


LIMITED REVIEW REPORT

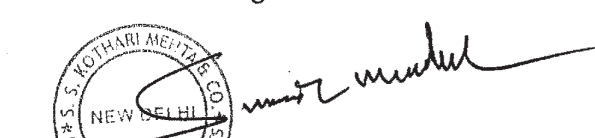
To
The Board of Directors
HEG Limited
Noida

1. We have reviewed the accompanying statement of unaudited financial results of HEG Limited (the "Company") for the quarter ended 30th June, 2014 (the "Statement") being submitted by the company pursuant to the requirements of clause 41 of the Listing Agreement with Stock Exchanges except for the disclosures regarding 'Public Shareholding' and "Promoter and Promoter Group Shareholding" which have been traced from the disclosures made by the management and have not been reviewed by us. The statement of quarterly financial results has been prepared from interim financial statements which are the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard AS - 25 'Interim Financial Reporting' [specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014)] and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N


(MUKESH GOYAL)
Partner
Membership No. 081810

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No. 000756N


(Sunil Wahal)
Partner
Membership No. 087294

Place : Noida
Date : 30th July, 2014

**HEG LTD**

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

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

CIN: L23109MP1972PLC008290

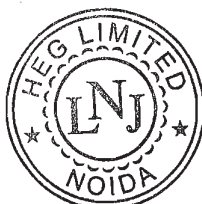
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2014**PART I**

(₹ in Crores)

Sl. No.	Particulars	Quarter Ended		Year Ended	
		Unaudited	Audited	Unaudited	Audited
		30-06-2014	31-03-2014	30-06-2013	31-03-2014
1	Income from Operations				
	(a) Net Sales/Income from Operations (Net of excise duty)	346.12	499.49	234.10	1458.91
	(b) Other Operating Income	1.18	1.94	1.17	7.90
	Total Income from Operations (Net)	347.31	501.43	235.27	1466.81
2	Expenses				
	(a) Cost of materials consumed	176.46	194.73	111.76	644.88
	(b) Purchase of stock -in-trade	-	-	-	-
	(c) Changes in inventories of finished goods, work-in- progress and stock-in-trade	1.13	65.91	(16.66)	59.73
	(d) Employee benefits expense	14.14	16.90	12.89	58.84
	(e) Depreciation and amortisation expense	19.35	19.17	16.51	72.66
	(f) Power and Fuel (Net of Interdivisional Purchases)	21.13	28.56	16.61	87.71
	(g) Other Expenses	75.29	117.62	73.18	369.67
	Total expenses	307.50	442.90	214.29	1293.49
3	Profit/(Loss) from Operations before Other Income, Finance costs & Exceptional Items	39.81	58.53	20.98	173.32
4	Other Income	2.70	7.62	3.14	21.77
5	Profit/(Loss) from Ordinary Activities before Finance costs & Exceptional Items	42.50	66.15	24.12	195.09
6	Finance costs	17.80	18.15	16.26	72.30
7	Profit/(Loss) from Ordinary Activities after Finance costs but before Exceptional Items	24.71	47.99	7.86	122.80
8	Exceptional Items - Foreign Exchange Gain/ (Loss)	(2.15)	1.48	(15.32)	(25.36)
9	Profit/(Loss) from Ordinary Activities before Tax	22.56	49.47	(7.46)	97.44
10	Tax expense				
	- Current (Net)	3.62	2.91	1.86	10.65
	- Earlier Year(s)	0.00	0.00	0.00	0.17
11	Net Profit/(Loss) from Ordinary Activities after Tax	18.94	46.56	(9.32)	86.62
12	Paid-Up Equity Share Capital (Face Value ₹ 10/- per share)	39.96	39.96	39.96	39.96
13	Reserves (Excluding Revaluation Reserves)	-	-	-	884.11
14	Earning Per Share (₹) - Basic	4.74	11.66	(2.33)	21.68
	(not annualised) - Diluted	4.74	11.66	(2.33)	21.68

PART II

A	PARTICULARS OF SHAREHOLDING				
1	Public Shareholding				
	- Number of Shares	16,470,683	16,470,683	16,653,202	16,470,683
	- Percentage of Shareholding	41.22	41.22	41.68	41.22
2	Promoters and Promoter Group Shareholding				
(a)	Pledged/Encumbered				
	-Number of Shares	-	-	-	-
	-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
	-Percentage of Shares (as a % of the total share capital of the Company)	-	-	-	-
(b)	Non-encumbered				
	-Number of Shares	23,488,459	23,488,459	23,305,940	23,488,459
	-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100
	-Percentage of Shares (as a % of the total share capital of the Company)	58.78	58.78	58.32	58.78




B	INVESTOR COMPLAINTS	Quarter ended 30th June, 2014
	-Pending at the beginning of the quarter	Nil
	-Received during the quarter	5
	-Disposed off during the quarter	5
	-Remaining unresolved at the end of the quarter	Nil

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT FOR THE QUARTER ENDED 30TH JUNE, 2014

Sl. No.	Particulars	(₹ in Crores)			
		Quarter Ended		Year Ended	
		Unaudited 30-06-2014	Audited 31-03-2014	Unaudited 30-06-2013	Audited 31-03-2014
A	Segment Revenue				
	Graphite	342.61	494.31	230.85	1434.30
	Power	56.14	69.16	46.83	229.49
	Others	0.05	0.02	0.02	0.06
	Total	398.80	563.49	277.70	1663.85
	Less: Inter segment sales	51.49	62.06	42.43	197.04
	Net Sales / Income from Operations	347.31	501.43	235.27	1466.81
B	Segment Results				
	Profit before tax and interest from each segment				
	Graphite	19.74	32.23	3.89	88.45
	Power	21.39	32.58	17.85	99.65
	Others	1.37	1.33	2.38	7.00
	Total	42.51	66.14	24.12	195.09
	Less:				
	Finance cost	17.80	18.15	16.26	72.30
	Exceptional Item - Foreign Exchange Gain/(Loss)	(2.15)	1.48	(15.32)	(25.36)
	Total Profit Before Tax	22.56	49.47	(7.46)	97.44
C	Capital Employed				
	Graphite	914.85	979.97	1109.45	979.97
	Power	183.23	190.00	200.96	190.00
	Unallocable / Others	156.80	117.13	81.16	117.13
	Total	1254.87	1287.10	1391.58	1287.10

	Notes:
1	The figures of the corresponding previous period / year have been regrouped / recast / reclassified wherever considered necessary to correspond to current period / year classification.
2	The Company has exercised the option made available by the Notification dated 29th December 2011 issued by the Ministry of Corporate Affairs. Accordingly, during the quarter under review, an amount of ₹ 0.08 Crore (Gain) (Corresponding quarter of FY 2013-14 ₹ 21.40 Crores (Loss)) being exchange difference arising on reporting of Long Term Foreign Currency Loans availed for acquisition of depreciable fixed assets have been taken to respective assets/capital work-in-progress account.
3	The Company has reassessed the estimated useful life of its fixed assets through an independent Chartered Engineer in accordance with the guidelines of schedule II of the Companies Act 2013 and have found no significant difference in the same. Accordingly there is no impact of the same in quarter under review.
4	Operations at our Hydro Power Plant at Tawa are seasonal in nature. The plant generally remains closed in the 1st quarter, starts operating in the 2nd quarter, peaks in the 3rd quarter before tapering down in the last quarter.
5	The above Unaudited financial results have been subjected to a Limited Review by the Statutory Auditors of the Company and reviewed by the Audit Committee and approved and taken on record by the Board at their respective meetings held on 30th July, 2014.

Place : Noida
Dated : 30th July, 2014

For HEG Limited

Ravi Jhunjhunwala
Chairman, Managing Director & CEO

