SCV & Co. LLP
CHARTERED ACCOUNTANTS

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Independent Auditor's Report on the Restated Financial Statements of HEG Graphite Limited for the year ended March 31, 2025.

To the Board of Directors
HEG Graphite Limited

Opinion

1. We have audited the accompanying Restated Financial Statements of HEG Graphite Limited ('the Company'), which comprise the Restated Balance Sheet as at March 31, 2025, the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for the period April 1, 2024 to March 31, 2025 and notes to the Restated Financial Statements, including material accounting policy information and other explanatory information (together hereinafter referred to as the ' Restated Financial Statements').

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Restated Financial Statements, are prepared, in all material respects, in accordance with the basis of preparation as described in Note 2.1 to these Restated Financial Statements.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ('the Act). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Restated 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the Restated Financial Statements 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Preparation and Restriction on Distribution and Use

4. We draw attention to Note 2.1 to the accompanying Restated Financial Statements, which describes the basis of its preparation. These Restated Financial Statements have been prepared by the Company's management in accordance with framework, solely to assist the management of Company for the inclusion of the Restated Financial Statements in the Information Memorandum to be submitted with Securities Exchange Board of India pursuant to the Scheme of Arrangement amongst the Company, HEG Limited, Bhilwara Energy Limited and their respective shareholders and creditors (the 'Scheme') for transfer of the Graphite Business of HEG Limited ('Demerged Undertaking') into the Company and therefore, these Restated Financial Statements may not be suitable for any other purpose. This report is issued solely for the aforementioned purpose and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. Our opinion is not modified in respect of this matter.

SCV & Co. LLP * New Delhi NCR * Chartered Accountants

Responsibilities of Management for the Restated Financial Statements

5. The Company's Board of Directors are responsible for the preparation of these Restated Financial Statements in accordance with the basis of preparation as described in Note 2.1 to Restated Financial Statements including determining that such basis of preparation is acceptable in the circumstances. This responsibility also includes design, implementation and maintenance of adequate internal financial controls relevant to the preparation and presentation of the Restated Financial Statements in all material respects, in accordance with the basis of preparation as specified in aforementioned Note 2.1 of the accompanying Restated Financial Statements and are free from material misstatement, whether due to fraud or error.

6. In preparing the Restated Financial Statements, the Board of Directors are responsible for assessing the ability of the 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 Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Restated Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the Restated 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 Standards on Auditing 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 Restated Financial Statements.

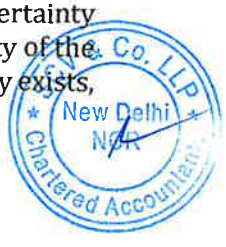
8. As part of an audit in accordance with Standards on Auditing specified under Section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the Restated 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place adequate internal financial controls with reference to Restated Financial Statements 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; and

   - 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 the Company 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 Restated 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.

9. 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.

For SCV & CO. LLP
Chartered Accountants
Firm's Registration No.: 000235N/N500089

SCV & Co. LLP * New Delhi NCR * Chartered Accountants

SUNNY SINGH
Partner
Membership No.: 516834
UDIN: 26516834XTATRR6055

Place: Noida
Date: September 25, 2026

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Restated Balance Sheet
as at March 31, 2025
All amounts are in ₹ Lakhs unless otherwise stated

Particulars		Note No.	As at March 31, 2025
ASSETS			
1.	**Non-current assets**		
(a)	Property, plant and equipment	4	1,88,698.32
(b)	Capital work-in-progress	5	2,087.19
(c)	Right-of-use-asset	6	624.64
(d)	Intangible assets	7	110.86
(e)	Intangible assets under development	7a	49.21
(f)	Financial assets		
	(i) Investments	8	18,183.44
	(ii) Loans	10	97.13
	(iii) Other financial assets	11	5,219.22
(g)	Income tax assets (net)	23A	10,455.53
(h)	Other non-current assets	12	1,393.44
Total non-current assets			**2,26,918.98**
2.	**Current assets**		
(a)	Inventories	13	1,25,463.80
(b)	Financial assets		
	(i) Investments	8	-
	(ii) Trade receivables	9	43,994.29
	(iii) Cash and cash equivalents	14	1,666.25
	(iv) Bank balances other than (iii) above	15	1,332.31
	(v) Loans	10	83.09
	(vi) Other financial assets	11	6,685.16
(c)	Other current assets	12	13,859.72
Total current assets			**1,93,084.62**
Total assets			**4,20,003.60**
EQUITY AND LIABILITIES			
Equity			
(a)	Equity share capital		-
(b)	Shares pending issuance	51	3,859.59
(c)	Other equity	16	2,99,619.45
Total equity			**3,03,479.04**
Liabilities			
1.	**Non-current liabilities**		
(a)	Financial liabilities		
	(i) Lease liabilities	19A	80.26
(b)	Provisions	20	529.18
(c)	Deferred tax liabilities (net)	21	8,395.74
(d)	Other non-current liabilities	22	494.69
Total non-current liabilities			**9,499.87**
2.	**Current liabilities**		
(a)	(a) Financial liabilities		
	(i) Borrowings	17	58,485.65
	(ia) Lease liabilities	19A	47.07
	(ii) Trade payable		
	-Total outstanding dues of micro enterprises and small enterprises	18	1,079.19
	-Total outstanding dues of creditors other than micro enterprises and small enterprises	18	38,760.94
	(iii) Other financial liabilities	19B	5,620.32
(b)	Other current liabilities	22	1,704.37
(c)	Provisions	20	430.11
(d)	Current tax liabilities (net)	23B	897.04
Total current liabilities			**1,07,024.69**
Total liabilities			**1,16,524.56**
Total equity and liabilities			**4,20,003.60**

See accompanying notes to the restated financial statements.
As per our report of even date attached

For and on behalf of the Board of Directors

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

Sunny Singh
Partner
Membership No. 516834

Place : Noida(U.P)
Date : September 25, 2026

SCV & CO. LLP * New Delhi NCR * Chartered Accountants

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

HEG GRAPHITE LIMITED * NOIDA *

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Restated Statement of Profit and Loss
for the year ended March 31,2025
All amounts are in ₹ Lakhs unless otherwise stated

Particulars		Note No.	For the year ended March 31, 2025
I.	Revenue from operations	24	2,15,270.91
II.	Other income	25	9,713.99
III.	**Total income (I + II)**		**2,24,984.90**
IV.	**Expenses:**		
	Cost of materials consumed	26	95,472.60
	Changes in inventories of finished goods and work-in-progress	27	(5,096.94)
	Employee benefit expenses	28	9,718.25
	Finance costs	29	3,919.64
	Depreciation and amortisation expense	30	20,021.57
	Other expenses	31	91,253.70
	Total expenses (IV)		**2,15,288.82**
V.	**Profit before tax (III - IV)**		**9,696.08**
VI.	**Tax expense:**		
	(1) Current tax	32	4,305.38
	(2) Earlier years tax adjustment	32	(103.36)
	(3) Deferred tax	32	(709.60)
	Total tax expense (VI)		**3,492.42**
VII.	**Profit for the year (V-VI)**		**6,203.66**
VIII.	**Other comprehensive income**		
	Items that will not be classified to profit or loss		
	(i) Remeasurement of employee defined benefit plan	33	(3.84)
	(ii) Tax expense relating to items that will not be reclassified to profit or loss	32	0.97
	Total other comprehensive income for the year		**(2.87)**
IX.	**Total comprehensive income for the year (VII+VIII) (Comprising profit and other comprehensive income for the year)**		**6,200.79**
	Earnings per equity share: (of ₹ 2/- each)		
	(1) Basic (₹)	34	3.21
	(2) Diluted (₹)	34	3.21

See accompanying notes to the restated financial statements.
As per our report of even date attached

For and on behalf of the Board of Directors

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

Sunny Singh
Partner
Membership No. 516834

Place : Noida(U.P)
Date : September 25, 2026

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

SCV & CO. LLP ★ New Delhi NCR ★ Chartered Accountants

HEG GRAPHITE LIMITED ★ NOIDA ★

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Restated Standalone Statement of Cash Flows
for the year ended March 31,2025

All amounts are in ₹ Lakhs unless otherwise stated

Particulars		For the year ended March 31, 2025
A	CASH FLOWS FROM OPERATING ACTIVITIES	
	Profit before tax	9,696.08
	Adjustment for non operating and non cash transactions	
	Depreciation and amortisation expense	20,021.57
	Inventory Write-down (net)	512.49
	Interest and other financial charges	3,574.50
	Net (profit)/loss on property plant and equipment sold / discarded	131.29
	Allowance for expected credit losses	129.65
	Liabilities / provisions written back	(1,750.04)
	Unrealized (gain)/loss due to effect of exchange rate changes in assets and liabilities	296.33
	Net loss /(gain) on sale/fair valuation of investments measured at fair value through profit or loss	7,941.84
	Rent income	(4.69)
	Interest income	(563.51)
	Adjustments for changes in working capital	39,985.51
	(Increase)/decrease in operating assets	
	(Increase)/decrease in inventories	(6,561.06)
	(Increase)/decrease in trade receivables	6,595.78
	(Increase)/decrease in other non-current financial assets	(621.08)
	(Increase)/decrease in other current financial assets	(3,215.42)
	(Increase)/decrease in other non-current assets	(10.76)
	(Increase)/decrease in other current assets	382.48
	(Increase/(decrease) in operating liabilities	
	Increase/(decrease) in trade payables	(814.29)
	Increase/(decrease) in other current financial liabilites	228.87
	Increase/(decrease) in non-current provisions	40.15
	Increase/(decrease) in current provisions	8.86
	Increase/(decrease) in other non-current liabilites	76.27
	Increase/(decrease) in other current liabilites	353.09
	Cash flows from/(used in) operating activities	36,448.40
	Income tax paid (net of refund, if any)	(4,425.04)
	Net cash flows from/(used in) operating activities (A)	32,023.36
B	CASH FLOWS FROM INVESTING ACTIVITIES	
	Payment for purchase of Property plant and Equipment, intangible assets (including Capital work-in-progress / intangible assets under development) (after adjustment of advances and creditors for capital expenditure)	(18,057.38)
	Proceeds from sale of property, plant and equipments	193.90
	Investment in fixed/term deposits not considered as cash and cash equivalents	(8,861.43)
	Redemption/maturity of fixed/term deposits not considered as cash and cash equivalents	24,084.14
	Decrease/(increase) in other bank balances not considered as cash and cash equivalents	25.18
	Payment for purchase of investments (other than Subsidiary)	(20,818.66)
	Proceeds from sale of investments	366.66
	Rent received	4.69
	Interest received	1,264.47
	Net cash flows from/(used in) investing activities (B)	(21,798.43)
C	CASH FLOWS FROM FINANCING ACTIVITIES	
	Proceeds/(repayment) of working capital borrowings (on net basis) (also refer note no. 46)	(3,763.16)
	Interest and other financial charges paid	(3,361.10)
	Interest paid on lease liabilities	(13.48)
	Principal payment of lease liabilities	(51.08)
	Dividend paid on equity shares	(5,309.96)
	Contribution from erstwhile owners of demerged undertaking	2,474.07
	Net cash flows from/(used in) financing activities (C)	(10,074.71)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	200.22
	Addition pursuant to the scheme (Refer note 51)	1,466.03
	Cash and cash equivalents at the end of the year	1,666.25
	(Refer note 14 of restated financial statements for components of cash and cash equivalents)	

Note: The cash flows from operating activities include amount spent towards Corporate Social Responsibility amounting to ₹ 859.23 lakhs
The Cash Flow Statement is prepared using the indirect method as prescribed under Ind AS 7, Statement of Cash Flows.

See accompanying notes to the restated financial statements.
As per our report of even date attached

For and on behalf of the Board of Directors

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

Sunny Singh
Partner
Membership No. 516834

Ravi Jhenjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

Place : Noida(U.P)
Date : September 25, 2026

SCV & CO. LLP * New Delhi NCR * Chartered Accountants *

HEG GRAPHITE LIMITED * NOIDA *

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Restated Statement of Changes in Equity
for the year ended March 31,2025
All amounts are in ₹ Lakhs unless otherwise stated

A) Equity share capital

Particulars	As at March 31, 2025
Balance at the beginning of reporting year	-
Changes in equity capital during the year	-
Balance at the end of reporting year	-

For shares pending issuance, refer note 51

B) Other Equity

Particulars	Reserves and Surplus			Total other equity
	Capital reserve	Capital redemption reserve	Retained Earnings	
Balance as at April 1, 2024	-	-	-	-
Tranfer pursuant to the scheme (refer note 51)	3,138.24	2,029.93	2,94,945.97	3,00,114.14
Transfer to share pending issuance (Refer Note 51)			(3,859.59)	(3,859.59)
Profit for the year	-	-	6,203.66	6,203.66
Other comprehensive income for the year	-	-		-
-Remeasurement of defined employee benefit plan (net of tax expense)	-	-	(2.87)	(2.87)
Dividend distributed during the year	-	-		-
-Final dividend for the year ended March 31, 2024	-	-	(5,309.96)	(5,309.96)
Contribution from erstwhile owners of demerged undertaking	2,474.07	-	-	2,474.07
Balance at the end of current reporting year i.e. March 31, 2025	**5,612.31**	**2,029.93**	**2,91,977.21**	**2,99,619.45**

See accompanying notes to the restated financial statements.
As per our report of even date attached

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

Sunny Singh
Partner
Membership No. 516834

Place : Noida(U.P)
Date : September 25, 2026

SCV & CO. LLP * New Delhi NCR * Chartered Accountants

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

HEG GRAPHITE LIMITED * NOIDA *

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Statements
for the year ended March 31,2025
All amounts are in ₹ Lakhs unless otherwise stated

Note 4: Property, plant and equipment

Particulars	As at March 31, 2025
Carrying amount of	
Freehold land	317.81
Buildings	39,818.07
Plant and equipment	1,26,156.53
Furniture and fixtures	163.83
Vehicles	1,029.84
Office equipment	368.81
Electrical installation	20,709.03
Railway sidings	134.40
Total Property, plant and equipment	**1,88,698.32**

The change in the carrying amount of property, plant and equipments as follows:-

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Electrical installation	Railway sidings	Total
Gross carrying amount as at April 1, 2024 (A)	-	-	-	-	-	-	-	-	-
Addition pursuant to the scheme (Refer note 51)	317.81	58,634.14	2,29,562.25	670.47	1,743.81	1,282.87	17,177.83	647.42	3,10,036.60
Additions	-	5,327.37	15,250.81	42.37	424.00	104.21	11,045.68	-	32,194.44
Disposals/deletions	-	(191.23)	(2,925.22)	(18.39)	(311.26)	(131.46)	(45.13)	-	(3,622.69)
Gross carrying amount as at March 31, 2025 (B)	**317.81**	**63,770.28**	**2,41,887.84**	**694.45**	**1,856.55**	**1,255.62**	**28,178.38**	**647.42**	**3,38,608.35**
Accumulated depreciation as at April 1, 2024 (C)	-	-	-	-	-	-	-	-	-
Addition pursuant to the scheme (Refer note 51)	-	20,351.51	1,05,754.13	510.02	736.43	831.03	4,616.06	483.82	1,33,283.00
Depreciation for the year	-	3,711.83	12,774.57	34.56	314.06	179.20	2,881.12	29.20	19,924.54
Disposals/deletions	-	(111.13)	(2,797.39)	(13.96)	(223.78)	(123.42)	(27.83)	-	(3,297.51)
Accumulated depreciation as at March 31, 2025 (D)	-	**23,952.21**	**1,15,731.31**	**530.62**	**826.71**	**886.81**	**7,469.35**	**513.02**	**1,49,910.03**
Net carrying amount as at March 31, 2025 (B)-(D)	**317.81**	**39,818.07**	**1,26,156.53**	**163.83**	**1,029.84**	**368.81**	**20,709.03**	**134.40**	**1,88,698.32**

(i) Refer note 43 for information on property, plant and equipment pledged as security by the Company.

(ii) The borrowing cost capitalized in property plant and equipment during the year is NIL.

(iii) The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

(iv) Refer note 36 for detail of contractual commitment towards purchase of property, plant and equipment.

(v) The Company has not revalued any of its property, plant and equipment during the year.

(vi) The title deeds of all the immovable properties are held in the name of the Company.

SCV & Co. LLP * New Delhi NCR * Chartered Accountants

HEG GRAPHITE LIMITED * NOIDA *

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Statements
for the year ended March 31,2025
All amounts are in ₹ Lakhs unless otherwise stated

Note 5: Capital work-in-progress (CWIP)

Particulars	As at March 31, 2025
Building, plant and equipment under erection/installation	2,087.19

The borrowing cost capitalized in capital work-in-progress during the year is NIL.

a) Capital work-in-progress ageing schedule is as follows:

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work in progress as at March 31, 2025					
Projects in progress	1,635.26	157.53	282.11	12.29	2,087.19
Project temporarily suspended	-	-	-	-	-
Total capital work in progress	**1,635.26**	**157.53**	**282.11**	**12.29**	**2,087.19**

b) Completion schedule for Projects under capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work in progress as at March 31, 2025					
Projects in progress	434.91	-	-	-	434.91

Note:

(a) There is Rs. 434.91 lakhs capital-work-in progress whose completion is overdue compared to its original plan as on March 31, 2025.

(b) There is no such project in capital-work-in progress whose cost has exceeded compared to its original plan as on March 31, 2025.

SCV & Co. LLP * New Delhi NCR * Chartered Accountants

HEG GRAPHITE LIMITED * NOIDA *

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Statements
for the year ended March 31,2025
All amounts are in ₹ Lakhs unless otherwise stated

Note 6: Right-of-use-asset

Particulars	As at March 31, 2025
Carrying amount of	
Land	585.26
Building	39.38
Total	**624.64**

Particulars	Land	Building	Total
Gross carrying amount as at April 1, 2024 (A)	-	-	-
Addition pursuant to the scheme (Refer note 51)	889.90	299.63	1,189.53
Additions	-	-	-
Adjustments	-	-	-
Gross carrying amount as at March 31, 2025 (B)	**889.90**	**299.63**	**1,189.53**
Accumulated depreciation as at April 1, 2024 (C)	-	-	-
Addition pursuant to the scheme (Refer note 51)	**287.88**	**212.35**	**500.23**
Depreciation for the year	16.76	47.90	64.66
Other adjustments for the year	-	-	-
Accumulated depreciation as at March 31, 2025 (D)	**304.64**	**260.25**	**564.89**
Net carrying amount as at March 31, 2025 (B)-(D)	**585.26**	**39.38**	**624.64**

(i) Refer note 39 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.

SCV & Co. LLP * New Delhi NCR * Chartered Accountants

HEG GRAPHITE LIMITED * NOIDA *

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Statements
for the year ended March 31,2025
All amounts are in ₹ Lakhs unless otherwise stated

Note 7: Intangible assets

Carrying amount of intangible assets

Particulars	As at March 31, 2025
Software	110.86

Particulars	Amount
Computer software	
Gross carrying amount	
As at April 1, 2024 (a)	-
Addition pursuant to the scheme (Refer note 51)	**588.55**
Additions	28.37
Disposals/Adjustments	(25.99)
As at March 31, 2025 (b)	**590.93**
Amortisation	
As at April 1, 2024 (c)	-
Addition pursuant to the scheme (Refer note 51)	**473.69**
Charge for the year	32.37
Disposals/Adjustments	(25.99)
As at March 31, 2025 (d)	**480.07**
Net carrying amount	
As at March 31, 2025 (b-d)	**110.86**

(a) The Company has not internally developed computer software systems.
(b) The amount of amortisation has been included under depreciation and amortisation expense in the statement of profit and loss.
(c) Computer software are amortized over a period of five years.
(d) The borrowing cost capitalized in intangible assets during the year is NIL.

SCV & Co. LLP * New Delhi NCR * Chartered Accountants

HEG GRAPHITE LIMITED * NOIDA *

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Statements
for the year ended March 31,2025
All amounts are in ₹ Lakhs unless otherwise stated

7(a) Intangible Assets under Development

Particulars	As at March 31, 2025
Intangible assets under development	49.21

a) Intangible assets under development ageing schedule is as follows:

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Intangible assets under development as at March 31, 2025					
Projects in progress	49.21	-	-	-	49.21
Project temporarily suspended	-	-	-	-	-
Total capital work in progress	**49.21**	-	-	-	**49.21**

b) Completion schedule for Projects under intangible assets under development whose completion is ove-due or has exceeded its cost compared to its original plan:

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Intangible assets under development as at March 31, 2025					
Projects in progress	-	-	-	-	-

Note:
(a) There is no such project in Intangible assets under development whose completion is overdue compared to its original plan as on March 31, 2025.
(b) There is no such project in Intangible assets under deve.opment whose cost has exceeded compared to its original plan as on March 31, 2025.

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Note 8: Investments

No. of units	Particulars	Face value	Non-current As at March 31, 2025	Current As at March 31, 2025
A.	**Investments carried at fair value through profit or loss**			
(a)	**Investments in equity instruments (quoted)**			
24310015	fully paid up equity shares of Graftech International Ltd., USA	$ 0.01	18,183.44	-
	Total		**18,183.44**	-
	Aggregate carrying value of quoted investments		18,183.44	-
	Market value of quoted investments		18,183.44	-

Note (i): Investments having maturity period of less than 12 months from balance sheet date have been reclassified as current investments, if any.

Note (ii): Refer note 42B for classification of financial assets.

Note (iii): Refer note 42C for information about credit risk and market risk in respect of investments.

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Note 9: Trade receivables

Particulars	As at March 31, 2025
a) Trade receivables considered good-secured	-
Less: allowance for expected credit loss	
b) Trade receivables considered good-unsecured	43,763.21
Less: allowance for expected credit loss	(83.20)
c) Trade receivables which have significant increase in credit risk	628.56
Less: allowance for expected credit loss	(314.28)
d) Trade receivables credit impaired	91.62
Less: allowance for credit impairment	(91.62)
	-
Total	**43,994.29**

There is no amount due from Directors or other Officers 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.

Trade receivables ageing schedule

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 March 31, 2025							
(i) Undisputed trade receivables - considered good	29,921.02	13,842.19	-	-	-	-	43,763.21
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	268.16	360.40	-	-	628.56
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	1.98	89.64	91.62
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total							44,483.39
Less: allowance for expected credit loss							(489.10)
Total							43,994.29

Refer note 42B for classification of financial assets
Refer note 42C for credit risk and expected credit loss related to trade receivables
Refer note 43 for information of trade receivables pledged as security by the Company.

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Note 10: Loans

Particulars	Non-current	Current
	As at March 31, 2025	As at March 31, 2025
Financial asset at amortised cost		
Loans to employees		
a) Loans considered good-secured	-	-
b) Loans considered good-unsecured	97.13	83.09
c) Loans which have significant increase in credit risk	-	-
d) Loans credit impaired	-	-
Total	**97.13**	**83.09**

Refer note 42B for classification of financial assets
Refer note 42C for information about credit risk and market risk in respect of financial assets.
Note (i) : The above figures includes loan to Key Managerial Persons amounting to ₹ 11.97 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 6.64% of total loans to employees outstanding as on that date. Such loans are neither repayable on demand nor without specifying any terms or period of repayment.

Note (ii) : There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and related parties (as defined under Companies Act, 2013), either severally or jointly with any other person except as mentioned in note (i) above.





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Note 11: Other financial assets

Particulars	Non-current	Current
	As at March 31, 2025	As at March 31, 2025
Financial assets at amortised cost		
Security deposits	4,472.34	124.35
Interest accrued but not due on fixed deposits	-	48.89
Interest subvention recoverable (on working capital loans)	-	286.95
Advance for Equity Investment #	746.88	-
Government grant receivable (refer note 48)*	-	6,224.97
Total	**5,219.22**	**6,685.16**

#Advance paid for purchase of shares of Graftech International Ltd.
*State Government investment promotion assistance receivable as per MP industrial promotion policy 2018
Refer note 42B for classification of financial assets
Refer note 42C for information about credit risk and market risk in respect of other financial assets.

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Note 12: Other assets

Particulars	Non-current	Current
	As at March 31, 2025	As at March 31, 2025
Unsecured, considered good unless stated otherwise		
Capital advances	781.60	-
Other advances (other than advances to related parties)	-	617.25
Prepaid expenses	125.36	1,023.29
Balances with Government authorities	-	3,108.62
GST refund receivable	-	1,753.12
Payments under protest (excluding direct taxes other than Tax Deducted at Source(TDS)) #	486.48	-
Export benefits receivable	-	625.74
Other employee advances	-	53.31
Gratuity fund receivable (refer note 38)	-	803.73
Others	-	5,874.66
Total	**1,393.44**	**13,859.72**

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.

Detail of payments under protest(excluding direct taxes other than TDS) is as follows:

Particulars	As at March 31, 2025
Entry tax	114.29
Central sales tax	229.83
Excise duty/service tax	79.89
MPST/MPCT	0.46
Tax deducted at source	62.01
Total	**486.48**

Note: 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.

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Note 13: Inventories (Valued at lower of cost or net realizable value)

Particulars	As at March 31, 2025
Raw materials	28,953.71
[Includes material in transit ₹ 14,354.34 lakhs]	
Work-in-progress	45,087.85
Finished goods	45,750.23
Stores and spares	5,672.01
[Includes stores in transit ₹ 655.17 lakhs]	
Total	**1,25,463.80**

(a) The cost of inventories includes ₹ 512.49 lakhs in respect of write down of inventories on account of slow moving items.
(b) Refer note 43 for information of inventory pledged as security by the Company.
(c) The method of valuation of inventories has been stated at Note 2.3(ii)

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Note 14: Cash and cash equivalents

Particulars	As at March 31, 2025
Financial assets at amortised cost	
Balances with banks	
In current accounts	550.68
In cash credit accounts	1,107.07
Cheques, drafts in hand	3.31
Cash on hand	5.19
Term/fixed deposits with banks/financial institutions having original maturity period of less than three months	-
Total cash and cash equivalents	**1,666.25**

Refer note 42B for classification of financial assets
Refer note 42C for information about credit risk and market risk in respect of cash and cash equivalents

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Note 15: Other bank balances

Particulars	As at March 31, 2025
Financial assets at amortised cost	
I. Earmarked deposits with banks	
a) Held as margin money against letter of credit for raw material and capital goods and against bank guarantees	1,332.31
Total	**1,332.31**

Refer note 42B for classification of financial assets

Refer note 42C for information about credit risk and market risk in respect of other bank balances.

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Note 16: Other equity

Particulars	As at March 31, 2025
A. Capital reserve	
Transfer pursuant to the scheme (refer note 51)	3,138.24
Movement during the year	-
Contribution from erstwhile owners of demerged undertaking (refer note 51)	2,474.07
Balance as at the end of the year	**5,612.31**
B. Capital redemption reserve	
Transfer pursuant to the scheme (refer note 51)	2,029.93
Movement during the year	-
Balance as at the end of the year	**2,029.93**
C. Retained earnings	
Transfer pursuant to the scheme (refer note 51)	2,94,945.97
Transfer to share pending issuance (Refer Note 51)	(3,859.59)
Amount transferred from statement of profit and loss	
- Profit for the year	6,203.66
- Other comprehensive income for the year (remeasurement of defined employee benefit plan) (net of tax expense)	(2.87)
Dividend distributed on equity shares during the year	(5,309.96)
Balance as at the end of the year	**2,91,977.21**
Total	**2,99,619.45**

Nature and purpose of reserves

1) Capital reserve:

The Capital reserve has been created on account of warrant money forfeited, profit made on hive off of steel business and on account of demerger of Graphite undertaking.

2) Capital redemption reserve:

The capital redemption reserve has been created at the time of redemption of preference shares and buy back of 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 to be reinvested in the core business. The amount is available for distribution of dividend to the equity shareholders.

All amounts are in ₹ Lakhs unless otherwise stated

Note 17: Borrowings

Particulars	Non-current	Current
	As at March 31, 2025	As at March 31, 2025
Loans repayable on demand from banks		
Working capital loans from banks		
-Secured	-	58,014.43
-Unsecured	-	471.22
Total	-	**58,485.65**

(i) Terms of repayment of loans

Particulars	As at March 31, 2025
Loans repayable on demand	
Secured	
Working capital loans from banks	58,014.43
Unsecured	
Working capital loans from banks	471.22
Total	**58,485.65**

(ii) Nature of security against loans

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.

(iii) Refer note 42B for classification of financial liabilities

(iv) Refer note 43 for carrying amount of assets pledged as security for borrowings.

(v) Refer note 42C for information about liquidity risk and market risk in respect of borrowings.

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Note 18: Trade payables

Particulars	As at March 31, 2025
Trade payables	
(A) Total outstanding dues of micro enterprises and small enterprises	1,079.19
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	38,760.94
Total	39,840.13

(i) **Trade payables ageing schedule**

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 March 31, 2025						
(i) MSME	1,079.19	-	-	-	-	**1,079.19**
(ii) Others	35,826.19	2,929.55	4.66	0.54	-	**38,760.94**
(iii) Disputed - MSME	-	-	-	-	-	-
(iv) Disputed - others	-	-	-	-	-	-

(ii) Refer note 42B for classification of financial liabilities

(iii) Refer note 42C for information about liquidity risk and market risk in respect of trade payables.

(iv) 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, on the basis of information and records available.
The required information is as under :-

Particulars	As at March 31, 2025
a) The amount remaining unpaid to micro and small enterprises at the end of each accounting year.	
a) Principal	
Related to trade payables	1,079.19
Related to creditors for capital purchases (refer note 19 B)	263.50
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.	

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Note 19A: Lease liabilities

Particulars	Non-current	Current
	As at March 31, 2025	As at March 31, 2025
Lease liabilities - land (refer note - 39)	80.26	1.62
Lease liabilities - building (refer note - 39)	-	45.45
Total	**80.26**	**47.07**

Refer note 42B for classification of financial liabilities
Refer note 42C for information about liquidity risk and market risk in respect of lease liabilities.

Note 19B: Other financial liabilities

Particulars	Non-current	Current
	As at March 31, 2025	As at March 31, 2025
Interest accrued but not due on borrowings	-	227.63
Security deposits	-	155.60
Creditors for capital purchases	-	-
Payable to micro enterprises and small enterprises	-	263.50
Payable to other than micro enterprises and small enterprises	-	881.36
Other payables	-	
Employees related	-	2,099.48
Related party		
Others	-	1,992.75
Total	-	**5,620.32**

Refer note 42B for classification of financial liabilities

Refer note 42C for information about market risk and liquidity risk in respect of other financial liabilities.

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Note 20: Provisions

Particulars	Non-current	Current
	As at March 31, 2025	As at March 31, 2025
Provision for employee benefits		
Compensated absences (refer note 38)	529.18	104.28
Other provisions		
Provision against pending litigations	-	325.83
Total	**529.18**	**430.11**

Movement of provision against pending litigations

Nature of provisions	Non-current	Current
	2024-25	2024-25
Carrying amount at the beginning of the year	-	-
Addition pursuant to the scheme (Refer note 51)	-	**325.83**
Amount provided made during the year	-	-
Amount reversed during the year	-	-
Carrying amount at the end of the year	-	**325.83**

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 separate cases that arise in the ordinary course of business. These provisions have not been discounted as it is not practicable to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

No reimbursements are expected in respect of the above provisions

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Note 21: Deferred tax liabilities (net)

Particulars	As at March 31, 2025
Deferred tax liabilities (A)	
Difference between carrying value of property, plant and equipment as per books of account and income tax	9,976.07
Fair valuation of investments	-
Deferred tax assets (B)	
Expenses deductible on payment basis under income tax/ provision for employee benefits	(39.15)
Allowance for expected credit loss	(123.10)
Fair valuation of investments	(1,352.08)
Demerger & Amalgamation (refer note 51)	(66.00)
Net deferred tax liability (A)-(B)	**8,395.74**

The following is the movement of the deferred tax liabilities and assets

Movement in deferred tax liabilities and assets for the year ended March 31, 2025

Particulars	As at April 1, 2024	Addition pursuant to the scheme (Refer note 51)	Recognized in the profit or loss	Recognized in other comprehensive income	As at March 31, 2025
Deferred tax liabilities (A)					
Difference between carrying value of property plant and equipment as per books of account and tax base	-	9,565.24	410.83	-	9,976.07
Deferred tax assets (B)		-			
Expenses deductible on payment basis under income tax/ provision for employee benefits	-	(60.54)	22.36	(0.97)	(39.15)
Allowance for expected credit loss	-	(68.06)	(55.04)	-	(123.10)
Fair valuation of investments	-	(330.33)	(1,021.75)	-	(1,352.08)
Demerger & Amalgamation (refer note 51)	-	-	(66.00)	-	(66.00)
Net deferred tax liabilities/(assets) (A)-(B)	**-**	**9,106.31**	**(709.60)**	**(0.97)**	**8,395.74**

There are no unrecognised deferred tax liabilities/assets as at March 31, 2025 . Deferred tax assets and liabilities have been set off as they are governed by the same taxation laws.

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Note 22: Other liabilities

Particulars	Non-current	Current
	As at March 31, 2025	As at March 31, 2025
Deposits from employees against various schemes	494.69	72.01
Advance from customers	-	814.54
Statutory dues payable	-	215.75
Payable against unspent Corporate Social Responsibility expenditure (refer note 40)	-	206.07
Others payables	-	396.00
Total	**494.69**	**1,704.37**

Note: It represents Corporate Social Responsibility (CSR) expense related to ongoing projects. The same has been transferred to a special account within 30 days from end of the respective financial year as per the provisions of the Companies Act.

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Note 23A: Non -Current tax assets / (liabilities)

Particulars	As at March 31, 2025
Income tax assets (net of provision for taxation)	10,455.53
Total	**10,455.53**

Note 23B: Current tax liabilities / (assets)

Particulars	As at March 31, 2025
Income tax liabilities (net of advance tax)	897.04
Total	**897.04**

The current tax assets and current tax liabilities have been set off, to the extent, the Company :
(a) has a legally enforceable right to set off the recognised amounts; and
(b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

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Note 24: Revenue from operations

Particulars		For the year ended March 31, 2025
Sale of products		
Graphite electrodes (including by-products)	2,10,798.39	
Power	2,935.48	2,13,733.87
Other operating income		
REC sales	330.52	
Fly Ash Income	11.66	
Export incentives	1,194.86	
		1,537.04
		2,15,270.91

Refer note 44 for disclosures as per Ind AS 115 "Revenue from contracts with customers"

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Note 25: Other income

Particulars	For the year ended March 31, 2025
Interest income from financial assets measured at amortized cost	918.01
Rental Income	4.69
Net gain on sale of investments measured at fair value through profit or loss	74.36
Liabilities / provisions written back (including allowances for expected credit losses, if any)	1,750.04
Government Grant* (refer note 48)	5,714.00
Miscellaneous	1,252.89
Total	***9,713.99***

*State Government investment promotion assistance as per MP industrial promotion policy 2018

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Note 26: Cost of materials consumed

Particulars	For the year ended March 31, 2025
Raw material consumed	
Opening stock	-
Add: Addition pursuant to the scheme (refer note 51)	*16,341.60*
Add : Purchases	1,08,084.71
	1,24,426.31
Less: Closing stock	*28,953.71*
Cost of raw material consumed	***95,472.60***

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Note 27: Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended March 31, 2025
(1) Inventories at the beginning of the period	
Finished goods	-
Work-in-progress	-
Total	-
(2) Addition pursuant to the scheme (Refer note 51)	
Finished goods	*50,558.61*
Work-in-progress	*35,182.52*
Total	***85,741.13***
(3) Inventories at the end of the period	
Finished goods	*45,750.22*
Work-in-progress	*45,087.85*
Total	***90,838.07***
Net (increase)/decrease [(1) + (2) -(3)]	***(5,096.94)***

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Note 28: Employee benefit expenses

Particulars	For the year ended March 31, 2025
Salaries and wages (refer note 38)	*8,703.56*
Contribution to provident and other funds (refer note 38)	*615.47*
Staff welfare expenses	*399.22*
Total	***9,718.25***

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Note 29: Finance costs

Particulars	For the year ended March 31, 2025
(i) Interest on borrowings	*3,116.32*
(ii) Foreign Exchange Fluctuation on Foreign Currency Loans to the extent regarded as an adjustment to borrowing cost	*444.70*
(iii) Others	
-Interest on lease liabilities	*13.48*
-Interest on direct taxes i.e. income tax/TDS	*31.79*
-Others	*313.35*
Total	***3,919.64***

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Note 30: Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2025
(1) Depreciation of property, plant and equipment (refer note 4)	*19,924.54*
(2) Depreciation of right of use assets (refer note 6)	*64.66*
(3) Amortisation of intangible assets (refer note 7)	*32.37*
Total	***20,021.57***

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Note 31: Other expenses

Particulars	For the year ended March 31, 2025
Consumption of stores and spare parts (including refractory blocks)	15,880.47
Job/process charges	830.45
Power and fuel	33,165.35
Repairs and maintenance	
Plant and machinery	3,774.01
Building	337.88
Others	1,230.23
Insurance	1,332.73
Rent (refer note 39)	36.87
Rates and taxes	220.68
Directors' sitting fees and incidental expenses	111.78
Freight & forwarding	17,372.51
Packing expenses (including packing material consumption)	2,145.84
Commission on sales	1,478.22
Claims and rebates	218.87
Power generation charges	487.50
Travelling expenses	437.38
Postage and communication	72.71
Payment to auditors (Refer details below ##)	44.46
Contribution towards Corporate Social Responsibility (refer note 40)	929.80
Legal and professional expenses	1,243.57
Vehicle running and maintenance	68.23
Allowances for expected credit losses/ credit impairment	129.65
Net loss on sale/discard of property, plant and equipments	131.29
Loss on Foreign Currency Fluctuation (Net)	160.59
Net loss on fair valuation of investments measured at fair value through profit or loss	8,016.20
Miscellaneous expenses*	1,396.43
Total	***91,253.70***

Payments to auditors (excluding GST)

Particulars	For the year ended March 31, 2025
As auditor	
Statutory audit	*31.50*
Other services	
Tax audit	*2.00*
Certification fees	*4.64*
Reimbursement of out of pocket expense	*6.32*
Total	**44.46**

* Does not include any item of expenditure with a value of more than 1% of the revenue from operations.

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Note 32: Tax expense

Particulars	For the year ended March 31, 2025
A) Tax expense recognised in the statement of profit and loss	
1) Current tax	4,305.38
2) Current tax adjustment related to earlier years	(103.36)
3) Deferred tax	(709.60)
	3,492.42
B) Tax expense recognised in other comprehensive income	
1) Current tax	
2) Deferred tax	(0.97)
	(0.97)
C) Tax expense/(income) relating to items that are charged or credited directly to equity	
1) Current tax	-
2) Deferred tax	-

Reconciliation of tax expense applicable to profit before tax as per the latest statutory enacted tax rate in India to tax expense reported is as follows:

Particulars	For the year ended March 31, 2025
Accounting profit before tax	9,696.08
At India's statutory income tax rate of 25.168%	25.168
Tax as per accounting profit (A)	**2,440.31**
Add/(less) :	
Effect of expenses that are not deductible in determining taxable profits	245.41
Effect of expenses that are deductible in determining taxable profits	(16.40)
Tax rate differential and other adjustments on gain on sale /fair valuation of investments	1,057.21
Others	(130.75)
Current tax adjustment related to earlier years	(103.36)
Total (B)	**1,052.11**
Income tax expense recognized for the year (A+B)	**3,492.42**

Disclosure in relation to undisclosed income

During the year, the Company has not surrendered or undisclosed any income in the tax assessments under the Income Tax Act,1961. There are no transactions which are not recorded in the books of account.

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Note 33: Other comprehensive income

Particulars	For the year ended March 31, 2025
(i) Items that will not be reclassified to profit or loss	
- Remeasurement of defined employee benefit plans	(3.84)
Total	**(3.84)**
(ii) Tax expense relating to items that will not be reclassified to profit or loss	
-Remeasurement of defined employee benefit plans	(0.97)
Total	**(0.97)**

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Note 34: Earnings per share

Particulars	For the year ended March 31, 2025
Profit attributable to equity shareholders of the Company	6,203.66
Weighted average number of equity shares for basic/diluted earning per share (face value of ₹ 2 each)* (refer note below)	19,29,77,530
Basic / diluted earning per share(₹)	3.21

* There are no potential equity shares

Note: Weigted average number of shares has been taken basis the number of shares that will be issued by the Company pursuant to the Scheme of arrangement (Refer note 51).

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Note 35: Segment information

The Company's Chief Operational Decision Makers consisting of Executive whole time director (CEO) 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 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/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	Total
	For the year ended March 31, 2025	For the year ended March 31, 2025	For the year ended March 31, 2025
Segment revenue			
Turnover	2,12,004.91	3,266.00	2,15,270.91
Less: Inter Segment turnover	-	-	-
External turnover	**2,12,004.91**	**3,266.00**	**2,15,270.91**
Segment result before interest & taxes	**19,062.78**	**1,576.77**	**20,639.55**
Add:Interest income			918.01
Add / (Less): Net loss on sale/fair valuation of investments measured at fair value through profit or loss			(7,941.84)
Less: Finance cost			3,919.64
Profit before tax			9,696.08
Less: Income tax (including deferred tax)			3,492.42
Net profit for the year			6,203.66
Depreciation and amortisation expense	19,814.73	206.84	20,021.57
Non cash expenses other than depreciation and amortization	178.21	-	178.21

2) Segment assets, liabilities and other details

Particulars	Graphite (including other carbon products)	Power	Total
	As at March 31, 2025	As at March 31, 2025	As at March 31, 2025
Segment assets	4,17,899.06	2,104.54	4,20,003.60
Segment liabilities	1,16,274.95	249.61	1,16,524.56
Capital expenditure incurred during the year	14,874.81	43.94	14,918.75

3) Geographical information:

The Company operates in two principal geographical areas-India and outside India.

Particulars	Within India (including sale to SEZ units) #	Outside India	Total
	For the year ended March 31, 2025	For the year ended March 31, 2025	For the year ended March 31, 2025
a) Segment revenue	72,040.61	1,43,230.30	2,15,270.91
b) Segment non-current assets*	2,03,419.19	-	2,03,419.19

Export incentives have been included in segment revenue within India

* Non-current segment assets includes non-current assets other than financial assets and deferred tax assets.

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4) 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 March 31, 2025
India (including sale to SEZ units) #	72,040.61
United Arab Emirates	1,802.24
Japan	2,950.56
Egypt	9,461.62
Korea (South)	10,944.49
South Africa	4,081.60
Spain	7,495.44
Turkey	11,058.46
USA	36,696.48
Mexico	6,860.64
Others*	51,878.77
Total	**2,15,270.91**

*Others includes revenue from countries having less than 5% of total revenue from outside India.
Export incentives have been included in segment revenue 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 2024-25.

7) The Company has business operations only in India and does not hold any non current asset outside India.

8) The Company had two power plans viz. Thermal Power plant and Hydro Power Plant. For the purpose of reporting as per the requirements of Ind AS 108 'Operating Segments', keeping in view the intended future use of the Thermal Power Plants exclusively to meet the power requirement of graphite business, the thermal power plants have been considered as a part of 'Graphite Segment'. Further the Hydro Power Plant is considered a separate segment and is being continued to be disclosed under 'Power segment' for reporting as per Ind AS 108 'Operating Segments'.

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Note 36: Contingencies and commitments

1) Contingent liabilities

Particulars	As at March 31, 2025
For taxation matters	
a) Excise duty	220.04
b) Goods & services tax	36.70
c) Income tax	7,227.04
d) Sales tax	450.70
Other than taxation matters	
a) Power related matters	847.00
b) Labour related matters	29.20
c) Other matters	1,101.53

Based on legal advice, discussions with the solicitors, etc., the management believes that there is a fair chance of decisions in the Company's favour in respect of all the items listed above and hence no provision is considered necessary against the same.

Further Company has deposited amount to the tax authorities against the cases, which shown as payment under protest in Note 12 of other assets.

2) Commitments outstanding

Particulars	As at March 31, 2025
a) Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 781.60 lakhs)	3,165.70
b) Outstanding commitments under letter of credits established by the Company	1,101.33
c) Pending export obligation against EPCG/Advance license	26,244.23

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Note 37: Related party disclosure

A) Names of related parties and transactions taken place during the year

Relationship		Related parties	
I)	Holding Company	HEG Limited (refer note A below)	
II)	Key Management Personnel	Sh. Om Prakash Ajmera	Sh. Jayant Dawar
		Sh Puneet Anand	Sh. Sandip Somany
		Sh. Ravi Jhunjhunwala-CMD & CEO	Sh. Nand Gopal Khaitan
		Sh. Riju Jhunjhunwala-Vice Chairman	Sh. P S Dasgupta
		Sh. Shekhar Agarwal	Sh. Manish Gulati - Executive Director
		Sh. Satish Chand Mehta	Sh. Ravi Kant Tripathi -Chief Financial Officer*
		Dr. Kamal Gupta	Sh. Gulshan Kumar Sakhuja - Chief Financial Officer**
		Smt. Vinita Singhania	Sh. Vivek Chaudhary-Company Secretary
		Smt. Ramni Nirula	
III)	Close family members of Key Management Personnel	Sh. L.N. Jhunjhunwala	Smt. Rita Jhunjhunwala
		Smt. Mani Devi Jhunjhunwala	Smt. Mansi Jhunjhunwala
		Sh. Rishabh Jhunjhunwala	
VIII)	Post employment benefit plan trust	(a) Hindustan Electro Graphites Staff Gratuity Fund Trust	
		(b) Hindustan Electro Graphites Ltd Senior Executive Superannuation Fund Trust	
IX)	Enterprises in which KMP is able to exercise significant influence and with whom transactions have been taken place during the year	RSWM Ltd	Raghav Commercial Limited#
		Giltedged Industrial Securities Ltd#	Bhilwara Technical Textiles Ltd.
		Purvi Vanijya Niyojan Ltd#	Sabhyata Foundation (Section 8 company)
		Shashi Commercial Co Ltd#	LNJ Bhilwara -HEG Lok Nyas (Trust)
		BSL Ltd	Graphite Education & Welfare Society (Trust)
		Maral Overseas Ltd	Dreamon Commercial Pvt Ltd.
		BMD Pvt Ltd	LNJ Reality Pvt. Ltd
		Bharat Investments Growth Limited#	Kalati Holdings (P) Ltd.
		Jet(India) Pvt. Ltd.#	RLJ Family Trusteeship Pvt. Ltd.
		India Texfab Marketing Limited#	Redrose Vanijya LLP
		Investors India Limited#	
		LNJ Financial Services Limited#	
		M.L. Finlease Pvt Limited#	

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* Appointed with effect from 13th November 2024.

** Resigned with effect from 18th September 2024.

Amalgamated with Redrose Vanijya LLP (formerly known as Redrose Pvt. Ltd.) pursuant to scheme of arrangement duly sanctioned by Hon'ble NCLT Kolkata Bench.

Note A: HEG Limited is the holding Company of HEG Graphite Limited as on March 31, 2025. However, pursuant to the scheme of arrangement and the relevant accounting treatment mentioned in the scheme *(refer note* 51), the transactions between HEG Limited and the Company has been eliminated in these Restated Financial Statements and accordingly, no transaction with HEG Limited has been disclosed. Further, as per the said scheme the shareholders of HEG will be allotted proportionate shares in the Company basis the shareholding as on record date of September 7, 2026. On the implementation of the scheme of arrangement HEG Limited (now known as HEG Advanced Material Limited) will cease to be the Holding Company and will be related party in which KMP is able to exercise significant influence. There were no transactions with the party except effect of accounting treatment on implementation of the Scheme of Arrangement.

B) Transaction during the year with related parties

Relationship		Name of the related Party	Nature of transaction	For the year ended March 31, 2025
I)	Key Management Personnel	Sh. Ravi Jhunjhunwala-CMD & CEO	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)#	432.56
			Commission	662.88
			Dividend Paid	0.16
		Sh Riju Jhunjhunwala-Vice Chairman	Director sitting fee	8.25
			Dividend Paid	0.31
			Reimbursement of expenses	0.33
		Sh. Shekhar Agarwal	Director sitting fee	10.50
			Reimbursement of expenses	0.42
		Sh. Satish Chand Mehta	Director sitting fee	17.25
			Reimbursement of expenses	0.93
		Dr. Kamal Gupta	Director sitting fee	15.75
			Reimbursement of expenses	0.63
			Dividend Paid	0.11
		Smt. Vinita Singhania	Director sitting fee	5.25
			Reimbursement of expenses	0.33
		Smt. Ramni Nirula	Director sitting fee	18.75
			Reimbursement of expenses	0.75
		Sh Jayant Dawar	Director sitting fee	17.25
			Reimbursement of expenses	0.69
			Dividend Paid	0.00
		Sandip Somany	Director sitting fee	4.50
			Reimbursement of expenses	0.18
		Nand Gopal Khaitan	Director sitting fee	8.25
			Reimbursement of expenses	2.19
		P S Dasgupta	Director sitting fee	1.50
			Reimbursement of expenses	0.06
		Sh. Manish Gulati - Executive Director	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)#	187.80
			Commission	108.33
		Sh. Ravi Kant Tripathi -Chief Financial Officer	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)	68.92
		Sh. Gulshan Kumar Sakhuja - Chief Financial Officer	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)	71.98
			Housing Loan Repayment -Principal	8.75
			Special loan Repayment- Principal	1.98
			Housing Loan & Special Loan - Interest Repayment	0.19
		Sh. Vivek Chaudhary-Company Secretary	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)#	54.54
			Housing Loan Repayment -Principal	1.40
			Special loan Repayment- Principal	2.40
			Housing Loan & Special Loan - Interest Repayment	1.12

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II)	Close family members of Key Management Personnel	Sh. Rishabh Jhunjhunwala	Dividend Paid	0.41
		Smt. Rita Jhunjhunwala	Dividend Paid	0.42
III)	Post employment benefit Plan Trust	Hindustan Electro Graphites Ltd Senior Executive Superannuation Fund Trust	Contribution in Employee Benefit Scheme	156.77
IV)	Enterprises in which KMP is able to exercise significant influence.	RSWM Ltd	Rent Paid	43.52
			Reimbursement received	65.69
			Reimbursement made	199.56
			Dividend Paid	71.64
		Shashi Commercial Co. Ltd.	Rent Paid	20.22
			Dividend Paid	152.00
		Purvi Vanijaya Niyojan Ltd.	Reimbursement received	0.21
			Dividend Paid	420.43
		Giltedged Industrial Securities Ltd.	Rent Paid	4.08
			Dividend Paid	199.73
		BSL Ltd	Rent Received	12.19
			Purchase of Fabrics	2.23
			Reimbursement received	1.52
		Maral Overseas Ltd	Reimbursement received	24.01
		BMD Pvt Ltd	Reimbursement received	17.06
		Bharat Investments Growth Ltd.	Dividend Paid	615.36
		Jet(India) Pvt. Ltd.	Dividend Paid	226.26
		India Texfab Marketing Limited	Dividend Paid	46.51
		Investors India Limited	Dividend Paid	8.16
		LNJ Financial Services Limited	Dividend Paid	370.87
		M.L. Finlease Pvt Limited	Dividend Paid	77.95
		Raghav Commercial Limited	Dividend Paid	325.84
		RLJ Family Trusteeship Pvt. Ltd.	Dividend Paid	0.11
		Dreamon Commercial Pvt Ltd.	Reimbursement received	0.08
			Dividend Paid	71.22
		LNJ Reality Pvt. Ltd	Rent Paid	39.25
			Reimbursement received	0.45
			Reimbursement made	0.08
		Redrose Vanijya LLP	Reimbursement received	0.64
		LNJ Bhilwara -HEG Lok Nyas	Donation under Corporate Social Responsibility (CSR)	35.38
		Graphite Education & Welfare Society	Donation under Corporate Social Responsibility (CSR)	12.60
Note: Remuneration amount of key Managerial Personnel represents remuneration paid for the whole year irrespective of the period for which the person is key Managerial Personnel.				

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C) Details of outstanding balances as at the end of year

Sl.No.	Related party	Name of the related party	Particulars	As at March 31, 2025
I)	Key Management Personnel	Sh. Ravi Jhunjhunwala-CMD& CEO	Salary payable (including commission)	407.20
		Sh Manish Gulati - Executive Director	Salary payable (including commission)	76.00
		Sh. Vivek Chaudhary-Company Secretary	Loan Oustanding at the end of the year	11.97
			Salary payable (including commission)	1.69
		Sh. Ravi Kant Tripathi -Chief Financial Officer	Salary payable (including commission)	1.74
II)	Post employment benefit Plan Trust	Hindustan Electro Graphites Ltd Senior Executive Superannuation Fund Trust	Payable	157.88
Note: There is no provision for doubtful debts related to amount of outstanding balances due from related parties.				

D) Transactions with Key Managerial Personnel

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2025
Short term benefits	1,513.81
Post employment benefits#	73.20
Director's Sitting Fee	107.25
Reimbursement of expenses and Incidental expenses	6.51
Dividend paid by the company	0.58
Housing loan repayment -principal	(10.15)
Special loan repayment-principal	(4.38)
Housing loan and Special loan repayment -interest	(1.31)

 # 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.

Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the year-end are unsecured and settlement occurs in cash.
There have been no guarantees provided or received for any related party as at March 31, 2025.
For the year ended March 31, 2025, the Company has not recorded any impairment in respect of any bad or doubtful debts due from related parties.

Note: Pursuant to the Scheme of Arrangement, the Company has prepared the accompanying restated financial statements by giving effect to the transfer of the Graphite Division as if the demerger had occurred from the beginning of the earliest period presented (refer note 51). Accordingly, the related party disclosures for the periods presented include transactions, balances and commitments attributable to the Graphite Division that were historically recorded in the books of the HEG Limited. Such disclosures have been identified and presented on the basis of management's allocation of the operations of the Graphite Division and do not necessarily represent the related party relationships that existed with the HEG Graphite Limited as a separate legal entity during the respective periods.

The Company does not have any subsidiaries, associates or joint ventures as at the reporting date. References to transactions with subsidiaries, associates or other related parties represent transactions attributable to the Graphite Division as identified for the purpose of preparation of the restated financial statements and should not be construed as historical transactions of the HEG Graphite Limited as a separate legal entity.





Note 38: Disclosures required as per 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. 28 Employee benefit expenses under the head "Contribution to provident and other funds". The details are as under:

Particulars	For the year ended March 31, 2025
Employer's contribution to Provident Fund (including administrative and other expenses)	435.14
Employer's contribution to Superannuation Fund	156.77
Employer's contribution to Employees State Insurance Corporation	23.56
Total	**615.47**

(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. 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.

The following table set out the funded status of the gratuity plan and amounts recognised in the balance sheet:

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Particulars	For the year ended March 31, 2025
I. Movement in the present value of defined benefit obligation:	
Present value of defined benefit obligation at the beginning of the year	-
Addition pursuant to the scheme (Refer note 51)	1,384.48
Current service cost	86.94
Interest cost	98.99
Past service cost including curtailment (gains)/losses	-
Benefits paid	(176.90)
Actuarial changes (gain)/loss	20.42
Present value of defined benefit obligation at the end of the year	**1,413.93**
II. Movement in fair value of plan assets:	
Fair value of plan assets at the beginning of the year:	-
Addition pursuant to the scheme (Refer note 51)	2,054.20
Interest income	146.88
Contribution	-
Benefits paid	-
Remeasurement- return on plan assets excluding amount included in in net interest	16.58
Fair value of plan assets at the end of the year	**2,217.66**
III. Net assets/(liability) recognized in balance sheet:	
Present value of defined benefit obligation	1,413.93
Fair value on plan assets	2,217.66
Surplus/(deficit)	803.73
Effect of asset ceiling if any	-
Net assets/(liability) recognized in balance sheet	**803.73**
The above amount has been shown in note-12 "Other assets" under the head "Gratuity fund receivable"	

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IV (a) Amount recognized in statement of profit and loss	
Current service cost	86.94
Net interest expense on net defined benefits liability / (asset)	(47.89)
Net cost	**39.05**

The above amount has been included in note-28 "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	(20.42)
Remeasurement- Return on plan assets (excluding amount included in net Interest)-gain/ (loss)	16.58
Net income/(expense) for the period recognised in other comprehensive income	**(3.84)**

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))	6.90
3. Actuarial changes arising from changes in experience adjustments (gain/ (loss))	13.52
4. Actuarial gain/(loss) arising on plan assets	(16.58)

VI. The major categories of plan assets as a percentage of the fair value of total plan assets :	
Insurer management fund	**100%**

VII. The Principal assumptions used for the purpose of actuarial valuation are as follows:	
Discount rate (per annum)	7.09%
Salary escalation (per annum)	5.00
Retirement age	58/60
Mortality rate during employment	100% of IALM (2012 - 14)
Method used	Projected unit credit method

All assumptions are reviewed at each reporting date.

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VIII.Sensitivity analysis of the defined benefit obligations.

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. 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 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	(55.90)
Impact due to decrease of 0.50 %-increase(decrease) in obligation	60.12
b) Impact of the change in salary increase	
Impact due to increase of 0.50%-increase(decrease) in obligation	51.85
Impact due to decrease of 0.50 %-increase(decrease) in obligation	(49.48)

IX. The defined benefit obligation shall mature after the year end as follows:

Particulars	For the year ended March 31, 2025
a) 0-1 year	95.02
b) 1-2 year	104.59
c) 2-3 year	142.54
d) 3-4 years	66.32
e) 4-5 years	121.11
f) More than 5 years	884.35

X. The Company expects to make a contribution of ₹ 44.43 lakhs to defined benefit plans during the next financial year.

(C) Other long term employee benefits (compensated absences)

(i) Amount recognized towards compensated absences in statement of profit and loss in note 28 "employee benefit expenses" under the the head "salaries and wages" is ₹ 98.95 lakhs.

(ii) Liability towards compensated absences as at the end of the year is as under:

Particulars	As at March 31, 2025
Current liability	104.20
Non-current liability	529.18

The above amount has been shown in note-20 "Provisions" under the head "Compensated absences".

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Note 39: Leases

(i) Company as a lessee

(a) The depreciation expense on ROU assets of ₹ 64.66 lakhs is included under depreciation and amortization expense in the statement of profit and loss.

(b) Interest expense on the lease liability amounting to ₹ 13.48 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, 2024	-	-	-
Addition pursuant to the scheme (Refer note 51)	889.90	287.88	602.02
Addition during the year	-	-	
Depreciation during the year	-	16.76	
As at March 31, 2025	**889.90**	**304.64**	**585.26**
(ii) Buildings			
As at April 1, 2024	-	-	-
Addition pursuant to the scheme (Refer note 51)	299.63	212.35	87.28
Addition during the year	-	-	
Adjustments during the year	-	-	
Depreciation during the year	-	47.90	
As at March 31, 2025	**299.63**	**260.25**	**39.38**

(d) The following is the break-up of current and non-current lease liabilities:

Particulars	For the year ended March 31, 2025
Current lease liabilities	47.07
Non current lease liabilities	80.26
Total	**127.33**

(e) The following is the movement in lease liabilities

Particulars	For the year ended March 31, 2025
Balance at the beginning of the year	-
Addition pursuant to the scheme (Refer note 51)	178.41
Additions during the year	-
Adjustments during the year	-
Finance cost accrued during the year	13.48
Payment of lease liabilities	(64.56)
Balance at the end of the year	**127.33**

(f) The table below provides details regarding the contractual maturities of lease liabilities:

Particulars	For the year ended March 31, 2025	
	Minimum payments	Present value of payments
Within one year	56.77	47.07
After one year but not more than 5 years	39.24	8.28
More than 5 years	304.88	71.98
Total minimum lease payments	**400.89**	**127.33**
Less: amount representing finance charges	273.56	
Present value of minimum lease payments	**127.33**	**127.33**

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.

(g) Short- term leases

The Company incurred ₹ 36.87 lakhs during the year ended March 31, 2025 towards expense relating to short-term leases having tenure of less than 12 months.

(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, 2025 is ₹ 4.69 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, 2025
(i) Not later than one year	1.70
(ii) Later than one year and not later than five years	-
(iii) Later than five years	-
Total	**1.70**

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Note 40: 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 spend 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. The disclosures in this regard are as under:

Particulars	For the year ended March 31, 2025
(i) Amount required to be spent for the year	929.80
(ii) Interest earned on deposits under on-going projects-Included in CSR Expense in the statement of profit and loss	-
(iii) Amount of expenditure incurred during the year	
(i) Expenditure incurred out of obligation of current year	
a) Construction/acquisition of any asset	Nil
b) On purposes other than (a) above	723.73
(ii) Expenditure incurred out of on-going projects of earlier years	
a) Construction/acquisition of any asset	Nil
b) On purposes other than (a) above	80.34
(iv) Shortfall of current year	206.07
(v) Total of previous years shortfall (including interest earned on deposits under on-going projects)	0.00
(vi) Reason for shortfall (of current and previous years)	Pertains to ongoing projects
(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. 37

Note 41: Details of loans given, investments made in body corporates and guarantee given covered U/S 186(4) of The Companies Act, 2013

Particulars	For the year ended March 31, 2025
Investment made (For detail of investments made, refer note 8)	
Investments as at the beginning of the year	-
Addition pursuant to the scheme (Refer note 51)	5,673.28
Add: investments made during the year	20,893.02
Less: investments sold during the year	(366.66)
Add/(less): gain/(loss) on fair valuation of such investments till end of the year	(8,016.20)
Investments as at the end of the year	**18,183.44**

Note: In line with Circular No 04/2015 issued by Ministry of Corporate Affairs dated March 10, 2015, loans given to employees (including loan to whole time Director in the capacity of employee) as per the policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

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Note 42: Financial instruments and risk management

42A. 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 March 31, 2025
(a) Debt*	58,485.65
(b) Cash & cash equivalents	(1,666.25)
(c) Net debt (a)+(b)	56,819.40
Total equity	3,03,479.04
Net debt to equity ratio	**0.19**

* Debt is defined as long- term and short-term borrowings (excluding derivative, financial guarantee contracts and contingent consideration), refer note 17 for the details of borrowings.

(ii) Loan covenants:

In order to achieve overall objective of capital management, amongst other things, the management aims to ensure that it meets financial covenants attached to the loans and borrowings. The management carefully negotiates the terms and conditions of the loans and ensures adherence to all the financial covenants. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the loan covenants of in respect of loans and borrowings during the year ended March 31, 2025.

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Note 42B: Financial instruments- accounting classification and fair value measurement

(a) Classification of financial instruments

As at March 31, 2025

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 8)-Equity instruments	-				18,183.44	18,183.44	18,183.44
Trade receivables (refer note 9)	43,994.29			-	-	43,994.29	43,994.29
Cash and cash equivalents (refer note 14)	1,666.25			-	-	1,666.25	1,666.25
Other bank balances (refer note 15)	1,332.31					1,332.31	1,332.31
Loans (refer note 10)	180.22			-	-	180.22	180.22
Other financial assets (refer note 11)	11,904.38					11,904.38	11,904.38
Total financial assets	59,077.45	-	-	-	18,183.44	77,260.89	77,260.89
Financial liabilities							
Borrowings (refer note 17)	58,485.65				-	58,485.65	58,485.65
Trade payables (refer note 18)	39,840.13				-	39,840.13	39,840.13
Lease liabilities (refer note 19A)	127.33				-	127.33	127.33
Other financial liabilities (refer note 19B)	5,620.32				-	5,620.32	5,620.32
Total financial liabilities	1,04,073.43	-	-	-	-	1,04,073.43	1,04,073.43

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.

(b) 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 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 March 31, 2025

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through profit or loss				
Investments				
-Equity instruments	18,183.44	18,183.44		
Derivative financial instruments	-	-	-	-
Total	18,183.44	18,183.44	-	-
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:

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.

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Note 42C 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 assets include trade and other receivables, and cash and bank balances that arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. 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	Currency	Nature	As at March 31, 2025		
			No. of contracts	(USD) (in Lakhs)	(INR) (Lakhs)
Against receivables	USD/ INR	Sold	-	-	-
Against receivables	EUR/ INR	Sold	-	-	-

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 March 31, 2025	
		Amount in FC (in Lakhs)	Amount in INR (₹ in Lakhs)
I. Financial liabilities			
Creditors (A)	USD	162.84	13,935.97
	Euro	0.14	13.26
Other payables (B)	USD	12.03	1,029.50
	Euro	5.52	509.35
Total exposure to foreign currency risk (liabilities) (C=A+B)	USD	174.87	14,965.47
	Euro	5.66	522.61
II. Financial assets			
Trade receivables (D)	USD	243.57	20,844.92
	Euro	97.93	9,041.28
Bank balances (E)	USD	0.02	1.74
	Euro	0.00	0.00
Total exposure to foreign currency risk (assets) (F=D+E)	USD	243.59	20,846.66
	Euro	97.93	9,041.28
Net exposure to foreign currency risk after considering natural hedgereceivable/(payable) (G=F-C)	USD	68.72	5,881.19
	Euro	92.27	8,518.67
Foreign currency forward contracts outstanding in respect of receivables (H)	USD	-	-
	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 # (F-H)	USD	68.72	5,881.19
	Euro	92.27	8,518.67
Net exposure to foreign currency risk in respect of payables after natural hedge and considering forward contracts # (F-H)	USD	-	-
	Euro	-	-

to the extent of receivable/payable in books of account

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(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-increase/(decrease) For the year ended March 31, 2025
USD Sensitivity	
Increase in exchange rate by 5%	294.06
Decrease in exchange rate by 5%	-294.06
EURO sensitivity	
Increase in exchange rate by 5%	425.93
Decrease in exchange rate by 5%	-425.93

(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 March 31, 2025		
	Weighted average interest rate	Outstanding balance (₹ in lakhs)	% of total loans
Working capital loans from ban			
Variable rate borrowings	6.03%	58,485.65	100
Fixed rate borrowings	-	-	
Total borrowings	**6.03%**	**58,485.65**	**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- increase/(decrease) For the year ended March 31, 2025
Interest rate - increase by 50 basis points	(292.43)
Interest rate - decrease by 50 basis points	292.43

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(iii) Security price risk:

(a) Price risk:

The Company manages the surplus funds majorly through investments in equity instruments. The price of investment in equity instruments is reflected through price listed on stock exchange. The Company is exposed to price risk on such Investment.

Particulars	For the year ended March 31, 2025
Investments in equity instruments	18,183.44

(b) Sensitivity:

The below is the sensitivity analysis at the end of the year in case fair value/NAV has been 1% higher / lower.

Particulars	Impact on Profit- Increase/(decrease) For the year ended March 31, 2025
Fair value increase by 1%	181.83
Fair value decrease by 1%	(181.83)

(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 2024-25.

(i) Expected credit loss for financial assets

As at March 31, 2025

Financial assets to which loss allowance is measured using 12 months Expected credit loss(ECL)	Gross carrying amount	Expected credit loss	Carrying amount (net of ECL)
Loans to employees	180.22	-	180.22
Security deposits	4,596.69	-	4,596.69

Financial assets to which loss allowance is measured using lifetime expected credit loss (ECL)	Gross carrying amount	Expected credit loss	Carrying amount (net of ECL)
Trade Receivables	44,483.39	489.10	43,994.29

(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	For the year ended March 31, 2025
As at the beginning of year	-
Addition pursuant to the scheme (Refer note 51)	359.45
Provided during the year	129.65
Reversal during the year	-
As at the end of the year	489.10

(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 Company had access to the following undrawn fund based borrowing facilities at the end of the reporting

Particulars	For the year ended March 31, 2025
Floating rate	
- Expiring within one year - Working Capital Loans	781.21

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

As at March 31, 2025

Particulars	Less than 12 months	1 year to 3 years	3 years to 5 years	More than 5 years	Total
Financial liabilities					
Borrowings (current)	58,485.65				58,485.65
Trade payables	39,840.13	-		-	39,840.13
Lease liabilities	56.77	19.62	19.62	304.88	400.89
Other financial liabilities	5,620.32	-		-	5,620.32
Total	1,04,002.87	19.62	19.62	304.88	1,04,346.99

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Note 43: Carrying amount of pledged assets

Particulars	As at March 31, 2025
First charge	
Current assets	
(a) Trade receivables	43,994.29
(b) Inventories	1,25,463.80
Total (A)	**1,69,458.09**
Secondary charge	
Property, plant and equipment (including capital work-in-progress and leasehold land)	1,90,901.69
Total (B)	**1,90,901.69**
Total (A+B)	**3,60,359.78**

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Note 44: Disclosure under Ind AS 115 "Revenue from Contracts with Customers"

(i) Disaggregation of revenue from contracts with customers
(a) Type of products

Particulars	For the year ended March 31, 2025
- Graphite electrode	1,97,636.80
- Graphite by-products	13,161.59
- Power	2,935.48
Total	**2,13,733.87**

(b) Geographical

Particulars	For the year ended March 31, 2025
Revenue from customers within India (including sale to SEZ units)	70,503.59
Revenue from customers based outside India	1,43,230.28
Total	**2,13,733.87**

(c) Timing of revenue recognition

Particulars	For the year ended March 31, 2025
Revenue from goods transferred to customers at a point in time	2,13,733.87
Revenue from goods transferred to customers over time	-
Total	**2,13,733.87**

(ii) Reconciliation of revenue from contract with customer

Particulars	For the year ended March 31, 2025
Revenue from contract with customer as per the contract price	2,15,505.65
Adjustments made to contract price on account of :-	
a) Discounts / rebates / incentives	
b) Sales returns / credits / reversals	1,771.78
Revenue from contract with customer	**2,13,733.87**
Other operating revenue	1,537.04
Revenue from operations	**2,15,270.91**

(iii) 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 9 and 22 respectively.
The revenue recognised during the year ended March 31, 2025 includes revenue against advances from customers amounting to ₹ 657.12 Lakhs at the beginning of the year. Advance from customers of current year will be recognised as revenue in coming twelve months.

(iv) 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 March 31, 2025
The aggregate value of performance obligations that are completely or partially unsatisfied	NIL

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Note 45: Key financial ratios

Particulars	Numerator	Denominator	For the year ended March 31, 2025
Current ratio (in times	Current assets	Current liabilities	1.80
Debt - Equity ratio (in times)	Total debt	Shareholder's equity	0.19
Debt service coverage ratio (in times)	Earnings available for debt service[1]	Debt service[2]	0.49
Return on equity (ROE) (in %)	Profit after Tax	Average shareholder's equity	2.06%
Inventory turnover ratio (in times)	Cost of goods sold	Average inventory	0.74
Trade receivables turnover ratio (in times)	Revenue from sale of goods	Average trade receivable	4.51
Trade payables turnover ratio (in times)	Purchases ofgoods and services	Average trade payables	4.44
Net capital turnover ratio (in times)	Revenue from sale of goods	Working capital	2.48
Net profit ratio (in %)	Profit after Tax	Revenue from sale of goods	2.90%
Return on capital employed (ROCE) (in %)	Earning before interest and taxes	Capital employed[3]	3.67%
Return on investment (ROI) (in %)	Income generated from investments	Average investments	-37.78%

(1) Earning available for debt service = Net profit after taxes + non-cash operating expenses like depreciation and other amortisations + interest + other adjustments i.e. loss on sale of property plant and equipment etc.

(2) Debt service = Interest & lease payments + principal repayments

(3) Capital Employed = Tangible net worth + total debt + deferred tax liability

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Note 46. 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 March 31, 2025	
	Borrowings (current)	Borrowings (non-current)
Opening balance of financial liabilities coming under the financing activities of statement of cash flows	-	-
Additions pursuant to the Scheme (Refer note 51)	61,937.81	-
Changes during the year		
a) Changes from cash flows	(3,763.16)	-
b) The effect of changes in foreign exchanges rates- (gain)/loss	311.00	
c) Changes in fair value	-	-
d) Other changes	-	-
Closing balance of financial liabilities coming under the financing activities of Statement of cash flows	**58,485.65**	-

Note 47: Details of research and development expenditure

Particulars	For the year ended March 31, 2025
a) Capital	-
b) Revenue	319.79

Note 48: Government grants

	Grants recognised during the year	Grants recoverable
Particulars	**For the year ended March 31, 2025**	**For the year ended March 31, 2025**
A. Government grant shown as other operating revenue		
Export incentives	1,194.86	625.74
B. Government grant deducted from expenses		
Interest subvention on export packing credit loans reduced from finance cost (#)	-	286.95
Subsidy in electricity tariff reduced from power and fuel expenses	510.97	510.97
C. Government grant shown as other income		
State Government investment promotion assistance as per MP industrial promotion policy 2018	5,714.00	5,714.00
Total of government grants recognised & grants recoverable	**7,419.83**	**7,137.66**

Note 49
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 greement with the books of account.

Note 50: Disclosures required as per Schedule III to the Companies Act,2013

(i) The Company did not have any transaction with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial year.

(ii) No proceeding have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

(iii) The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

(iv) No funds that 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(v) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("funding party") with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly lend or invest in other persons or entities in any manner whatsoever by or on behalf of the funding party ("Ultimate beneficiaries") or provide ny guarantee, security or the like on behalf of the ultimate beneficiaries.

(vi) During the financial year, the Company has not traded or invested in Crypto currency or virtual currency.

(vii) The Company does not have any charge or satisfaction thereof which is pending for registration with ROC beyond the statutory period.

(viii) The Company has utilised the borrowings from banks and financial institutions for the specific purpose for which it was taken.

(ix) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(x) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961(such as search, survey or any other relevant provisions of the Income Tax Act, 1961.





Note 51: Note on Composite scheme of arrangement

The Board of Directors of HEG Limited at its meeting held on May 22, 2024 had approved the Composite Scheme of Arrangement amongst HEG Limited ("the Demerged Company") and HEG Graphite Limited ("Resulting Company or Company") and Bhilwara Energy Limited ("Transferor Company") and their respective shareholders and creditors ("Scheme").

The proposed Scheme inter alia provides for:
(a) the demerger of the Demerged Undertaking (i.e. Graphite Business) from the Demerged Company into the Resulting Company on a going concern basis and issue of equity shares by the Resulting Company to the shareholders of the Company in consideration thereof, and
(b) amalgamation of the Transferor Company with the Demerged Company and issue of equity shares by the Demerged Company to the shareholders of the Transferor Company (except the Company itself) in consideration thereof. The Appointed Date for the Scheme is April 1, 2024.

On August 21, 2026, the Company has received order of Hon'ble National Company Law Tribunal, Indore Bench ('NCLT') dated August 13, 2026 wherein they have approved the scheme.

The Company was incorporated on June 4, 2025. However, the approved Scheme provides for an appointed date of April 1, 2024. Accordingly, the Restated Financial Statements of the Company has been prepared after giving the effect of the Scheme which requires the accounting treatment to be carried out as prescribed under applicable accounting standards as common control transactions in accordance with the requirements of Appendix C to Ind AS 103, Business Combinations, which requires the financial information in the Restated Financial Statements to be restated as if the demerger had occurred from the beginning of the previous period. The assets, liabilities and reserves pertaining to the Demerged Undertaking has been recorded at the same value as appearing in the books of account of the Demerged Company. The reserves transferred from HEG Limited to the Company are recorded and disclosed in the same form as it was disclosed in the financial statements of HEG Limited. Further, the shareholding of the Demerged Company in the Company has been cancelled/eliminated as per the scheme.

In terms of the Scheme and in consideration thereof, the Company will issue and allot equity shares on a proportionate basis to the Shareholders of HEG Limited whose name is recorded in the register of members and records of the depository as shareholders of HEG Limited as on the Record Date i.e. September 7, 2026, which has been disclosed as Shares pending issuance with a corresponding debit to Retained earnings in these Restated Financial Statements.

Further, the surplus/deficit, if any, arising between the carrying value of assets and liabilities and reserves pertaining to the Demerged undertaking and the face value of shares issued by the Resulting Company, after cancellation of shareholding of Demerged Company in the Company as mentioned above, has been adjusted in capital reserve as per the details below.

Particulars	As at March 31, 2025
Carrying value of assets	4,20,004.81
Carrying value of liabilities	1,16,522.06
Carrying value of reserves*	3,01,008.68
Capital reserve recorded pursuant to scheme	2,474.07

*Inclusive of shares pending issuance INR 3,859.59 lakhs disclosed in this Restated financial statements.

The above calculation of Capital Reserve has been calculated on basis the value of assets, liabilities and reserves as on March 31, 2025. The final calculation could differ on the basis the value of assets, liabilities and reserves on the actual date of transfer/effective date i.e. September 1, 2026.

The Board of Directors of the Company and HEG Limited, took on record the sanction of the Scheme by the NCLT and mutually fixed the record date as September 7, 2026 for the purpose of determining the shareholders who shall be entitled to receive the shares of the Company.
After the issuance and allotment of the equity shares to the shareholders of HEG Limited, the Company will complete the necessary steps to have the equity shares listed on Bombay Stock Exchange and the National Stock Exchange of India Limited.

As per our report of even date attached

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

Sunny Singh
Partner
Membership No. 516834

Place : Noida (U.P.)
Date : September 25, 2026

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

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HEG GRAPHITE LIMITED ★ NOIDA ★

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Statements for the year ended March 31, 2025

1. Company Information

HEG Graphite Limited (the "Company") is a public limited company incorporated on June 4, 2024 with its registered office at NH 12, District Raisen, Near Bhopal, Manideep, Bhopal, Madhya Pradesh, India, 462046. The Company was incorporated as a wholly owned subsidiary of HEG Limited, for manufacturing of graphite electrodes

On August 21, 2026, the Company has received order of Hon'ble National Company Law Tribunal, Indore Bench ('NCLT') dated August 13, 2026 wherein they have approved the scheme of arrangement (the "Scheme") between the Company, HEG Limited (hereinafter referred as 'holding company'), Bhilwara Energy Limited and their respective shareholders and creditors. Accordingly, the Graphite Business of HEG Limited as defined in the Scheme has been transferred to and vested in HEG Graphite Limited w.e.f. Sep 1, 2026. Also refer note 51.

2.1 Basis of Preparation

The Restated Balance sheet of the Company as at March 31, 2025 and the Restated Statement of Profit and Loss, the Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the year ended March 31, 2025, Notes to the Restated Financial Statements are together referred as "Restated Financial Statements".

The Restated Financial Statements has been prepared by the management of the Company for inclusion in the Information Memorandum in connection with the proposed listing of its equity shares ("Proposed Listing") as per SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Master Circular") on Scheme of Arrangement by Listed entities.

As per the requirements of the SEBI Circular, an advertisement with Restated Audited Financials for the previous three financial years and stub period prior to the date of listing needs to be given. Information memorandum should contain Restated Audited Financials for the previous three financial years and stub period prior to the date of listing.

Accordingly, the Restated Financial Statement has been prepared in accordance with the requirements of:
- 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.
-Paragraph 5 of Section A of Part II of the Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 issued by the Securities and Exchange Board of India ("SEBI Master Circular");
- the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (the "SEBI"); and
- the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") (the "Guidance Note").

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The Restated Financial Statements:

a) have been prepared basis the details extracted from the financial statements/financial information of HEG Limited and the Company as at and for the year ended March 31, 2025.

b) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/ reclassifications and other adjustments retrospectively and

c) does not require any adjustment for qualifications as there are no qualifications in the underlying auditors' reports for respective years which require any adjustments.

2.2 Basis of Measurement

(i) The Restated Financial Statements have been prepared on historical cost convention and on accrual basis except for certain financial instruments (including derivative instruments) which are measured at fair value at the end of each reporting period as required under Ind AS.

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 Restated 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.

(ii) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(iii) The functional and presentation currency of the Company is Indian rupees (INR) and all amounts are rounded to the nearest ₹ lakhs and two decimals thereof, except otherwise stated.

2.3 Material accounting policies

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HEG GRAPHITE LIMITED NOIDA

(i) **Revenue Recognition**

(a) Sale of products

The Company derives revenue primarily from sale of Graphite Electrodes.

Revenue from the sale of goods is recognized at the point in time when control of the goods is transferred to the customer which is usually on dispatch/ delivery and the amount of revenue can be measured reliably and recovery of consideration is probable.

Revenue is measured based on the transaction price (net of variable consideration) which is adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Due to short nature of credit period given to customers, there is no financing component in the contract.

(b) Power

Revenue from power generation is recognized on transmission of electricity to State Electricity Board or third parties at rate stipulated by SEB's and/or IEX at market rate equivalent.

(c) Other Operating Revenues

(i) Entitlements to Renewal Energy Certificates owing to generation of power at Tawa hydel plant are recognized at actual rate of realization.

(ii) Export entitlements are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(d) Interest Income

- Interest Income from customers is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

- Interest Income from financial asset is recognized when it is probable that economic benefits will flow to the company and amount of income can be measured reliably. Interest income is accrued on time basis, by reference to principal outstanding and at effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of financial asset to that asset's net carrying amount on initial recognition.

(e) Other Income

(i) Dividend income is recognized when the right to receive payment is established and the amount of dividend can be measured reliably.

(ii) Other income is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

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(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 raw materials and other supplies held for use in the production are valued at net realisable value only if the finished products in which they are to be incorporated are expected to be sold below cost. 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**

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Freehold Land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

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 are included in the assets carrying value or recognised as separate assets as appropriate, 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. All other repairs and maintenance costs are charged to the standalone statement of profit and loss when incurred.

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An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition 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. Fully depreciated assets still in use are retained in this restated financial statements.

Property, plant and equipment which are not ready for intended use at each balance sheet date are disclosed as "Capital work-in-progress" and advances paid towards the acquisition of Property, plant and equipment outstanding at each balance sheet date are classified as Capital advances under "Other non-current assets". Directly attributable expenditure (including finance costs relating to borrowed funds for construction or acquisition of property, plant and equipment) incurred on projects under implementation are treated as pre-operative expenses and are included in Capital work-in-progress.

(iv) **Investment property**

Investment Properties comprises freehold land and building 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 expenditure. Subsequently, investment property is carried at cost model, which is cost less accumulated depreciation and accumulated 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 de-recognition 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 stated at cost less accumulated amortization and accumulated impairment losses, if any. The cost of intangible asset comprises of its purchase price, net of recoverable taxes and any directly attributable cost of preparing the asset for its intended use.

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 Restated 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.

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(vi) **Depreciation**

Depreciation is recognised to write-off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, in a systematic manner.

(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 other 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

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(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:

Description of Asset	Useful Life
Building	5 – 58 Years
Plant and Machinery	1 – 29 Years
Railway Siding	9 – 20 Years
Office Equipment(Includes Computers and data processing units)	5 – 20 Years
Electrical Installation	5-20 Years
Furniture and Fixtures	5 – 15 Years
Vehicle	5-10 Years

(iii) Assets costing up to ₹ 5,000 are fully depreciated in the year of purchase.

Depreciation methods estimated and useful lives are reviewed at the end of each reporting period and the effect of any changes in estimate accounted for on a prospective basis.

(B) Investment property

Depreciation on investment properties is provided on the written down value method over its useful life of 58 years which has been determined based on internal assessment and independent technical evaluation carried out by external valuer.

The depreciation charge for each period is recognised in the Statement of Profit and Loss. The useful lives and method of depreciation are reviewed at the end of each financial year and the effect of any changes in estimate accounted for on a prospective basis.

(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 is as under:

Description of Asset	Useful Life
Computer Software	05 Years

Amortisation method and useful lives are reviewed at the end of each financial year and the effect of any changes in estimate accounted for on a prospective basis.

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(viii) **Impairment of Non-Financial Assets**

Property, Plant and Equipment and Investment property 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 depreciation), had no impairment loss been recognized for the asset in prior years.

Impairment is reviewed periodically, including at each financial year end.

(ix) **Foreign Currency Translations**

Transactions in currencies other than the Company'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 the 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.

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(ii) Superannuation

The Company makes contribution in regard to superannuation to a separate 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 covering eligible employees. The gratuity plan provides for lump sum payment to vested employee at retirement, death, incapacitation or termination of employee, based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability/asset is determined using projected unit credit method, through actuarial valuation carried out at the end of each annual reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. Such net interest cost along with the current service cost and, if applicable, the past service cost and settlement gain/loss, is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions, comprising actuarial gains/losses and return on plan assets (excluding the amount recognised in net interest on the net defined liability), are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(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 and is recognized in employee benefit expense in the statement of profit and loss..

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(xi) **Leases**

Company as a lessee

The Company's lease assets 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 accumulated impairment losses, if any.

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 Liability and Right-of-Use Asset have been separately presented in the Balance Sheet. The interest expense on the lease liability has been separately presented as a component of finance costs in the statement of profit and loss. The payments of principal portion and interest portion of lease liability have been classified under financing activities in the statement of cash flows.

The payments for short-term leases and leases of low-value assets have been recognized in the statement of profit and loss have been classified under operating activities in the statement of cash flows.

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, lease payments received are recognized on systematic basis over the term of the relevant lease as a part of other income.

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(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 and Incomes that are directly identifiable with/ allocable to the segments are considered for determining the segment result. Expenses and Income not allocable to segments are included under unallocable category.

(4) Segment results includes margin on inter segment sales.

(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) **Tax Expense**

Tax expense comprises of current and deferred tax. Tax expense is recognised in statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, as the case may be.

(1) Current tax

Current tax is the tax payable/receivable on the taxable profit/loss for the year using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and any adjustment to taxes in respect of previous years. Interest expenses related to income tax are included in finance cost. Interest Income related to income tax is included in other income.

The current tax assets and current tax liabilities have been set off to the extent (a) there is a legally enforceable right to set off the recognised amounts; and (b) the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(2) Deferred Tax

Deferred 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 statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that are expected to apply to period in which the temporary differences are expected to be recovered or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The effect of changes in tax rates on deferred tax assets and liabilities is recognized as income or expense in the period as and when there is change in tax rates.

A deferred 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.

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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, if any, 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**

Government grants are not recognized until there is reasonable assurance that all attached conditions will be complied with and the grant will be received.

When the grants relates to an expense item, it is recognised in the Statement of profit and loss by way of reduction from the related cost, which the grants are intended to compensate.

Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving financial support to the Company with no related costs is recognised in the Statement of profit or loss of the period in which it becomes receivable under 'Other operating income'/'Other income' based on the nature of grant.

Government grants relating to the purchase of property, plant and equipment are deducted from its gross value and are recognised in profit or loss on a systematic over the expected useful lives of the related assets by way of reduced depreciation.

(xv) **Borrowing Costs**

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, Contingent Liabilities and Contingent Assets**

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 Restated Financial Statements since this may result in the recognition of income that may never be realised.

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HEG GRAPHITE LIMITED NOIDA

(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 and the weighted average number of shares outstanding during the period, for the effects of all dilutive potential equity shares, if any.

(xviii) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Initial recognition

The company recognises the financial assets and financial liabilities when it becomes party to the contractual provision of the instruments. All financial assets and liabilities are recognised at fair value on initial recognition except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets and or issue of financial liabilities that are not recognized at fair value through profit or loss, are added to or reduced from the fair value of the financial assets or financial liabilities, as appropriate. Transaction cost directly attributable to the acquisition of financial assets and financial liabilities recognized at fair value through Profit or Loss are recognised immediately in the Statement of Profit and Loss.

(ii) Subsequent measurement

For the purposes of subsequent measurement, financial instruments are classified as follows:

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.

Interest income for such instruments is recognised in profit or loss using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

The carrying amounts of financial assets that are subsequently measured at amortised cost are determined based on the effective interest method less any impairment losses.

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HEG GRAPHITE LIMITED NOIDA

(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 for such instruments is recognised in profit or loss using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

Fair value movements are recognised in the other comprehensive income (OCI) until the financial asset is derecognised. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the profit or loss.

(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.

Dividend and interest income from such instruments is recognized in the statement of profit and loss, when the right to receive the payment is established.

Fair value changes on such assets are recognised in the statement of profit and loss.

(d) Investment in Subsidiary and Associates

Investment in subsidiary and associates is carried at cost less provision for impairment, if any. Investment is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of investment exceeds its recoverable amount.

(e) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination or is held for trading or it is designated as at FVTPL 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.

All changes in fair value in respect of liabilities measured at fair value through profit and loss are recognised in the statement of profit and loss.

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.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are charged to Statement of Profit and Loss.

C. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received. Incremental costs directly attributable to the issuance of equity instruments and buy back of equity instruments are recognized as a deduction from equity, net of any tax effects.

(iii) Impairment of Financial Assets

Financial assets that are carried at amortized cost and fair value through other comprehensive income (FVOCI) are assessed for possible impairments basis expected credit losses taking into account the past history of recovery, risk of default of the counterparty, existing market conditions etc. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

Expected Credit Losses are measured through a loss allowance at an amount equal to:
. 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

. Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments).

For trade receivables or any contractual right to receive cash or another financial asset that result from transaction that are within the scope of Ind AS 115 and Ind AS 116, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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) De-recognition

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.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received/receivable is recognised in the profit or loss.

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A financial liability (or, a part of financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

On de-recognition of a financial liability, the difference between the carrying amount of the financial liability de-recognised and the consideration paid/payable is recognised in profit or loss.

(v) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

(vi) 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.

(xix) **Statement of Cash flows**

The statement of cash flows is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 "Statement of Cash flows" using the indirect method for operating activities whereby profit for the period is adjusted for the effects of transaction of a non-cash nature, and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(xx) **Cash and cash equivalents**

The Cash and cash equivalent in the balance sheet comprise balance at banks and cash 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 Board of Directors.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) require management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amount of income, expenses, assets and liabilities and disclosure of contingent liabilities.

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 and the effect of revision to accounting estimates is recognized prospectively from the period in which the estimate is revised.

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The following are the areas of critical judgements, estimates and assumptions that the management has made in the process of preparation of Restated Financial Statements and that have the 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 and other post-employment benefits

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 and mortality rates etc. 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.

Provisions/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

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, underlying asset model, comparable companies multiple method and comparable transaction method which involve various judgements and assumptions.

Current tax and Deferred tax

Significant judgement is required in determination of provision for current tax and deferred tax e.g. determination of taxability of certain incomes and deductibility of certain expenses etc. The carrying amount of income tax assets/liabilities is reviewed at each reporting date. The factors used in estimates may differ from actual outcome which could lead to signification adjustment to the amounts reported in financial statements.

Inventories

Management estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market driven changes.

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2.5. 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 trading;
c) it is due to be settled within 12 months after the reporting date; or
d) There is no 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 counterparty, 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. The normal operating cycle is considered as twelve months.

3. Applicability of new and revised Ind AS

The Ministry of Corporate Affairs ("MCA") notifies new standards and amendments to the existing standards under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

On 12 August 2026, the MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2026, which amended Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 107 "Financial Instruments: Disclosures", Ind AS 109 "Financial Instruments", Ind AS 110 "Consolidated Financial Statements" and Ind AS 7 "Statement of Cash Flows". The amendments are applicable for annual reporting periods beginning on or after 1 April 2026. The Company has evaluated these amendments and their adoption did not have any material impact on these restated financial statements.

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CHARTERED ACCOUNTANTS

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Independent Auditor's Report on the Restated Financial Statements of HEG Graphite Limited for the year ended March 31, 2026.

To the Board of Directors
HEG Graphite Limited

Opinion

1. We have audited the accompanying Restated Financial Statements of HEG Graphite Limited ('the Company'), which comprise the Restated Balance Sheet as at March 31, 2026, the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for the period April 1, 2025 to March 31, 2026 and notes to the Restated Financial Statements, including material accounting policy information and other explanatory information (together hereinafter referred to as the 'Restated Financial Statements').

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Restated Financial Statements, are prepared, in all material respects, in accordance with the basis of preparation as described in Note 2.1 to these Restated Financial Statements.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ('the Act). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Restated 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the Restated Financial Statements 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Preparation and Restriction on Distribution and Use

4. We draw attention to Note 2.1 to the accompanying Restated Financial Statements, which describes the basis of its preparation. These Restated Financial Statements have been prepared by the Company's management in accordance with framework, solely to assist the management of Company for the inclusion of the Restated Financial Statements in the Information Memorandum to be submitted with Securities Exchange Board of India pursuant to the Scheme of Arrangement amongst the Company, HEG Limited, Bhilwara Energy Limited and their respective shareholders and creditors (the 'Scheme') for transfer of the Graphite Business of HEG Limited ('Demerged Undertaking') into the Company and therefore, these Restated Financial Statements may not be suitable for any other purpose. This report is issued solely for the aforementioned purpose and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. Our opinion is not modified in respect of this matter.

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Responsibilities of Management for the Restated Financial Statements

5. The Company's Board of Directors are responsible for the preparation of these Restated Financial Statements in accordance with the basis of preparation as described in Note 2.1 to Restated Financial Statements including determining that such basis of preparation is acceptable in the circumstances. This responsibility also includes design, implementation and maintenance of adequate internal financial controls relevant to the preparation and presentation of the Restated Financial Statements in all material respects, in accordance with the basis of preparation as specified in aforementioned Note 2.1 of the accompanying Restated Financial Statements and are free from material misstatement, whether due to fraud or error.

6. In preparing the Restated Financial Statements, the Board of Directors are responsible for assessing the ability of the 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 Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Restated Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the Restated 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 Standards on Auditing 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 Restated Financial Statements.

8. As part of an audit in accordance with Standards on Auditing specified under Section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the Restated 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place adequate internal financial controls with reference to Restated Financial Statements 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; and

   - 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 the Company 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

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Restated 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.

9. 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.

For SCV & CO LLP
Chartered Accountants
Firm's Registration No.: 000235N/N500089



SUNNY SINGH
Partner
Membership No.: 516834
UDIN: 26516834PANMDV3296

Place: Noida
Date: September 25, 2026

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Restated Balance Sheet
as at March 31, 2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars		Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS				
1.	**Non-current assets**			
(a)	Property, plant and equipment	4	1,73,525.60	1,88,698.32
(b)	Capital work-in-progress	5	4,333.96	2,087.19
(c)	Right-of-use-asset	6	606.74	624.64
(d)	Intangible assets	7	82.64	110.86
(e)	Intangible assets under development	7a	66.12	49.21
(f)	Financial assets		-	
	(i) Investments	8	33,310.74	18,183.44
	(ii) Loans	10	59.20	97.13
	(iii) Other financial assets	11	4,265.45	5,219.22
(g)	Income tax assets (net)	23A	4,684.56	10,455.53
(h)	Other non-current assets	12	4,010.05	1,393.44
Total non-current assets			**2,24,945.06**	**2,26,918.98**
2.	**Current assets**			
(a)	Inventories	13	1,13,373.66	1,25,463.80
(b)	Financial assets			
	(i) Investments	8	37,106.47	-
	(ii) Trade receivables	9	49,945.81	43,994.29
	(iii) Cash and cash equivalents	14	2,202.96	1,666.25
	(iv) Bank balances other than (iii) above	15	4,181.13	1,332.31
	(v) Loans	10	65.53	83.09
	(vi) Other financial assets	11	7,497.02	6,685.16
(c)	Other current assets	12	14,168.66	13,859.72
Total current assets			**2,28,541.24**	**1,93,084.62**
Total assets			**4,53,486.30**	**4,20,003.60**
EQUITY AND LIABILITIES				
Equity				
(a)	Equity share capital		-	-
(b)	Shares pending issuance	51	3,859.59	3,859.59
(c)	Other equity	16	3,11,759.53	2,99,619.45
Total equity			**3,15,619.12**	**3,03,479.04**
Liabilities				
1.	**Non-current liabilities**			
(a)	Financial liabilities			
	(i) Lease liabilities	19A	117.41	80.26
(b)	Provisions	20	664.94	529.18
(c)	Deferred tax liabilities (net)	21	8,089.80	8,395.74
(d)	Other non-current liabilities	22	482.97	494.69
Total non-current liabilities			**9,355.12**	**9,499.87**
2.	**Current liabilities**			
(a)	(a) Financial liabilities			
	(i) Borrowings	17	79,328.47	58,485.65
	(ii) Lease liabilities	19A	2.08	47.07
	(iii) Trade payable			
	-Total outstanding dues of micro enterprises and small enterprises	18	2,557.73	1,079.19
	-Total outstanding dues of creditors other than micro enterprises and small enterprises	18	36,244.96	38,760.94
	(iv) Other financial liabilities	19B	7,091.88	5,620.32
(b)	Other current liabilities	22	1,830.01	1,704.37
(c)	Provisions	20	831.39	430.11
(d)	Current tax liabilities (net)	23B	625.54	897.04
Total current liabilities			**1,28,512.06**	**1,07,024.69**
Total liabilities			**1,37,867.18**	**1,16,524.56**
Total equity and liabilities			**4,53,486.30**	**4,20,003.60**

See accompanying notes to the restated financial statements.
As per our report of even date attached

For and on behalf of the Board of Directors

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

Sunny Singh
Partner
Membership No. 516834

SCV & CO. LLP * New Delhi NCR * Chartered Accountants

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

HEG GRAPHITE LIMITED * NOIDA *

Place : Noida (U.P)
Date : September 25, 2026

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Restated Statement of Profit and Loss
for the year ended March 31,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars		Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
I.	Revenue from operations	24	2,56,850.47	2,15,270.91
II.	Other income	25	5,658.69	9,713.99
III.	**Total income (I + II)**		**2,62,509.16**	**2,24,984.90**
IV.	**Expenses:**			
	Cost of materials consumed	26	97,551.87	95,472.60
	Changes in inventories of finished goods and work-in-progress	27	8,791.18	(5,096.94)
	Employee benefit expenses	28	12,353.35	9,718.25
	Finance costs	29	3,720.77	3,919.64
	Depreciation and amortisation expense	30	21,287.95	20,021.57
	Other expenses	31	98,716.10	91,253.70
	Total expenses (IV)		**2,42,421.22**	**2,15,288.82**
V.	**Profit before tax (III - IV)**		**20,087.94**	**9,696.08**
VI.	**Tax expense:**			
	(1) Current tax	32	6,745.99	4,305.38
	(2) Earlier years tax adjustment	32	92.14	(103.36)
	(3) Deferred tax	32	(227.26)	(709.60)
	Total tax expense (VI)		**6,610.87**	**3,492.42**
VII.	**Profit for the year (V-VI)**		**13,477.07**	**6,203.66**
VIII.	**Other comprehensive income**			
	Items that will not be classified to profit or loss			
	(i) Remeasurement of employee defined benefit plan	33	(312.61)	(3.84)
	(ii) Tax expense relating to items that will not be reclassified to profit or loss	32	78.68	0.97
	Total other comprehensive income for the year		**(233.93)**	**(2.87)**
IX.	**Total comprehensive income for the year (VII+VIII) (Comprising profit and other comprehensive income for the year)**		**13,243.14**	**6,200.79**
	Earnings per equity share: (of ₹ 2/- each)			
	(1) Basic (₹)	34	6.98	3.21
	(2) Diluted (₹)	34	6.98	3.21

See accompanying notes to the restated financial statements.
As per our report of even date attached

For and on behalf of the Board of Directors

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

Sunny Singh
Partner
Membership No. 516834

Place : Noida (U.P)
Date : September 25, 2026

SCV & CO. LLP ★ New Delhi NCR ★ Chartered Accountants

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

HEG GRAPHITE LIMITED ★ NOIDA ★

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Restated Statement of Cash Flows
for the year ended March 31,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax	**20,087.94**	**9,696.08**
	Adjustment for non operating and non cash transactions		
	Depreciation and amortisation expense	21,287.95	20,021.57
	Inventory Write-down (net)	1,099.41	512.49
	Interest and other financial charges	3,707.67	3,574.50
	Net (profit)/loss on property plant and equipment sold / discarded	74.48	131.29
	Allowance for expected credit losses	259.20	129.65
	Liabilities / provisions written back	(71.79)	(1,750.04)
	Unrealized (gain)/loss due to effect of exchange rate changes in assets and liabilities	3,388.24	296.33
	Net loss /(gain) on sale/fair valuation of investments measured at fair value through profit or loss	2,275.52	7,941.84
	Dividend income	(31.65)	-
	Rent income	(2.84)	(4.69)
	Interest income	(327.84)	(563.51)
	Operating profit/(loss) before changes in operating assets & liabilities	**51,746.29**	**39,985.51**
	(increase)/decrease in operating assets		
	(Increase)/decrease in inventories	10,990.73	(6,561.06)
	(Increase)/decrease in trade receivables	(5,247.07)	6,595.78
	(increase)/decrease in other non-current financial assets	991.70	(621.08)
	(increase)/decrease in other current financial assets	(807.80)	(3,215.42)
	(increase)/decrease in other non-current assets	50.77	(10.76)
	(increase)/decrease in other current assets	(621.53)	382.48
	(increase/(decrease) in operating liabilities		
	increase/(decrease) in trade payables	(1,771.32)	(814.29)
	increase/(decrease) in other current financial liabilities	2,155.42	228.87
	increase/(decrease) in non-current provisions	135.76	40.15
	increase/(decrease) in current provisions	401.28	8.86
	increase/(decrease) in other non-current liabilities	(11.72)	76.27
	increase/(decrease) in other current liabilities	197.43	353.09
	Cash flows from/(used in) operating activities	**58,209.94**	**36,448.40**
	Income tax paid (net of refund, if any)	(1,338.66)	(4,425.04)
	Net cash flows from/(used in) operating activities (A)	**56,871.28**	**32,023.36**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Payment for purchase of Property plant and Equipment, intangible assets (including Capital work-in-progress / intangible assets under development) (after adjustment of advances and creditors for capital expenditure)	(11,969.09)	(18,057.38)
	Proceeds from sale of property, plant and equipments	364.46	193.90
	Investment in fixed/term deposits not considered as cash and cash equivalents	(4,756.89)	(8,861.43)
	Redemption/maturity of fixed/term deposits not considered as cash and cash equivalents	1,921.93	24,084.14
	Decrease/(increase) in other bank balances not considered as cash and cash equivalents	(13.85)	25.18
	Payment for purchase of investments	(62,538.27)	(20,818.66)
	Proceeds from sale of investments	8,006.60	366.66
	Return of capital from INVIT	21.39	-
	Rent received	2.84	4.69
	Dividend received	31.65	-
	Interest received	341.33	1,264.47
	Net cash flows from/(used in) investing activities (B)	**(68,587.90)**	**(21,798.43)**
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds/(repayment) of working capital borrowings (on net basis) (also refer note no. 46)	17,335.91	(3,763.16)
	Interest and other financial charges paid	(3,918.54)	(3,361.10)
	Interest paid on lease liabilities	(13.65)	(13.48)
	Principal payment of lease liabilities	(47.33)	(51.08)
	Dividend paid on equity shares	(906.95)	(5,309.96)
	Contribution from/(utilisation by) erstwhile owners of demerged undertaking	(196.11)	2,474.07
	Net cash flows from/(used in) financing activities (C)	**12,253.33**	**(10,024.71)**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**536.71**	**200.22**
	Cash and cash equivalents at the beginning of the year	1,666.25	1,466.03
	Cash and cash equivalents at the end of the year	2,202.96	1,666.25
	(Refer note 14 of restated financial statements for components of cash and cash equivalents)		

Note: The cash flows from operating activities include amount spent towards Corporate Social Responsibility amounting to ₹ 1,002.03 lakhs (previous year ₹ 859.23 lakhs)
The Cash flow statement is prepared using the indirect method as prescribed under Ind AS 7, Statement of Cash flows.

See accompanying notes to the restated financial statements.
As per our report of even date attached

For and on behalf of the Board of Directors

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

Sunny Singh
Partner
Membership No. 516834

SCV & CO. LLP ★ New Delhi NCR ★ Chartered Accountants

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

HEG GRAPHITE LIMITED ★ NOIDA ★

Place : Noida (U.P)
Date : September 25, 2026

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Restated Statement of Changes in Equity
for the year ended March 31,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

A) Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of reporting year	-	-
Changes in equity capital during the year	-	-
Balance at the end of reporting year	-	-

For shares pending issuance, refer note 51

B) Other Equity

Particulars	Reserves and Surplus			Total other equity
	Capital reserve	Capital redemption reserve	Retained earnings	
Balance at the beginning of the current reporting year i.e. April 1, 2025	**5,612.31**	**2,029.93**	**2,91,977.21**	**2,99,619.45**
Profit for the year	-	-	13,477.07	13,477.07
Other comprehensive income for the year	-	-		
-Remeasurement of defined employee benefit plan (net of tax expense)	-	-	(233.93)	(233.93)
Dividend distributed during the year				
-Final dividend for the year ended March 31, 2025	-	-	(906.95)	(906.95)
Contribution from/(utilisation by) erstwhile owners of demerged undertaking	(196.11)			(196.11)
Balance at the end of current reporting year i.e. March 31, 2026	**5,416.20**	**2,029.93**	**3,04,313.40**	**3,11,759.53**

Particulars	Reserves and Surplus			Total Other Equity
	Capital reserve	Capital redemption reserve	Retained earnings	
Balance as at April 1, 2024	-	-	-	-
Tranfer pursuant to the scheme (refer note 51)	3,138.24	2,029.93	2,94,945.97	**3,00,114.14**
Transfer to share pending issuance (Refer Note 51)			(3,859.59)	(3,859.59)
Profit for the year	-	-	6,203.66	6,203.66
Other Comprehensive Income for the year	-	-	-	-
-Remeasurement of defined employee benefit plan (net of tax expense)	-	-	(2.87)	(2.87)
Dividend distributed during the year	-	-	-	-
-Final dividend for the year ended March 31, 2024	-	-	(5,309.96)	(5,309.96)
Contribution from erstwhile owners of demerged undertaking	2,474.07			2,474.07
Balance at the end of previous reporting year i.e. March 31, 2025	**5,612.31**	**2,029.93**	**2,91,977.21**	**2,99,619.45**

See accompanying notes to the restated financial statements.
As per our report of even date attached

For and on behalf of the Board of Directors

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

Sunny Singh
Partner
Membership No. 516834

Place : Noida (U.P)
Date : September 25, 2026

SCV & CO. LLP * New Delhi NCR * Chartered Accountants

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

HEG GRAPHITE LIMITED * NOIDA *

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Statements
for the year ended March 31,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Note 4: Property, plant and equipment

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of		
Freehold land	317.81	317.81
Buildings	37,756.28	39,818.07
Plant and equipment	1,16,345.86	1,26,156.53
Furniture and fixtures	132.74	163.83
Vehicles	1,006.28	1,029.84
Office equipment	264.59	368.81
Electrical installation	17,582.06	20,709.03
Railway sidings	119.98	134.40
Total Property, plant and equipment	**1,73,525.60**	**1,88,698.32**

The change in the carrying amount of property, plant and equipments as follows:-

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Electrical installation	Railway sidings	Total
Gross carrying amount as at April 1, 2024	-	-	-	-	-	-	-	-	-
Addition pursuant to the scheme (Refer note 51)	317.81	58,634.14	2,29,562.25	670.47	1,743.81	1,282.87	17,177.83	647.42	3,10,036.60
Additions	-	5,327.37	15,250.81	42.37	424.00	104.21	11,045.68	-	32,194.44
Disposals/deletions	-	(191.23)	(2,925.22)	(18.39)	(311.26)	(131.46)	(45.13)	-	(3,622.69)
Gross carrying amount as at March 31, 2025 (A)	317.81	63,770.28	2,41,887.84	694.45	1,856.55	1,255.62	28,178.38	647.42	3,38,608.35
Additions	-	1,881.87	3,564.09	11.73	321.61	59.65	626.27	-	6,465.22
Disposals/deletions	-	(335.26)	(1,829.93)	(52.06)	(181.67)	(63.20)	(53.41)	-	(2,515.53)
Gross carrying amount as at March 31, 2026 (B)	317.81	65,316.89	2,43,622.00	654.12	1,996.49	1,252.07	28,751.24	647.42	3,42,558.04
Accumulated depreciation as at April 1, 2024	-	-	-	-	-	-	-	-	-
Addition pursuant to the scheme (Refer note 51)	-	20,351.51	1,05,754.13	510.02	736.43	831.03	4,616.06	483.82	1,33,283.00
Depreciation for the year	-	3,711.83	12,774.57	34.56	314.06	179.20	2,881.12	29.20	19,924.54
Disposals/deletions	-	(111.13)	(2,797.39)	(13.96)	(223.78)	(123.42)	(27.83)	-	(3,297.51)
Accumulated depreciation as at March 31, 2025 (C)	-	23,952.21	1,15,731.31	530.62	826.71	886.81	7,469.35	513.02	1,49,910.03
Depreciation for the year	-	3,821.14	13,123.94	37.69	296.53	159.02	3,746.26	14.42	21,199.00
Disposals/deletions	-	(212.74)	(1,579.11)	(46.93)	(133.03)	(58.35)	(46.43)	-	(2,076.59)
Accumulated depreciation as at March 31, 2026 (D)	-	27,560.61	1,27,276.14	521.38	990.21	987.48	11,169.18	527.44	1,69,032.44
Net carrying amount as at March 31, 2025 (A)-(C)	317.81	39,818.07	1,26,156.53	163.83	1,029.84	368.81	20,709.03	134.40	1,88,698.32
Net carrying amount as at March 31, 2026 (B)-(D)	317.81	37,756.28	1,16,345.86	132.74	1,006.28	264.59	17,582.06	119.98	1,73,525.60

(i) Refer note 43 for information on property, plant and equipment pledged as security by the Company
(ii) The borrowing cost capitalized in property plant and equipment during the year is NIL (previous year NIL)
(iii) The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.
(iv) Refer note 36 for detail of contractual commitment towards purchase of property, plant and equipment.
(v) The Company has not revalued any of its property, plant and equipment during the year.
(vi) The title deeds of all the immovable properties are held in the name of the Company.

SCV & Co. LLP * New Delhi NCR * Chartered Accountants

HEG GRAPHITE LIMITED * NOIDA *

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Statements
for the year ended March 31,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Note 5: Capital work-in-progress (CWIP)

Particulars	As at March 31, 2026	As at March 31, 2025
Building, plant and equipment under erection/installation	4,333.96	2,087.19

The borrowing cost capitalized in capital work-in-progress during the year is NIL (Previous year NIL)

a) Capital work-in-progress ageing schedule is as follows:

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work in progress as at March 31, 2026					
Projects in progress	3,900.19	128.59	75.95	229.23	4,333.96
Project temporarily suspended	-	-	-	-	-
Total capital work in progress	**3,900.19**	**128.59**	**75.95**	**229.23**	**4,333.96**
Capital work in progress as at March 31, 2025					
Projects in progress	1,635.26	157.53	282.11	12.29	2,087.19
Project temporarily suspended	-	-	-	-	-
Total capital work in progress	**1,635.26**	**157.53**	**282.11**	**12.29**	**2,087.19**

b) Completion schedule for Projects under capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work in progress as at March 31, 2026					
Projects in progress	-	-	-	-	-
Capital work in progress as at March 31, 2025					
Projects in progress	434.91	-	-	-	434.91

Note:

(a) There is ₹ Nil capital-work-in progress whose completion is overdue compared to its original plan as on March 31, 2026, previous year ₹ 434.91 lakhs

(b) There is no such project in capital-work-in progress whose cost has exceeded compared to its original plan as on March 31, 2026 and March 31, 2025.

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HEG GRAPHITE LIMITED * NOIDA *

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CIN: U23994MP2024PLC071568
Notes to the Restated Financial Statements
for the year ended March 31,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

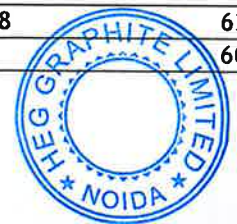
Note 6: Right-of-use-asset

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of		
Land	606.74	585.26
Building	-	39.38
Total	**606.74**	**624.64**

Particulars	Land	Building	Total
Gross carrying amount as at April 1, 2024	-	-	-
Addition pursuant to the scheme (Refer note 51)	**889.90**	**299.63**	**1,189.53**
Additions	-	-	-
Adjustments	-	-	-
Gross carrying amount as at March 31, 2025 (A)	**889.90**	**299.63**	**1,189.53**
Gross carrying amount as at April 1, 2025	**889.90**	**299.63**	**1,189.53**
Additions	39.49	-	39.49
Adjustments/Deletion	(20.98)	-	(20.98)
Gross carrying amount as at March 31, 2026 (B)	**908.41**	**299.63**	**1,208.04**
Accumulated depreciation as at April 1, 2024	-	-	-
Addition pursuant to the scheme (Refer note 51)	**287.88**	**212.35**	**500.23**
Depreciation for the year	16.76	47.90	64.66
Other adjustments for the year	-	-	-
Accumulated depreciation as at March 31, 2025 (C)	**304.64**	**260.25**	**564.89**
Accumulated depreciation as at April 1, 2025	**304.64**	**260.25**	**564.89**
Depreciation for the year	18.01	39.38	57.39
Adjustments/Deletion	(20.98)	-	(20.98)
Accumulated depreciation as at March 31, 2026 (D)	**301.67**	**299.63**	**601.30**
Net carrying amount as at March 31, 2025 (A)-(C)	**585.26**	**39.38**	**624.64**
Net carrying amount as at March 31, 2026 (B)-(D)	**606.74**	-	**606.74**

(i) Refer note 39 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.





HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Statements
for the year ended March 31,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Note 7: Intangible assets

Carrying amount of intangible assets

Particulars	As at March 31, 2026	As at March 31, 2025
Software	82.64	110.86

Particulars	Amount
Computer software	
Gross carrying amount	
As at April 1, 2024	-
Addition pursuant to the scheme (Refer note 51)	**588.55**
Additions	28.37
Disposals/Adjustments	(25.99)
As at March 31, 2025 (a)	**590.93**
Additions	3.34
Disposals/Adjustments	-
As at March 31, 2026 (b)	**594.27**
Amortisation	
As at April 1, 2024	-
Addition pursuant to the scheme (Refer note 51)	**473.69**
Charge for the year	32.37
Disposals/Adjustments	(25.99)
As at March 31, 2025 (c)	**480.07**
Charge for the year	31.56
Disposals/Adjustments	-
As at March 31, 2026 (d)	**511.63**
Net carrying amount	
As at March 31, 2025 (a-c)	**110.86**
As at March 31, 2026 (b-d)	**82.64**

(a) The Company has not internally developed computer software systems.
(b) The amount of amortisation has been included under depreciation and amortisation expense in the statement of profit and loss.
(c) Computer software are amortized over a period of five years.
(d) The borrowing cost capitalized in intangible assets during the year is NIL (previous year NIL)

SCV & Co. LLP * New Delhi NCR * Chartered Accountants

HEG GRAPHITE LIMITED * NOIDA *

HEG GRAPHITE LIMITED
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Notes to the Restated Financial Statements
for the year ended March 31,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

7(a) Intangible Assets under Development

Particulars	As at March 31, 2026	As at March 31, 2025
Intangible assets under development	66.12	49.21

a) Intangible assets under development ageing schedule is as follows:

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Intangible assets under development as at March 31, 2026					
Projects in progress	16.91	22.32	26.89	-	66.12
Project temporarily suspended	-	-	-	-	-
Total capital work in progress	**16.91**	**22.32**	**26.89**	-	**66.12**
Intangible assets under development as at March 31, 2025					
Projects in progress	22.32	26.89	-	-	49.21
Project temporarily suspended	-	-	-	-	-
Total capital work in progress	**22.32**	**26.89**	-		**49.21**

b) Completion schedule for Projects under intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Intangible assets under development as at March 31, 2026					
Projects in progress	-	-	-	-	-
Intangible assets under development as at March 31, 2025					
Projects in progress	-	-	-	-	-

Note:
(a) There is no such project in Intangible assets under development whose completion is overdue compared to its original plan as on March 31, 2026 and March 31, 2025.
(b) There is no such project in Intangible assets under development whose cost has exceeded compared to its original plan as on March 31, 2026 and March 31, 2025.

SCV & Co. LLP * New Delhi NCR * Chartered Accountants

HEG GRAPHITE LIMITED * NOIDA *

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Statements
for the year ended March 31,2026
(All amounts are in ₹ Lakhs unless otherwise stated)
Note 8: Investments

No. of units	Particulars	Face value	Non-current		Current	
			As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
A.	**Investments carried at fair value through profit or loss**					
(a)	**Investments in equity instruments (quoted)**					
2577106	(Previous year 24310015) fully paid up equity shares of Graftech International Ltd., USA	$ 0.01	16,538.74	18,183.44	-	
(b)	**Investments in mutual funds (unquoted)**					
66833.112	(Previous year NIL) units of Axis Money Market Fund Direct Growth	1000	-	-	1,010.65	
22964.793	(Previous year NIL) units of Nippon India Money Market Fund - Direct Growth	1000	-	-	1,010.46	
3491823.495	(Previous year NIL) units of HSBC Money Market Fund - Direct Growth	10	-	-	1,011.00	
5404004.208	(Previous year NIL) units of SBI Saving Fund - Direct Growth	10	-	-	2,513.22	
30381.940	(Previous year NIL) units of Invesco Money Market Fund - Direct Growth	1000	-	-	1,001.19	
61632.416	(Previous year NIL) units of UTI Money Market Fund - Direct Growth	1000	-	-	2,013.15	
82746.822	(Previous year NIL) units of Bajaj Finserv Money Market Fund - Direct Growth	1000	-	-	1,005.21	
255324.550	(Previous year NIL) units of ABSL Money Market Fund - Direct Growth	10	-	-	1,001.12	
19883.398	(Previous year NIL) units of TATA Money Market Fund - Direct Growth	1000	-	-	1,001.95	
2191176.573	(Previous year NIL) units of Bandhan Money Market Fund - Direct Growth	10	-	-	1,001.87	
9999500.025	(Previous year NIL) units of HDFC CRISIL-IBX Financial Services	10	-	-	1,002.55	
8318740.603	(Previous year NIL) units of AXIS Bank Arbitrage Fund Direct Growth EADG	10	-	-	1,772.47	
3425532.881	(Previous year NIL) units of Invesco India Arbitrage Fund Direct Growth	10	-	-	1,241.09	
5869399.349	(Previous year NIL) units of Nippon India Arbitrage Fund Direct Growth	10	-	-	1,765.72	
8305370.542	(Previous year NIL) units of Edelweiss Arbitrage Fund Direct Growth	10	-	-	1,812.16	
4414218.622	(Previous year NIL) units of SBI Arbitrage Opportunities Fund Direct Growth	10	-	-	1,664.61	
10515900.863	(Previous Year NIL) units of TATA Arbitrage Fund Direct Growth	10	-	-	1,669.23	
11733747.975	(Previous Year NIL) units of MIRAE Asset Arbitrage Fund Direct Growth	10	-	-	1,664.43	
4939122.286	(Previous Year NIL) units of HSBC Arbitrage Fund Direct Growth	10	-	-	1,052.51	
6945110.068	(Previous Year NIL) units of LIC MF Arbitrage Fund Direct Growth	10	-	-	1,051.39	
9999500	(Previous year NIL) units of AXIS Fixed Maturity Plan Series 129 Q4	10			1,006.17	
4895236.709	(Previous Year NIL) units of HDFC Arbitrage Fund Direct Growth	10	-	-	1,035.24	
(c)	**Investments in fixed maturity plans scheme(unquoted)**					
46034272.808	(Previous year NIL) units of SBI CPSE BP SDL SEP 2026 50:50 Index Fund	10	-		5,925.58	
13724503.583	(Previous year NIL) units of Edelweiss Nifty PSU Bond Plus SDL Apr 2026 50:50 Index Fund	10	-		1,873.50	
9835831.784	(Previous year NIL) units of Kotak Nifty SDL APR 2027 Top 12 Equal Weight Index Fund Direct Growth Plan	10	1,270.47		-	
9930347.719	(Previous year NIL) units of Nippon India Nifty AAA CPSE Bond Plus SDL APR 2027 Maturity 60:40 Index Fund Direct Growth Plan	10	1,269.20		-	
(d)	**Investments in Bond Funds (unquoted)**					
108109.497	(Previous year NIL) units of Kotak Corp Bond Direct Growth	1000	4,411.91		-	
2618367.638	(Previous year NIL) units of ABSL Corporate Bond Fund Direct Growth	10	3,087.12		-	
5430713.319	(Previous year NIL) units of HDFC Corporate Bond Fund Direct Growth	10	1,853.70		-	
(e)	**Investments in Infrastructure Trust (unquoted)**					
4400000	(Previous year NIL) units of Oriental Infratrust	100	4,879.60		-	
	Total		**33,310.74**	**18,183.44**	**37,106.47**	-
	Aggregate carrying value of quoted investments		16,538.74	18,183.44	-	-
	Market value of quoted investments		16,538.74	18,183.44	-	-
	Aggregate carrying value of unquoted investments		16,772.00	-	37,106.47	-
	Aggregate amount for impairment in value of investments		-	-	-	-

Note (i): Investments having maturity period of less than 12 months from balance sheet date have been reclassified as current investments, if any.
Note (ii): Refer note 42B for classification of financial assets.
Note (iii): Refer note 42C for information about credit risk and market risk in respect of investments.

SCV & Co. LLP New Delhi NCR Chartered Accountants

HEG GRAPHITE LIMITED NOIDA

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Statements
for the year ended March 31,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Note 9: Trade receivables

Particulars	Current	
	As at March 31, 2026	As at March 31, 2025
a) Trade receivables considered good-secured	-	-
Less: allowance for expected credit loss	-	-
b) Trade receivables considered good-unsecured	49,809.43	43,763.21
Less: allowance for expected credit loss	(97.54)	(83.20)
c) Trade receivables which have significant increase in credit risk	467.86	628.56
Less: allowance for expected credit loss	(233.94)	(314.28)
d) Trade receivables credit impaired	416.82	91.62
Less: allowance for credit impairment	(416.82)	(91.62)
Total	**49,945.81**	**43,994.29**

There is no amount due from Directors or other Officers 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.

Trade receivables ageing schedule

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 March 31, 2026							
(i) Undisputed trade receivables - considered good	31,425.38	18,384.05	-	-	-	-	49,809.43
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	368.18	99.68	-	-	467.86
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	332.77	84.05	416.82
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total							50,694.11
Less: allowance for expected credit loss							(748.30)
Total							49,945.81
As at March 31, 2025							
(i) Undisputed trade receivables - considered good	29,921.02	13,842.19	-	-	-	-	43,763.21
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	268.16	360.40	-	-	628.56
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	1.98	89.64	91.62
(iv) Disputed trade receivables - considered good		-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk		-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired		-	-	-	-	-	-
Total							44,483.39
Less: allowance for expected credit loss							(489.10)
Total							43,994.29

Refer note 42B for classification of financial assets
Refer note 42C for credit risk and expected credit loss related to trade receivables
Refer note 43 for information of trade receivables pledged as security by the Company.





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Note 10: Loans

Particulars	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Financial asset at amortised cost				
Loans to employees				
a) Loans considered good-secured	-	-	-	-
b) Loans considered good-unsecured	59.20	97.13	65.53	83.09
Total	**59.20**	**97.13**	**65.53**	**83.09**

Refer note 42B for classification of financial assets
Refer note 42C for information about credit risk and market risk in respect of financial assets.
Refer note 37 for name of related parties
Note (i) : The above figures includes loan to Key Managerial Persons amounting to ₹ 8.17 lakhs (previous year ₹ 11.97 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 0.04% (previous year 6.64%) of total loans outstanding as on that date. Such loans are neither repayable on demand nor without specifying any terms or period of repayment.

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Note 11: Other financial assets

Particulars	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Financial assets at amortised cost				
Security deposits	4,257.69	4,472.34	7.52	124.35
Interest accrued but not due on fixed deposits	-	-	35.39	48.89
Interest subvention recoverable (on working capital loans)	-	-	286.95	286.95
Advance for Equity Investment #	7.76	746.88	-	-
Government grant receivable (refer note 48)*	-	-	7,167.16	6,224.97
Other recoverables including accrued interest				
Total	**4,265.45**	**5,219.22**	**7,497.02**	**6,685.16**

#Advance paid for purchase of shares of Graftech International Ltd.
*State Government investment promotion assistance receivable as per MP industrial promotion policy 2018
Refer note 42B for classification of financial assets
Refer note 42C for information about credit risk and market risk in respect of other financial assets.

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Note 12: Other assets

Particulars	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good unless stated otherwise				
Capital advances	3,449.82	781.60	-	-
Other advances (other than advances to related parties)	-	-	518.75	617.25
Prepaid expenses	73.75	125.36	887.67	1,023.29
Balances with Government authorities	-	-	1,575.10	3,108.62
GST refund receivable	-	-	4,274.04	1,753.12
Payments under protest (excluding direct taxes other than Tax Deducted at Source(TDS)) #	486.48	486.48	-	-
Export benefits receivable	-	-	288.11	625.74
Other employee advances			53.30	53.31
Gratuity fund receivable (refer note 38)	-	-	-	803.73
Others	-	-	6,571.69	5,874.66
Total	**4,010.05**	**1,393.44**	**14,168.66**	**13,859.72**

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.

Detail of payments under protest(excluding direct taxes other than TDS) is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Entry tax	114.29	114.29
Central sales tax	229.83	229.83
Excise duty/service tax	79.89	79.89
MPST/MPCT	0.46	0.46
Tax deducted at source	62.01	62.01
Total	**486.48**	**486.48**

Note: 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.

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Note 13: Inventories (Valued at lower of cost or net realizable value)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials	25,842.96	28,953.71
[Includes material in transit ₹ 9706.33 lakhs ; previous year:₹ 14354.34 lakhs]		
Work-in-progress	43,610.27	45,087.85
Finished goods	38,436.62	45,750.23
Stores and spares	5,483.81	5,672.01
[Includes stores in transit ₹ 570.42 lakhs ; previous year: ₹ 655.17 lakhs]		
Total	**1,13,373.66**	**1,25,463.80**

(a) The cost of inventories includes ₹ 1,099.41 lakhs (March 31, 2025 ₹ 512.49 lakhs) in respect of write down of inventories on account of slow moving items.

(b) Refer note 43 for information of inventory pledged as security by the Company.

(c) The method of valuation of inventories has been stated at Note 2.3(ii)

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Note 14: Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets at amortised cost		
Balances with banks		
In current accounts	1,041.15	550.68
In cash credit accounts	1,156.68	1,107.07
Cheques, drafts in hand	-	3.31
Cash on hand	5.13	5.19
Total cash and cash equivalents	**2,202.96**	**1,666.25**

Refer note 42B for classification of financial assets
Refer note 42C for information about credit risk and market risk in respect of cash and cash equivalents

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Note 15: Other bank balances

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets at amortised cost		
I. Earmarked deposits with banks		
a) Held as margin money against letter of credit for raw material and capital goods and against bank guarantees	1,444.24	1,332.31
b) Held for unspent Corporate Social Responsibility expenditure on account of ongoing projects	13.85	-
II. Term/fixed deposits with banks/financial institutions having original maturity period of more than three months	2,571.14	-
III.Term/fixed deposits with banks/financial institutions for unspent Corporate Social Responsibility	151.90	-
Total	**4,181.13**	**1,332.31**

Refer note 42B for classification of financial assets
Refer note 42C for information about credit risk and market risk in respect of other bank balances.

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Note 16: Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
A. Capital reserve		
Balance as at the beginning of the year	5,612.31	-
Tranfer pursuant to the scheme (refer note 51)	-	3,138.24
Movement during the year	-	-
Contribution from/(utilisation by) erstwhile owners of demerged undertaking	(196.11)	2,474.07
Balance as at the end of the year	**5,416.20**	**5,612.31**
B. Capital redemption reserve		
Balance as at the beginning of the year	2,029.93	-
Tranfer pursuant to the scheme (refer note 51)	-	2,029.93
Movement 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	2,91,977.21	-
Tranfer pursuant to the scheme (refer note 51)	-	2,94,945.97
Transfer to share pending issuance (Refer Note 51)	-	(3,859.59)
Amount transferred from statement of profit and loss		
- Profit for the year	13,477.07	6,203.66
- Other comprehensive income for the year (remeasurement of defined employee benefit plan) (net of tax expense)	(233.93)	(2.87)
Dividend distributed on equity shares during the year	(906.95)	(5,309.96)
Balance as at the end of the year	**3,04,313.40**	**2,91,977.21**
Total	**3,11,759.53**	**2,99,619.45**

Nature and purpose of reserves

1) Capital reserve:

The Capital reserve has been created on account of warrant money forfeited, profit made on hive off of steel business and on account of demerger of Graphite undertaking.

2) Capital redemption reserve:

The capital redemption reserve has been created at the time of redemption of preference shares and buy back of own shares. The reserve can be utilised for issuing bonus

3) Retained earnings

Retained earnings refer to net earnings not paid out as dividend but retained to be reinvested in the core business. The amount is available for distribution of dividend to the equity shareholders.

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Note 17: Borrowings

Particulars	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Loans repayable on demand from banks				
Working capital loans from banks				
-Secured	-	-	55,955.56	58,014.43
-Unsecured	-	-	23,372.91	471.22
Total	-	-	**79,328.47**	**58,485.65**

(i) Terms of repayment of loans

Particulars	As at March 31, 2026	As at March 31, 2025
Loans repayable on demand		
Secured		
Working capital loans from banks	55,955.56	58,014.43
Unsecured		
Working capital loans from banks	23,372.91	471.22
Total	**79,328.47**	**58,485.65**

(ii) Nature of security against loans

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.

(iii) Refer note 42B for classification of financial liabilities
(iv) Refer note 43 for carrying amount of assets pledged as security for borrowings.
(v) Refer note 42C for information about liquidity risk and market risk in respect of borrowings.

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Note 18: Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables		
(A) Total outstanding dues of micro enterprises and small enterprises	2,557.73	1,079.19
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	36,244.96	38,760.94
Total	**38,802.69**	**39,840.13**

(i) Trade payables ageing schedule

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 March 31, 2026						
(i) MSME	2,557.73	-	-	-	-	**2,557.73**
(ii) Others	35,537.76	561.26	4.53	-	141.41	**36,244.96**
(iii) Disputed - MSME	-	-	-	-	-	-
(iv) Disputed - others	-	-	-	-	-	-
As at March 31, 2025						
(i) MSME	1,079.19	-	-	-	-	**1,079.19**
(ii) Others	35,826.19	2,929.55	4.66	0.54	-	**38,760.94**
(iii) Disputed - MSME	-	-	-	-	-	-
(iv) Disputed - others	-	-	-	-	-	-

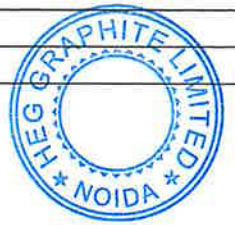
(ii) Refer note 42B for classification of financial liabilities

(iii) Refer note 42C for information about liquidity risk and market risk in respect of trade payables.

(iv) 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, on the basis of information and records available.
The required information is as under :-

Particulars	As at March 31, 2026	As at March 31, 2025
a) The amount remaining unpaid to micro and small enterprises at the end of each accounting year.		
a) Principal		
-Related to trade payables	2,557.73	1,079.19
-Related to creditors for capital purchases (refer note 19B)	388.36	263.50
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 accruec 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.	-	-

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Note 19A: Lease liabilities

Particulars	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Lease liabilities - land (refer note - 39)	117.41	80.26	2.08	1.62
Lease liabilities - building (refer note - 39)	-	-	-	45.45
Total	**117.41**	**80.26**	**2.08**	**47.07**

Refer note 42B for classification of financial liabilities

Refer note 42C for information about liquidity risk and market risk in respect of lease liabilities.

Note 19B: Other financial liabilities

Particulars	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings	-	-	3.11	227.63
Security deposits	-	-	203.23	155.60
Creditors for capital purchases	-	-	-	-
Payable to micro enterprises and small enterprises	-	-	388.36	263.50
Payable to other than micro enterprises and small enterprises	-	-	186.88	881.36
Other payables	-	-		
Employees related	-	-	2,455.62	2,099.48
Others	-	-	2,191.35	1,992.75
Financial liabilities at fair value through profit or loss				
Derivative financial instruments**			1,663.33	
Total	**-**	**-**	**7,091.88**	**5,620.32**

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Refer note 42B for classification of financial liabilities

Refer note 42C for information about market risk and liquidity risk in respect of other financial liabilities.

**The Company enters into derivative financial instruments (usually foreign exchange forward contracts) to manage its exposure to foreign exchange rate risk. For details of derivative financial instruments, (refer note 42C).

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Note 20: Provisions

Particulars	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits				
Gratuity (refer note 38)	-	-	371.83	-
Compensated absences (refer note 38)	664.94	529.18	133.73	104.28
Other provisions				
Provision against pending .itigations	-	-	325.83	325.83
Total	**664.94**	**529.18**	**831.39**	**430.11**

Movement of provision against pending litigations

Nature of provisions	Non-current		Current	
	2025-26	2024-25	2025-26	2024-25
Carrying amount at the beginning of the year	-	-	325.83	-
Addition pursuant to the scheme (Refer note 51)	-	-	-	325.83
Amount provided made during the year	-	-	-	-
Amount reversed during the year	-	-	-	-
Carrying amount at the end of the year	-	-	**325.83**	**325.83**

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 separate cases that arise in the ordinary course of business. These provisions have not been discounted as it is not practicable to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

No reimbursements are expected in respect of the above provisions

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Note 21: Deferred tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities (A)		
Difference between carrying value of property, plant and equipment as per books of account and income tax	9,913.82	9,976.07
Deferred tax assets (B)	-	
Expenses deductible on payment basis under income tax/ provision for employee benefits	(434.02)	(39.15)
Allowance for expected credit loss	(188.33)	(123.10)
Fair valuation of investments	(668.87)	(1,352.08)
Demerger & Amalgamation (refer note 51)	(114.17)	(66.00)
MTM Loss	(418.63)	-
Net deferred tax liability (A)-(B)	**8,089.80**	**8,395.74**

The following is the movement of the deferred tax liabilities and assets

Movement in deferred tax liabilities and assets for the year ended March 31, 2026

Particulars	As at 1st April, 2025	Recognized in the profit or loss	Recognized in other comprehensive income	As at March 31, 2026
Deferred tax liabilities (A)				
Difference between carrying value of property plant and equipment as per books of account and tax base	9,976.07	(62.25)	-	9,913.82
Deferred tax assets (B				
Expenses deductible on payment basis under income tax/ provision for employee benefits	(39.15)	(316.19)	(78.68)	(434.02)
Allowance for expected credit loss	(123.10)	(65.23)	-	(188.33)
Fair valuation of investments	(1,352.08)	683.21	-	(668.87)
Demerger & Amalgamation (refer note 51)	(66.00)	(48.17)	-	(114.17)
MTM Loss	-	(418.63)		(418.63)
Net deferred tax liabilities/(assets) (A)-(B)	**8,395.74**	**(227.26)**	**(78.68)**	**8,089.80**

Movement in deferred tax liabilities and assets for the year ended March 31, 2025

Particulars	As at April 1, 2024	Addition pursuant to the scheme (Refer note 51)	Recognized in the profit or loss	Recognized in other comprehensive income	As at March 31, 2025
Deferred tax liabilities (A)					
Difference between carrying value of property plant and equipment as per books of account and tax base	-	9,565.24	410.83	-	9,976.07
Deferred tax assets (B	-	-	-		
Expenses deductible on payment basis under income tax/ provision for employee benefits	-	(60.54)	22.36	(0.97)	(39.15)
Allowance for expected credit loss	-	(68.06)	(55.04)	-	(123.10)
Fair valuation of investments	-	(330.33)	(1,021.75)	-	(1,352.08)
Demerger & Amalgamation (refer note 51)	-	-	(66.00)	-	(66.00)
Net deferred tax liabilities/(assets) (A)-(B)		**9,106.31**	**(709.60)**	**(0.97)**	**8,395.74**

There are no unrecognised deferred tax liabilities/assets as at March 31, 2026 and March 31, 2025 . Deferred tax assets and liabilities have been set off as they are governed by the same taxation laws.

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Note 22: Other liabilities

Particulars	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Deposits from employees against various schemes	482.97	494.69	125.84	72.01
Advance from customers	-	-	528.32	814.54
Statutory dues payable	-	-	350.08	215.75
Payable against unspent Corporate Social Responsibility expenditure (refer note 40)	-	-	163.72	206.07
Others payables	-	-	662.05	396.00
Total	**482.97**	**494.69**	**1,830.01**	**1,704.37**

Note: It represents Corporate Social Responsibility (CSR) expense related to ongoing projects. The same has been transferred to a special account within 30 days from end of the respective financial year as per the provisions of the Companies Act.

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Note 23A: Non -Current tax assets / (liabilities)

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax assets (net of provision for taxation)	4,684.56	10,455.53
Total	**4,684.56**	**10,455.53**

Note 23B: Current tax liabilities / (assets)

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax liabilities (net of advance tax)	625.54	897.04
Total	**625.54**	**897.04**

The current tax assets and current tax liabilities have been set off, to the extent, the Company :
(a) has a legally enforceable right to set off the recognised amounts; and
(b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

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Note 24: Revenue from operations

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
Sale of products				
Graphite electrodes (including by-products)	2,52,531.71		2,10,798.39	
Power	2,645.72	2,55,177.43	2,935.48	2,13,733.87
Other operating income				
REC sales	249.04		330.52	
Fly Ash Income	-		11.66	
Export incentives	1,424.00		1,194.86	
		1,673.04		1,537.04
		2,56,850.47		2,15,270.91

Refer note 44 for disclosures as per Ind AS 115 "Revenue from contracts with customers"

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Note 25: Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income from financial assets measured at amortized cost		
- from fixed deposits	*553.36*	*918.01*
Interest income from financial assets measured at fair value through profit or loss	*48.35*	-
Rental Income	*2.84*	*4.69*
Net gain on sale of investments measured at fair value through profit or loss	*228.23*	*74.36*
Dividend income from investments measured at fair value through profit or loss	*31.65*	-
Liabilities / provisions written back (including allowances for expected credit losses, if any)	*71.79*	*1,750.04*
Government Grant* (refer note 48)	*3,391.00*	*5,714.00*
Miscellaneous	*1,331.47*	*1,252.89*
Total	***5,658.69***	***9,713.99***

*State Government investment promotion assistance as per MP industrial promotion policy 2018

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Note 26: Cost of materials consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Raw materials consumed		
Opening stock	*28,953.71*	-
Add : Addition pursuant to the scheme (Refer note 51)		*16,341.60*
Add : Purchases	*94,441.12*	*1,08,084.71*
	1,23,394.83	**1,24,426.31**
Less: Closing stock	*25,842.96*	*28,953.71*
Cost of raw materials consumed	***97,551.87***	***95,472.60***

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Note 27: Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(1) Inventories at the beginning of the year		
Finished goods	*45,750.22*	-
Work-in-progress	*45,087.85*	-
Total	***90,838.07***	-
(2) Addition pursuant to the scheme (Refer note 51)		
Finished goods	-	*50,558.61*
Work-in-progress	-	*35,182.52*
Total	-	***85,741.13***
(3) Inventories at the end of the year		
Finished goods	*38,436.62*	*45,750.22*
Work-in-progress	*43,610.27*	*45,087.85*
Total	***82,046.89***	***90,838.07***
Net (increase)/decrease [(1) + (2) - (3)]	***8,791.18***	***(5,096.94)***

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Note 28: Employee benefit expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages	*10,173.80*	*8,703.56*
Contribution to provident and other funds (refer note 38)	*1,782.00*	*615.47*
Staff welfare expenses	*397.55*	*399.22*
Total	***12,353.35***	***9,718.25***

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Note 29: Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Interest on borrowings	*2,419.97*	*3,116.32*
(ii) Foreign Exchange Fluctuation on Foreign Currency Loans to the extent regarded as an adjustment to borrowing cost	*1,274.05*	*444.70*
(iii) Others		
-Interest on lease liabilities	*13.65*	*13.48*
-Interest on direct taxes i.e. income tax/TDS	*12.07*	*31.79*
-Others	*1.03*	*313.35*
Total	***3,720.77***	***3,919.64***

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Note 30: Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(1) Depreciation of property, plant and equipment (refer note 4)	*21,199.00*	*19,924.54*
(2) Depreciation of right of use assets (refer note 6)	*57.39*	*64.66*
(4) Amortisation of intangible assets (refer note 7)	*31.56*	*32.37*
Total	***21,287.95***	***20,021.57***

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Note 31: Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and spare parts (including refractory blocks)	16,701.71	15,880.47
Job/process charges	1,370.97	830.45
Power and fuel	36,948.80	33,165.35
Repairs and maintenance		
Plant and machinery	2,937.13	3,774.01
Building	344.62	337.88
Others	1,697.94	1,230.23
Insurance	1,627.39	1,332.73
Rent (refer note 39)	47.58	36.87
Rates and taxes	199.57	220.68
Directors' sitting fees and incidental expenses	93.90	111.78
Freight & forwarding	18,114.38	17,372.51
Packing expenses (including packing material consumption)	2,517.63	2,145.84
Commission on sales	1,979.38	1,478.22
Claims and rebates	23.28	218.87
Power generation charges	511.99	487.50
Travelling expenses	483.22	437.38
Postage and communication	69.76	72.71
Payment to auditors (Refer details below ##)	61.41	44.46
Contribution towards Corporate Social Responsibility (refer note 40)	746.61	929.80
Legal and professional expenses	1,114.84	1,243.57
Vehicle running and maintenance	63.40	68.23
Allowances for expected credit losses/ credit impairment	259.20	129.65
Net loss on sale/discard of property, plant and equipments	74.48	131.29
Loss on Foreign Currency Fluctuation (Net)	7,232.60	160.59
Net loss on fair valuation of investments measured at fair value through profit or loss	2,503.75	8,016.20
Miscellaneous expenses*	990.56	1,396.43
Total	**98,716.10**	**91,253.70**

* Does not include any item of expenditure with a value of more than 1% of the revenue from operations.

Payments to auditors (excluding GST)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
As auditor		
Statutory audit	36.77	31.50
Other services		
Tax audit	5.00	2.00
Certification fees	12.73	4.64
Reimbursement of out of pocket expenses	6.91	6.32
Total	**61.41**	**44.46**

* Does not include any item of expenditure with a value of more than 1% of the revenue from operations.

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Note 32: Tax expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A) Tax expense recognised in the statement of profit and loss		
1) Current tax	6,745.99	4,305.38
2) Current tax adjustment related to earlier years	92.14	(103.36)
3) Deferred tax	(227.26)	(709.60)
	6,610.87	**3,492.42**
B) Tax expense recognised in other comprehensive income		
1) Current tax	-	-
2) Deferred tax	(78.68)	(0.97)
	(78.68)	**(0.97)**
C) Tax expense/(income) relating to items that are charged or credited directly to equity		
1) Current tax	-	-
2) Deferred tax	-	-
	-	-

Reconciliation of tax expense applicable to profit before tax as per the latest statutory enacted tax rate in India to tax expense reported is as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Accounting profit before tax	20,087.94	9,696.08
At India's statutory income tax rate of 25.168%	25.168	25.168
Tax as per accounting profit (A)	**5,055.73**	**2,440.31**
Add/(less) :		
Effect of expenses that are not deductible in determining taxable profits	194.38	245.41
Effect of expenses that are deductible in determining taxable profits	(24.80)	(16.40)
Tax rate differential and other adjustments on gain on sale /fair valuation of investments	1,421.62	1,057.21
Others	(128.20)	(130.75)
Current tax adjustment related to earlier years	92.14	(103.36)
Total (B)	**1,555.14**	**1,052.11**
Income tax expense recognized for the year (A+B)	**6,610.87**	**3,492.42**

Disclosure in relation to undisclosed income

During the year, the Company has not surrendered or undisclosed any income in the tax assessments under the Income Tax Act,1961. There are no transactions which are not recorded in the books of account.

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Note 33: Other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Items that will not be reclassified to profit or loss		
- Remeasurement of defined employee benefit plans	(312.61)	(3.84)
Total	**(312.61)**	**(3.84)**
(ii) Tax expense relating to items that will not be reclassified to profit or loss		
-Remeasurement of defined employee benefit plans	(78.68)	(0.97)
Total	**(78.68)**	**(0.97)**

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Note 34: Earnings per share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit attributable to equity shareholders of the Company	13,477.07	6,203.66
Weighted average number of equity shares for basic/diluted earning per share (face value of ₹ 2 each)* (refer note below)	19,29,77,530	19,29,77,530
Basic / diluted earning per share(₹)	6.98	3.21

* There are no potential equity shares

Note: Weigted average number of shares has been taken basis the number of shares that will be issued by the Company pursuant to the Scheme of arrangement (Refer note 51).

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Note 35: Segment information

The Company's Chief Operational Decision Makers consisting of Chairman, Managing Director & CEO 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 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/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

(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars	Graphite (including other carbon products)		Power		Total	
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025
Segment revenue						
Turnover	2,53,955.71	2,12,004.91	2,894.76	3,266.00	2,56,850.47	2,15,270.91
Less: Inter Segment turnover	-	-	-	-	-	-
External turnover	**2,53,955.71**	**2,12,004.91**	**2,894.76**	**3,266.00**	**2,56,850.47**	**2,15,270.91**
Segment result before interest & taxes	**24,010.26**	**19,062.78**	**1,472.25**	**1,576.77**	**25,482.51**	**20,639.55**
Add: Interest income					601.72	918.01
Add / (Less): Net loss on sale/fair valuation of investments measured at fair value through profit or loss					(2,275.52)	(7,941.84)
Less: Finance cost					3,720.77	3,919.64
Profit before tax					20,087.94	9,696.08
Less: Income tax (including deferred tax)					6,610.87	3,492.42
Net profit for the year					13,477.07	6,203.66
Depreciation and amortisation expense	21,150.59	19,814.73	137.36	206.84	21,287.95	20,021.57
Non cash expenses other than depreciation and amortization	578.85	178.21	-	-	578.85	178.21

2) Segment assets, liabilities and other details

Particulars	Graphite (including other carbon products)		Power		Total	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Segment assets	4,51,738.27	4,17,899.06	1,748.03	2,104.54	4,53,486.30	4,20,003.60
Segment liabilities	1,37,570.31	1,16,274.95	296.87	249.61	1,37,867.18	1,16,524.56
Capital expenditure incurred during the year	10,183.68	14,874.81	82.31	43.94	10,265.99	14,918.75

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4) Geographical information:
The Company operates in two principal geographical areas-India and outside India.

Particulars	Within India (including sale to SEZ units) #		Outside India		Total	
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Segment revenue	84,683.54	72,040.61	1,72,166.93	1,43,230.30	2,56,850.47	2,15,270.91
b) Segment non-current assets*	1,87,309.67	2,03,419.19	-	-	1,87,309.67	2,03,419.19

Export incentives have been included in segment revenue within India
* Non-current segment assets includes non-current assets other than financial assets and deferred tax assets.

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 March 31, 2026	For the year ended March 31, 2025
India (including sale to SEZ units) #	84,683.54	72,040.61
United Arab Emirates	3,026.98	1,802.24
Japan	6,694.25	2,950.56
Egypt	9,531.52	9,461.62
Korea (South)	8,873.58	10,944.49
South Africa	3,866.16	4,081.60
Spain	8,058.85	7,495.44
Turkey	18,288.04	11,058.46
USA	44,018.45	36,696.48
Mexico	8,182.41	6,860.64
Others*	61,626.69	51,878.77
Total	**2,56,850.47**	**2,15,270.91**

*Others includes revenue from countries having less than 5% of total revenue from outside India.
Export incentives have been included in segment revenue 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 2025-26 and 2024-25

7) The Company has business operations only in India and does not hold any non current asset outside India.

8) The Company had two power plans viz. Thermal Power plant and Hydro Power Plant. For the purpose of reporting as per the requirements of Ind AS 108 'Operating Segments', keeping in view the intended future use of the Thermal Power Plants exclusively to meet the power requirement of graphite business, the thermal power plants have been considered as a part of 'Graphite Segment'. Further the Hydro Power Plant is considered a separate segment and is being continued to be disclosed under 'Power segment' for reporting as per Ind AS 108 'Operating Segments'.

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Note 36: Contingencies and commitments

1) Contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
For taxation matters		
a) Excise duty	220.04	220.04
b) Goods & services tax	36.71	36.70
c) Income tax	8,064.18	7,227.04
d) Sales tax	420.69	450.70
Other than taxation matters		
a) Power related matters	955.00	847.00
b) Labour related matters	50.20	29.20
c) Other matters	1,210.78	1,101.53

Based on legal advice, discussions with the solicitors, etc., the management believes that there is a fair chance of decisions in the Company's favour in respect of all the items listed above and hence no provision is considered necessary against the same.

Further Company has deposited amount to the tax authorities against the cases, which shown as payment under protest in Note 12 of other assets.

2) Commitments outstanding

Particulars	As at March 31, 2026	As at March 31, 2025
a) Estimated value of contracts remaining to be executed on capital account and not provided for [(net of advances of ₹ 3449.82 lakhs, (previous year ₹ 781.60 lakhs.)]	16,283.52	3,165.70
b) Outstanding commitments under letter of credits established by the Company	6,214.71	1,101.33
c) Pending export obligation against EPCG/Advance license	25,265.21	26,244.23

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Note 37: Related party disclosure

A) Names of related parties and transactions taken place during the year

Relationship		Related parties	
		Year ended March 31, 2026	Year ended March 31, 2025
I)	Holding Company	HEG Limited (refer note A below)	HEG Limited (refer note A below)
V)	Key Management Personnel	Sh. Om Prakash Ajmera	Sh. Om Prakash Ajmera
		Sh. Puneet Anand ##	Sh Puneet Anand
		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
		Smt. Vinita Singhania	Smt. Vinita Singhania
		Smt. Ramni Nirula	Smt. Ramni Nirula
		Sh. Jayant Dawar	Sh. Jayant Dawar
		Sh. Sandip Somany	Sh. Sandip Somany
		Sh. Nand Gopal Khaitan	Sh. Nand Gopal Khaitan
		Sh. P S Dasgupta	Sh. P S Dasgupta
		Sh. Manish Gulati - Executive Director	Sh. Manish Gulati - Executive Director
		Sh. Ravi Kant Tripathi -Chief Financial Officer	Sh. Ravi Kant Tripathi -Chief Financial Officer*
			Sh. Gulshan Kumar Sakhuja - Chief Financial Officer**
		Sh. Vivek Chaudhary-Company Secretary	Sh. Vivek Chaudhary-Company Secretary
VI)	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
		Smt. Mansi Jhunjhunwala	Smt. Mansi Jhunjhunwala
VII)	Post employment benefit plan trust		(a) Hindustan Electro Graphites Staff Gratuity Fund Trust
		Hindustan Electro Graphites Ltd Senior Executive Superannuation Fund Trust	(b) Hindustan Electro Graphites Ltd Senior Executive Superannuation Fund Trust

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Note 37: Related party disclosure

A) Names of related parties and transactions taken place during the year *(continued)*

Relationship		Related parties	
		Year ended March 31, 2026	Year ended March 31, 2025
VIII)	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#
			Purvi Vanijya Niyojan 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#
			Jet(India) Pvt. Ltd.#
			India Texfab Marketing Limited#
			Investors India Limited#
			LNJ Financial Services Limited#
			M.L. Finlease Pvt Limited#
		Bhilwara Technical Textiles Ltd.	Bhilwara Technical Textiles Ltd.
			Sabhyata Foundation (Section 8 company)
		LNJ Bhilwara -HEG Lok Nyas (Trust)	LNJ Bhilwara -HEG Lok Nyas (Trust)
		Graphite Education & Welfare Society (Trust)	Graphite Education & Welfare Society (Trust)
			Dreamon Commercial Pvt Ltd.
		LNJ Reality Pvt. Ltd	LNJ Reality Pvt. Ltd
			Kalati Holdings (P) Ltd.
		RLJ Family Trusteeship Pvt. Ltd.	RLJ Family Trusteeship Pvt. Ltd.
		Redrose Vanijya LLP	Redrose Vanijya LLP
		Norbury Investments Limited	
		Microlight Investments Ltd.	
		LNJ Leasing & Finance Pvt. Ltd.	
		Bhilwara Services Pvt. Ltd.	
		Abhav Realtors Pvt. Ltd.	
		Mandapam Vikas Private Limited	

Mr. Puneet Anand has been appointed as the President, Group CSO & KMP of HEG Limited with effect from December 01, 2025.

* Appointed with effect from November 13, 2024.

** Resigned with effect from September 18, 2024.

Amalgamated with Redrose Vanijya LLP (formerly known as Redrose Pvt. Ltd.) pursuant to scheme of arrangement duly sanctioned by Hon'ble NCLT Kolkata Bench.

Note A: HEG Limited is the holding Company of HEG Graphite Limited as on March 31, 2025 and March 31, 2026. However, pursuant to the scheme of arrangement and the relevant accounting treatment mentioned in the scheme (refer note 51), the transactions between HEG Limited and the Company has been eliminated in these Restated Financial Statements and accordingly, no transaction with HEG Limited has been disclosed. Further, as per the said scheme the shareholders of HEG will be allotted proportionate shares in the Company basis the shareholding as on record date of September 7, 2026. On the implementation of the scheme of arrangement HEG Limited (now known as HEG Advanced Material Limited) will cease to be the Holding Company and will be related party in which KMP is able to exercise significant influence. There were no transactions with the party except effect of accounting treatment on implementation of the Scheme of Arrangement.

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Note 37: Related party disclosure

B) Transaction during the year with related parties

Relationship		Name of the related Party	Nature of transaction	Year ended March 31, 2026	Year ended March 31, 2025
I)	Key Management Personnel	Sh. Ravi Jhunjhunwala-CMD & CEO	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)#	497.89	432.56
			Commission	829.00	662.88
			Dividend Paid	0.06	0.16
		Sh Riju Jhunjhunwala-Vice Chairman	Director sitting fee	6.00	8.25
			Dividend Paid	0.12	0.31
			Reimbursement of expenses	0.24	0.33
		Sh. Shekhar Agarwal	Director sitting fee	7.50	10.50
			Reimbursement of expenses	0.30	0.42
		Sh. Satish Chand Mehta	Director sitting fee	11.25	17.25
			Reimbursement of expenses	0.71	0.93
		Dr. Kamal Gupta	Director sitting fee	15.00	15.75
			Reimbursement of expenses	0.72	0.63
			Dividend Paid	0.04	0.11
		Smt. Vinita Singhania	Director sitting fee	2.25	5.25
			Reimbursement of expenses	0.15	0.33
		Smt. Ramni Nirula	Director sitting fee	10.50	18.75
			Reimbursement of expenses	0.42	0.75
		Sh Jayant Dawar	Director sitting fee	16.50	17.25
			Reimbursement of expenses	0.66	0.69
			Dividend Paid	0.00	0.00
		Sandip Somany	Director sitting fee	3.75	4.50
			Reimbursement of expenses	0.15	0.18
			Dividend Paid	1.37	-
		Nand Gopal Khaitan	Director sitting fee	12.75	8.25
			Reimbursement of expenses	2.23	2.19
		P S Dasgupta	Director sitting fee	4.50	1.50
			Reimbursement of expenses	0.18	0.06
		Sh. Manish Gulati - Executive Director	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)#	221.86	187.80
			Commission	200.00	108.33
		Sh. Ravi Kant Tripathi -Chief Financial Officer	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)	82.09	68.92
			Dividend Paid	0.00	-
		Sh. Gulshan Kumar Sakhuja - Chief Financial Officer	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)	-	71.98
			Housing Loan Repayment -Principal	-	8.75
			Special loan Repayment- Principal	-	1.98
			Housing Loan & Special Loan - Interest Repayment	-	0.19
		Sh. Vivek Chaudhary-Company Secretary	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)#	59.03	54.54
			Housing Loan Repayment -Principal	1.40	1.40
			Special loan Repayment- Principal	2.40	2.40
			Housing Loan & Special Loan - Interest Repayment	0.82	1.12
		Sh. Puneet Anand	Salary and Allowances (Including perquisites and Contribution in PF and Superannuation)	50.30	-



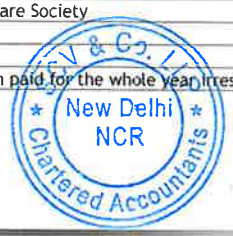


Note 37: Related party disclosure

B) Transaction during the year with related parties *(continued)*

Relationship		Name of the related Party	Nature of transaction	Year ended March 31, 2026	Year ended March 31, 2025
VI)	Close family members of Key Management P	Sh. Rishabh Jhunjhunwala	Dividend Paid	0.16	0.41
		Smt. Rita Jhunjhunwala	Dividend Paid	0.17	0.42
			Rent Paid		
VII)	Post employment benefit Plan Trust	Hindustan Electro Graphites Ltd Senior Executive Superannuation Fund Trust	Contribution in Employee Benefit Scheme	226.28	156.77
VIII)	Enterprises in which KMP is able to exercise significant influence.	RSWM Ltd	Rent Paid	43.52	43.52
			Reimbursement received	54.86	65.69
			Reimbursement made	203.88	199.56
			Dividend Paid	28.66	71.64
		Shashi Commercial Co. Ltd.	Rent Paid	-	20.22
			Dividend Paid	-	152.00
			Reimbursement received		
		Purvi Vanijaya Niyojan Ltd.	Reimbursement received	-	0.21
			Dividend Paid	-	420.43
		Giltedged Industrial Securities Ltd.	Rent Paid	-	4.08
			Dividend Paid	-	199.73
		BSL Ltd	Rent Received	12.19	12.19
			Purchase of Fabrics	1.86	2.23
			Reimbursement received	1.67	1.52
		Maral Overseas Ltd	Reimbursement received	27.17	24.01
		BMD Pvt Ltd	Reimbursement received	16.34	17.06
		Bhilwara Technical Textiles Ltd.	Reimbursement received	0.33	-
		Bharat Investments Growth Ltd.	Dividend Paid	-	615.36
		Jet(India) Pvt. Ltd.	Dividend Paid	-	226.26
		India Texfab Marketing Limited	Dividend Paid	-	46.51
		Investors India Limited	Dividend Paid	-	8.16
		LNJ Financial Services Limited	Dividend Paid	-	370.87
		M.L. Finlease Pvt Limited	Dividend Paid	-	77.95
		Raghav Commercial Limited	Dividend Paid	-	325.84
		RLJ Family Trusteeship Pvt. Ltd.	Dividend Paid	0.05	0.11
		Dreamon Commercial Pvt Ltd.	Reimbursement received	-	0.08
			Dividend Paid	-	71.22
		LNJ Reality Pvt. Ltd	Rent Paid	68.04	39.25
			Reimbursement received	0.60	0.45
			Reimbursement made	-	0.08
		Redrose Vanijya LLP	Reimbursement received	1.32	0.64
			Rent Paid	0.71	-
			Dividend Paid	1,005.73	-
		LNJ Leasing & Finance Pvt. Ltd.	Reimbursement received	2.05	-
		Bhilwara Services Pvt. Ltd.	Reimbursement received	0.33	-
		Abhav Realtors Pvt. Ltd.	Reimbursement received	0.22	-
		Mandapam Vikas Private Limited	Sale of Property	238.80	-
		Norbury Investments Limited	Dividend Paid	482.67	-
		Microlight Investments Ltd.	Dividend Paid	419.90	-
		LNJ Bhilwara -HEG Lok Nyas	Donation under Corporate Social Responsibility (CSR)	22.00	35.38
		Graphite Education & Welfare Society	Donation under Corporate Social Responsibility (CSR)	21.70	12.60
			Reimbursements Received	0.98	-

Note: Remuneration amount of key Managerial Personnel represents remuneration paid for the whole year irrespective of the period for which the person is key Managerial Personnel.





Note 37: Related party disclosure

C) Details of outstanding balances as at the end of year

Sl.No.	Related party	Name of the related party	Particulars	As at March 31, 2026	As at March 31, 2025
I)	Key Management Personnel	Sh. Ravi Jhunjhunwala-CMD& CEO	Salary payable (including commission)	58.67	407.20
		Sh Manish Gulati - Executive Director	Salary payable (including commission)	65.58	76.00
		Sh. Vivek Chaudhary-Company Secretary	Loan Outstanding at the end of the year	8.17	11.97
			Salary payable	4.04	1.69
		Sh. Ravi Kant Tripathi -Chief Financial Officer	Salary payable	5.57	1.74
		Sh. Puneet Anand	Salary payable	12.57	-
III)	Post employment benefit Plan Trust	Hindustan Electro Graphites Ltd Senior Executive Superannuation Fund Trust	Payable	193.11	157.88
Note: There is no provision for doubtful debts related to amount of outstanding balances due from related parties.					

D) Transactions with Key Managerial Personnel

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Short term benefits	1,856.42	1,513.81
Post employment benefits#	83.75	73.20
Director's Sitting Fee	90.00	107.25
Reimbursement of expenses and Incidental expenses	5.76	6.51
Dividend paid by the company	1.60	0.58
Housing loan repayment -principal	(1.40)	(10.15)
Special loan repayment-principal	(2.40)	(4.38)
Housing loan and Special loan repayment -interest	(0.82)	(1.31)

 # 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.

Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the year-end are unsecured and settlement occurs in cash.
There have been no guarantees provided or received for any related party as at March 31, 2026 and March 31, 2025.
For the year ended March 31, 2026 and March 31, 2025, the Company has not recorded any impairment in respect of any bad or doubtful debts due from related parties (March 31, 2025: Nil).

Note: Pursuant to the Scheme of Arrangement, the Company has prepared the accompanying restated financial statements by giving effect to the transfer of the Graphite Division as if the demerger had occurred from the beginning of the earliest period presented (refer note 51). Accordingly, the related party disclosures for the periods presented include transactions, balances and commitments attributable to the Graphite Division that were historically recorded in the books of the HEG Limited. Such disclosures have been identified and presented on the basis of management's allocation of the operations of the Graphite Division and do not necessarily represent the related party relationships that existed with the HEG Graphite Limited as a separate legal entity during the respective periods.

The Company does not have any subsidiaries, associates or joint ventures as at the reporting date. References to transactions with subsidiaries, associates or other related parties represent transactions attributable to the Graphite Division as identified for the purpose of preparation of the restated financial statements and should not be construed as historical transactions of the HEG Graphite Limited as a separate legal entity.

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Note 38: Disclosures required as per 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 28 Employee benefit expenses under the head "Contribution to provident and other funds". The details are as under:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employer's contribution to Provident Fund (including administrative and other expenses)	478.15	435.14
Employer's contribution to Superannuation Fund	197.26	156.77
Employer's contribution to Employees State Insurance Corporation	29.35	23.56
Total	**704.76**	**615.47**

(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 fund managed by Insurer as permitted by Law. The management of fund is entrusted with the Insurer. 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. 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.

The following table set out the funded status of the gratuity plan and amounts recognised in the balance sheet:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
I. Movement in the present value of defined benefit obligation:		
Present value of defined benefit obligation at the beginning of the year	1,413.93	-
Addition pursuant to the scheme (Refer note 51)	-	1,384.48
Current service cost	142.91	86.94
Interest cost	100.25	98.99
Past service cost including curtailment (gains)/losses	991.29	-
Benefits paid	(214.27)	(176.90)
Actuarial changes (gain)/loss	186.31	20.42
Present value of defined benefit obligation at the end of the year	**2,620.42**	**1,413.93**
II. Movement in fair value of plan assets:		
Fair value of plan assets at the beginning of the year:	2,217.66	-

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Note 38: Disclosures required as per Indian Accounting Standard-19 "Employee Benefits"		
Addition pursuant to the scheme (Refer note 51)	-	2,054.20
Interest income	157.23	146.88
Contribution	-	-
Benefits paid	-	-
Remeasurement- return on plan assets excluding amount included in in net interest	(126.30)	16.58
Fair value of plan assets at the end of the year	**2,248.59**	**2,217.66**
III. Net assets/(liability) recognized in balance sheet:		
Present value of defined benefit obligation	2,620.42	1,413.93
Fair value on plan assets	2,248.59	2,217.66
Surplus/(deficit)	(371.83)	803.73
Effect of asset ceiling if any	-	-
Net assets/(liability) recognized in balance sheet	**(371.83)**	**803.73**
The above amount has been shown in Note-20 " Provisions" as on 31st March, 2026 and in Note -12 "Other assets" under the head "Gratuity fund receivable" as on 31st March, 2025		
IV (a) Amount recognized in statement of profit and loss		
Current service cost	142.91	86.94
Past service cost including curtailment (gains)/losses	991.29	-
Net interest expense on net defined benefits liability / (asset)	(56.98)	(47.89)
Net cost	**1,077.22**	**39.05**
The above amount has been included in Note-28 "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	(186.31)	(20.42)
Remeasurement- Return on plan assets (excluding amount included in net Interest)-gain/ (loss)	(126.30)	16.58
Net income/(expense) for the year recognised in other comprehensive income	**(312.61)**	**(3.84)**
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))	-	6.90
3. Actuarial changes arising from changes in experience adjustments (gain/ (loss))	297.51	13.52
4. Actuarial gain/(loss) arising on plan assets	(126.28)	(16.58)
VI. The major categories of plan assets as a percentage of the fair value of total plan assets :		
Insurer management fund	**100%**	**100%**
VII. The Principal assumptions used for the purpose of actuarial valuation are as follows:		
Discount rate (per annum)	7.90%	7.09%
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)

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Note 38: Disclosures required as per Indian Accounting Standard-19 "Employee Benefits"

Method used	Projected unit credit method	Projected unit credit method
All assumptions are reviewed at each reporting date.		

VIII.Sensitivity analysis of the defined benefit obligations.

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. 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	(78.82)	(55.90)
Impact due to decrease of 0.50 %-increase(decrease) in obligation	84.46	60.12
b) Impact of the change in salary increase		
Impact due to increase of 0.50%-increase(decrease) in obligation	86.46	51.85
Impact due to decrease of 0.50 %-increase(decrease) in obligation	(81.29)	(49.48)

IX. The defined benefit obligation shall mature after the year end as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) 0-1 year	662.22	95.02
b) 1-2 year	106.68	104.59
c) 2-3 year	105.39	142.54
d) 3-4 years	315.11	66.32
e) 4-5 years	209.81	121.11
f) More than 5 years	1,221.21	884.35

X. The Company expects to make a contribution of ₹ 175.29 lakhs to defined benefit plans during the next financial year (March 31, 2025 ₹ 44.43 lakhs).

(C) Other long term employee benefits (compensated absences)

(i) Amount recognized towards compensated absences in statement of profit and loss in Note 28 "employee benefit expenses" under the the head "salaries and wages" is ₹ 213.07 lakhs (previous year ₹ 98.95 lakhs).

(ii) Liability towards compensated absences as at the end of the year is as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Current liability	133.73	104.28
Non-current liability	664.94	529.18

The above amount has been shown in Note-20 "Provisions" under the head "Compensated absences".

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Note 39: Leases

(i) Company as a lessee

(a) The depreciation expense on ROU assets of ₹ 57.39 lakhs (previous year ₹ 64.66 lakhs) is included under depreciation and amortization expense in the statement of profit and loss.

(b) Interest expense on the lease liability amounting to ₹ 13.65 lakhs (previous year ₹ 13.48 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, 2024	-	-	-
Addition pursuant to the scheme (Refer note 51)	889.90	287.88	602.02
Addition during the year	-	-	
Depreciation during the year	-	16.76	
As at March 31, 2025	**889.90**	**304.64**	**585.26**
As at April 1, 2025	889.90	304.64	585.26
Addition during the year	39.49	-	
Deletion during the year	(20.98)	(20.98)	
Depreciation during the year	-	18.01	
As at March 31, 2026	**908.41**	**301.67**	**606.74**
(ii) Buildings			
As at April 1, 2024	-	-	-
Addition pursuant to the scheme (Refer note 51)	299.63	212.35	87.28
Addition during the year	-	-	
Adjustments during the year	-	-	
Depreciation during the year	-	47.90	
As at March 31, 2025	**299.63**	**260.25**	**39.38**
As at April 1, 2025	299.63	260.25	39.38
Addition during the year	-	-	
Adjustments during the year	-	-	
Depreciation during the year	-	39.38	
As at March 31, 2026	**299.63**	**299.63**	**(0.00)**

(d) The following is the break-up of current and non-current lease liabilities:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current lease liabilities	2.08	47.07
Non current lease liabilities	117.41	80.26
Total	**119.49**	**127.33**

(e) The following is the movement in lease liabilities

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at the beginning of the year	127.33	-
Addition pursuant to the scheme (Refer note 51)	-	178.41
Additions during the year	39.49	-
Adjustments during the year	(20.98)	-
Finance cost accrued during the year	13.65	13.48
Payment of lease liabilities	(40.00)	(64.56)
Balance at the end of the year	**119.49**	**127.33**

(f) The table below provides details regarding the contractual maturities of lease liabilities:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Minimum payments	Present value of payments	Minimum payments	Present value of payments
Within one year	14.03	12.75	56.77	47.07
After one year but not more than 5 years	56.10	40.42	39.24	8.28
More than 5 years	392.01	66.32	304.88	71.98

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Total minimum lease payments	462.14	119.49	400.89	127.33
Less: amount representing finance charges	342.65		273.56	
Present value of minimum lease payments	119.49	119.49	127.33	127.33

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.

(g) Short- term leases

The Company incurred ₹ 47.58 lakhs during the year ended March 31, 2026 towards expense relating to short-term leases having tenure of less than 12 months (previous year ₹ 36.87 lakhs).

(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, 2026 is ₹ 2.84 lakhs (previous year ₹ 4.69 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, 2026	As at March 31, 2025
(i) Not later than one year	2.65	1.70
(ii) Later than one year and not later than five years	9.93	-
(iii) Later than five years	-	-
Total	12.58	1.70

Note 40: 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 spend 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. The disclosures in this regard are as under:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Amount required to be spent for the year	739.61	929.80
(ii) Interest earned on deposits under on-going projects-included in CSR Expense in the statement of profit and loss	7.00	-
(iii) Amount of expenditure incurred during the year		
(i) Expenditure incurred out of obligation of current year		
a) Construction/acquisition of any asset	Nil	Nil
b) On purposes other than (a) above	739.61	723.73
(ii) Expenditure incurred out of on-going projects of earlier years		
a) Construction/acquisition of any asset	Nil	Nil
b) On purposes other than (a) above	49.35	80.34
(iv) Shortfall of current year		206.07
(v) Total of previous years shortfall (including interest earned on deposits under on-going projects)	163.72	-
(vi) Reason for shortfall (of current and previous years)	Pertains to ongoing projects	Pertains to ongoing projects
(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	Refer note no. 37	Refer note no. 37

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Note 40: 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 spend 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. The disclosures in this regard are as under:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Amount required to be spent for the year	739.61	929.80
(ii) Interest earned on deposits under on-going projects-Included in CSR Expense in the statement of profit and loss	7.00	-
(iii) Amount of expenditure incurred during the year		
(i) Expenditure incurred out of obligation of current year		
a) Construction/acquisition of any asset	Nil	Nil
b) On purposes other than (a) above	739.61	723.73
(ii) Expenditure incurred out of on-going projects of earlier years		
a) Construction/acquisition of any asset	Nil	Nil
b) On purposes other than (a) above	49.35	80.34
(iv) Shortfall of current year		206.07
(v) Total of previous years shortfall (including interest earned on deposits under on-going projects)	163.72	-
(vi) Reason for shortfall (of current and previous years)	Pertains to ongoing projects	Pertains to ongoing projects
(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 transact ons, e.g. contribution to a trust controlled by the Company in relation to	Refer note no. 37	Refer note no. 37

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HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Statements
for the year ended March 31,2026
(All amounts are in ₹ Lakhs un.ess otherwise stated)

Note 41: Particulars of Loans, Guarantees and Investment under Section 186 of the Companies Act, 2013

Sr.No.	Nature of the transaction (Loans given/Guarantee given/Security Provided/Investment made	Purpose for which the loan/guarantee/ security is utilized by the recipient		As at March 31, 2026	As at March 31, 2025
1	**a) Investment in equity instruments- quoted (at fair value through profit or loss)**				
	2577106	(Previous year 24310015) fully paid up equity shares of Graftech International Ltd., USA	$ 0.01	16,538.74	18,183.44
	Total			16,538.74	18,183.44

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Note 42: Financial instruments and risk management

42A. 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.

(All amounts are in ₹ Lakhs unless otherwise stated)

(i) The gearing ratios were as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Debt*	79,328.47	58,485.65
(b) Cash & cash equivalents	(2,202.96)	(1,666.25)
(c) Net debt (a)+(b)	77,125.51	56,819.40
Total equity (Including other equity)	3,15,619.11	3,03,479.04
Net debt to equity ratio	**0.24**	**0.19**

* Debt is defined as long- term and short-term borrowings (excluding derivative, financial guarantee contracts and contingent consideration), refer note 17 for the details of borrowings.

(ii) Loan covenants:

In order to achieve overall objective of capital management, amongst other things, the management aims to ensure that it meets financial covenants attached to the loans and borrowings. The management carefully negotiates the terms and conditions of the loans and ensures adherence to all the financial covenants. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest There have been no breaches in the loan covenants of in respect of loans and borrowings during the year ended March 31, 2026 and March 31, 2025.

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Note 42B: Financial instruments- accounting classification and fair value measurement
(a) Classification of financial instruments

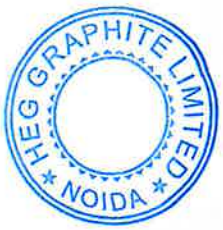
As at March 31, 2026

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 8)							
-Equity instruments	-				16,538.74	16,538.74	16,538.74
-Fixed maturity plans					10,338.75	10,338.75	10,338.75
-Mutual funds					29,307.39	29,307.39	29,307.39
-Bond funds					9,352.73	9,352.73	9,352.73
-Infra trust					4,879.60	4,879.60	4,879.60
Trade receivables (refer note 9)	49,945.81				-	49,945.81	49,945.81
Cash and cash equivalents (refer note 14)	2,202.96			-	-	2,202.96	2,202.96
Other bank balances (refer note 15)	4,181.13					4,181.13	4,181.13
Loans (refer note 10)	124.73			-	-	124.73	124.73
Other financial assets (refer note 11)	11,762.47					11,762.47	11,762.47
Total financial assets	**68,217.10**	-	-	-	**70,417.21**	**1,38,634.31**	**1,38,634.31**
Financial liabilities							
Borrowings (refer note 17)	79,328.47				-	79,328.47	79,328.47
Trade payables (refer note 18)	38,802.69				-	38,802.69	38,802.69
Lease liabilities (refer note 19A)	119.49				-	119.49	119.49
Other financial liabilities (Refer note 19B)	5,428.55				-	5,428.55	5,428.55
Derivative financial instruments (refer note 19B)	-				1,663.33	1,663.33	1,663.33
Total financial liabilities	**1,23,679.20**	-	-	-	**1,663.33**	**1,25,342.53**	**1,25,342.53**

As at March 31, 2025

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 8)							
-Equity instruments					18,183.44	18,183.44	18,183.44
Trade receivables (refer note 9)	43,994.29			-	-	43,994.29	43,994.29





Note 42B: Financial instruments- accounting classification and fair value measurement

Cash and cash equivalents (refer note 14)	1,666.25			-	-	1,666.25	1,666.25
Other bank balances (refer note 15)	1,332.31					1,332.31	1,332.31
Loans (refer note 10)	180.22			-	-	180.22	180.22
Other financial assets (refer note 11)	11,904.38					11,904.38	11,904.38
Total financial assets	**59,078.45**	-	-	-	**18,183.44**	**77,261.89**	**77,261.89**
Financial liabilities							
Borrowings (refer note 17)	58,485.65				-	58,485.65	58,485.65
Trade payables (refer note 18)	39,840.13				-	39,840.13	39,840.13
Lease liabilities (refer note 19A)	127.33				-	127.33	127.33
Other financial liabilities (Refer note 19B)	5,620.32				-	5,620.32	5,620.32
Derivative financial instruments (refer note 19B)	-				-	-	-
Total financial liabilities	**1,04,073.43**	-	-	-	-	**1,04,073.43**	**1,04,073.43**

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.

(b) 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 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 March 31, 2026

Particulars	**Carrying amount**	**Fair value**		
		Level 1	**Level 2**	**Level 3**
Financial assets measured at fair value through profit or loss				
Investments				
-Equity instruments	16,538.74	16,538.74		
-Fixed maturity plans	10,338.75	-	10,338.75	-
-Mutual funds	29,307.39	-	29,307.39	-
-Bond funds	9,352.73	-	9,352.73	
-Infra trust	4,879.60	-	-	4,879.60
Total	**70,417.21**	**16,538.74**	**48,998.87**	**4,879.60**

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Note 42B: Financial instruments- accounting classification and fair value measurement

Financial liabilities measured at fair value through profit or loss				
Derivative financial instruments	1,663.33	-	1,663.33	-
Total	**1,663.33**	-	**1,663.33**	-

As at March 31, 2025

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through profit or loss				
Investments				
-Equity instruments	18,183.44	8,183.44	-	-
Total	**18,183.44**	**13,183.44**	-	-
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 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.

(c) Reconciliation of Level 3 fair value measurements is given below:

Particulars	Amount
	Infra trust
As at April 1, 2025	-
Addition pursuant to the scheme (Refer note 51)	5,086.40
Additions during the year	-
Sales during the year	-
Gain/(loss) recognised in profit or loss on fair value changes	(206.80)
As at March 31, 2026	**4,879.60**

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Note 42C 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 assets include trade and other receivables, and cash and bank balances that arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. 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	Currency	Nature	As atMarch 31, 2026			As at March 31, 2025		
			No. of contracts	(USD) (in Lakhs)	(INR) (Lakhs)	No. of contracts	(USD) (in Lakhs)	(INR) (Lakhs)
Against receivables	USD/ INR	Sold	45	600.00	56,792.58	-	-	-
Against receivables	EUR/ INR	Sold	12	120.00	13,080.77	-	-	-

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

(All amounts are in ₹ Lakhs unless otherwise stated)

The Company's exposure to foreign currency risk at the end of the reporting period is as follows:

Particulars	Currency	As atMarch 31, 2026		As at March 31, 2025	
		Amount in FC (in Lakhs)	Amount in INR (₹ in Lakhs)	Amount in FC (in Lakhs)	Amount in INR (₹ In Lakhs)
I. Financial liabilities					
Creditors (A)	USD	210.17	19,893.53	162.84	13,935.97
	Euro	0.91	99.01	0.14	13.26
Other payables (B)	USD	12.01	1,136.65	12.03	1,029.50
	Euro	5.16	562.56	5.52	509.35
Borrowings (C)	USD	645.87	61,134.69	562.00	48,096.63
	Euro	101.98	11,116.80	58.36	5,387.80
Total exposure to foreign currency risk (liabilities) (D=A+B+C)	USD	868.05	82,164.87	736.87	63,062.10
	Euro	108.05	11,778.37	64.02	5,910.41
II. Financial assets					
Trade receivables (E)	USD	201.87	19,108.28	243.57	20,844.92
	Euro	91.67	9,992.31	97.93	9,041.28
Bank balances (F)	USD	6.69	633.17	0.02	1.74
	Euro	0.87	94.66	0.00	0.00
Total exposure to foreign currency risk (assets) (G=E+F)	USD	208.56	19,741.45	243.59	20,846.66
	Euro	92.54	10,086.97	97.93	9,041.28
Net exposure to foreign currency risk after considering natural hedge receivable/(payable) (H=G-D)	USD	(659.49)	(62,423.41)	(493.28)	(42,215.45)
	Euro	(15.52)	(1,691.40)	33.91	3,130.87

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Note 42C Financial risk management

Foreign currency forward contracts outstanding in respect of receivables/export orders (I)	USD	600 00	56,792.58	-	-
	Euro	120 00	13,080.77	-	-
Foreign currency forward contracts outstanding in respect of payables (J)	USD	-	-	-	-
	Euro	-	-	-	-
Net exposure to foreign currency risk in respect of receivables after considering natural hedge and forward contracts # (H-I)	USD	(59.49)	(5,630.83)	(493.28)	(42,215.45)
	Euro	104-48	11,389.36	33.91	3,130.87

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-increase/(decrease)	
	For the year ended March 31, 2026	For the year ended March 31 2025
USD Sensitivity		
Increase in exchange rate by 5% (previous year 5%)	(281.54)	(2,110.77)
Decrease in exchange rate by 5% (previous year 5%)	281.54	2,110.77
EURO sensitivity		
Increase in exchange rate by 5% (previous year 5%)	569.47	156.54
Decrease in exchange rate by 5% (previous year 5%)	(569.47)	(156.54)

(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 March 31, 2026			As at March 31, 2025		
	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 bank						
Variable rate borrowings	6.82%	79,328.47	100	6.03%	58,485.65	100
Fixed rate borrowings	-	-	-	-	-	-
Total borrowings	**6.82%**	**79,328.47**	**100**	**6.03%**	**58,485.65**	**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- increase/(decrease)	
	For the year ended March 31, 2026	For the year ended March 31 2025
Interest rate - increase by 50 basis points	(396.64)	(292.43)
Interest rate - decrease by 50 basis points	396.64	292.43

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Note 42C Financial risk management

(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, equity instruments, infrastructure trust. The price of investment in Fixed Maturity Plans, mutual fund schemes is reflected though 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 equity instruments is reflected through price listed on stock exchange. The price of investment in infrastructure trust is reflected through valuation certificate by the independent professional on quarterly basis where valuation is determined based on fair value of assets of trust as on date of valuation. The Company is exposed to price risk on such investments.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Investments in debt based fixed maturity plans, mutual fund schemes, equity instruments, infrastructure trust carried at fair value through profit and loss	70,417.21	18,18Ξ.44

(b) Sensitivity:

The below is the sensitivity analysis at the end of the year in case fair value/NAV has been 1% higher / lower.

Particulars	Impact on Profit- Increase/(decrease)	
	For the year ended March 31, 2026	For the year ended March 31 2025
Fair value/NAV increase by 1%	704.17	181 83
Fair value/NAV decrease by 1%	(704.17)	(181.33)

(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 2024-25.

(i) Allowances for expected credit losses on financial assets

As at March 31, 2026			
Financial assets to which loss allowance is measured using 12 months Expected credit loss(ECL)	**Gross carrying amount**	**Expected credit loss**	**Carrying amount (net of ECL)**
Loans to employees	124.73	-	124.73
Security deposits	4,265.21	-	4,265.21
Financial assets to which loss allowance is measured using lifetime expected credit loss (ECL)	**Gross carrying amount**	**Expected credit loss**	**Carrying amount (net of ECL)**
Trade Receivables	50,694.11	748.30	49,945.81
For the year ending March 31, 2025			
Financial assets to which loss allowance is measured using 12 months expected credit loss(ECL)	**Gross carrying amount**	**Expected credit loss**	**Carrying amount (net of ECL)**
Loans to employees	180.22	-	180.22
Security deposits	4,596.69	-	4,596.69
Financial assets to which loss allowance is measured using lifetime expected credit loss (ECL)	**Gross carrying amount**	**Expected credit loss**	**Carrying amount (net of ECL)**
Trade receivables	44,483.39	489. 0	43,994.29

(ii) Reconciliation of allowances for expected credit loss and credit impairment - trade receivables

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Note 42C Financial risk management

The following table summarizes the change in the loss allowances measured using life-time expected credit loss model:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
As at the beginning of year	489.10	-
Addition pursuant to the scheme (Refer note 51)	-	359.45
Provided during the year	259.20	129.65
Reversal during the year	-	-
As at the end of the year	748.30	489.10

(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

The Company had access to the following undrawn fund based borrowing facilities at the end of the repo-ting period Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Floating rate		
- Expiring within one year - Working Capital Loans	85,100.00	781.21

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

As at March 31, 2026

Particulars	Less than 12 months	1 year to 3 years	3 years to 5 years	More than 5 years	Total
Financial liabilities					
Borrowings (current)	79,328.47				79,328.47
Trade payables	38,802.69	-	-	-	38,802.69
Lease liabilities	14.03	19.62	19.62	295.07	348.34
Other financial liabilities	7,091.88	-	-	-	7,091.88
Total	**1,25,237.07**	**19.62**	**19.62**	**295.07**	**1,25,571.38**

As at March 31, 2025

Particulars	Less than 12 months	1 year to 3 years	3 years to 5 years	More than 5 years	Total
Financial liabilities					
Borrowings (current)	58,485.65	-	-	-	58,485.65
Trade payables	39,840.13	-	-	-	39,840.13
Lease liabilities	56.77	19.62	19.62	304.88	400.89
Other financial liabilities	5,620.32	-	-	-	5,620.32
Total	**1,04,002.87**	**19.62**	**19.62**	**304.88**	**1,04,346.99**

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CIN: U23994MP2024PLC071568
Notes to the Restated Financial Statements
for the year ended March 31,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Note 43: Carrying amount of pledged assets

Particulars	As at March 31, 2026	As at March 31, 2025
First charge		
Current assets		
(a) Trade receivables	49,945.81	43,994.29
(b) Inventories	1,13,373.66	1,25,463.80
Total (A)	**1,63,319.47**	**1,69,458.09**
Secondary charge		
Property, plant and equipment (including capital work-in-progress and leasehold land)	1,77,979.97	1,90,901.69
Total (B)	**1,77,979.97**	**1,90,901.69**
Total (A+B)	**3,41,299.44**	**3,60,359.78**

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Note 44: Disclosure under Ind AS 115 "Revenue from Contracts with Customers"

(i) Disaggregation of revenue from contracts with customers
(a) Type of products

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
- Graphite electrode	2,36,907.77	1,97,636.80
- Graphite by-products	15,623.94	13,161.59
- Power	2,645.72	2,935.48
Total	**2,55,177.43**	**2,13,733.87**

(b) Geographical

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from customers within India (including sale to SEZ units)	83,010.50	70,503.59
Revenue from customers based outside India	1,72,166.93	1,43,230.28
Total	**2,55,177.43**	**2,13,733.87**

(c) Timing of revenue recognition

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from goods transferred to customers at a point in time	2,55,177.43	2,13,733.87
Revenue from goods transferred to customers over time	-	-
Total	**2,55,177.43**	**2,13,733.87**

(ii) Reconciliation of revenue from contract with customer

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contract with customer as per the contract price	2,55,651.94	2,15,505.65
Adjustments made to contract price on account of :-		
a) Discounts / rebates / incentives	-	-
b) Sales returns / credits / reversals	474.51	1,771.78
Revenue from contract with customer	**2,55,177.43**	**2,13,733.87**
Other operating revenue	1,673.04	1,537.04
Revenue from operations	**2,56,850.47**	**2,15,270.91**

(iii) 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 9 and 22 respectively.
The revenue recognised during the year ended March 31, 2026 includes revenue against advances from customers amounting to ₹ 781.18 Lakhs (previous Year- ₹ 657.12 lakhs) at the beginning of the year. Advance from customers of current year will be recognised as revenue in coming twelve months.

(iv) 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 March 31, 2026	As at March 31, 2025
The aggregate value of performance obligations that are completely or partially unsatisfied	NIL	NIL

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Note 45: Key financial ratios

Particulars	Numerator	Denominator	For the year ended March 31, 2026	For the year ended March 31, 2025	Variance	Reasons for variance (in case the variance is more than 25%)
Current ratio (in times)	Current assets	Current liabilities	1.78	1.80	-1.43%	NA
Debt - Equity ratio (in times)	Total debt	Shareholder's equity	0.25	0.19	30.42%	The increase is due to higher utilisation of short term loans during the year.
Debt service coverage ratio (in times)	Earnings available for debt service[1]	Debt service[2]	0.47	0.49	-3.12%	NA
Return on equity (ROE) (in %)	Profit after Tax	Average shareholder's equity	4.35%	2.06%	111.80%	The increase is due to higher profit after tax during the period due to lower input costs.
Inventory turnover ratio (in times)	Cost of goods sold	Average inventory	0.89	0.74	20.64%	NA
Trade receivables turnover ratio (in times)	Revenue from sale of goods	Average trade receivable	5.43	4.51	20.51%	NA
Trade payables turnover ratio (in times)	Purchases of goods and services	Average trade payables	4.45	4.44	0.30%	NA
Net capital turnover ratio (in times)	Revenue from sale of goods	Working capital	2.55	2.48	2.72%	NA
Net profit ratio (in %)	Profit after Tax	Revenue from sale of goods	5.28%	2.90%	81.96%	The increase is due to higher profit after tax during the period due to lower input costs.
Return on capital employed (ROCE) (in %)	Earning before interest and taxes	Capital employed[3]	6.16%	3.67%	67.65%	The increase is due to higher earning before interest and taxes during the period due to lower input costs.
Return on investment (ROI) (in %)	Income generated from investments	Average investments (other than investment in Associates)	-4.96%	-37.78%	-86.88%	The decrease is due to loss on fair valuation of investments during the current year.

(1) Earning available for debt service = Net profit after taxes + non-cash operating expenses like depreciation and other amortisations + interest + other adjustments i.e. loss on sale of property plant and equipment etc.
(2) Debt service = Interest & lease payments + principal repayments
(3) Capital Employed = Tangible net worth + total debt + deferred tax liability

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Note 46. 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 March 31, 2026		For the year ended March 31, 2025	
	Borrowings (current)	Borrowings (non-current)	Borrowings (current)	Borrowings (non-current)
Opening balance of financial liabilities coming under the financing activities of statement of cash flows	58,485.65	-	-	-
Addition pursuant to the scheme (Refer note 51)			61,937.81	-
Changes during the year				
a) Changes from cash flows	17,335.91	-	(3,763.16)	-
b) The effect of changes in foreign exchanges rates- (gain)/loss	3,506.91		311.00	
c) Changes in fair value	-	-	-	-
d) Other changes	-	-	-	-
Closing balance of financial liabilities coming under the financing activities of Statement of cash flows	**79,328.47**	**-**	**58,485.65**	**-**

Note 47: Details of research and development expenditure

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Capital	-	-
b) Revenue	665.35	319.79

Note 48: Government grants

Particulars	Grants recognised during the year		Grants recoverable	
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Government grant shown as other operating revenue				
Export incentives	1,424.00	1,194.86	288.11	625.74
B. Government grant deducted from expenses				
Interest subvention on export packing credit loans reduced from finance cost	-	-	286.95	286.95
Subsidy in electricity tariff reduced from power and fuel expenses	942.19	510.97	1,453.16	510.97
C. Government grant shown as other income				
State Government investment promotion assistance as per MP industrial promotion policy 2018	3,391.00	5,714.00	5,714.00	5,714.00
Total of government grants recognised & grants recoverable	**5,757.19**	**7,419.83**	**7,742.22**	**7,137.66**

Note 49
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 50: Disclosures required as per Schedule III to the Companies Act,2013
(i) The Company did not have any transaction with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial year.
(ii) No proceeding have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
(iii) The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.

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(iv) No funds that 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, except as mentioned in note 41 (4)

(v) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("funding party") with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly lend or invest in other persons or entities 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.

(vi) During the financial year, the Company has not traded or invested in Crypto currency or virtual currency.

(vii) The Company does not have any charge or satisfaction thereof which is pending for registration with ROC beyond the statutory period.

(viii) The Company has utilised the borrowings from banks and financial institutions for the specific purpose for which it was taken.

(ix) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses except as mentioned in note 45 (C)

(x) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961(such as search, survey or any other relevant provisions of the Income Tax Act, 1961.

Note 51: Note on Composite scheme of arrangement

The Board of Directors of HEG Limited at its meeting held on May 22, 2024 had approved the Composite Scheme of Arrangement amongst HEG Limited ("the Demerged Company") and HEG Graphite Limited ("Resulting Company or Company") and Bhilwara Energy Limited ("Transferor Company") and their respective shareholders and creditors ("Scheme").

The proposed Scheme inter alia provides for:

(a) the demerger of the Demerged Undertaking (i.e. Graphite Business) from the Demerged Company into the Resulting Company on a going concern basis and issue of equity shares by the Resulting Company to the shareholders of the Company in consideration thereof, and

(b) amalgamation of the Transferor Company with the Demerged Company and issue of equity shares by the Demerged Company to the shareholders of the Transferor Company (except the Company itself) in consideration thereof. The Appointed Date for the Scheme is April 1, 2024.

On August 21, 2026, the Company has received order of Hon'ble National Company Law Tribunal, Indore Bench ('NCLT') dated August 13, 2026 wherein they have approved the scheme.

The Company was incorporated on June 4, 2025. However, the approved Scheme provides for an appointed date of April 1, 2024. Accordingly, the Restated Financial Statements of the Company has been prepared after giving the effect of the Scheme which requires the accounting treatment to be carried out as prescribed under applicable accounting standards as common control transactions in accordance with the requirements of Appendix C to Ind AS 103, Business Combinations which requires the financial information in the Restated Financial Information to be restated as if the demerger had occurred from the beginning of the previous period. The assets, liabilities and reserves pertaining to the Demerged Undertaking has been recorded at the same value as appearing in the books of account of the Demerged Company. The reserves transferred from HEG Limited to the Company are recorded and disclosed in the same form as it was disclosed in the financial statements of HEG Limited. Further, the shareholding of the Demerged Company in the Company has been cancelled/eliminated as per the scheme.

In terms of the Scheme and in consideration thereof, the Company will issue and allot equity shares on a proportionate basis to the Shareholders of HEG Limited whose name is recorded in the register of members and records of the depository as shareholders of HEG Limited as on the Record Date i.e. September 7, 2026, which has been disclosed as Shares pending issuance with a corresponding debit to Retained earnings in these Restated Financial Information.

Further, the surplus/deficit, if any, arising between the carrying value of assets and liabilities and reserves pertaining to the Demerged undertaking and the face value of shares issued by the Resulting Company, after cancellation of shareholding of Demerged Company in the Company as mentioned above, has been adjusted in capital reserve as per the details below.

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying value of assets	4,53,490.92	4,20,004.81
Carrying value of liabilities	1,37,866.47	1,16,522.06
Carrying value of reserves*	3,13,346.49	3,01,008.68
Capital reserve recorded pursuant to scheme	2,277.96	2,474.07

*Inclusive of shares pending issuance INR 3,859.59 lakhs disclosed in this Restated financial statements.

The above calculation of Capital Reserve has been calculated on basis the value of assets, liabilities and reserves as on March 31, 2025 and March 31, 2026 . The final calculation could differ on the basis the value of assets, liabilities and reserves on the actual date of transfer/effective date i.e. September 1, 2026.

The Board of Directors of the Company and HEG Limited, took on record the sanction of the Scheme by the NCLT and mutually fixed the record date as September 7, 2026 for the purpose of determining the shareholders who shall be entitled to receive the shares of the Company.

After the issuance and allotment of the equity shares to the shareholders of HEG Limited, the Company will complete the necessary steps to have the equity shares listed on Bombay Stock Exchange and the National Stock Exchange of India Limited.

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Note 52:

The Government of India, vide notification dated 21st November, 2025, has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Labour Codes"), which consolidate and replace existing multiple labour legislations. In accordance with Ind AS 19 - Employee Benefits, changes to employee benefit plans resulting from the new labour codes are treated as plan amendments, requiring immediate recognition of past service cost as expense in the statement of profit and loss. This approach is consistent with the guidance issued by the Institute of Chartered Accountants of India. The implementation of the Labour Codes has resulted in an increase of ₹ 1,066.68 lakhs in the provision for gratuity and long-term compensated absences, which has been recognized as an employee benefit expense in the restated financial statements for the year ended 31st March, 2026. The Company continues to monitor developments on the rules to be notified by regulatory authorities, including clarifications/additional guidance from authorities and will continue to assess the accounting implications basis such developments/guidance.

As per our report of even date attached

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

Sunny Singh
Partner
Membership No. 516834

SCV & CO. LLP ★ New Delhi NCR ★ Chartered Accountants

Place: Noida (U.P)
Date: September 25, 2026

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

HEG GRAPHITE LIMITED ★ NOIDA ★

1. Company Information

HEG Graphite Limited (the "Company") is a public limited company incorporated on June 4, 2024 with its registered office at NH 12, District Raisen, Near Bhopal, Manideep, Bhopal, Madhya Pradesh, India, 462046. The Company was incorporated as a wholly owned subsidiary of HEG Limited, for manufacturing of graphite electrodes

On August 21, 2026, the Company has received order of Hon'ble National Company Law Tribunal, Indore Bench ('NCLT') dated August 13, 2026 wherein they have approved the scheme of arrangement (the "Scheme") between the Company, HEG Limited (hereinafter referred as 'holding company'), Bhilwara Energy Limited and their respective shareholders and creditors. Accordingly, the Graphite Business of HEG Limited as defined in the Scheme has been transferred to and vested in HEG Graphite Limited w.e.f. Sep 1, 2026. Also refer note 51.

2.1 Basis of Preparation

The Restated Balance sheet of the Company as at March 31, 2026 and the Restated Statement of Profit and Loss, the Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the year ended March 31, 2026, Notes to the Restated Financial Statements are together referred as "Restated Financial Statements".

The Restated Financial Statements has been prepared by the management of the Company for inclusion in the Information Memorandum in connection with the proposed listing of its equity shares ("Proposed Listing") as per SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Master Circular") on Scheme of Arrangement by Listed entities.

As per the requirements of the SEBI Circular, an advertisement with Restated Audited Financials for the previous three financial years and stub period prior to the date of listing needs to be given. Information memorandum should contain Restated Audited Financials for the previous three financial years and stub period prior to the date of listing.

Accordingly, the Restated Financial Statement has been prepared in accordance with the requirements of:
- 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.
-Paragraph 5 of Section A of Part II of the Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 issued by the Securities and Exchange Board of India ("SEBI Master Circular");
- the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (the "SEBI"); and
- the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") (the "Guidance Note").

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The Restated Financial Statements:

a) have been prepared basis the details extracted from the financial statements/financial information of HEG Limited and the Company as at and for the year ended March 31, 2026 and March 31, 2025.

b) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/ reclassifications and other adjustments retrospectively and

c) does not require any adjustment for qualifications as there are no qualifications in the underlying auditors' reports for respective years which require any adjustments.

2.2 Basis of Measurement

(i) The Restated Financial Statements have been prepared on historical cost convention and on accrual basis except for certain financial instruments (including derivative instruments) which are measured at fair value at the end of each reporting period as required under Ind AS.

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 Restated 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.

(ii) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(iii) The functional and presentation currency of the Company is Indian rupees (INR) and all amounts are rounded to the nearest ₹ lakhs and two decimals thereof, except otherwise stated.

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2.3 Material accounting policies

(i) **Revenue Recognition**

(a) Sale of products

The Company derives revenue primarily from sale of Graphite Electrodes.

Revenue from the sale of goods is recognized at the point in time when control of the goods is transferred to the customer which is usually on dispatch/ delivery and the amount of revenue can be measured reliably and recovery of consideration is probable.

Revenue is measured based on the transaction price (net of variable consideration) which is adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Due to short nature of credit period given to customers, there is no financing component in the contract.

(b) Power

Revenue from power generation is recognized on transmission of electricity to State Electricity Board or third parties at rate stipulated by SEB's and/or IEX at market rate equivalent.

(c) Other Operating Revenues

(i) Entitlements to Renewal Energy Certificates owing to generation of power at Tawa hydel plant are recognized at actual rate of realization.

(ii) Export entitlements are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(d) Interest Income

- Interest Income from customers is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

- Interest Income from financial asset is recognized when it is probable that economic benefits will flow to the company and amount of income can be measured reliably. Interest income is accrued on time basis, by reference to principal outstanding and at effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of financial asset to that asset's net carrying amount on initial recognition.

(e) Other Income

(i) Dividend income is recognized when the right to receive payment is established and the amount of dividend can be measured reliably.

(ii) Other income is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

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(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 raw materials and other supplies held for use in the production are valued at net realisable value only if the finished products in which they are to be incorporated are expected to be sold below cost. 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**

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Freehold Land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

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 are included in the assets carrying value or recognised as separate assets as appropriate, 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. All other repairs and maintenance costs are charged to the standalone statement of profit and loss when incurred.

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An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition 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. Fully depreciated assets still in use are retained in this restated financial statements.

Property, plant and equipment which are not ready for intended use at each balance sheet date are disclosed as "Capital work-in-progress" and advances paid towards the acquisition of Property, plant and equipment outstanding at each balance sheet date are classified as Capital advances under "Other non-current assets". Directly attributable expenditure (including finance costs relating to borrowed funds for construction or acquisition of property, plant and equipment) incurred on projects under implementation are treated as pre-operative expenses and are included in Capital work-in-progress.

(iv) **Investment property**

Investment Properties comprises freehold land and building 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 expenditure. Subsequently, investment property is carried at cost model, which is cost less accumulated depreciation and accumulated 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 de-recognition 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 stated at cost less accumulated amortization and accumulated impairment losses, if any. The cost of intangible asset comprises of its purchase price, net of recoverable taxes and any directly attributable cost of preparing the asset for its intended use.

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 Restated 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.

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(vi) **Depreciation**

Depreciation is recognised to write-off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, in a systematic manner.

(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 other 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

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(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:

Description of Asset	Useful Life
Building	5 – 58 Years
Plant and Machinery	1 – 29 Years
Railway Siding	9 – 20 Years
Office Equipment(Includes Computers and data processing units)	5 – 20 Years
Electrical Installation	5-20 Years
Furniture and Fixtures	5 – 15 Years
Vehicle	5-10 Years

(iii) Assets costing up to ₹ 5,000 are fully depreciated in the year of purchase.

Depreciation methods estimated and useful lives are reviewed at the end of each reporting period and the effect of any changes in estimate accounted for on a prospective basis.

(B) Investment property

Depreciation on investment properties is provided on the written down value method over its useful life of 58 years which has been determined based on internal assessment and independent technical evaluation carried out by external valuer.

The depreciation charge for each period is recognised in the Statement of Profit and Loss. The useful lives and method of depreciation are reviewed at the end of each financial year and the effect of any changes in estimate accounted for on a prospective basis.

(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 is as under:

Description of Asset	Useful Life
Computer Software	05 Years

Amortisation method and useful lives are reviewed at the end of each financial year and the effect of any changes in estimate accounted for on a prospective basis.

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(viii) **Impairment of Non-Financial Assets**

Property, Plant and Equipment and Investment property 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 depreciation), had no impairment loss been recognized for the asset in prior years.

Impairment is reviewed periodically, including at each financial year end.

(ix) **Foreign Currency Translations**

Transactions in currencies other than the Company'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 the 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.

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(ii) Superannuation

The Company makes contribution in regard to superannuation to a separate 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 covering eligible employees. The gratuity plan provides for lump sum payment to vested employee at retirement, death, incapacitation or termination of employee, based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability/asset is determined using projected unit credit method, through actuarial valuation carried out at the end of each annual reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. Such net interest cost along with the current service cost and, if applicable, the past service cost and settlement gain/loss, is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions, comprising actuarial gains/losses and return on plan assets (excluding the amount recognised in net interest on the net defined liability), are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(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 and is recognized in employee benefit expense in the statement of profit and loss..

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(xi) **Leases**

Company as a lessee

The Company's lease assets 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 accumulated impairment losses, if any.

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 Liability and Right-of-Use Asset have been separately presented in the Balance Sheet. The interest expense on the lease liability has been separately presented as a component of finance costs in the statement of profit and loss. The payments of principal portion and interest portion of lease liability have been classified under financing activities in the statement of cash flows.

The payments for short-term leases and leases of low-value assets have been recognized in the statement of profit and loss have been classified under operating activities in the statement of cash flows.

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, lease payments received are recognized on systematic basis over the term of the relevant lease as a part of other income.

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(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 and Incomes that are directly identifiable with/ allocable to the segments are considered for determining the segment result. Expenses and Income not allocable to segments are included under unallocable category.

(4) Segment results includes margin on inter segment sales.

(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) **Tax Expense**

Tax expense comprises of current and deferred tax. Tax expense is recognised in statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, as the case may be.

(1) Current tax

Current tax is the tax payable/receivable on the taxable profit/loss for the year using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and any adjustment to taxes in respect of previous years. Interest expenses related to income tax are included in finance cost. Interest Income related to income tax is included in other income.

The current tax assets and current tax liabilities have been set off to the extent (a) there is a legally enforceable right to set off the recognised amounts; and (b) the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(2) Deferred Tax

Deferred 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 statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that are expected to apply to period in which the temporary differences are expected to be recovered or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The effect of changes in tax rates on deferred tax assets and liabilities is recognized as income or expense in the period as and when there is change in tax rates.

A deferred 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.

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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, if any, 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**

Government grants are not recognized until there is reasonable assurance that all attached conditions will be complied with and the grant will be received.

When the grants relates to an expense item, it is recognised in the Statement of profit and loss by way of reduction from the related cost, which the grants are intended to compensate.

Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving financial support to the Company with no related costs is recognised in the Statement of profit or loss of the period in which it becomes receivable under 'Other operating income'/'Other income' based on the nature of grant.

Government grants relating to the purchase of property, plant and equipment are deducted from its gross value and are recognised in profit or loss on a systematic over the expected useful lives of the related assets by way of reduced depreciation.

(xv) **Borrowing Costs**

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, Contingent Liabilities and Contingent Assets**

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 Restated Financial Statements since this may result in the recognition of income that may never be realised.

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(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 and the weighted average number of shares outstanding during the period, for the effects of all dilutive potential equity shares, if any.

(xviii) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Initial recognition

The company recognises the financial assets and financial liabilities when it becomes party to the contractual provision of the instruments. All financial assets and liabilities are recognised at fair value on initial recognition except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets and or issue of financial liabilities that are not recognized at fair value through profit or loss, are added to or reduced from the fair value of the financial assets or financial liabilities, as appropriate. Transaction cost directly attributable to the acquisition of financial assets and financial liabilities recognized at fair value through Profit or Loss are recognised immediately in the Statement of Profit and Loss.

(ii) Subsequent measurement

For the purposes of subsequent measurement, financial instruments are classified as follows:

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.

Interest income for such instruments is recognised in profit or loss using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

The carrying amounts of financial assets that are subsequently measured at amortised cost are determined based on the effective interest method less any impairment losses.

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(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 for such instruments is recognised in profit or loss using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

Fair value movements are recognised in the other comprehensive income (OCI) until the financial asset is derecognised. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the profit or loss.

(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.

Dividend and interest income from such instruments is recognized in the statement of profit and loss, when the right to receive the payment is established.

Fair value changes on such assets are recognised in the statement of profit and loss.

(d) Investment in Subsidiary and Associates

Investment in subsidiary and associates is carried at cost less provision for impairment, if any. Investment is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of investment exceeds its recoverable amount.

(e) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination or is held for trading or it is designated as at FVTPL 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.

All changes in fair value in respect of liabilities measured at fair value through profit and loss are recognised in the statement of profit and loss.

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.

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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.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are charged to Statement of Profit and Loss.

C. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received. Incremental costs directly attributable to the issuance of equity instruments and buy back of equity instruments are recognized as a deduction from equity, net of any tax effects.

(iii) Impairment of Financial Assets

Financial assets that are carried at amortized cost and fair value through other comprehensive income (FVOCI) are assessed for possible impairments basis expected credit losses taking into account the past history of recovery, risk of default of the counterparty, existing market conditions etc. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

Expected Credit Losses are measured through a loss allowance at an amount equal to:
. 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

. Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments).

For trade receivables or any contractual right to receive cash or another financial asset that result from transaction that are within the scope of Ind AS 115 and Ind AS 116, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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) De-recognition

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.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received/receivable is recognised in the profit or loss.

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A financial liability (or, a part of financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

On de-recognition of a financial liability, the difference between the carrying amount of the financial liability de-recognised and the consideration paid/payable is recognised in profit or loss.

(v) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

(vi) 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.

(xix) **Statement of Cash flows**

The statement of cash flows is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 "Statement of Cash flows" using the indirect method for operating activities whereby profit for the period is adjusted for the effects of transaction of a non-cash nature, and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(xx) **Cash and cash equivalents**

The Cash and cash equivalent in the balance sheet comprise balance at banks and cash 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 Board of Directors.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) require management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amount of income, expenses, assets and liabilities and disclosure of contingent liabilities.

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 and the effect of revision to accounting estimates is recognized prospectively from the period in which the estimate is revised.

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The following are the areas of critical judgements, estimates and assumptions that the management has made in the process of preparation of Restated Financial Statements and that have the 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 and other post-employment benefits

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 and mortality rates etc. 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.

Provisions/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

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, underlying asset model, comparable companies multiple method and comparable transaction method which involve various judgements and assumptions.

Current tax and Deferred tax

Significant judgement is required in determination of provision for current tax and deferred tax e.g. determination of taxability of certain incomes and deductibility of certain expenses etc. The carrying amount of income tax assets/liabilities is reviewed at each reporting date. The factors used in estimates may differ from actual outcome which could lead to signification adjustment to the amounts reported in financial statements.

Inventories

Management estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market driven changes.

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2.5. 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 trading;
c) it is due to be settled within 12 months after the reporting date; or
d) There is no 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 counterparty, 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. The normal operating cycle is considered as twelve months.

3. Applicability of new and revised Ind AS

The Ministry of Corporate Affairs ("MCA") notifies new standards and amendments to the existing standards under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

On 12 August 2026, the MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2026, which amended Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 107 "Financial Instruments: Disclosures", Ind AS 109 "Financial Instruments", Ind AS 110 "Consolidated Financial Statements" and Ind AS 7 "Statement of Cash Flows". The amendments are applicable for annual reporting periods beginning on or after 1 April 2026. The Company has evaluated these amendments and their adoption did not have any material impact on these restated financial statements.

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Independent Auditor's Report on the Restated Financial Information of HEG Graphite Limited for the quarter ended June 30, 2026.

To the Board of Directors
HEG Graphite Limited

Opinion

1. We have audited the accompanying Restated Financial Information of HEG Graphite Limited ('the Company'), which comprise the Restated Balance Sheet as at June 30, 2026, the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for the period April 1, 2026 to June 30, 2026 and notes to the Restated Condensed Interim Financial Information, including material accounting policy information and other explanatory information (together hereinafter referred to as the 'Restated Financial Information').

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Restated Financial Information, are prepared, in all material respects, in accordance with the basis of preparation as described in Note 2.1 to these Restated Financial Information.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ('the Act). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Restated Financial Information" 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the Restated Condensed Interim Financial Information 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Preparation and Restriction on Distribution and Use

4. We draw attention to Note 2.1 to the accompanying Restated Financial Information, which describes the basis of its preparation. These Restated Financial Information have been prepared by the Company's management in accordance with framework, solely to assist the management of Company for the inclusion of the Restated Financial Information in the Information Memorandum to be submitted with Securities Exchange Board of India pursuant to the Scheme of Arrangement amongst the Company, HEG Limited, Bhilwara Energy Limited and their respective shareholders and creditors (the 'Scheme') for transfer of the Graphite Business of HEG Limited ('Demerged Undertaking') into the Company and therefore, these Restated Financial Information may not be suitable for any other purpose. This report is issued solely for the aforementioned purpose and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. Our opinion is not modified in respect of this matter.

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Responsibilities of Management for the Restated Financial Information

5. The Company's Board of Directors are responsible for the preparation of these Restated Financial Information in accordance with the basis of preparation as described in Note 2.1 to Restated Financial Information including determining that such basis of preparation is acceptable in the circumstances. This responsibility also includes design, implementation and maintenance of adequate internal financial controls relevant to the preparation and presentation of the Restated Financial Information in all material respects, in accordance with the basis of preparation as specified in aforementioned Note 2.1 of the accompanying Restated Financial Information and are free from material misstatement, whether due to fraud or error.

6. In preparing the Restated Financial Information, the Board of Directors are responsible for assessing the ability of the 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 Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Restated Financial Information

7. Our objectives are to obtain reasonable assurance about whether the Restated Financial Information 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 Standards on Auditing 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 Restated Financial Information.

8. As part of an audit in accordance with Standards on Auditing specified under Section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the Restated Financial Information, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place adequate internal financial controls with reference to Restated Financial Information 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; and

   - 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 the Company 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

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Restated Financial Information 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.

9. 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.

For SCV & CO LLP
Chartered Accountants
Firm's Registration No.: 000235N/N500089



SUNNY SINGH
Partner
Membership No.: 516834
UDIN: 26516834OCFUYU1451

Place: Noida
Date: September 25, 2026

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Restated Balance Sheet
as at June 30, 2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars		Note No.	As at June 30, 2026	As at March 31, 2026
ASSETS				
1.	**Non-current assets**			
(a)	Property, plant and equipment	4	1,68,794.26	1,73,525.60
(b)	Capital work-in-progress	5	7,267.14	4,333.96
(c)	Right-of-use-asset	6	638.49	606.74
(e)	Intangible assets	7	74.77	82.64
(f)	Intangible assets under development	7a	71.31	66.12
(g)	Financial assets			
	(i) Investments	8	28,902.67	33,310.74
	(ii) Loans	10	54.59	59.20
	(iii) Other financial assets	11	4,262.04	4,265.45
(h)	Income tax assets (net)	23A	4,598.66	4,684.56
(i)	Other non-current assets	12	5,071.09	4,010.05
Total non-current assets			**2,19,735.02**	**2,24,945.06**
2.	**Current assets**			
(a)	Inventories	13	1,08,687.91	1,13,373.66
(b)	Financial assets			
	(i) Investments	8	48,046.08	37,106.47
	(ii) Trade receivables	9	58,247.15	49,945.81
	(iii) Cash and cash equivalents	14	2,287.07	2,202.96
	(iv) Bank balances other than (iii) above	15	4,162.05	4,181.13
	(v) Loans	10	58.65	65.53
	(vi) Other financial assets	11	8,806.42	7,497.02
(c)	Other current assets	12	10,123.00	14,168.66
Total current assets			**2,40,418.33**	**2,28,541.24**
Total assets			**4,60,153.35**	**4,53,486.30**
EQUITY AND LIABILITIES				
Equity				
(a)	Equity share capital		-	-
(c)	Share for issuance	51	3,859.59	3,859.59
(b)	Other equity	16	3,20,586.47	3,11,759.53
Total equity			**3,24,446.06**	**3,15,619.12**
Liabilities				
1.	**Non-current liabilities**			
(a)	Financial liabilities			
	(i) Lease liabilities	19A	117.54	117.41
(b)	Provisions	20	699.36	664.94
(c)	Deferred tax liabilities (net)	21	7,767.32	8,089.80
(d)	Other non-current liabilities	22	415.61	482.97
Total non-current liabilities			**8,999.83**	**9,355.12**
2.	**Current liabilities**			
(a)	(a) Financial liabilities			
	(i) Borrowings	17	78,309.43	79,328.47
	(ia) Lease liabilities	19A	41.73	2.08
	(ii) Trade payable		-	
	-Total outstanding dues of micro enterprises and small enterprises	18	4,526.61	2,557.73
	-Total outstanding dues of creditors other than micro enterprises and small enterprises	18	31,213.71	36,244.96
	(iii) Other financial liabilities	19B	6,604.58	7,091.88
(b)	Other current liabilities	22	2,128.39	1,830.01
(c)	Provisions	20	868.10	831.39
(d)	Current tax liabilities (net)	23B	3,014.91	625.54
Total current liabilities			**1,26,707.46**	**1,28,512.06**
Total liabilities			**1,35,707.29**	**1,37,867.18**
Total equity and liabilities			**4,60,153.35**	**4,53,486.30**

See accompanying notes to the restated financial information.
As per our report of even date attached

For and on behalf of the Board of Directors

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

Sunny Singh
Partner
Membership No. 516834

Place : Noida (U.P)
Date : September 25, 2026

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Restated Statement of Profit and Loss
for the period ended June 30,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars		Note No.	For the period ended June 30, 2026	For the year ended March 31, 2026
I.	Revenue from operations	24	68,090.72	2,56,850.47
II.	Other income	25	3,681.82	5,658.69
III.	**Total income (I + II)**		**71,772.54**	**2,62,509.16**
IV.	**Expenses:**			
	Cost of materials consumed	26	26,516.98	97,551.87
	Changes in inventories of finished goods and work-in-progress	27	(1,410.78)	8,791.18
	Employee benefit expenses	28	3,254.23	12,353.35
	Finance costs	29	997.44	3,720.77
	Depreciation and amortisation expense	30	4,948.02	21,287.95
	Other expenses	31	24,744.23	98,716.10
	Total expenses (IV)		**59,050.12**	**2,42,421.22**
V.	**Profit before tax (III - IV)**		**12,722.42**	**20,087.94**
VI.	**Tax expense:**			
	(1) Current tax	32	3,530.24	6,745.99
	(2) Earlier years tax adjustment	32	-	92.14
	(3) Deferred tax	32	(322.48)	(227.26)
	Total tax expense (VI)		**3,207.76**	**6,610.87**
VII.	**Profit for the year/period (V-VI)**		**9,514.66**	**13,477.07**
VIII.	**Other comprehensive income**			
	Items that will not be classified to profit or loss			
	(i) Remeasurement of employee defined benefit plan	33	-	(312.61)
	(ii) Tax expense relating to items that will not be reclassified to profit or loss	32	-	78.68
	Total other comprehensive income for the year/period		-	**(233.93)**
IX.	**Total comprehensive income for the year (VII+VIII) (Comprising profit and other comprehensive income for the year/period)**		**9,514.66**	**13,243.14**
	Earnings per equity share: (of ₹ 2/- each)*			
	(1) Basic (₹)	34	4.96	6.98
	(2) Diluted (₹)	34	4.96	6.98

*Not annualised for the period ended June 30, 2026

See accompanying notes to the restated financial information.
As per our report of even date attached

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

Sunny Singh
Partner
Membership No. 516834

SCV & CO. LLP ★ New Delhi NCR ★ Chartered Accountants

Place : Noida (U.P)
Date : September 25, 2026

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director &
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

HEG GRAPHITE LIMITED ★ NOIDA ★

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Restated Statement of Cash Flows

for the period ended June 30,2026

(All amounts are in ₹ Lakhs unless otherwise stated)

	Particulars	For the period ended June 30, 2026	For the year ended March 31, 2026
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax	12,722.42	20,087.94
	Adjustment for non operating and non cash transactions		
	Depreciation and amortisation expense	4,948.02	21,287.95
	Inventory Write-down (net)	-	1,099.41
	Interest and other financial charges	996.27	3,707.67
	Net (profit)/loss on property plant and equipment sold / discarded	(11.29)	74.48
	Allowance for expected credit losses	497.26	259.20
	Liabilities / provisions written back	(78.13)	(71.79)
	Unrealized (gain)/loss due to effect of exchange rate changes in assets and liabilities	227.46	3,388.24
	Bad debts	7.21	-
	Net loss /(gain) on sale/fair valuation of investments measured at fair value through profit or loss	1,054.36	2,275.52
	Dividend income	(42.83)	(31.65)
	Rent income	(0.75)	(2.84)
	Interest income	(131.16)	(327.84)
	Operating profit/(loss) before changes in operating assets & liabilities	**20,188.84**	**51,746.29**
	(increase)/decrease in operating assets		
	(Increase)/decrease in inventories	4,685.75	10,990.73
	(Increase)/decrease in trade receivables	(9,033.27)	(5,247.07)
	(Increase)/decrease in other non-current financial assets	8.02	991.70
	(Increase)/decrease in other current financial assets	(1,242.90)	(807.80)
	(Increase)/decrease in other non-current assets	22.27	50.77
	(Increase)/decrease in other current assets	4,045.68	(621.53)
	(increase/(decrease) in operating liabilities		
	increase/(decrease) in trade payables	(3,062.42)	(1,771.32)
	increase/(decrease) in other current financial liabilities	(439.54)	2,155.42
	increase/(decrease) in non-current provisions	34.46	135.76
	increase/(decrease) in current provisions	36.71	401.28
	increase/(decrease) in other non-current liabilities	(67.36)	(11.72)
	increase/(decrease) in other current liabilities	376.51	197.43
	Cash flows from/(used in) operating activities	**15,552.74**	**58,209.94**
	Income tax paid (net of refund, if any)	(1,054.97)	(1,338.66)
	Net cash flows from/(used in) operating activities (A)	**14,497.77**	**56,871.28**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Payment for purchase of Property plant and Equipment, intangible assets (including Capital work-in-progress / intangible assets under development) (after adjustment of advances and creditors for capital expenditure)	(4,282.04)	(11,969.09)
	Proceeds from sale of property, plant and equipments	28.86	364.46
	Investment in fixed/term deposits not considered as cash and cash equivalents	-	(4,756.89)
	Redemption/maturity of fixed/term deposits not considered as cash and cash equivalents	14.57	1,921.93
	Decrease/(increase) in other bank balances not considered as cash and cash equivalents	4.51	(13.85)
	Payment for purchase of investments	(10,677.92)	(62,538.27)
	Proceeds from sale of investments	3,037.40	8,006.60
	Return of capital from INVIT	54.62	21.39
	Rent received	0.75	2.84
	Dividend received	42.83	31.65
	Interest received	71.54	341.33
	Net cash flows from/(used in) investing activities (B)	**(11,704.88)**	**(68,587.90)**
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds/(repayment) of working capital borrowings (on net basis)	(1,019.04)	17,335.91
	Interest and other financial charges paid	(995.07)	(3,918.54)
	Interest paid on lease liabilities	(3.42)	(13.65)
	Principal payment of lease liabilities	(3.54)	(47.33)
	Dividend paid on equity shares	-	(906.95)
	Contribution from/(utilisation by) erstwhile owners of demerged undertaking	(687.72)	(196.11)
	Net cash flows from/(used in) financing activities (C)	**(2,708.79)**	**12,253.33**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**84.10**	**536.71**
	Cash and cash equivalents at the beginning of the year/period	2,202.96	1,666.25
	Cash and cash equivalents at the end of the year/period	2,287.07	2,202.96

(Refer note 14 of restated financial information for components of cash and cash equivalents)
Note : The Cash flow statement is prepared using the indirect method as prescribed under Ind AS 7, Statement of Cash flows.

See accompanying notes to the restated financial information.
As per our report of even date attached

For and on behalf of the Board of Directors

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

Sunny Singh
Partner
Membership No. 516834

Place : Noida (U.P)
Date : September 25, 2026

SCV & CO. LLP ★ New Delhi NCR ★ Chartered Accountants

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

HEG GRAPHITE LIMITED ★ NOIDA ★

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Restated Statement of Changes in Equity
for the period ended June 30,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

A) Equity share capital

Particulars	As at June 30, 2026	As at March 31, 2026
Balance at the beginning of reporting year/period	-	-
Changes in equity capital during the year/period	-	-
Balance at the end of reporting year/period	-	-

For shares pending issuance, refer note 35

B) Other Equity

Particulars	Reserves and Surplus			Total other equity
	Capital reserve	Capital redemption reserve	Retained earnings	
Balance at the beginning of the reporting period i.e. April 1, 2026	**5,416.20**	**2,029.93**	**3,04,313.40**	**3,11,759.53**
Profit for the year	-	-	9,514.66	9,514.66
Other comprehensive income for the period	-	-	-	-
-Remeasurement of defined employee benefit plan(net of tax expense)	-	-	-	-
Dividend distributed during the period	-	-	-	-
Contribution from/(utilisation by) erstwhile owners of demerged undertaking	(687.72)	-	-	(687.72)
Balance at the end of current reporting period i.e.June 30, 2026	**4,728.48**	**2,029.93**	**3,13,828.06**	**3,20,586.47**

Particulars	Reserves and Surplus			Total other equity
	Capital reserve	Capital redemption reserve	Retained earnings	
Balance at the beginning of the previous reporting year i.e. April 1, 2025	**5,612.31**	**2,029.93**	**2,91,977.21**	**2,99,619.45**
Profit for the year	-	-	13,477.07	13,477.07
Other Comprehensive Income for the year	-	-		-
-Remeasurement of defined employee benefit plan(net of tax expense)	-	-	(233.93)	(233.93)
Dividend distributed during the year	-	-		-
-Final dividend for the year ended March 31, 2025	-	-	(906.95)	(906.95)
Contribution from/(utilisation by) erstwhile owners of demerged undertaking	(196.11)			(196.11)
Balance at the end of previous reporting year i.e.March 31, 2026	**5,416.20**	**2,029.93**	**3,04,313.40**	**3,11,759.53**

See accompanying notes to the restated financial information.
As per our report of even date attached

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

Sunny Singh
Partner
Membership No. 516834

Place : Noida (U.P)
Date : September 25, 2026

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Information
for the period ended June 30,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Note 4: Property, plant and equipment

Particulars	As at June 30, 2026	As at March 31, 2026
Carrying amount of		
Freehold land	317.81	317.81
Buildings	36,880.90	37,756.28
Plant and equipment	1,13,280.32	1,16,345.86
Furniture and fixtures	129.91	132.74
Vehicles	969.07	1,006.28
Office equipment	244.84	264.59
Electrical installation	16,854.85	17,582.06
Railway sidings	116.56	119.98
Total Property, plant and equipment	**1,68,794.26**	**1,73,525.60**

The change in the carrying amount of property, plant and equipments as follows:-

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Electrical installation	Railway sidings	Total
Gross carrying amount as at April 1, 2025	**317.81**	**63,770.28**	**2,41,887.84**	**694.45**	**1,856.55**	**1,255.62**	**28,178.38**	**647.42**	**3,38,608.35**
Additions	-	1,881.87	3,564.09	11.73	321.61	59.65	626.27	-	6,465.22
Disposals/deletions	-	(335.26)	(1,829.93)	(52.06)	(181.67)	(63.20)	(53.41)	-	(2,515.53)
Gross carrying amount as at March 31, 2026 (A)	**317.81**	**65,316.89**	**2,43,622.00**	**654.12**	**1,996.49**	**1,252.07**	**28,751.24**	**647.42**	**3,42,558.04**
Additions	-	-	111.83	5.71	45.51	4.91	46.85	-	214.81
Disposals/deletions	-	-	(20.41)	(0.61)	(81.09)	(6.44)	(10.23)	-	(118.78)
Gross carrying amount as at June 30, 2026 (B)	**317.81**	**65,316.89**	**2,43,713.42**	**659.22**	**1,960.91**	**1,250.54**	**28,787.86**	**647.42**	**3,42,654.07**
Accumulated depreciation as at April 1, 2025	-	**23,952.21**	**1,15,731.31**	**530.62**	**826.71**	**886.81**	**7,469.35**	**513.02**	**1,49,910.03**
Depreciation for the year	-	3,821.14	13,123.94	37.69	296.53	159.02	3,746.26	14.42	21,199.00
Disposals/deletions	-	(212.74)	(1,579.11)	(46.93)	(133.03)	(58.35)	(46.43)	-	(2,076.59)
Accumulated depreciation as at March 31, 2026 (C)	-	**27,560.61**	**1,27,276.14**	**521.38**	**990.21**	**987.48**	**11,169.18**	**527.44**	**1,69,032.44**
Depreciation for the period	-	875.38	3,176.12	8.10	69.09	24.16	772.31	3.42	4,928.58
Disposals/deletions	-	-	(19.16)	(0.17)	(67.46)	(5.94)	(8.48)	-	(101.21)
Accumulated depreciation as at June 30, 2026 (D)	-	**28,435.99**	**1,30,433.10**	**529.31**	**991.84**	**1,005.70**	**11,933.01**	**530.86**	**1,73,859.81**
Net carrying amount as at March 31, 2026 (A)-(C)	**317.81**	**37,756.28**	**1,16,345.86**	**132.74**	**1,006.28**	**264.59**	**17,582.06**	**119.98**	**1,73,525.60**
Net carrying amount as at June 30, 2026 (B)-(D)	**317.81**	**36,880.90**	**1,13,280.32**	**129.91**	**969.07**	**244.84**	**16,854.85**	**116.56**	**1,68,794.26**

(ii) The borrowing cost capitalized in property plant and equipment during the period is NIL (previous year NIL)
(ii) The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.
(iii) The Company has not revalued any of its property, plant and equipment during the current period and previous year.
(iv) The title deeds of all the immovable properties are held in the name of the Company.

SCV & CO. LLP ★ New Delhi NCR ★ Chartered Accountants

HEG GRAPHITE LIMITED ★ NOIDA ★

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Information
for the period ended June 30,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Note 5: Capital work-in-progress (CWIP)

Particulars	As at June 30, 2026	As at March 31, 2026
Building, plant and equipment under erection/installation	7,267.14	4,333.96

The borrowing cost capitalized in capital work-in-progress during the period is NIL (Previous year NIL)

SCV & CO. LLP Chartered Accountants New Delhi NCR

HEG GRAPHITE LIMITED NOIDA

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CIN: U23994MP2024PLC071568
Notes to the Restated Financial Information
for the period ended June 30,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Note 6: Right-of-use-asset

Particulars	As at June 30, 2026	As at March 31, 2026
Carrying amount of		
Land	602.39	606.74
Building	36.10	-
Total	**638.49**	**606.74**

Particulars	Land	Building	Total
Gross carrying amount as at April 1, 2025	**889.90**	**299.63**	**1,189.53**
Additions	39.49	-	39.49
Adjustments	(20.98)	-	(20.98)
Gross carrying amount as at March 31, 2026 (A)	**908.41**	**299.63**	**1,208.04**
Gross carrying amount as at April 1, 2026	**908.41**	**299.63**	**1,208.04**
Additions	-	43.32	43.32
Adjustments/Deletion	-	-	-
Gross carrying amount as at June 30, 2026 (B)	**908.41**	**342.95**	**1,251.36**
Accumulated depreciation as at April 1, 2025	**304.64**	**260.25**	**564.89**
Depreciation for the year	18.01	39.38	57.39
Other adjustments for the year	(20.98)	-	(20.98)
Accumulated depreciation as at March 31, 2026 (C)	**301.67**	**299.63**	**601.30**
Accumulated depreciation as at April 1, 2026	**301.67**	**299.63**	**601.30**
Depreciation for the period	4.35	7.22	11.57
Adjustments/Deletion	-	-	-
Accumulated depreciation as at June 30, 2026 (D)	**306.02**	**306.85**	**612.87**
Net carrying amount as at March 31, 2026 (A)-(C)	**606.74**	-	**606.74**
Net carrying amount as at June 30,2026 (B)-(D)	**602.39**	**36.10**	**638.49**

(i) The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

SCV & CO. LLP ★ New Delhi NCR ★ Chartered Accountants

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HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Information
for the period ended June 30, 2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Note 7: Intangible assets

Carrying amount of intangible assets

Particulars	As at June 30, 2026	As at March 31, 2026
Software	74.77	82.64

Particulars	Amount
Computer software	
Gross carrying amount	
As at April 1, 2025	**590.93**
Additions	3.34
Disposals/Adjustments	-
As at March 31, 2026 (a)	**594.27**
Additions	-
Disposals/Adjustments	-
As at June 30, 2026 (b)	**594.27**
Amortisation	
As at April 1, 2025	**480.07**
Charge for the year	31.56
Disposals/Adjustments	-
As at March 31, 2026 (c)	**511.63**
Charge for the year	7.87
Disposals/Adjustments	-
As at June 30, 2026 (d)	**519.50**
Net carrying amount	
As at March 31, 2026 (a-c)	**82.64**
As at June 30, 2026 (b-d)	**74.77**

7(a) Intangible Assets under Development

Particulars	As at June 30, 2026	As at March 31, 2026
Intangible assets under development	71.31	66.12

SCV & CO. LLP ★ New Delhi NCR ★ Chartered Accountants

HEG GRAPHITE LIMITED ★ NOIDA ★

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Information
for the period ended June 30,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Note 8: Investments

No. of units	Particulars	Face value	Non-current		Current	
			As at June 30, 2026	As at March 31, 2026	As at June 30, 2026	As at March 31, 2026
A.	**Investments carried at fair value through profit or loss**					
(a)	**Investments in equity instruments (quoted)**					
2577106	(Previous year 2577106) fully paid up equity shares of Graftech International Ltd., USA	$ 0.01	14,395.67	16,538.74	-	-
(b)	**Investments in mutual funds (unquoted)**					
66833.112	(Previous year 66833.112) units of Axis Money Market Fund Direct Growth	1000	-	-	1,030.42	1,010.65
31260.467	(Previous year NIL) units of Baroda BNP Paribas Liquid Fund Direct Growth	1000	-	-	1,010.56	-
22964.793	(Previous year 22964.793) units of Nippon India Money Market Fund - Direct Growth	1000	-	-	1,030.22	1,010.46
3491823.495	(Previous year 3491823.495) units of HSBC Money Market Fund - Direct Growth	10	-	-	1,030.73	1,011.00
3250383.031	(Previous year 5404004.208) units of SBI Saving Fund - Direct Growth	10	-	-	2,140.46	2,513.22
30381.940	(Previous year 30381.940) units of Invesco Money Market Fund - Direct Growth	1000	-	-	1,020.57	1,001.19
61632.416	(Previous year 61632.416) units of UTI Money Market Fund - Direct Growth	1000	-	-	2,052.02	2,013.15
82746.822	(Previous year 82746.822) units of Bajaj Finserv Money Market Fund - Direct Growth	1000	-	-	1,025.04	1,005.21
255324.550	(Previous year 255324.550) units of ABSL Money Market Fund - Direct Growth	10	-	-	1,020.99	1,001.12
39641.183	(Previous year 19883.398) units of TATA Money Market Fund - Direct Growth	1000	-	-	2,036.66	1,001.95
2172552.774	(Previous year 2191176.573) units of Bandhan Money Market Fund - Direct Growth	10	-	-	1,012.70	1,001.87
9999500.025	(Previous year 9999500.25) units of HDFC CRISIL-IBX Financial Services	10	-	-	2,022.53	1,002.55
20804.599	(Previous year NIL) units of Kotak Money Market Fund	1000			1,006.27	-
1911186.216	(Previous year NIL) units of DSP Money Market Fund	10			1,105.97	-
8318740.603	(Previous year 8318740.603) units of AXIS Bank Arbitrage Fund Direct Growth EADG	10	-	-	1,798.84	1,772.47
3425532.881	(Previous year 3425532.881) units of Invesco India Arbitrage Fund Direct Growth	10	-	-	1,260.19	1,241.09
2519495.578	(Previous year Nil) units of UTI Arbitrage Fund Direct Growth Canserve	10	-	-	999.95	-
3320978.683	(Previous year NIL) units of ABSL Arbitrage Fund Direct Growth	10	-	-	1,013.13	-
5869399.349	(Previous year 5869399.349) units of Nippon India Arbitrage Fund Direct Growth	10	-	-	1,792.97	1,765.72
12869351.639	(Previous year 8305370.542) units of Edelweiss Arbitrage Fund Direct Growth	10	-	-	2,850.50	1,812.16
4414218.622	(Previous year 4414218.622) units of SBI Arbitrage Opportunities Fund Direct Growth	10	-	-	1,688.21	1,664.61
16788719.397	(Previous Year 10515900.863) units of TATA Arbitrage Fund Direct Growth	10	-	-	2,705.30	1,669.23
11733747.975	(Previous Year 11733747.975) units of MIRAE Asset Arbitrage Fund Direct Growth	10	-	-	1,687.66	1,664.43
4939122.286	(Previous Year 4939122.286) units of HSBC Arbitrage Fund Direct Growth	10	-	-	1,067.92	1,052.51
6945110.068	(Previous Year 6945110.068) units of LIC MF Arbitrage Fund Direct Growth	10	-	-	1,067.37	1,051.39
Nil	(Previous year 9999500) units of AXIS Fixed Maturity Plan Series 129 - Q4	10			-	1,006.17
4895236.709	(Previous Year 4895236.709) units of HDFC Arbitrage Fund Direct Growth	10	-	-	1,050.86	1,035.24
7126587.146	(Previous Year - NIL)Edelweiss Banking and PSU Debt Fund- Direct Plan Growth		-		1,913.42	-
0.000	(Previous year 13724503.583) units of Edelweiss Nifty PSU Bond Plus SDL Apr 2026 50:50 Index Fund	10	-	-	-	1,873.50
(c)	**Investments in fixed maturity plans scheme(unquoted)**					

SCV & CO. LLP Chartered Accountants New Delhi NCR

HEG GRAPHITE LIMITED NOIDA

Notes to the Restated Financial Information
for the period ended June 30,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Note 8: Investments

No. of units	Particulars	Face value	Non-current		Current	
			As at June 30, 2026	As at March 31, 2026	As at June 30, 2026	As at March 31, 2026
46034272.808	(Previous year 46034272.808) units of SBI CPSE BP SDL SEP 2026 50:50 Index Fund	10	-	-	6,021.24	5,925.58
9835831.784	(Previous year 9835831.784) units of Kotak Nifty SDL APR 2027 Top 12 Equal Weight Index Fund Direct Growth Plan	10	-	1,270.47	1,290.88	-
9930347.719	(Previous year 9930347.719) units of Nippon India Nifty AAA CPSE Bond Plus SDL APR 2027 Maturity 60:40 Index Fund Direct Growth Plan	10	-	1,269.20	1,292.50	-
(d)	**Investments in Bond Funds (unquoted)**					
108109.497	(Previous year 108109.497) units of Kotak Corp Bond Direct Growth	1000	4,521.95	4,411.91	-	-
2618367.638	(Previous year 2618367.638) units of ABSL Corporate Bond Fund Direct Growth	10	3,181.35	3,087.12	-	-
5430713.319	(Previous year 5430713.319) units of HDFC Corporate Bond Fund Direct Growth	10	1,910.90	1,853.70	-	-
(e)	**Investments in Infrastructure Trust (unquoted)**					
4400000	(Previous year 4400000) units of Oriental Infratrust	100	4,892.80	4,879.60	-	-
	Total		**28,902.67**	**33,310.74**	**48,046.08**	**37,106.47**
	Aggregate carrying value of quoted investments		14,395.67	16,538.74	-	-
	Market value of quoted investments		14,395.67	16,538.74	-	-
	Aggregate carrying value of unquoted investments		14,507.00	16,771.99	48,046.08	37,106.47
	Aggregate amount for impairment in value of investments		-	-	-	-

Note (i): Investments having maturity period of less than 12 months from balance sheet date have been reclassified as current investments, if any.

SCV & CO. LLP ★ New Delhi NCR ★ Chartered Accountants

HEG GRAPHITE LIMITED ★ NOIDA ★

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Information
for the period ended June 30,2026

(All amounts are in ₹ Lakhs unless otherwise stated)

Note 9: Trade receivables

Particulars	Current	
	As at June 30, 2026	As at March 31, 2026
a) Trade receivables considered good-secured	-	-
Less: allowance for expected credit loss		
b) Trade receivables considered good-unsecured	58,608.22	49,809.43
Less: allowance for expected credit loss	(594.99)	(97.54)
c) Trade receivables which have significant increase in credit risk	467.86	467.86
Less: allowance for expected credit loss	(233.94)	(233.94)
d) Trade receivables credit impaired	416.82	416.82
Less: allowance for credit impairment	(416.82)	(416.82)
	-	-
Total	**58,247.15**	**49,945.81**

There is no amount due from Directors or other Officers 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.

SCV & CO. LLP Chartered Accountants New Delhi NCR

HEG GRAPHITE LIMITED NOIDA

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Information
for the period ended June 30,2026
(All amounts are in ₹ Lakhs unless otherwise stated)

Note 10: Loans

Particulars	Non-current		Current	
	As at June 30, 2026	As at March 31, 2026	As at June 30, 2026	As at March 31, 2026
Financial asset at amortised cost				
Loans to employees				
a) Loans considered good-secured	-	-	-	-
b) Loans considered good-unsecured	54.59	59.20	58.65	65.53
c) Loans which have significant increase in credit risk	-	-	-	-
d) Loans credit impaired	-	-	-	-
Total	**54.59**	**59.20**	**58.65**	**65.53**

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HEG GRAPHITE LIMITED ★ NOIDA ★

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Note 11: Other financial assets

Particulars	Non-current		Current	
	As at June 30, 2026	As at March 31, 2026	As at June 30, 2026	As at March 31, 2026
Financial assets at amortised cost				
Security deposits	4,254.29	4,257.69	2.57	7.52
Interest accrued but not due on fixed deposits	-	-	95.01	35.39
Interest subvention recoverable (on working capital loans)	-	-	286.95	286.95
Advance for Equity Investment #	7.75	7.76	-	-
Government grant receivable	-	-	6,914.51	7,167.16
-Others	-	-	1,507.38	-
Total	**4,262.04**	**4,265.45**	**8,806.42**	**7,497.02**

#Advance paid for purchase of shares of Graftech International Ltd.

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Note 12: Other assets

Particulars	Non-current		Current	
	As at June 30, 2026	As at March 31, 2026	As at June 30, 2026	As at March 31, 2026
Unsecured, considered good unless stated otherwise				
Capital advances	4,533.13	3,449.82	-	-
Other advances (other than advances to related parties)	-	-	1,228.86	518.75
Prepaid expenses	48.33	73.75	504.97	887.67
Balances with Government authorities	-	-	1,330.12	1,575.10
GST refund receivable	-	-	50.71	4,274.04
Payments under protest (excluding direct taxes other than Tax Deducted at Source(TDS)) #	489.63	486.48	-	-
Export benefits receivable	-	-	427.46	288.11
Other employee advances			58.48	53.30
Gratuity fund receivable	-	-	-	-
Others	-	-	6,522.40	6,571.69
Total	**5,071.09**	**4,010.05**	**10,123.00**	**14,168.66**

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.

Detail of payments under protest(excluding direct taxes other than TDS) is as follows:

(₹ in Lakhs)

Particulars	As at June 30, 2026	As at March 31, 2026
Entry tax	114.29	114.29
Central sales tax	229.83	229.83
Excise duty/service tax	83.04	79.89
MPST/MPCT	0.46	0.46
Tax deducted at source	62.01	62.01
Total	**489.63**	**486.48**

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Note 13: Inventories (Valued at lower of cost or net realizable value)

Particulars	As at June 30, 2026	As at March 31, 2026
Raw materials	19,309.13	25,842.96
Work-in-progress	44,579.24	43,610.27
Finished goods	38,878.43	38,436.62
Stores and spares	5,921.11	5,483.81
Total	**1,08,687.91**	**1,13,373.66**

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Note 14: Cash and cash equivalents

Particulars	As at June 30, 2026	As at March 31, 2026
Financial assets at amortised cost		
Balances with banks		
In current accounts	1,143.62	1,041.15
In cash credit accounts	1,138.32	1,156.68
Cheques, drafts in hand	-	-
Cash on hand	5.13	5.13
Term/fixed deposits with banks/financial institutions having original maturity period of less than three months		
Total cash and cash equivalents	**2,287.07**	**2,202.96**

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Note 15: Other bank balances

Particulars	As at June 30, 2026	As at March 31, 2026
Financial assets at amortised cost		
I. Earmarked deposits with banks		
a) Held as margin money against letter of credit for raw material and capital goods and against bank guarantees	1,444.24	1,444.24
b) Held for unspent Corporate Social Responsibility expenditure on account of ongoing projects	9.34	13.85
II. Term/fixed deposits with banks/financial institutions having original maturity period of more than three months	2,574.98	2,571.14
III.Term/fixed deposits with banks/financial institutions for unspent Corporate Social Responsibility	133.49	151.90
Total	**4,162.05**	**4,181.13**

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Note 16: Other equity

Particulars	As at June 30, 2026	As at March 31, 2026
A. Capital reserve		
Balance as at the beginning of the year/period	5,416.20	5,612.31
Movement during the year/period	-	-
Contribution from/(utilisation by) erstwhile owners of demerged undertaking	(687.72)	(196.11)
Balance as at the end of the year/period	**4,728.48**	**5,416.20**
B. Capital redemption reserve		
Balance as at the beginning of the year/period	2,029.93	2,029.93
Movement during the year/period	-	-
Balance as at the end of the year/period	**2,029.93**	**2,029.93**
C. Retained earnings		
Balance as at the beginning of the year/period	3,04,313.40	2,91,977.21
Amount transferred from statement of profit and loss		
- Profit for the year/period	9,514.66	13,477.07
- Other comprehensive income for the year/period (remeasurement of defined employee benefit plan) (net of tax expense)	-	(233.93)
Dividend distributed on equity shares during the year/period	-	(906.95)
Balance as at the end of the year/period	**3,13,828.06**	**3,04,313.40**
Total	**3,20,586.47**	**3,11,759.53**

Nature and purpose of reserves

1) Capital reserve:

The Capital reserve has been created on account of warrant money forfeited, profit made on hive off of steel business and on account of demerger of

2) Capital redemption reserve:

The capital redemption reserve has been created at the time of redemption of preference shares and buy back of own shares. The reserve can be utilised

3) Retained earnings

Retained earnings refer to net earnings not paid out as dividend but retained to be reinvested in the core business. The amount is available for distribution of dividend to the equity shareholders.

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Note 17: Borrowings

Particulars	Non-current		Current	
	As at June 30, 2026	As at March 31, 2026	As at June 30, 2026	As at March 31, 2026
Loans repayable on demand from banks				
Working capital loans from banks				
-Secured	-	-	54,936.52	55,955.56
-Unsecured	-	-	23,372.91	23,372.91
Total	-	-	**78,309.43**	**79,328.47**

(i) Terms of repayment of loans

Particulars			As at June 30, 2026	As at March 31, 2026
Loans repayable on demand				
Secured				
Working capital loans from banks	-	-	54,936.52	55,955.56
Unsecured				
Working capital loans from banks	-	-	23,372.91	23,372.91
Total			**78,309.43**	**79,328.47**

(ii) Nature of security against loans

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.

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Note 18: Trade payables

Particulars	As at June 30, 2026	As at March 31, 2026
Trade payables		
(A) Total outstanding dues of micro enterprises and small enterprises	4,526.61	2,557.73
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	31,213.71	36,244.96
Total	**35,740.32**	**38,802.69**

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Note 19A: Lease liabilities

Particulars	Non-current		Current	
	As at June 30, 2026	As at March 31, 2026	As at June 30, 2026	As at March 31, 2026
Lease liabilities - land	117.54	117.41	4.97	2.08
Lease liabilities - building	-	-	36.76	-
Total	**117.54**	**117.41**	**41.73**	**2.08**

Note 19B: Other financial liabilities

Particulars	Non-current		Current	
	As at June 30, 2026	As at March 31, 2026	As at June 30, 2026	As at March 31, 2026
Interest accrued but not due on borrowings	-	-	0.89	3.11
Security deposits	-	-	205.47	203.23
Creditors for capital purchases	-	-	-	-
Payable to micro enterprises and small enterprises	-	-	331.54	388.36
Payable to other than micro enterprises and small enterprises	-	-	198.15	186.88
Other payables	-	-		
Employees related	-	-	2,454.67	2,455.62
Others	-	-	3,186.40	2,191.35
Financial liabilities at fair value through profit or loss				
Derivative financial instruments			227.46	1,663.33
Total	**-**	**-**	**6,604.58**	**7,091.88**

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Note 20: Provisions

Particulars	Non-current		Current	
	As at June 30, 2026	As at March 31, 2026	As at June 30, 2026	As at March 31, 2026
Provision for employee benefits				
Gratuity	-		371.83	371.83
Compensated absences	699.36	664.94	133.73	133.73
Other provisions				
Provision against pending litigations	-	-	362.54	325.83
Total	699.36	664.94	868.10	831.39

Movement of provision against pending litigations

Nature of provisions	Non-current		Current	
	2026-27	2025-26	2026-27	2025-26
	-	-		
Carrying amount at the beginning of the year/period			325.83	325.83
Amount provided made during the year	-	-	-	-
Amount reversed during the year	-	-	(36.71)	-
Carrying amount at the end of the year/period	-	-	362.54	325.83

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 separate cases that arise in the ordinary course of business. These provisions have not been discounted as it is not practicable to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

No reimbursements are expected in respect of the above provisions

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Note 21: Deferred tax liabilities (net)

Particulars	As at June 30, 2026	As at March 31, 2026
Deferred tax liabilities (A)		
Difference between carrying value of property, plant and equipment as per books of account and income tax	9,741.86	9,913.82
ROU Assets	9.09	-
Deferred tax assets (B)		
Expenses deductible on payment basis under income tax/ provision for employee benefits	(495.80)	(434.02)
Allowance for expected credit loss	(313.53)	(188.33)
Fair valuation of investments	(989.73)	(668.87)
Demerger & Amalgamation (refer note 35)	(118.07)	(114.17)
MTM Loss	(9.25)	(418.63)
Lease liability	(57.25)	-
Net deferred tax liability (A)-(B)	7,767.32	8,089.80

Tne following is the movement of the deferred tax liabilities and assets

Movement in deferred tax liabilities and assets for the period ended June 30, 2026

Particulars	As at 1st April, 2026	Recognized in the profit or loss	Recognized in other comprehensive income	As at June 30, 2026
Deferred tax liabilities (A)				
Difference between carrying value of property plant and equipment as per books of account and tax base	9,913.82	(171.96)	-	9,741.86
ROU Assets	-	9.09		9.09
Deferred tax assets (B)				
Expenses deductible on payment basis under income tax/ provision for employee benefits	(434.02)	(61.78)	-	(495.80)
Allowance for expected credit loss	(188.33)	(125.20)	-	(313.53)
Fair valuation of investments	(668.87)	(320.86)	-	(989.73)
Demerger & Amalgamation (refer note 35)	(114.17)	(3.90)	-	(118.07)
MTM Loss	(418.63)	409.38		(9.25)
Lease liability	-	(57.25)		(57.25)
Net deferred tax liabilities/(assets) (A)-(B)	8,089.80	(322.48)	-	7,767.32

Movement in deferred tax liabilities and assets for the year ended March 31, 2026

Particulars	As at April 1, 2025	Recognized in the profit or loss	Recognized in other comprehensive income	As at March 31, 2026
Deferred tax liabilities (A)				
Difference between carrying value of property plant and equipment as per books of account and tax base	9,976.07	(62.25)	-	9,913.82
Fair valuation of investments	-	-	-	-
Deferred tax assets (B)				
Expenses deductible on payment basis under income tax/ provision for employee benefits	(39.15)	(316.19)	78.68	(434.02)
Allowance for expected credit loss	(123.10)	(65.23)	-	(188.33)
Fair valuation of investments	(1,352.08)	683.21	-	(668.87)
Demerger & Amalgamation (refer note 35)	(66.00)	(48.17)	-	(114.17)
MTM Loss	-	(418.63)		(418.63)
Net deferred tax liabilities/(assets) (A)-(B)	8,395.74	(227.26)	(78.68)	8,089.80

There are no unrecognised deferred tax liabilities/assets as at June 30, 2026 and March 31, 2026 . Deferred tax assets and liabilities have been set off as they are governed by the same taxation laws.

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Note 22: Other liabilities

Particulars	Non-current		Current	
	As at June 30, 2026	As at March 31, 2026	As at June 30, 2026	As at March 31, 2026
Deposits from employees against various schemes	415.61	482.97	198.78	125.84
Advance from customers	-	-	658.53	528.32
Statutory dues payable	-	-	597.24	350.08
Payable against unspent Corporate Social Responsibility expenditure	-	-	250.35	163.72
Others payables	-	-	423.49	662.05
Total	**415.61**	**482.97**	**2,128.39**	**1,830.01**

Note: It represents Corporate Social Responsibility (CSR) expense related to ongoing projects. The same has been transferred to a special account within 30 days from end of the respective financial year as per the provisions of the Companies Act.

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Note 23A: Non -Current tax assets / (liabilities)

Particulars	As at June 30, 2026	As at March 31, 2026
Income tax assets (net of provision for taxation)	4,598.66	4,684.56
Total	**4,598.66**	**4,684.56**

Note 23B: Current tax liabilities / (assets)

Particulars	As at June 30, 2026	As at March 31, 2026
Income tax liabilities (net of advance tax)	3,014.91	625.54
Total	**3,014.91**	**625.54**

The current tax assets and current tax liabilities have been set off, to the extent, the Company :
(a) has a legally enforceable right to set off the recognised amounts; and
(b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

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Note 24: Revenue from operations

Particulars	For the period ended June 30, 2026		For the year ended March 31, 2026	
Sale of products				
Graphite electrodes (including by-products)	67,372.81		2,52,531.71	
Power	273.27	**67,646.08**	2,645.72	**2,55,177.43**
Other operating income				
REC sales	40.72		249.04	
Fly Ash Income	-		-	
Export incentives	403.92		1,424.00	
		444.64		**1,673.04**
		68,090.72		**2,56,850.47**

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Note 25: Other income

Particulars	For the period ended June 30, 2026	For the year ended March 31, 2026
Interest income from financial assets measured at amortized cost		
- from fixed deposits	136.14	553.36
- from unsecured loans	-	
- from optionally convertible debentures	-	-
Interest income on US Tariff	71.29	
Interest income from financial assets measured at fair value through profit or loss	54.17	48.35
Rental Income	0.75	2.84
Net gain on sale of investments measured at fair value through profit or loss	43.69	228.23
Net gain on fair valuation of investments measured at fair value through profit or loss	-	-
Net gain on sale of property, plant and equipment	11.29	-
Dividend income from investments measured at fair value through profit or loss	42.83	31.65
Gain on foreign currency fluctuations (net)	667.99	-
Liabilities / provisions written back (including allowances for expected credit losses, if any)	78.13	71.79
Government Grant*	814.25	3,391.00
Refund of US Tariff	1,604.79	
Miscellaneous	156.50	1,331.47
Total	**3,681.82**	**5,658.69**

*State Government investment promotion assistance as per MP industrial promotion policy 2018

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Note 26: Cost of materials consumed

Particulars	For the period ended June 30, 2026	For the year ended March 31, 2026
Raw materials consumed		
Opening stock	*25,842.96*	*28,953.71*
Add : Purchases	*19,983.15*	*94,441.12*
	45,826.11	**1,23,394.83**
Less: Closing stock	*19,309.13*	*25,842.96*
Cost of raw materials consumed	***26,516.98***	***97,551.87***

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Note 27: Changes in inventories of finished goods and work-in-progress

Particulars	For the period ended June 30, 2026	For the year ended March 31, 2026
(1) Inventories at the beginning of the year/period		
Finished goods	*38,436.62*	*45,750.22*
Work-in-progress	*43,610.27*	*45,087.85*
Total	***82,046.89***	***90,838.07***
(2) Inventories at the end of the year/period		
Finished goods	*38,878.43*	*38,436.62*
Work-in-progress	*44,579.24*	*43,610.27*
Total	***83,457.67***	***82,046.89***
Net (increase)/decrease [(1) - (2)]	***(1,410.78)***	***8,791.18***

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Note 28: Employee benefit expenses

Particulars	For the period ended June 30, 2026	For the year ended March 31, 2026
Salaries and wages	*2,939.56*	*10,173.80*
Contribution to provident and other funds	*287.00*	*1,782.00*
Staff welfare expenses	*27.67*	*397.55*
Total	***3,254.23***	***12,353.35***

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Note 29: Finance costs

Particulars	For the period ended June 30, 2026	For the year ended March 31, 2026
(i) Interest on borrowings	*831.37*	*2,419.97*
(ii) Foreign Exchange Fluctuation on Foreign Currency Loans to the extent regarded as an adjustment to borrowing cost	*161.48*	*1,274.05*
(iii) Others		
-Interest on lease liabilities	*3.42*	*13.65*
-Interest on direct taxes i.e. income tax/TDS	*1.16*	*12.07*
-Others	*0.01*	*1.03*
Total	***997.44***	***3,720.77***

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Note 30: Depreciation and amortisation expenses

Particulars	For the period ended June 30, 2026	For the year ended March 31, 2026
(1) Depreciation of property, plant and equipment (refer note 4)	*4,928.58*	*21,199.00*
(2) Depreciation of right of use assets (refer note 6)	*11.57*	*57.39*
(4) Amort sation of intangible assets (refer note 7)	*7.87*	*31.56*
Total	***4,948.02***	***21,287.95***

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Note 31: Other expenses

Particulars	For the period ended June 30, 2026	For the year ended March 31, 2026
Consumption of stores and spare parts (including refractory blocks)	4,136.84	16,701.71
Job/process charges	335.35	1,370.97
Power and fuel	10,001.81	36,948.80
Repairs and maintenance		
Plant and machinery	455.79	2,937.13
Building	93.81	344.62
Others	349.75	1,697.94
Insurance	486.52	1,627.39
Rent	18.85	47.58
Rates and taxes	98.54	199.57
Directors' sitting fees and incidental expenses	19.59	93.90
Freight & forwarding	5,292.15	18,114.38
Packing expenses (including packing material consumption)	539.29	2,517.63
Commission on sales	495.30	1,979.38
Claims and rebates	1.49	23.28
Power generation charges	42.35	511.99
Travelling expenses	103.40	483.22
Postage and communication	19.35	69.76
Payment to auditors (Refer details below ##)	11.75	61.41
Contribution towards Corporate Social Responsibility	132.95	746.61
Legal and professional expenses	241.45	1,114.84
Vehicle running and maintenance	13.50	63.40
Allowances for expected credit losses/ credit impairment	497.96	259.20
Bad debts	7.21	-
Net loss on sale/discard of property, plant and equipments	-	74.48
Loss on Foreign Currency Fluctuation (Net)	-	7,232.60
Net loss on fair valuation of investments measured at fair value through profit or loss	1,098.05	2,503.75
Miscellaneous expenses*	251.19	990.56
Total	**24,744.23**	**98,716.10**

* Does not include any item of expenditure with a value of more than 1% of the revenue from operations.

Payments to auditors (excluding GST)

Particulars	For the period ended June 30, 2026	For the year ended March 31, 2026
As auditor		
Statutory audit	9.13	35.00
Other services		
Tax audit	1.25	5.00
Certification fees	1.37	11.55
Reimbursement of out of pocket expenses	-	9.86
Total	**11.75**	**61.41**

* Does not include any item of expenditure with a value of more than 1% of the revenue from operations.

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Note 32: Tax expense

Particulars	For the period ended June 30, 2026	For the year ended March 31, 2026
A) Tax expense recognised in the statement of profit and loss		
1) Current tax	3,530.24	6,745.99
2) Current tax adjustment related to earlier years	-	92.14
3) Deferred tax	(322.48)	(227.26)
	3,207.76	**6,610.87**
B) Tax expense recognised in other comprehensive income		
1) Current tax	-	-
2) Deferred tax	-	(78.68)
	-	(78.68)
C) Tax expense/(income) relating to items that are charged or credited directly to equity		
1) Current tax	-	-
2) Deferred tax	-	-
	-	-

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(All amounts are in ₹ Lakhs unless otherwise stated)

Note 33: Other comprehensive income

Particulars	For the period ended June 30, 2026	For the year ended March 31, 2026
(i) Items that will not be reclassified to profit or loss		
- Remeasurement of defined employee benefit plans	-	(312.61)
Total	-	**(312.61)**
(ii) Tax expense relating to items that will not be reclassified to profit or loss		
-Remeasurement of defined employee benefit plans	-	(78.68)
Total	-	**(78.68)**

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Note 34: Earnings per share

Particulars	For the period ended June 30, 2026	For the year ended March 31, 2026
Profit attributable to equity shareholders of the Company	9,565.85	13,477.07
Weighted average number of equity shares for basic/diluted earning per share (face value of ₹ 2 each)*	19,29,77,530	19,29,77,530
Basic / diluted earning per share(₹)**	4.96	6.98

* There are no potential equity shares

** Not annualised for the period ended June 30, 2026.

Note: Weigted average number of shares has been taken basis the number of shares that will be issued by the Company pursuant to the Scheme of arrangement (Refer note 35).

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Note 35: Note on Composite scheme of arrangement

The Board of Directors of HEG Limited at its meeting held on May 22, 2024 had approved the Composite Scheme of Arrangement amongst HEG Limited ("the Demerged Company") and HEG Graphite Limited ("Resulting Company or Company") and Bhilwara Energy Limited ("Transferor Company") and their respective shareholders and creditors ("Scheme").

The proposed Scheme inter alia provides for:
(a) the demerger of the Demerged Undertaking (i.e. Graphite Business) from the Demerged Company into the Resulting Company on a going concern basis and issue of equity shares by the Resulting Company to the shareholders of the Company in consideration thereof, and
(b) amalgamation of the Transferor Company with the Demerged Company and issue of equity shares by the Demerged Company to the shareholders of the Transferor Company (except the Company itself) in consideration thereof. The Appointed Date for the Scheme is April 1, 2024.

On August 21, 2026, the Company has received order of Hon'ble National Company Law Tribunal, Indore Bench ('NCLT') dated August 13, 2026 wherein they have approved the scheme.

The Company was incorporated on June 4, 2025. However, the approved Scheme provides for an appointed date of April 1, 2024. Accordingly, the Restated Financial Statements of the Company has been prepared after giving the effect of the Scheme which requires the accounting treatment to be carried out as prescribed under applicable accounting standards as common control transactions in accordance with the requirements of Appendix C to Ind AS 103, Business Combinations, which requires the financial information in the Restated Financial Information/Statement to be restated as if the demerger had occurred from the beginning of the previous period. The assets, liabilities and reserves pertaining to the Demerged Undertaking has been recorded at the same value as appearing in the books of account of the Demerged Company. The reserves transferred from HEG Limited to the Company are recorded and disclosed in the same form as it was disclosed in the financial statements of HEG Limited. Further, the shareholding of the Demerged Company in the Company has been cancelled/eliminated as per the scheme.

In terms of the Scheme and in consideration thereof, the Company will issue and allot equity shares on a proportionate basis to the Shareholders of HEG Limited whose name is recorded in the register of members and records of the depository as shareholders of HEG Limited as on the Record Date i.e. September 7, 2026, which has been disclosed as Shares pending issuance with a corresponding debit to Retained earnings in these Restated Financial Information.

Further, the surplus/deficit, if any, arising between the carrying value of assets and liabilities and reserves pertaining to the Demerged undertaking and the face value of shares issued by the Resulting Company, after cancellation of shareholding of Demerged Company in the Company as mentioned above, has been adjusted in capital reserve as per the details below.

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Carrying value of assets	4,60,209.10	4,53,490.92	4,20,004.81
Carrying value of liabilities	1,35,706.57	1,37,866.47	1,16,522.06
Carrying value of reserves*	3,22,912.29	3,13,346.49	3,01,008.68
Capital reserve recorded pursuant to scheme	1,590.24	2,277.96	2,474.07

*Inclusive of shares pending issuance INR 3,859.59 lakhs disclosed in this Restated financial information.

The above calculation of Capital Reserve has been calculated on basis the value of assets, liabilities and reserves as on June 30, 2026, March 31, 2026 and March 31, 2025. The final calculation could differ on the basis the value of assets, liabilities and reserves on the actual date of transfer/effective date i.e. September 1, 2026.

The Board of Directors of the Company and HEG Limited, took on record the sanction of the Scheme by the NCLT and mutually fixed the record date as September 7, 2026 for the purpose of determining the shareholders who shall be entitled to receive the shares of the Company.
After the issuance and allotment of the equity shares to the shareholders of HEG Limited, the Company will complete the necessary steps to have the equity shares listed on Bombay Stock Exchange and the National Stock Exchange of India Limited.

As per our report of even date attached

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

Sunny Singh
Partner
Membership No. 516834

Place : Noida (U.P)
Date : September 25, 2026

For and on behalf of the Board of Directors

Ravi Jhunjhunwala
Chairman, Managing Director & CEO
DIN: 00060972

Riju Jhunjhunwala
Vice Chairman
DIN: 00061060

HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568
Notes to the Restated Financial Information for the period ended June 30, 2026

1. Company Information

HEG Graphite Limited (the "Company") is a public limited company incorporated on June 4, 2024 with its registered office at NH 12, District Raisen, Near Bhopal, Manideep, Bhopal, Madhya Pradesh, India, 462046. The Company was incorporated as a wholly owned subsidiary of HEG Limited, for manufacturing of graphite electrodes

On August 21, 2026, the Company has received order of Hon'ble National Company Law Tribunal, Indore Bench ('NCLT') dated August 13, 2026 wherein they have approved the scheme of arrangement (the "Scheme") between the Company, HEG Limited (hereinafter referred as 'holding company'), Bhilwara Energy Limited and their respective shareholders and creditors. Accordingly, the Graphite Business of HEG Limited as defined in the Scheme has been transferred to and vested in HEG Graphite Limited w.e.f. Sep 1, 2026. Also refer note 37.

2.1 Basis of Preparation

The Restated Balance sheet of the Company as at June 30, 2026 and the Restated Statement of Profit and Loss, the Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the period ended June 30, 2026, Notes to the Restated Financial Information are together referred as "Restated Financial information".

The Restated Financial Information has been prepared by the management of the Company for inclusion in the Information Memorandum in connection with the proposed listing of its equity shares ("Proposed Listing") as per SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Master Circular") on Scheme of Arrangement by Listed entities.

As per the requirements of the SEBI Circular, an advertisement with Restated Audited Financials for the previous three financial years and stub period prior to the date of listing needs to be given. Information memorandum should contain Restated Audited Financials for the previous three financial years and stub period prior to the date of listing.

Accordingly, the Restated Financial information has been prepared in accordance with the requirements of:
- the recognition and measurement principles of Indian Accounting Standard 34 ('Ind AS 34') "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, except that comparative financial information is not disclosed pursuant to exemption available to the Company under Paragraph (A) (i) of Clause 11(I) of Part A of Schedule VI of the SEBI ICDR Regulations
-Paragraph 5 of Section A of Part II of the Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 issued by the Securities and Exchange Board of India ("SEBI Master Circular");
- the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (the "SEBI"); and
- the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") (the "Guidance Note").

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The Restated Financial information:

a) has been prepared basis the details extracted from the financial statements/financial information of HEG Limited and the Company as at and for the year ended March 31, 2026 and period ended June 30, 2026.

b) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/ reclassifications and other adjustments retrospectively
and

c) does not require any adjustment for qualifications as there are no qualifications in the underlying auditors' reports for respective years/periods which require any adjustments.

2.2 Basis of Measurement

(i) The Restated Financial Information have been prepared on historical cost convention and on accrual basis except for certain financial instruments (including derivative instruments) which are measured at fair value at the end of each reporting period as required under Ind AS.

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 Restated Financial Information 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.

(ii) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(iii) The functional and presentation currency of the Company is Indian rupees (INR) and all amounts are rounded to the nearest ₹ lakhs and two decimals thereof, except otherwise stated.

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2.3 Material accounting policies

(i) **Revenue Recognition**

(a) Sale of products

The Company derives revenue primarily from sale of Graphite Electrodes.

Revenue from the sale of goods is recognized at the point in time when control of the goods is transferred to the customer which is usually on dispatch/ delivery and the amount of revenue can be measured reliably and recovery of consideration is probable.

Revenue is measured based on the transaction price (net of variable consideration) which is adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Due to short nature of credit period given to customers, there is no financing component in the contract.

(b) Power

Revenue from power generation is recognized on transmission of electricity to State Electricity Board or third parties at rate stipulated by SEB's and/or IEX at market rate equivalent.

(c) Other Operating Revenues

(i) Entitlements to Renewal Energy Certificates owing to generation of power at Tawa hydel plant are recognized at actual rate of realization.

(ii) Export entitlements are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(d) Interest Income

- Interest Income from customers is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

- Interest Income from financial asset is recognized when it is probable that economic benefits will flow to the company and amount of income can be measured reliably. Interest income is accrued on time basis, by reference to principal outstanding and at effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of financial asset to that asset's net carrying amount on initial recognition.

(e) Other Income

(i) Dividend income is recognized when the right to receive payment is established and the amount of dividend can be measured reliably.

(ii) 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 raw materials and other supplies held for use in the production are valued at net realisable value only if the finished products in which they are to be incorporated are expected to be sold below cost. The cost in respect of the various items of

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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**

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Freehold Land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

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 are included in the assets carrying value or recognised as separate assets as appropriate, 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. All other repairs and maintenance costs are charged to the standalone statement of profit and loss when incurred.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition 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. Fully depreciated assets still in use are retained in financial information.

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Property, plant and equipment which are not ready for intended use at each balance sheet date are disclosed as "Capital work-in-progress" and advances paid towards the acquisition of Property, plant and equipment outstanding at each balance sheet date are classified as Capital advances under "Other non-current assets". Directly attributable expenditure (including finance costs relating to borrowed funds for construction or acquisition of property, plant and equipment) incurred on projects under implementation are treated as pre-operative expenses and are included in Capital work-in-progress.

(iv) **Investment property**

Investment Properties comprises freehold land and building 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 expenditure. Subsequently, investment property is carried at cost model, which is cost less accumulated depreciation and accumulated 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 de-recognition 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 stated at cost less accumulated amortization and accumulated impairment losses, if any. The cost of intangible asset comprises of its purchase price, net of recoverable taxes and any directly attributable cost of preparing the asset for its intended use.

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 Restated Financial Information 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.

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(vi) **Depreciation**

Depreciation is recognised to write-off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, in a systematic manner.

(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 other 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

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(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:

Description of Asset	Useful Life
Building	5 – 58 Years
Plant and Machinery	1 – 29 Years
Railway Siding	9 – 20 Years
Office Equipment(Includes Computers and data processing units)	5 – 20 Years
Electrical Installation	5-20 Years
Furniture and Fixtures	5 – 15 Years
Vehicle	5-10 Years

(iii) Assets costing up to ₹ 5,000 are fully depreciated in the year of purchase.

Depreciation methods estimated and useful lives are reviewed at the end of each reporting period and the effect of any changes in estimate accounted for on a prospective basis.

(B) Investment property

Depreciation on investment properties is provided on the written down value method over its useful life of 58 years which has been determined based on internal assessment and independent technical evaluation carried out by external valuer.

The depreciation charge for each period is recognised in the Statement of Profit and Loss. The useful lives and method of depreciation are reviewed at the end of each financial year and the effect of any changes in estimate accounted for on a prospective basis.

(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 is as under:

Description of Asset	Useful Life
Computer Software	05 Years

Amortisation method and useful lives are reviewed at the end of each financial year and the effect of any changes in estimate accounted for on a prospective basis.

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(viii) **Impairment of Non-Financial Assets**

Property, Plant and Equipment and Investment property 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 depreciation), had no impairment loss been recognized for the asset in prior years/period.

Impairment is reviewed periodically, including at each financial year end.

(ix) **Foreign Currency Translations**

Transactions in currencies other than the Company'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 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.

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(ii) Superannuation

The Company makes contribution in regard to superannuation to a separate 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 covering eligible employees. The gratuity plan provides for lump sum payment to vested employee at retirement, death, incapacitation or termination of employee, based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability/asset is determined using projected unit credit method, through actuarial valuation carried out at the end of each annual reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. Such net interest cost along with the current service cost and, if applicable, the past service cost and settlement gain/loss, is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions, comprising actuarial gains/losses and return on plan assets (excluding the amount recognised in net interest on the net defined liability), are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(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 and is recognized in employee benefit expense in the statement of profit and loss..

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(xi) **Leases**

Company as a lessee

The Company's lease assets 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 accumulated impairment losses, if any.

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 Liability and Right-of-Use Asset have been separately presented in the Balance Sheet. The interest expense on the lease liability has been separately presented as a component of finance costs in the statement of profit and loss. The payments of principal portion and interest portion of lease liability have been classified under financing activities in the statement of cash flows.

The payments for short-term leases and leases of low-value assets have been recognized in the statement of profit and loss have been classified under operating activities in the statement of cash flows.

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, lease payments received are recognized on systematic basis over the term of the relevant lease as a part of other income.

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(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 and Incomes that are directly identifiable with/ allocable to the segments are considered for determining the segment result. Expenses and Income not allocable to segments are included under unallocable category.

(4) Segment results includes margin on inter segment sales.

(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) **Tax Expense**

Tax expense comprises of current and deferred tax. Tax expense is recognised in statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, as the case may be.

(1) Current tax

Current tax is the tax payable/receivable on the taxable profit/loss for the year/period using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and any adjustment to taxes in respect of previous years. Interest expenses related to income tax are included in finance cost. Interest Income related to income tax is included in other income.

The current tax assets and current tax liabilities have been set off to the extent (a) there is a legally enforceable right to set off the recognised amounts; and (b) the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(2) Deferred Tax

Deferred 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 statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that are expected to apply to period in which the temporary differences are expected to be recovered or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The effect of changes in tax rates on deferred tax assets and liabilities is recognized as income or expense in the period as and when there is change in tax rates.

A deferred 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

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assets to be utilised. Unrecognised deferred tax assets, if any, 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**

Government grants are not recognized until there is reasonable assurance that all attached conditions will be complied with and the grant will be received.

When the grants relates to an expense item, it is recognised in the Statement of profit and loss by way of reduction from the related cost, which the grants are intended to compensate.

Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving financial support to the Company with no related costs is recognised in the Statement of profit or loss of the period in which it becomes receivable under 'Other operating income'/'Other income' based on the nature of grant.

Government grants relating to the purchase of property, plant and equipment are deducted from its gross value and are recognised in profit or loss on a systematic over the expected useful lives of the related assets by way of reduced depreciation.

(xv) **Borrowing Costs**

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, Contingent Liabilities and Contingent Assets**

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 Restated Financial Statements since this may result in the recognition of income that may never be realised.

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(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 and the weighted average number of shares outstanding during the period, for the effects of all dilutive potential equity shares, if any.

(xviii) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Initial recognition

The company recognises the financial assets and financial liabilities when it becomes party to the contractual provision of the instruments. All financial assets and liabilities are recognised at fair value on initial recognition except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets and or issue of financial liabilities that are not recognized at fair value through profit or loss, are added to or reduced from the fair value of the financial assets or financial liabilities, as appropriate. Transaction cost directly attributable to the acquisition of financial assets and financial liabilities recognized at fair value through Profit or Loss are recognised immediately in the Statement of Profit and Loss.

(ii) Subsequent measurement

For the purposes of subsequent measurement, financial instruments are classified as follows:

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.

Interest income for such instruments is recognised in profit or loss using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

The carrying amounts of financial assets that are subsequently measured at amortised cost are determined based on the effective interest method less any impairment losses.

(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.

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Interest income for such instruments is recognised in profit or loss using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

Fair value movements are recognised in the other comprehensive income (OCI) until the financial asset is derecognised. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the profit or loss.

(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.

Dividend and interest income from such instruments is recognized in the statement of profit and loss, when the right to receive the payment is established.

Fair value changes on such assets are recognised in the statement of profit and loss.

(d) Investment in Subsidiary and Associates

Investment in subsidiary and associates is carried at cost less provision for impairment, if any. Investment is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of investment exceeds its recoverable amount.

(e) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination or is held for trading or it is designated as at FVTPL 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.

All changes in fair value in respect of liabilities measured at fair value through profit and loss are recognised in the statement of profit and loss.

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.

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Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are charged to Statement of Profit and Loss.

C. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received. Incremental costs directly attributable to the issuance of equity instruments and buy back of equity instruments are recognized as a deduction from equity, net of any tax effects.

(iii) Impairment of Financial Assets

Financial assets that are carried at amortized cost and fair value through other comprehensive income (FVOCI) are assessed for possible impairments basis expected credit losses taking into account the past history of recovery, risk of default of the counterparty, existing market conditions etc. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

Expected Credit Losses are measured through a loss allowance at an amount equal to:
. 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

. Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments).

For trade receivables or any contractual right to receive cash or another financial asset that result from transaction that are within the scope of Ind AS 115 and Ind AS 116, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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) De-recognition

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.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received/receivable is recognised in the profit or loss.

A financial liability (or, a part of financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

On de-recognition of a financial liability, the difference between the carrying amount of the financial liability de-recognised and the consideration paid/payable is recognised in profit or loss.

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(v) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

(vi) 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.

(xix) **Statement of Cash flows**

The statement of cash flows is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 "Statement of Cash flows" using the indirect method for operating activities whereby profit for the period is adjusted for the effects of transaction of a non-cash nature, and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(xx) **Cash and cash equivalents**

The Cash and cash equivalent in the balance sheet comprise balance at banks and cash 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 Board of Directors.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) require management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amount of income, expenses, assets and liabilities and disclosure of contingent liabilities.

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 and the effect of revision to accounting estimates is recognized prospectively from the period in which the estimate is revised.

The following are the areas of critical judgements, estimates and assumptions that the management has made in the process of preparation of Restated Financial Information and that have the significant effect on the amounts recognised in the financial information:

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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 and other post-employment benefits

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 and mortality rates etc. 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.

Provisions/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

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, underlying asset model, comparable companies multiple method and comparable transaction method which involve various judgements and assumptions.

Current tax and Deferred tax

Significant judgement is required in determination of provision for current tax and deferred tax e.g. determination of taxability of certain incomes and deductibility of certain expenses etc. The carrying amount of income tax assets/liabilities is reviewed at each reporting date. The factors used in estimates may differ from actual outcome which could lead to signification adjustment to the amounts reported in financial statements.

Inventories

Management estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market driven changes.

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2.5. 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 trading;
c) it is due to be settled within 12 months after the reporting date; or
d) There is no 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 counterparty, 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. The normal operating cycle is considered as twelve months.

3. Applicability of new and revised Ind AS

The Ministry of Corporate Affairs ("MCA") notifies new standards and amendments to the existing standards under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

On 12 August 2026, the MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2026, which amended Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 107 "Financial Instruments: Disclosures", Ind AS 109 "Financial Instruments", Ind AS 110 "Consolidated Financial Statements" and Ind AS 7 "Statement of Cash Flows". The amendments are applicable for annual reporting periods beginning on or after 1 April 2026. The Company has evaluated these amendments and their adoption did not have any material impact on these restated financial information.

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