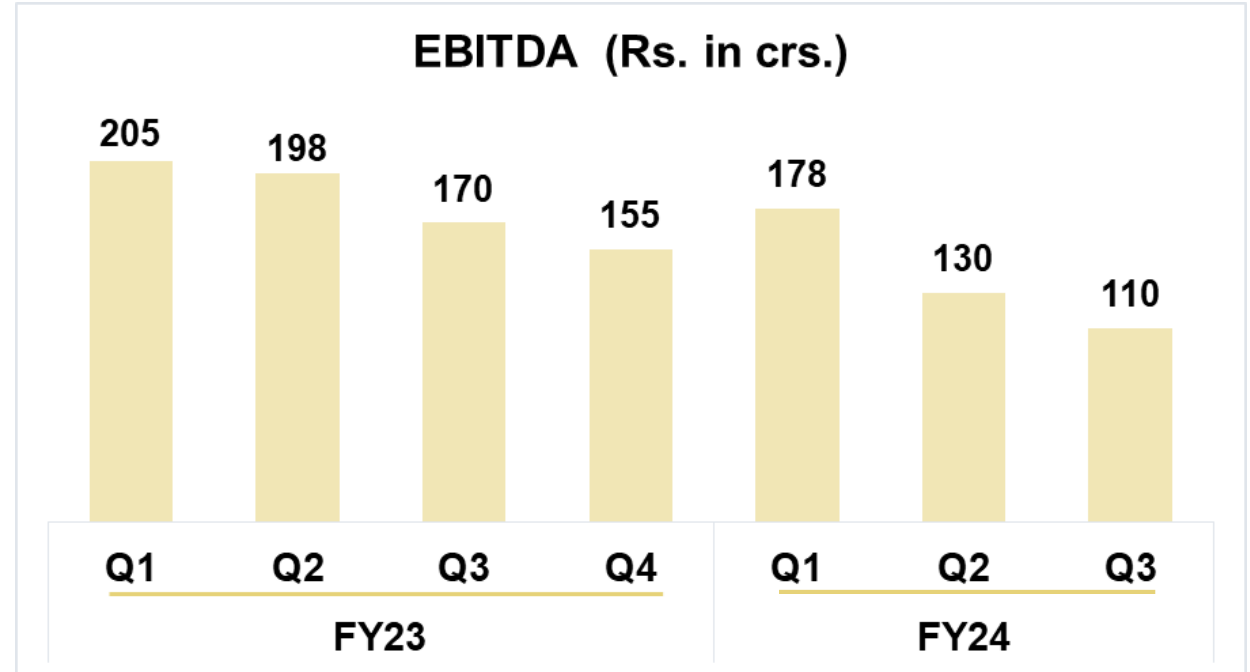
in Rs. cr (except EPS)

PARTICULARS	FY 23-24			FY		
	Q3	Q2	Q1	22-23	21-22	20-21
TOTAL INCOME	586	642	698	2576	2281	1369
EBITDA	110	130	178	729	607	54
EBIT	63	92	139	626	527	(19)
PAT	37	62	98	456	391	(25)
EPS	9.61	16.00	25.28	118.02	101.20	(6.56)
EBITDA Margin (%)	19%	20%	25%	28%	27%	4%
PAT Margin (%)	6%	10%	14%	18%	17%	(2%)

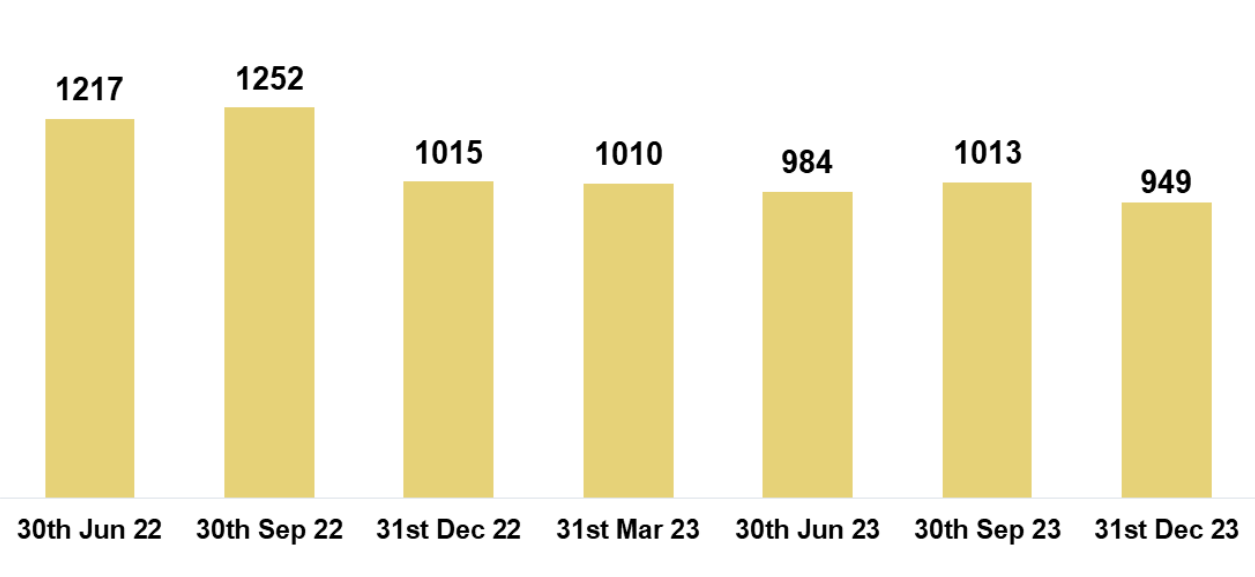
Revenue from Operations (Rs. in crs.)



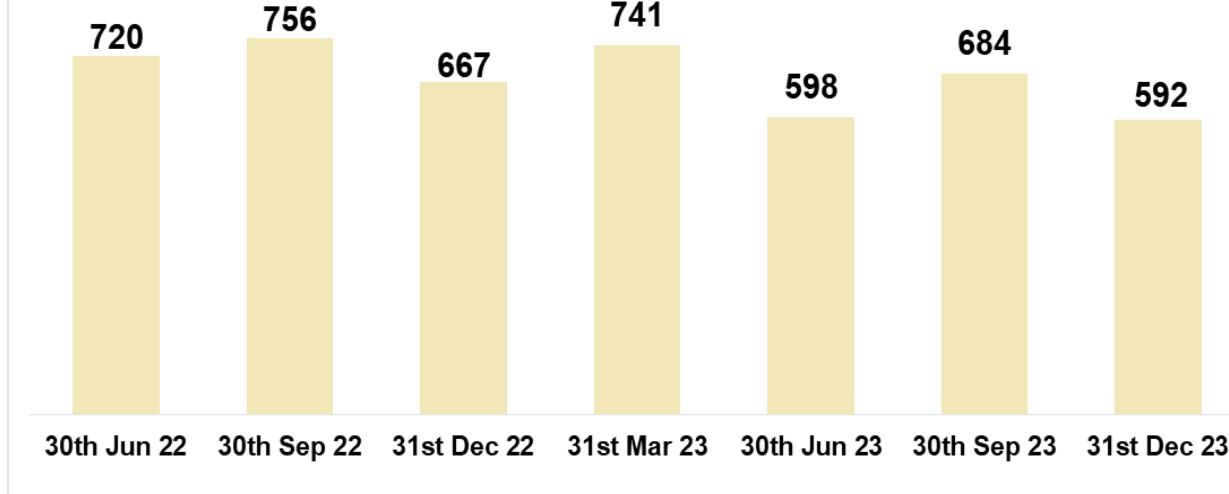
EBITDA (Rs. in crs.)



Investments* (Rs. in crs.)



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



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

Thank You



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

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