

Auditors' Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Board of Directors of
HEG Limited

We have audited the quarterly financial results of **HEG Limited** ("the Company") for the quarter ended March 31, 2016 and the financial results for the year ended March 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2016 and the published year-to-date figures up to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter and year to date ended March 31, 2016 have been prepared on the basis of the financial results for the nine month period ended December 31, 2015, the audited annual financial statements as at and for the year ended March 31, 2016, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2015 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 "Interim Financial Reporting", Interim Financial Reporting, specified under the Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31, 2016; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

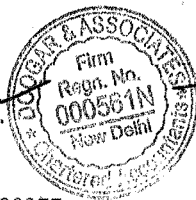
In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- (ii) give a true and fair view of the net loss and other financial information for the quarter ended March 31, 2016 and for the year ended March 31, 2016.

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

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

M.K.Doogar
Partner
Membership No.080077



Sunil Wahal
Partner
Membership No.087294



Noida (U.P.)
27th May, 2016

Auditors' Report on Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Board of Directors of
HEG Limited


1. We have audited the consolidated year to date financial results of **HEG Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its associates for the year ended 31st March, 2016 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated financial results have been prepared from consolidated financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down as per accounting standards mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder as applicable and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements/financial information of one subsidiary which reflect total revenue of Rs. NIL lacs for the year ended March 31, 2016 and total assets of Rs. 2.99 lacs as at March 31, 2016 as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 231.53 lacs for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of one of the associates financial statements / financial information have not been audited by us. These financial statements and other financial information have been audited by other auditors whose audit reports for the year ended March 31, 2016 have been furnished to us, and our opinion on the consolidated financial results for the year ended March 31, 2016 is based solely on the reports of the other auditors.

The consolidated financial statements also includes the Groups share of net loss of Rs 139.71 lacs (net) (includes profit for the year 870.59 lacs and unadjusted losses for the previous year of Rs. 1010.30 lacs) for the year ended 31st March 2016 as considered in the consolidated financial statements, in respect of one associate whose consolidated financial statements have been audited by one of the joint auditors and our opinion on the consolidated financial statements, in so far as it relates the aforesaid associate is based solely on such reports.

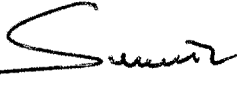
4. In our opinion and to the best of our information and according to the explanations given to us, these consolidated financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - (ii) give a true and fair view of the net loss and other financial information for the year ended March 31, 2016. .

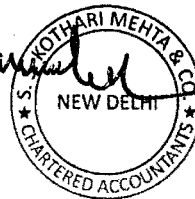
For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N

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


M.K. Doogar
Partner
Membership No.080077




Sunil Wahal
Partner
Membership No.087294



Noida (U.P.)
27th May, 2016

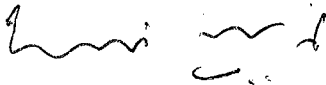
FORM A

(For Audit Report with unmodified opinion)

(Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

1	Name of the Company	HEG Limited
2	Annual standalone financial statements for the year ended	31 st March, 2016
3	Type of Audit observation	Un-modified
4	Frequency of observation	Not Applicable

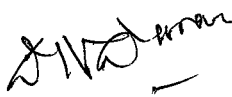
For HEG Limited



(Ravi Jhunjunwala)
Chairman, Managing Director & CEO



For HEG Limited



(D.N. Davar)
Audit Committee Chairman



For S.S. Kothari Mehta & Co.

Chartered Accountants
(Firm Registration No. 000756N)



(Sunil Wahal)
Partner
Membership No. 087294



For HEG Limited



(Raju Rustogi)
Chief Financial Officer



For Doogar & Associates

Chartered Accountants
(Firm Registration No. 000561N)



(M.K. Doogar)
Partner
Membership No. 080077



Place : Noida

Date : 27th May, 2016

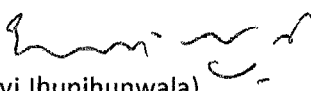
FORM A

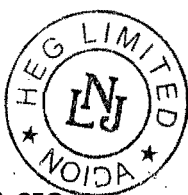
(For Audit Report with unmodified opinion)

(Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

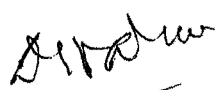
1	Name of the Company	HEG Limited
2	Annual consolidated financial statements for the year ended	31 st March, 2016
3	Type of Audit observation	Un-modified
4	Frequency of observation	Not Applicable

For HEG Limited


(Ravi Jhunjhunwala)
Chairman, Managing Director & CEO

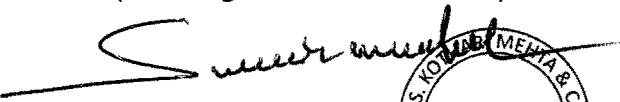


For HEG Limited


(D.N. Davar)
Audit-Committee Chairman




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


(Sunil Wahal)
Partner
Membership No. 087294

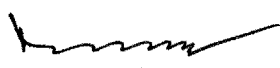


For HEG Limited


(Raju Rustogi)
Chief Financial Officer



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

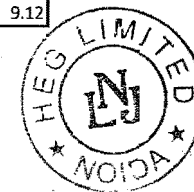

(M.K. Doogar)
Partner
Membership No. 080077



Place : Noida

Date : 27th May, 2016

HEG LIMITED								
Corporate Office : Bhilwara Towers, A-12, Sector -1, NOIDA - 201301.								
Registered Office : Mandideep (Near Bhopal), Distt. Raisen, Madhya Pradesh-462046.								
Phone: 0120-4390300; Fax:0120-4277841; Website: www.heg ltd.com								
CIN: L23109MP1972PLC008290 Email: heg.investor@injbhilwara.com								
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2016								
PART I	₹ in Crores							
Sl. No.	Particulars	Quarter Ended			Financial Year Ended		Consolidated	
		Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
		31-03-2016	31-12-2015	31-03-2015	31-03-2016	31-03-2015	31-03-2016	31-03-2015
1	Income from Operations							
	(a) Net Sales/Income from Operations (Net of excise duty)	159.78	176.86	286.20	820.14	1227.18	820.14	1227.18
	(b) Other Operating Income	2.83	2.20	2.76	7.40	5.89	7.40	5.89
	Total Income from Operations (Net)	162.61	179.06	288.96	827.54	1233.07	827.54	1233.07
2	Expenses							
	(a) Cost of materials consumed	38.71	85.86	124.03	318.81	593.16	318.81	593.16
	(b) Purchase of stock -in-trade	-	-	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in- progress and stock-in-trade	52.42	(26.08)	19.68	48.08	24.25	48.08	24.25
	(d) Employee benefits expense	15.05	16.67	17.04	63.24	61.07	63.24	61.07
	(e) Depreciation and amortisation expense	20.05	20.12	17.99	79.22	75.36	79.22	75.36
	(f) Power and Fuel (Net of Interdivisional Purchases)	6.45	12.80	15.88	47.69	73.59	47.69	73.59
	(g) Other Expenses	41.42	50.47	73.93	225.27	299.35	225.27	299.35
	Total Expenses	174.10	159.84	268.55	782.31	1126.78	782.32	1126.79
3	Profit/(Loss) from Operations before Other Income, Finance costs & Exceptional Items	(11.49)	19.22	20.41	45.23	106.29	45.22	106.29
4	Other Income	0.79	0.85	5.45	4.17	15.16	4.17	15.16
5	Profit/(Loss) from Ordinary Activities before Finance costs & Exceptional Items	(10.70)	20.07	25.86	49.40	121.45	49.40	121.45
6	Finance Costs	13.36	13.41	19.10	59.94	77.13	59.94	77.13
7	Profit/(Loss) from Ordinary Activities after Finance costs but before Exceptional Items	(24.06)	6.66	6.76	(10.54)	44.32	(10.54)	44.31
8	Exceptional Items	-	-	-	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before Tax	(24.06)	6.66	6.76	(10.54)	44.32	(10.54)	44.31
10	Tax expense							
	- Current (Net)	(0.79)	(0.13)	2.75	1.81	5.32	1.81	5.32
	- Earlier Year(s)	2.50	0.30	-	2.80	-	2.80	-
11	Net Profit/(Loss) from Ordinary Activities after Tax	(25.77)	6.49	4.01	(15.15)	39.00	(15.16)	39.00
12	Share of Profit/ (loss) of associates	-	-	-	-	-	0.92	(2.57)
13	Minority Interest							
14	Net Profit / (Loss) after Taxes, minority interest & share of profit/(Loss) of associates	(25.77)	6.49	4.01	(15.15)	39.00	(14.24)	36.43
15	Paid -Up Equity Share Capital (Face Value ₹ 10/- per share)	39.96	39.96	39.96	39.96	39.96	39.96	39.96
16	Reserves (Excluding Revaluation Reserves)	-	-	-	882.67	900.77	956.88	974.06
17	Earning Per Share (₹) - Basic	(6.45)	1.62	1.00	(3.79)	9.76	(3.56)	9.12
	(not annualised) - Diluted	(6.45)	1.62	1.00	(3.79)	9.76	(3.56)	9.12



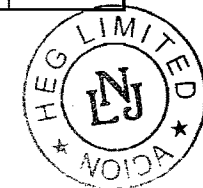
SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2016

		₹ in Crores						
Sl. No.	Particulars	Quarter Ended			Financial Year Ended		Consolidated	
		Audited	Unaudited	Audited	Audited		Audited	
		31-03-2016	31-12-2015	31-03-2015	31-03-2016	31-03-2015	31-03-2016	31-03-2015
A	Segment Revenue							
	Graphite	157.80	172.52	282.57	812.03	1209.46	812.03	1209.45
	Power	43.70	59.56	54.84	207.63	228.07	207.63	228.07
	Others	0.03	0.00	0.01	0.04	0.08	0.04	0.08
	Total	201.53	232.08	337.42	1019.70	1437.61	1019.70	1437.60
	Less: Inter segment sales	38.92	53.02	48.46	192.16	204.53	192.16	204.53
	Net Sales / Income from Operations	162.61	179.06	288.96	827.54	1233.08	827.54	1233.08
B	Segment Results							
	Profit before tax and interest from each segment							
	Graphite	(31.44)	(6.86)	9.63	(39.75)	35.08	(39.75)	35.07
	Power	20.40	27.19	19.10	89.30	85.79	89.30	85.79
	Others	0.35	(0.26)	(2.87)	(0.15)	0.58	(0.15)	0.58
	Total	(10.70)	20.07	25.86	49.40	121.45	49.40	121.44
	Less: Finance cost	13.36	13.41	19.10	59.94	77.13	59.94	77.12
	Total Profit Before Tax	(24.06)	6.66	6.76	(10.54)	44.32	(10.54)	44.32
C	Capital Employed							
	Graphite	914.61	913.67	974.49	914.61	974.49	914.61	974.49
	Power	157.03	168.68	174.00	157.03	174.00	157.03	174.00
	Unallocable / Others	113.07	151.84	134.80	113.07	134.80	113.07	134.80
	Total	1184.71	1234.19	1283.29	1184.71	1283.29	1184.71	1283.29

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2016

(₹ In Crores)

		Financial Year Ended		Consolidated	
		Audited	Audited	Audited	Audited
		31-03-2016	31-03-2015	31-03-2016	31-03-2015
A	EQUITY AND LIABILITIES				
1	Shareholders Funds				
	(a) Share Capital	39.96	39.96	39.96	39.96
	(b) Reserves and Surplus	882.67	900.77	956.88	974.06
	Sub-total-Shareholders' funds	922.63	940.73	996.84	1014.02
2	Non-current liabilities				
	(a) Long-term borrowings	156.55	252.37	156.55	252.37
	(b) Deferred tax liabilities (net)	99.16	97.34	99.16	97.34
	(c) Other long-term liabilities	0.82	1.05	0.82	1.05
	(d) Long-term provisions	3.07	3.00	3.07	3.00
	Sub-total-Non-current liabilities	259.60	353.76	259.60	353.76

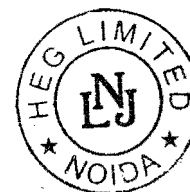


3	Current liabilities				
	(a) Short-term borrowings	473.77	575.52	473.77	575.92
	(b) Trade Payables	51.72	128.53	51.72	128.93
	(c) Other current liabilities	172.72	157.42	172.72	157.42
	(d) Short-term provisions	1.77	16.18	1.77	16.18
	Sub-total-Current liabilities	699.97	878.45	699.97	878.45
TOTAL EQUITY AND LIABILITIES		1882.20	2172.94	1956.40	2246.23
B	ASSETS				
1	Non-current assets				
	(a) Fixed assets	962.15	1014.29	962.15	1014.29
	(b) Non- current investments	145.31	149.31	223.49	222.57
	(c) Long-term loans and advances	81.64	81.94	81.64	81.94
	(d) Other non-current assets	0.00	1.80	0.00	1.80
	Sub-total-Non-current assets	1193.10	1247.34	1267.28	1320.60
2	Current assets				
	(a) Current Investment	0.25	0.25	0.25	0.25
	(b) Inventories	322.20	401.90	322.20	401.90
	(c) Trade receivables	324.90	405.46	324.90	405.46
	(d) Cash and cash equivalents	5.12	4.06	5.15	4.10
	(e) Short- term loans and advances	28.59	93.38	28.59	93.38
	(f) Other Current assets	3.04	20.55	8.04	20.55
	Sub-total-Current assets	689.10	925.60	689.13	925.63
TOTAL -ASSETS		1882.20	2172.94	1956.40	2246.23

Notes:

- The figures of the corresponding previous period / year have been regrouped / recast / reclassified wherever considered necessary to correspond to current period / year classification.
- The figures of the last quarter are the balancing figures between audited figures in respect of full financial year and published year to date figures upto the third quarter of the current financial year.
- The Company has revised the useful lives of fixed assets in keeping with its provision of schedule II to the Companies Act, 2013. As a result, depreciation for the quarter under review and year ended 31st March, 2016 is lower and the loss before tax is lower by ₹ 1.06 crores and ₹ 3.72 crores.
- The Company has reviewed its tangible fixed assets as at 1st April, 2015 and identified significant components with different useful life from the remaining parts of the assets in keeping with the provisions of Schedule II to the Companies Act, 2013. The depreciation has been computed for such components separately effective 1st April, 2015. As a result, the depreciation expense for the quarter under review and year ended 31st March, 2016 is higher and the loss before tax is higher by ₹ 1.04 crores and ₹ 5.53 crores.
- The Company had 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 ₹ 0.12 Crores (Loss) (Corresponding quarter of FY 2014-15 ₹ 2.90 Crores (Gain)) 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.
- 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.
- Tax expense includes current tax, reversal of deferred tax pertaining to earlier years/period.
- The above audited financial results have been audited 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 the 27th May, 2016.

For HEG Limited



Ravi Jhunjunwala
Ravi Jhunjunwala
 Chairman, Managing Director & CEO
 DIN: 00060972

Place : Noida
 Dated : 27th May, 2016