



PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL

HEG/SECTT/2023

22nd May, 2023

BSE Limited 25 th Floor, P J Towers Dalal Street MUMBAI - 400 001. Scrip Code : 509631	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: Outcome of Board Meeting held on 22nd May, 2023

Dear Sirs,

Pursuant to Regulation 30 & 33 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board of Directors have inter-alia approved and taken on record the following at its meeting held today i.e. 22nd May, 2023:

1. Audited Financial Results (Standalone and Consolidated) for the quarter and financial year ended 31st March, 2023, the Statement of Cash Flow (Standalone and Consolidated) and Statement of Assets and Liabilities (Standalone and Consolidated) as at 31st March, 2023 alongwith Auditors Report (Standalone and Consolidated) thereon and Declaration in respect of Audit report (Standalone & Consolidated) with unmodified opinion under Regulation 33(3)(d) of the Listing Regulations are enclosed herewith as **Annexure - 1**.
2. The Board of Directors have recommended a Final Dividend on Equity Shares at the rate of Rs. 42.50/- per Equity Share of the face value of Rs. 10/- each, for the financial year 2022-23 subject to the approval of the Shareholders at the ensuing Annual General Meeting (AGM) of the Company. The dividend will be paid/dispatched within 30 days from the date of the Annual General Meeting.

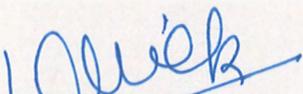
The Company will inform the date of AGM & other ancillary information in due course.

The Board Meeting commenced at 2.00 P.M. and concluded at 5:10 P.M. This is for your information and record.

The aforesaid information is also available on the website of the Company i.e www.hegltd.com .

Thanking You,

Yours faithfully,
For HEG Limited


(Vivek Chaudhary)
Company Secretary

M.No. A-13263

heg.investor@lnjbhilwara.com



Encl. as above

HEG LIMITED

Corporate Office :

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Tel.: +91-120-4390300 (EPABX)
Fax: +91-120-4277841
GSTN No.: 09AAACH6184K2Z6
Website: www.lnjbhilwara.com

Regd. Office :

Mandideep (Near Bhopal) Distt. Raisen - 462046
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Tel.: +91-7480-405500, 233524 to 233527
Fax: +91-7480-233522
GSTN No.: 23AAACH6184K1ZH
Website: www.hegltd.com



Corporate Identification No.: L23109MP1972PLC008290

Independent Auditor's Report

To
The Board of Directors of HEG Limited

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results for the year ended March 31, 2023 of HEG Limited (hereinafter referred to as "the Company"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as "the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations: and
- ii. gives a true and fair view in conformity with the recognition and measurement Principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (hereinafter referred to as "the Act"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone annual financial results' 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 under the provisions of the Act and the Rules 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

The standalone annual financial results has been prepared on the basis of the standalone annual financial statements. The Management and Board of Directors of the Company are responsible for the preparation and presentation of the standalone annual financial results that gives a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and

detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and Board of Directors are 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 Board of Directors 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 Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole is 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 the standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, 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 control 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 through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors'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 annual financial results 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 annual financial results, including the disclosures, and whether the standalone annual financial results represents the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matter

The standalone annual financial results include the financial results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us, as required under the Listing Regulations. Our opinion on the standalone annual financial results is not modified in respect of this matter.

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



Sanjiv Mohan
(Sanjiv Mohan)
Partner
M. No. 086066

Place: Noida
Date: May 22, 2023

UDIN: 23086066BGXYKQ5425

**HEG LIMITED**

Corporate Office : Bhilwara Towers, A-12, Sector -1, NOIDA - 201301.

Registered Office : Mandideep (Near Bhopal), Distt. Raisen, Madhya Pradesh-462046.

Phone : 0120-4390300; Fax : 0120-4277841

CIN: L23109MP1972PLC008290 Website: www.hegltd.com Email: heg.investor@lnjbhilwara.com

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2023

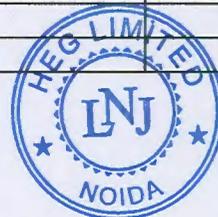
Sl. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2023	31-12-2022	31-03-2022	31-03-2023	31-03-2022
		Audited	Unaudited	Audited	Audited	Audited
		₹ in Crores				
I	Revenue from Operations	616.88	530.27	673.06	2,467.24	2,201.61
II	Other Income	31.35	36.89	17.40	109.14	79.55
III	Total Income (I+II)	648.23	567.16	690.46	2,576.38	2281.16
IV	Expenses					
	Cost of materials consumed	316.37	324.82	314.27	1,312.64	940.42
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	(48.16)	(141.64)	(70.25)	(397.49)	(111.41)
	Employee benefits expense	24.50	22.02	19.56	91.83	80.00
	Finance cost	7.33	7.77	1.00	26.01	7.49
	Depreciation and amortisation expense	33.14	24.99	21.39	102.30	79.29
	Power and Fuel	73.79	76.68	77.71	315.90	271.11
	Other Expenses	126.60	115.32	174.88	524.71	494.26
	Total expenses	533.57	429.96	538.56	1,975.90	1761.16
V	Profit/(Loss) before exceptional items and tax (III-IV)	114.66	137.20	151.90	600.48	520.00
VI	Exceptional Items	-	-	-	-	-
VII	Profit/(Loss) before Tax (V-VI)	114.66	137.20	151.90	600.48	520.00
VIII	Tax expense					
	(1) Current Tax	28.21	37.58	39.04	154.25	129.56
	(2) Deferred Tax	(2.78)	(3.21)	(0.39)	(9.29)	(0.14)
IX	Profit/(Loss) for the period (VII-VIII)	89.23	102.83	113.25	455.51	390.58
X	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit or loss	(0.47)	-	(0.59)	(0.83)	(1.23)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.12	-	0.15	0.21	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 (IX+X)	88.88	102.83	112.81	454.89	389.66
XII	Paid -Up Equity Share Capital (Face Value ₹ 10/- per share)	38.60	38.60	38.60	38.60	38.60
XIII	Other Equity (Excluding Revaluation Reserves)	-	-	-	4038.63	3738.12
XIV	Earnings Per Share (₹) (For the quarter not annualised)					
	- Basic (₹)	23.12	26.64	29.34	118.02	101.20
	- Diluted (₹)	23.12	26.64	29.34	118.02	101.20



STANDALONE SEGMENT REVENUE, RESULTS, ASSETS AND LIABILITIES

₹ in Crores

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2023	31-12-2022	31-03-2022	31-03-2023	31-03-2022
		Audited	Unaudited	Audited	Audited	Audited
A	Segment Revenue					
	Graphite	605.54	516.01	665.90	2,420.14	2,176.33
	Power	11.34	14.26	7.16	47.10	26.62
	Others	-	-	-	-	-
	Total	616.88	530.27	673.06	2,467.24	2,202.95
	Less: Inter segment sales	-	-	-	-	1.34
	Revenue from Operations	616.88	530.27	673.06	2,467.24	2201.61
B	Segment Results					
	Graphite	99.46	123.99	154.45	551.76	499.83
	Power	3.07	4.78	(0.23)	13.92	(10.14)
	Others	-	-	-	-	-
	Total	102.53	128.77	154.22	565.68	489.69
	Add/(Less):					
	Interest Income	11.67	14.78	8.29	50.81	32.45
	Gain on sale of Investments(Including gain/(loss) on its Fair Valuation)	8.89	5.02	7.98	20.34	34.18
	Other Unallocable Income/(Expenses) (on net basis)	(1.10)	(3.60)	(17.59)	(10.34)	(28.83)
	Finance cost	(7.33)	(7.77)	(1.00)	(26.01)	(7.49)
	Profit Before Tax	114.66	137.20	151.90	600.48	520.00
C	Segment Assets					
	Graphite	3,900.35	3,823.64	3,204.51	3900.35	3204.51
	Power	83.10	84.68	91.92	83.10	91.92
	Unallocated / Others	1,504.70	1,519.78	1,874.59	1504.70	1874.59
	Total Assets	5488.15	5428.10	5171.02	5488.15	5171.02
D	Segment Liabilities					
	Graphite	1,284.29	1,278.17	1,266.01	1284.29	1266.01
	Power	2.87	4.00	2.65	2.87	2.65
	Unallocated / Others	123.77	157.57	125.64	123.77	125.64
	Total Liabilities	1410.93	1439.74	1394.30	1410.93	1394.30



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STANDALONE STATEMENT OF AUDITED ASSETS AND LIABILITIES AS AT 31ST MARCH,2023

₹ in Crores

Particulars	Year Ended	Year Ended
	31-03-2023	31-03-2022
	Audited	Audited
A ASSETS		
(1) Non-current assets		
a) Property, Plant and Equipment	1,348.17	748.40
b) Capital work-in-progress	472.01	696.08
c) Right to use Asset	7.00	6.67
d) Investment Property	7.25	7.61
e) Other Intangible assets	0.34	0.10
f) Financial assets		
(i) Investments	540.61	365.07
(ii) Loans	0.77	0.82
(iii) Other Financial Assets	35.45	139.96
g) Income Tax Assets(Net)	146.92	146.66
h) Other non-current assets	86.00	52.62
Total Non Current Assets	2,644.52	2,163.99
(2) Current assets		
(a) Inventories	1,440.11	977.81
(b) Financial assets		
(i) Investments	123.69	668.86
(ii) Trade receivables	489.14	589.17
(iii) Cash & Cash equivalents	24.45	41.04
(iv) Bank balances other than (iii) above	657.05	560.63
(v) Loans	0.60	0.73
(vi) Others Financial Assets	23.36	16.90
(c) Other current assets	85.23	151.89
Total Current Assets	2,843.63	3,007.03
Total Assets	5,488.15	5,171.02



	Particulars	Year Ended	Year Ended
		31-03-2023	31-03-2022
		Audited	Audited
B	EQUITY & LIABILITIES		
	Equity		
	(a) Equity share capital	38.60	38.60
	(b) Other equity	4,038.62	3,738.12
	Total equity	4,077.22	3,776.72
	LIABILITIES		
(1)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	-	-
	(ia) Lease Liabilities	1.38	0.78
	(ii) Other financial liabilities	-	-
	(b) Provisions	3.06	3.81
	(c) Deferred tax liabilities (Net)	86.80	96.29
	(d) Other non-current liabilities	3.69	6.34
	Total Non Current Liabilities	94.93	107.22
(2)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	740.91	663.40
	(ia) Lease Liabilities	0.28	0.50
	(ii) Trade Payables		
	(A) Total Outstanding dues of micro enterprises and small enterprises	25.65	18.17
	(B) Total Outstanding dues of creditors other than micro enterprises and small enterprises	386.30	429.72
	(iii) Other financial liabilities	123.72	137.38
	(b) Other current liabilities	19.64	24.83
	(c) Provisions	5.07	5.16
	(d) Current Tax Liabilities (Net)	14.43	7.92
	Total Current Liabilities	1,316.00	1,287.08
	Total Liabilities	1,410.93	1,394.30
	Total Equity and Liabilities	5,488.15	5,171.02



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STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2023

PARTICULARS	₹ in Crores	
	Year Ended	Year Ended
	31-03-2023	31-03-2022
	Audited	Audited
A		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	600.48	520.00
Adjustment for non operating and non cash transactions		
Depreciation and amortisation expense	102.30	79.29
Interest expense	26.01	7.49
Net(Profit)/Loss on property plant and equipment sold / discarded	0.34	2.81
Allowances for Expected Credit Losses	(3.31)	(0.29)
Unrealized (Gain)/Loss due to effect of exchange rate changes on assets and liabilities	(0.33)	1.59
Bad Debts	1.56	0.59
Gain on sale/fair valuation of investments	(20.34)	(34.18)
Dividend income	(1.98)	(1.14)
Rent income	(1.43)	(1.32)
Interest income	(50.81)	(32.45)
Adjustments for changes in working capital		
(Increase)/Decrease in operating assets		
(Increase)/Decrease in Inventories	(462.30)	(397.20)
(Increase)/Decrease in Trade receivables	103.99	(299.25)
(Increase)/Decrease in other non-current financial assets	(2.34)	(8.39)
(Increase)/Decrease in other current financial assets	(2.52)	(0.40)
(Increase)/Decrease in other non-current assets	(53.01)	(0.20)
(Increase)/Decrease in other current assets	65.86	(70.01)
Increase/(Decrease) in operating liabilities		
Increase/(Decrease) in Trade Payables	(37.82)	188.74
Increase/(Decrease) in other non-current financial liabilities	-	-
Increase/(Decrease) in other current financial liabilities	6.82	16.40
Increase/(Decrease) in non-current Provisions	(0.75)	0.23
Increase/(Decrease) in current Provisions	(0.09)	0.32
Increase/(Decrease) in other non-current liabilities	(2.64)	2.42
Increase/(Decrease) in other current liabilities	(5.20)	12.52
Cash generated from operations	262.49	(12.47)
Income tax paid	(148.01)	(128.15)
Net Cash generated/(used) from operating activities (A)	114.48	(140.60)
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)	(479.74)	(359.53)
Proceeds from sale of Property Plant and Equipments	0.90	0.88
Investment in fixed/term deposits not considered as cash and cash equivalents	(803.06)	(636.30)
Redemption/maturity of fixed/term deposits not considered as cash and cash equivalents	821.14	520.11
Decrease/(Increase) in other bank balances not considered as cash and cash equivalents	(9.81)	0.51
Payment for Investments in subsidiary incorporated during the year	(10.00)	-
Payment for Purchase of Investments (other than subsidiary)	(1,263.81)	(701.13)
Proceeds from sale of Investments	1,664.73	962.36
Return of Capital from INVIT	1.02	0.27
Rent received	1.43	1.32
Dividend received	1.98	1.14
Interest received	44.12	27.00
Net Cash generated/(used) from investing activities (B)	(31.11)	(183.37)
C		
CASH FLOW FROM FINANCING ACTIVITIES		
Proceed/(Repayment) of working capital borrowings (on net basis)	77.51	366.33
Interest and other financial charges Paid	(23.02)	(9.95)
Interest paid on lease liabilities	(0.12)	(0.14)
Payment of lease liabilities	(0.49)	(0.52)
Dividend Paid	(153.84)	(12.09)
Net Cash generated/(used) from financing activities (C)	(99.96)	343.63
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(16.59)	19.67
Cash and cash equivalents at the beginning of the period	41.04	21.37
Cash and cash equivalents at the end of the period	24.45	41.04



Notes:

- 1 These Standalone financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under.
- 2 The above Standalone financial results have been reviewed by Audit Committee and approved by Board of Directors in their respective meetings held on May 22, 2023. The Statutory Auditors have expressed an unmodified opinion on the aforesaid results.
- 3 The figures of quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between the audited figures in respect of full financial year and the published figures of nine months ended December 31, 2022 and December 31, 2021 respectively, which were subject to limited review by the Statutory Auditors.
- 4 The Company had undertaken an expansion project to increase the existing capacity from 80,000 tons to 1,00,000 tons. As per management's expectation the project was expected to be completed by April, 2023. However due to delay in arrivals of some equipment from overseas suppliers, the management now expects the expansion project to be completed by June 2023.
- 5 The figures related to power segment includes operations at Hydro Power Plant of the Company at Tawa Nagar which is seasonal in nature. The plant works intermittently during 1st quarter based upon irrigation requirement, starts operating in the 2nd quarter depending upon monsoon and continues in the 3rd quarter before tapering down in the last quarter.
- 6 The Board of Director has recommended a final dividend of ₹ 42.50 per Equity Share of the face value of ₹ 10/- each for the financial year 2022-23, subject to approval of shareholders at the ensuing Annual General Meeting.



For HEG Limited

Ravi Jhunjunwala

Chairman, Managing Director & CEO

DIN:00060972

Place : Noida(U.P)

Dated : 22nd May, 2023

Independent Auditor's Report

To
The Board of Directors of HEG Limited

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results for the year ended March 31, 2023 of HEG Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and subsidiary collectively referred to as "the group") and group's share of the profit/(loss) after tax and other comprehensive income /(loss) of the associates, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as "the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements/financial results/financial information of the subsidiary and associates referred to in paragraph (i) and (ii) of "Other Matters" section below, the consolidated annual financial results:

- i. includes the results of the following entities;

S.No	Name of Company	Relationship
1.	TACC Limited	Subsidiary
2.	Bhilwara Energy Limited	Associate
3.	Bhilwara Infotechnology Limited	Associate

- ii. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations: and
- iii. gives a true and fair view in conformity with the recognition and measurement Principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the group and its share of the profit/(loss) after tax and other comprehensive income /(loss) of the associates for the year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (hereinafter referred to as "the Act"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated annual financial results' section of our report. We are independent of the group and its associates 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 under the provisions of the Act and the Rules 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 obtained by us and consideration of report of other auditors referred to in paragraph (i) and (ii) of "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion



Matters reported in the Auditor's Report on Consolidated financial results of Bhilwara Energy Limited, an associate of the Holding 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 Chango Yangthang Hydro Power Limited, a subsidiary of Bhilwara Energy Limited, an associate of the Holding Company, reported in the Auditor's Report on Consolidated financial results of the associate which is being reproduced hereunder:

The Board of director's 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 year 2017-18 amounting to ₹27.13 crores. These events or conditions, along with other matters as set forth in Note-39(viii), 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 results of Bhilwara Energy Limited (BEL), an associate of the Holding Company, which are being reproduced hereunder:

(i) In Malana Power Company Limited (MPCL), a subsidiary of the associate

There is uncertainty relating to the effects of outcome of litigation with Himachal Pradesh State Electricity Board (HPSEBL).

Also refer note no. 9 (a) of the consolidated annual financial results in this regard.

(ii) In BG Wind Power Limited (BGWPL), a subsidiary of the associate

Pending execution of the renewal of PPA expired on March 31, 2019, till previous year, the Company has recognised revenue @₹3.14/kwh (previous PPA @₹3.69/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. The Company also recognized GBI at applicable rate @50 Paise/kwh. The Company has filed writ petition with Rajasthan High Court at Jaipur in this regard, which is still sub-judice.

During the year, effective 1st April'2022, the Company has recognised revenue @2.44/- kwh based on the RRECL letter approving the change of mode of sale of power of the project from REC Mechanism to captive use, which also referred the decision taken by the Co-ordination committee in its meeting held on 31 December 2021 for adjustment of power injected after expiry of PPA till change of mode..

Due to above, the differential amount of ₹ 4.38 crores From ₹3.14/kwh to ₹2.44/kwh recognised from 01 April 2019 to 31 March 2022 and GBI recognised for the above period has also been reversed during the year and charged to the statement of Profit and loss.



Also refer note no. 9 (b) of the consolidated annual financial results in this regard.

(iii) In NJC Hydro Power Limited (NHPL), a subsidiary of the associate

The project of NHPL was on hold for quite some time due to suspension of environment clearance by Hon'ble National Green Tribunal and thereafter Wildlife Institute of India (WII) in its report has mentioned that project could not be undertaken at the project site.

As per directions of Hon'ble Supreme Court, arbitration notice was sent to Government of Arunachal Pradesh (GoAP) and have also indicated the name of arbitrator. Simultaneously, efforts were initiated to settle the issue by mutual negotiations.

As the project is not doable anymore, NHPL has decided not to implement the project and sought the refund of upfront premium of ₹ 25.47 Crores from GoAP invoking the clauses of MoA and presently the matter is under litigation with GoAP.

Accordingly, the Board of Directors of NHPL on dated 15th June,2022 decided to write-off Capital Work-in-Progress (CWIP) including pre-operative expenses net of waiver of loan from Holding Company (Bhilwara Energy Limited (BEL)) and charged to the statement of profit & loss during the financial year 2022-23, except the upfront premium paid.

Also refer note no. 9 (c) of the consolidated annual financial results in this regard.

(iv) In case of Chango Yangthang Hydro Power Limited (CYHPL), a subsidiary of the associate

The company has filed a letter for surrender of Chango Yangthang HEP (180MW) project in Himachal Pradesh and asked for the refund of Upfront premium of ₹37.89 crores and Security Deposit of ₹1.80 crores 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 ChangoYangthang 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 ChangoYangthang 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 (Other financial assets)- Security Deposit respectively.

Also refer note no. 9 (d) of the consolidated annual financial results in this regard.

The opinion of the auditor of the associate company is not modified in respect of matters stated above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters.



Management's and Board of Directors' Responsibilities for the Consolidated annual Financial Results

The consolidated annual financial results has been prepared on the basis of the consolidated annual financial statements. The Management and Board of Directors of the Holding Company are responsible for the preparation and presentation of the consolidated annual financial results that gives a true and fair view of the net profit and other comprehensive income and other financial information of the group including its associates in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of companies included in the group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 results 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 annual financial results by the Management and the Board of Directors of the Holding Company.

In preparing the financial results, the respective Management and Board of Directors of the companies included in the group and its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group and its associates are also responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole is 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 the consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, 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 control 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 through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements 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 the Management and Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosure made by the Management and Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulation.
- Conclude on the appropriateness of the Management and Board of Directors' 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 consolidated annual financial results 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 group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the companies included in the group and its associates to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the consolidated annual financial results of which we are the independent auditors, if any. For the other entities included in the consolidated annual financial results, 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. Our responsibilities in this regard are further described in paragraph (i) of the "Other Matters" paragraph in this audit report.

We communicate with those charged with governance of the Holding Company 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.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD 1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.



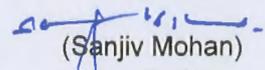
Other Matters

- (i) The consolidated annual financial results include the audited financial results/financial information of a subsidiary whose financial results/information reflects total assets of ₹ 8.84 crores as at March 31, 2023, total revenue of Nil and Nil, Profit/(loss) after tax of ₹ (0.32) crores and ₹ (1.25) crores and other comprehensive income/(loss) of Nil and Nil for the quarter and year ended March 31, 2023 respectively and net cash inflow/(outflow) of ₹ (1.17) crores for the year ended March 31, 2023, as considered in the consolidated annual financial results. The financial results/financial information of such subsidiary have been audited by the other auditors whose report has been furnished to us by the management. Our opinion on the annual financial results, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is solely based on the report of the other auditors and the procedures performed by us as stated in paragraph above.
- (ii) The consolidated annual financial results includes group's share of profit/(loss) after tax of ₹ 10.83 crores and ₹ 78.11 crores and group's share of other comprehensive income/(loss) of ₹ (0.14) crores and ₹ (0.13) crores for the quarter and for the year ended March 31, 2023 respectively in respect of two associates, whose financial results/financial information have been audited by the other auditors whose reports have been furnished to us by the management. Our opinion on the consolidated annual financial results in so far as it relates to the amounts and disclosures included in respect of these associates is solely based on the reports of such auditors and the procedures performed by us as stated in paragraph above.
- (iii) The consolidated annual financial results includes the financial results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us, as required under the Listing Regulations.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters.

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




(Sanjiv Mohan)
Partner
M. No. 086066

Place: Noida
Date: May 22, 2023

UDIN: 23086066BGXYKR4646

**HEG LIMITED**

Corporate Office : Bhilwara Towers, A-12, Sector -1, NOIDA - 201301.

Registered Office : Mandideep (Near Bhopal), Distt. Raisen, Madhya Pradesh-462046.

Phone : 0120-4390300; Fax : 0120-4277841

CIN: L23109MP1972PLC008290 Website: www.heg ltd.com Email: heg.investor@lnjbhilwara.com

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2023

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2023	31-12-2022	31-03-2022	31-03-2023	31-03-2022
		Audited	Unaudited	Audited	Audited	Audited
		₹ in Crores				
I	Revenue from Operations	616.88	530.27	673.06	2,467.24	2,201.61
II	Other Income	31.35	36.89	17.40	109.14	79.55
III	Total Income (I+II)	648.23	567.16	690.46	2,576.38	2281.16
IV	Expenses					
	Cost of materials consumed	316.37	324.82	314.27	1,312.64	940.42
	Changes in inventories of finished goods, work-in- progress and stock-in-trade	(48.16)	(141.64)	(70.25)	(397.49)	(111.41)
	Employee benefits expense	24.72	22.02	19.56	92.05	80.00
	Finance cost	7.33	7.77	1.00	26.01	7.49
	Depreciation and amortisation expense	33.14	24.99	21.39	102.30	79.29
	Power and Fuel	73.79	76.68	77.71	315.90	271.11
	Other Expenses	126.70	116.27	174.88	525.75	494.26
	Total expenses	533.90	430.91	538.56	1,977.16	1761.16
V	Profit/(Loss) before exceptional items and tax (III-IV)	114.33	136.25	151.90	599.22	520.00
VI	Exceptional Items	-	-	-	-	-
VII	Profit/(Loss) before Tax & Share of Profit/(Loss) of Associates (V-VI)	114.33	136.25	151.90	599.22	520.00
VIII	Share of Profit/ (Loss) of Associates	10.83	2.81	16.02	78.11	40.47
IX	Profit/(Loss) before Tax (VII+VIII)	125.17	139.06	167.92	677.33	560.47
X	Tax expense					
	(1) Current Tax	28.22	37.58	39.04	154.26	129.56
	(2) Deferred Tax	(2.78)	(3.21)	(0.39)	(9.29)	(0.14)
XI	Profit/(Loss) for the period (VII-VIII)	99.72	104.69	129.27	532.36	431.05
XII	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit or loss	(0.47)	-	(0.59)	(0.83)	(1.23)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.12	-	0.15	0.21	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	(0.14)	(0.01)	(0.13)	(0.13)	0.01
XIII	Total Comprehensive Income for the period (IX+X)	99.23	104.68	128.70	531.61	430.14
XIV	Paid -Up Equity Share Capital (Face Value ₹ 10/- per share)	38.60	38.60	38.60	38.60	38.60
XV	Other Equity (Excluding Revaluation Reserves)	-	-	-	4242.30	3875.04
XVI	Earnings Per Share (₹) (For the quarter not annualised)					
	- Basic (₹)	25.84	27.13	33.49	137.93	111.68
	- Diluted (₹)	25.84	27.13	33.49	137.93	111.68



CONSOLIDATED SEGMENT REVENUE, RESULTS, ASSETS AND LIABILITIES

₹ in Crores

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2023	31-12-2022	31-03-2022	31-03-2023	31-03-2022
		Audited	Unaudited	Audited	Audited	Audited
A	Segment Revenue					
	Graphite	605.54	516.01	665.90	2,420.14	2,176.33
	Power	11.34	14.26	7.16	47.10	26.62
	Others	-	-	-	-	-
	Total	616.88	530.27	673.06	2,467.24	2,202.95
	Less: Inter segment sales	-	-	-	-	1.34
	Revenue from Operations	616.88	530.27	673.06	2,467.24	2201.61
B	Segment Results					
	Graphite	99.45	123.99	154.45	551.76	499.83
	Power	3.07	4.77	(0.23)	13.92	(10.14)
	Others	(0.31)	(0.95)	-	(1.25)	-
	Total	102.21	127.81	154.22	564.43	489.69
	Add/(Less):					
	Interest Income	11.67	14.78	8.29	50.81	32.45
	Gain on sale of Investments(Including gain/(loss) on its Fair Valuation)	8.89	5.02	7.98	20.34	34.18
	Other Unallocable Income/(Expenses) (on net basis)	(1.11)	(3.59)	(17.59)	(10.35)	(28.83)
	Finance cost	(7.33)	(7.77)	(1.00)	(26.01)	(7.49)
	Profit/(Loss) before Tax & share of Profit/(Loss) of Associates	114.33	136.25	151.90	599.22	520.00
	Share of Profit/ (Loss) of Associates	10.83	2.81	16.02	78.11	40.47
	Profit Before Tax	125.17	139.06	167.92	677.33	560.47
C	Segment Assets					
	Graphite	3,900.35	3,823.64	3,204.51	3900.35	3204.51
	Power	83.10	84.68	91.92	83.10	91.92
	Unallocated / Others	1,708.47	1,703.08	2,011.51	1708.47	2011.51
	Total Assets	5691.92	5611.40	5307.94	5691.92	5307.94
D	Segment Liabilities					
	Graphite	1,284.29	1,278.17	1,266.01	1284.29	1266.01
	Power	2.87	4.00	2.65	2.87	2.65
	Unallocated / Others	123.86	147.57	125.64	123.86	125.64
	Total Liabilities	1411.02	1429.74	1394.30	1411.02	1394.30



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CONSOLIDATED STATEMENT OF AUDITED ASSETS AND LIABILITIES AS AT 31ST MARCH,2023

₹ in Crores

Particulars	Year Ended	Year Ended
	31-03-2023	31-03-2022
	Audited	Audited
A ASSETS		
(1) Non-current assets		
a) Property, Plant and Equipment	1,348.17	748.40
b) Capital work-in-progress	472.01	696.08
c) Right to use Asset	7.00	6.67
d) Investment Property	7.25	7.61
e) Other Intangible assets	0.34	0.10
f) Financial assets		
(i) Investments in associates accounted for using the equity method	516.23	448.23
(ii) Other Investments	219.30	53.77
(ii) Loans	0.77	0.82
(iii) Other Financial Assets	35.45	139.96
g) Income Tax Assets(Net)	146.92	146.66
h) Other non-current assets	86.00	52.62
Total Non Current Assets	2,839.44	2,300.91
(2) Current assets		
(a) Inventories	1,440.11	977.81
(b) Financial assets		
(i) Investments	123.69	668.86
(ii) Trade receivables	489.14	589.17
(iii) Cash & Cash equivalents	33.30	41.04
(iv) Bank balances other than (iii) above	657.05	560.63
(v) Loans	0.60	0.73
(vi) Others Financial Assets	23.36	16.90
(c) Other current assets	85.23	151.88
Total Current Assets	2,852.48	3,007.02
Total Assets	5,691.92	5,307.94



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	Particulars	Year Ended	Year Ended
		31-03-2023	31-03-2022
		Audited	Audited
B	EQUITY & LIABILITIES		
	Equity		
	(a) Equity share capital	38.60	38.60
	(b) Other equity	4,242.30	3,875.04
	Total equity	4,280.90	3,913.64
	LIABILITIES		
(1)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	-	-
	(ia) Lease Liabilities	1.38	0.78
	(ii) Other financial liabilities	-	-
	(b) Provisions	3.06	3.81
	(c) Deferred tax liabilities (Net)	86.80	96.29
	(d) Other non-current liabilities	3.69	6.34
	Total Non Current Liabilities	94.93	107.22
(2)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	740.91	663.40
	(ia) Lease Liabilities	0.28	0.50
	(ii) Trade Payables		
	(A) Total Outstanding dues of micro enterprises and small enterprises	25.65	18.17
	(B) Total Outstanding dues of creditors other than micro enterprises and small enterprises	386.30	429.72
	(iii) Other financial liabilities	123.77	137.38
	(b) Other current liabilities	19.68	24.83
	(c) Provisions	5.07	5.16
	(d) Current Tax Liabilities (Net)	14.43	7.92
	Total Current Liabilities	1,316.09	1,287.08
	Total Liabilities	1,411.02	1,394.30
	Total Equity and Liabilities	5,691.92	5,307.94



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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2023

PARTICULARS	₹ in Crores	
	Year Ended	Year Ended
	31-03-2023	31-03-2022
A	Audited	Audited
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	677.33	560.46
Adjustment for non operating and non cash transactions		
a) Share of profit/(loss) of associate	78.11	40.47
	599.22	520.00
b) Others		
Depreciation and amortisation expense	102.30	79.29
Interest expense	26.01	7.49
Net(Profit)/Loss on property plant and equipment sold / discarded	0.34	2.81
Allowances for Expected Credit Losses	(3.31)	(0.29)
Unrealized (Gain)/Loss due to effect of exchange rate changes on assets and liabilities	(0.33)	1.59
Bad Debts	1.56	0.59
Gain on sale/fair valuation of investments	(20.34)	(34.18)
Dividend income	(1.98)	(1.14)
Rent income	(1.43)	(1.32)
Interest income	(50.81)	(32.45)
Adjustments for changes in working capital		
(Increase)/Decrease in operating assets		
(Increase)/Decrease in Inventories	(462.30)	(397.20)
(Increase)/Decrease in Trade receivables	103.99	(299.25)
(Increase)/Decrease in other non-current financial assets	(2.35)	(8.39)
(Increase)/Decrease in other current financial assets	(2.52)	(0.40)
(Increase)/Decrease in other non-current assets	(53.01)	(0.20)
(Increase)/Decrease in other current assets	65.85	(70.01)
Increase/(Decrease) in operating liabilities		
Increase/(Decrease) in Trade Payables	(37.82)	188.74
Increase/(Decrease) in other non-current financial liabilities	-	-
Increase/(Decrease) in other current financial liabilities	6.87	16.40
Increase/(Decrease) in non-current Provisions	(0.75)	0.23
Increase/(Decrease) in current Provisions	(0.09)	0.32
Increase/(Decrease) in other non-current liabilities	(2.64)	2.42
Increase/(Decrease) in other current liabilities	(5.15)	12.52
Cash generated from operations	261.33	(12.45)
Income tax paid	(148.01)	(128.15)
Net Cash generated/(used) from operating activities (A)	113.32	(140.60)
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)	(479.74)	(359.53)
Proceeds from sale of Property Plant and Equipments	0.90	0.88
Investment in fixed/term deposits not considered as cash and cash equivalents	(803.06)	(636.30)
Redemption/maturity of fixed/term deposits not considered as cash and cash equivalents	821.14	520.11
Decrease/(Increase) in other bank balances not considered as cash and cash equivalents	(9.81)	0.51
Payment for Purchase of Investments	(1,263.81)	(701.13)
Proceeds from sale of Investments	1,664.73	962.36
Return of Capital from INVIT	1.02	0.27
Rent received	1.43	1.32
Dividend received	1.98	1.14
Interest received	44.12	27.00
Net Cash generated/(used) from investing activities (B)	(21.11)	(183.37)
C		
CASH FLOW FROM FINANCING ACTIVITIES		
Proceed/(Repayment) of working capital borrowings (on net basis)	77.51	366.33
Interest and other financial charges Paid	(23.02)	(9.95)
Interest paid on lease liabilities	(0.12)	(0.14)
Payment of lease liabilities	(0.49)	(0.52)
Dividend Paid	(153.84)	(12.09)
Net Cash generated/(used) from financing activities (C)	(99.96)	343.63
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(7.74)	19.67
Cash and cash equivalents at the beginning of the period	41.04	21.37
Cash and cash equivalents at the end of the period	33.30	41.04

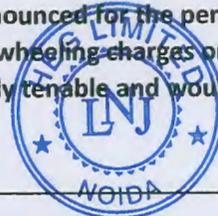


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Notes:

- 1 The consolidated financial results include results of (i) HEG Limited (“the Holding Company”) (ii) Wholly owned Subsidiary- TACC Limited (the Holding Company and subsidiary collectively referred to as “the group”) (iii) Share of profit and total comprehensive income of Associates- Bhilwara Energy Limited and Bhilwara Infotechnology Limited.
- 2 The wholly owned subsidiary has been incorporated on December 26, 2022. Accordingly, the figures for the quarter and year ended March 31, 2023 include the figures of subsidiary company from the date of incorporation and are not comparable with the corresponding periods to that extent.
- 3 These Consolidated financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under.
- 4 The above Consolidated financial results have been reviewed by Audit Committee and approved by Board of Directors of the Holding Company in their respective meetings held on May 22, 2023. The Statutory Auditors have expressed an unmodified opinion on the aforesaid results.
- 5 The figures of quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between the audited figures in respect of full financial year and the published figures of nine months ended December 31, 2022 and December 31, 2021 respectively, which were subject to limited review by the Statutory Auditors.
- 6 The Holding Company had undertaken an expansion project to increase the existing capacity from 80,000 tons to 1,00,000 tons. As per management’s expectation the project was expected to be completed by April 2023. However due to delay in arrivals of some equipment from overseas suppliers, the management now expects the expansion project to be completed by June 2023.
- 7 The figures related to power segment includes operations at Hydro Power Plant of the Holding Company at Tawa Nagar which is seasonal in nature. The plant works intermittently during 1st quarter based upon irrigation requirement, starts operating in the 2nd quarter depending upon monsoon and continues in the 3rd quarter before tapering down in the last quarter.
- 8 The Board of Director of the Holding Company has recommended a final dividend of ₹ 42.50 per Equity Share of the face value of ₹ 10/- each for the financial year 2022-23, subject to approval of shareholders at the ensuing Annual General Meeting.
- 9 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) In case of Malana Power Company Ltd (MPCL): On April 27, 2019, the MPCL received a provisional net demand of ₹80.69 Crores (Previous year ₹80.69 Crores) 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). In this regard, the MPCL has paid under protest an amount of ₹28.17 Crores (Previous year ₹28.17 Crores). The MPCL had filed an appeal before Appellate Tribunal for Electricity (APTEL) on April 24, 2019, at New Delhi, which is pending adjudication with APTEL. During the current year, HPERC vide Order dated 30th November 2022 determined the voltage wise wheeling charges for the period July 01, 2019 to October 31, 2022. Based on the legal opinion obtained, the MPCL is of the view that APTEL will adopt the same analogy for determination of wheeling charges for the period April 1, 2008 to March 31, 2019, considering the same, there might be high likelihood of final orders with wheeling charges at least in the range of tariff rates announced for the period July 01, 2019 to October 31, 2022, the MPCL has created additional provision amounting ₹3.77 Crores (Previous year ₹Nil) during the year related to wheeling charges on or before June 30, 2019. Based upon the legal opinion, the MPCL is of the view that the demand for the period April 01, 2008 to March 31, 2019 is not legally tenable and would not result in any further material liability on the MPCL.



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- (b) In case of BG Wind Power Limited (BGWPL) : Pending execution of the renewal of PPA expired on March 31, 2019, till previous year the BGWPL has recognised revenue@₹3.14/kwh (previous PPA@₹3.69/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 taken at applicable rate@50 Paise/kwh. In the meantime, the Company has filed writ petition with Rajasthan High Court at Jaipur in this regard.
- During the year, effective 1st April'2022 the BGWPL has recognised revenue @2.44/- kwh based on the change of mode of project from REC Mechanism to captive use vide letter no. Rajkaj Ref no. 3270407. Also refer to the decision taken by the Co-ordination committee in its meeting held on 31 December 2021 vide Ref No. RREC/REC/2021-22/D4818 dated 08 February 2022. Due to change of mode from REC Mechanism to captive us, the differential of revenue from ₹3.14/kwh to ₹2.44/kwh recognise from 01 April 2019 to 31 March 2022 and GBI recognised for the above period has also been reversed during the financial year and charged to the statement of Profit and loss.
- (c) In case of NJC Hydro Power Limited (NHPL): The project of NHPL is on hold for quite some time due to suspension of environment clearance by Hon'ble National Green Tribunal and thereafter Wildlife Institute of India (WII) in its report has mentioned that project could not be undertaken at the project site. As per directions of Hon'ble Supreme Court, arbitration notice was sent to GoAP and have also indicated the name of arbitrator. Simultaneously, efforts were initiated to settle the issue by mutual negotiations. As the project is not doable any more, NHPL has decided not to implement the project and sought the refund of upfront premium of ₹25.47 Crores from GoAP invoking the clauses of MoA and presently the matter is under litigation with GoAP. Accordingly, the Board of Directors of NHPL on dated 15th June 2022 decided to write-off Capital Work-in-Progress (CWIP) including pre-operative expenses net of waiver of loan from Holding Company (Bhilwara Energy Limited (BEL)) and charged to the statement of profit & loss (shown under exceptional items) during the year except the upfront premium paid.
- (d) In case of Chango Yangthang Hydro Power Limited (CYHPL): Since the project is not to be executed purely on account of various social-legal issues neither in the control of the CYHPL nor in the control of local administration/authorities, the company requested for refund of security deposit and upfront premium paid for the project amounting to ₹39.69 Crores. In response to the request dated February 01, 2018 the Government has not considered the request of Company for surrender of the Project and refund of the Premium and Security. However, GoHP mentioned that the CYHPL can apply for the extension in time lines without levy of the extension fees till the ground situation become favorable towards implementation of Hydro Electric Projects. The CYHPL on February 16, 2018 has reaffirmed their intention and asked the Authorities for their decision on application of surrender of the project since the project is not to be executed purely on account of various social-legal issues neither in the control of the CYHPL nor in the control of local administration/authorities.
- GoHP vide Notification dated November 03, 2018 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 on November 14, 2018 which was attended by various villagers of the project affected area, officials of DoE, District administration and CYHPL.
- During the meeting, 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. The said committee discussed the Sutlej Valley projects on February 18, 2019 which included CYHPL. During the meeting CYHPL categorically refused to execute the project in view of severe local issue and lapse of clearances for the project. Committee has noted the same.



For HEG Limited

Ravi Jhunjunwala

Chairman, Managing Director & CEO

DIN:00060972

Place : Noida(U.P)

Dated : 22nd May, 2023



PROUD TO BE INDIAN
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HEG/SECTT/2023

22nd May, 2023

BSE Limited 25 th Floor, P J Towers Dalal Street MUMBAI - 400 001. Scrip Code : 509631	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: Declaration pursuant to Regulation 33 (3) (d) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sirs,

I, Gulshan Kumar Sakhuja, Chief Financial Officer of HEG Limited (CIN: L23109MP1972PLC008290) having its Registered Office at Mandideep, Distt. Raisen, Madhya Pradesh - 462 046 and its Corporate Office at Bhilwara Towers, A-12, Sector -1, Noida - 201 301, hereby declare that, the Statutory Auditor M/ s. SCV & Co. LLP., Chartered Accountants (Firm Registration No.00235N / N500089) have issued an Audit Report (Standalone & consolidated) with unmodified opinion on Audited Financial Results of the Company for the quarter and financial year ended 31st March, 2023.

This declaration is given in compliance to Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Kindly take the same on record.

Thanking You,

Yours faithfully,
For HEG Limited

Gulshan Kumar Sakhuja
Chief Financial Officer
heg.investor@lnjbhilwara.com



HEG LIMITED

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Corporate Identification No.: L23109MP1972PLC008290