

INDEPENDENT AUDITORS' REPORT

To The Members of HEG Graphite Products and Services Limited

Report on the Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **M/s HEG Graphite Products and Services Limited** ("the company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flow and the statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant Rules issued there under.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS

financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at March 31, 2017, and its Loss(financial performance including other comprehensive income), its cash flow and the changes in Equity for the year ended on that date.


Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act , we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the statement of Cash Flow and the statement of changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder.
 - e) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the director is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**"; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with

Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There were no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. Refer Note 2(c).

For V. Mattha & Co.
Chartered Accountants
FRN 09115C


(Roshan Moondra)
Partner
M. No. 406356



Place: Mandideep
Date: 19.05.2017

“Annexure A” to the Independent Auditors’ Report

Report on the matters specified in paragraph 3 of the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 (“the Act”) as referred to in paragraph 1 of ‘Report on Other Legal and Regulatory Requirements’ section.

1. In respect of its fixed assets:

The company does not own any fixed assets, accordingly relevant clauses are not applicable.

2. In respect of its inventory:

The company does not carry any inventory during the year; accordingly relevant clauses are not applicable.

3. The company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintain under section 189 of the Companies Act, 2013 accordingly relevant clauses are not applicable.

4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.

5. According to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of section 73 to 76 of the Companies Act, 2013 and therefore Companies (Acceptance of Deposit) Rules, 2015 are not applicable.

6. According to the information and explanation given to us, since the company has no commercial production, no cost accounting records have been maintained by the company.

7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, and records of the Company, no amounts payable in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

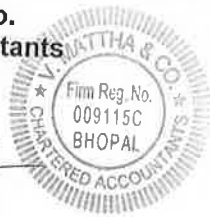
11. Based upon the information and explanations given by the management, no managerial remuneration has been paid or provided during the year by the company.

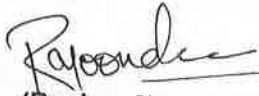
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii)

of the Order are not applicable to the Company.

13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For V. Mattha & Co.
Chartered Accountants
FRN 09115C




(Roshan Moondra)
Partner
M. No. 406356

Place: Mandideep
Date: 19.05.2017

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Ind AS Financial Statements of M/s HEG Graphite Products and Services Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **M/s HEG Graphite Products and Services Limited (“the Company”)** as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors

of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For V. Mattha & Co.
Chartered Accountants
FRN 09115C



Roshan Moondra
Partner
M. No. 406356



Place: Mandideep
Date: 19.05.2017

HEG Graphite Products and Services Limited

Note 1: SIGNIFICANT ACCOUNTING POLICIES

a) CORPORATE INFORMATION

HEG Graphite Products and Services Limited (the company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It is a wholly owned subsidiary of HEG Limited. The company has not yet commenced its business operations.

b) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2017 are the first the company has prepared in accordance with Ind AS. The financial statements have been prepared on a historical cost basis.

c) PROPERTY, PLANT AND EQUIPMENT

The company does not own any tangible fixed assets.

d) INVESTMENTS

The company has not made any current or long term investments.

e) INVENTORIES

The company does not carry any inventories.

f) FOREIGN CURRENCY TRANSACTIONS

The company has not entered into any foreign currency transaction.

g) RETIREMENT AND OTHER EMPLOYEE BENEFITS

The company has not employed any employee.

h) TAXES ON INCOME

Tax expense comprises of current and deferred tax.

No provision for current tax is made in accordance with the provisions of Income tax Act, 1961 due to loss during the current year.

At each reporting date, the company re-assesses unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

i) SEGMENT REPORTING

The company's business segments are Graphite Products and Graphite products related services. Since, it has not carried any business during the year, it has no reportable segments.

j) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividend and attributable taxes by the weighted

average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

k) PROVISIONS

A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

l) CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank.

Note 2: OTHER NOTES TO ACCOUNTS

(a) Estimated amount of contract remaining to be executed on capital account, not provided for – Rs. NIL. Previous Year – Rs. NIL.

(b) The details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 as provided in the Table below:-

| | SBNs | Other denomination notes | Total |
|---------------------------------------|------|--------------------------|-------|
| Closing cash in hand as on 08.11.2016 | NIL | NIL | NA. |
| (+) Permitted receipts | NIL | NIL | NA |
| (-) Permitted payments | NIL | NIL | NA |
| (-) Amount deposited in Banks | NIL | NIL | NA |
| Closing cash in hand as on 30.12.2016 | NIL | NIL | NA |

(c) Auditors' remuneration payable during the year:

| | Current Period | Previous Period |
|-----------------------|----------------|-----------------|
| Statutory Audit Fees | Rs. 11,500/- | Rs. 11,500/- |
| For Taxation Services | Rs. 11,500/- | Rs. 11,400/- |

(d) In the opinion of the management and to the best of their knowledge and belief, the value on realization of current assets in ordinary course of business will not be less than amount at which they are stated in the Balance Sheet.

(e) Related party disclosures

(i) Enterprises where control exists:

| | Current Period | Previous Period |
|------------------------------------|----------------|----------------------|
| HEG Limited - 100% Holding Company | | 100% Holding Company |

HEG GRAPHITE PRODUCTS AND SERVICES LIMITED
CIN : U31908MP2009PLC022414
Mandideep , Distt Raisen (M.P.)
BALANCE SHEET AS AT 31ST MARCH , 2017

Amount in Rs.

| Particulars | Notes | Figures as at the end of current reporting period 31-03-2017 | Figures as at the end of previous reporting period 31-03-2016 |
|---|-------|--|---|
| 1 ASSETS | | | |
| Non-current assets | | | |
| Property, Plant and Equipment | | | |
| Capital work-in-progress | | - | - |
| Investment property | | - | - |
| Goodwill | | - | - |
| Other intangible Assets | | - | - |
| Intangible Assets under development | | - | - |
| Financial Assets | | - | - |
| - Investments | | - | - |
| - Trade Receivable | | - | - |
| - Loans | | - | - |
| - Others (to be Specified) | | - | - |
| Deferred Tax Assets (Net) | | - | - |
| Other non current assets | | - | - |
| 2 Current assets | | | |
| Inventories | | - | - |
| Financial Assets | | - | - |
| - Investments | | - | - |
| - Trade Receivables | | - | - |
| - Cash and Cash Equivalents | | - | - |
| - Bank Balances other than above | 3 | 266,747 | 299,319 |
| - Loans | | - | - |
| Others (to be specified) | | - | - |
| Current Assets (Net) | | - | - |
| Other Current Assets | | - | - |
| Total Assets | | 266,747 | 299,319 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity Share Capital | 4 | 500,000 | 500,000 |
| Other Equity | 5 | -244,754 | -212,181 |
| LIABILITIES | | | |
| 1 Non-current liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | | | |
| Trade Payables | | | |
| Other Financial Liabilities | | | |
| Provisions | | | |
| Deferred tax liabilities (Net) | | | |
| Other non current liabilities | | | |
| 2 Current liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | | | |
| Trade Payables | | | |
| Other Financial Liabilities | | | |
| Other current liabilities | 6 | 11,500 | 11,500 |
| Provisions | | | |
| Current Tax Liabilities (Net) | | | |
| Total Equity and Liabilities | | 266,747 | 299,319 |
| Summary of significant accounting policies and notes to account | 1, 2 | | |

The accompanying notes are integral part of the standalone financial statements

Signed in terms of our report of even date

For V. Mattha & Co.

Chartered Accountants
Firm Regn. No. 009115C

Roshan Moondra

Roshan Moondra
(Partner)
Membership No. 406356

Place : Mandideep
Dated: 19.05.2017

For HEG Graphite Products and Services Limited

Om Prakash Bahl
Director
DIN : 02643557

Om Prakash Bahl

Venkatraman Sukumar
Director
DIN : 00322740

Venkatraman Sukumar

Rakesh Shrivastava
Director

Rakesh Shrivastava

HEG GRAPHITE PRODUCTS AND SERVICES LIMITED
 CIN : U31908MP2009PLC022414
 Mandideep , Distt. Raisen (M.P.)
 Statement of Profit and loss for the period ended 31st March 2017

| Particulars | | Notes | Amount in Rs. | |
|-------------|--|-------|--|---|
| | | | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
| I. | Revenue from operations | | - | - |
| II. | Other income | | - | - |
| III. | Total Income (I + II) | | - | - |
| IV. | Expenses: | | | |
| | Cost of materials consumed | | - | - |
| | Purchase of Stock In Trade | | - | - |
| | Changes in inventories of finished goods work-in-progress and Stock-in-Trade | | - | - |
| | Employee benefits expense | | - | - |
| | Finance costs | | - | - |
| | Depreciation and amortization expense | | - | - |
| | Other expenses | | - | - |
| | Total expenses | 7 | 32,573 | 47,311 |
| V. | Profit before exceptional items and tax (III-IV) | | 32,573 | 47,311 |
| VI. | Exceptional items | | (32,573) | (47,311) |
| VII. | Profit before tax (V - VI) | | - | - |
| VIII. | Tax expense: | | (32,573) | (47,311) |
| | (1) Current tax | | - | - |
| | (2) Deferred tax | | - | - |
| | Profit (Loss) for the period from continuing operations (VII-VIII) | | (32,573) | (47,311) |
| X. | Profit/(loss) from discontinuing operations | | - | - |
| XI. | Tax expense of discontinuing operations | | - | - |
| | Profit/(loss) from Discontinuing operations (after tax) (X-XI) | | - | - |
| XIII. | Profit (Loss) for the period (IX + XII) | | (32,573) | (47,311) |
| XIV. | Other Comprehensive Income | | | |
| | A (i) Items that will not be reclassified to profit or loss | | | |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | | |
| | B (i) Items that will be reclassified to profit or loss | | | |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | | | |
| | Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period) | | (32,573) | (47,311) |
| XVI. | Earnings per equity share (for continuing operation): | | | |
| | (1) Basic | | (0.65) | (0.95) |
| | (2) Diluted | | (0.65) | (0.95) |
| XVII. | Earnings per equity share (for discontinued operation): | | | |
| | (1) Basic | | | |
| | (2) Diluted | | | |
| XVIII. | Earnings per equity share (for discontinued & continuing operations) | | | |
| | (1) Basic | | (0.65) | (0.95) |
| | (2) Diluted | | (0.65) | (0.95) |

The accompanying notes are integral part of standalone financial statements.

Signed in terms of our report of even date

For V. Mattha & Co.
Chartered Accountants
ERN 009115C

Roshan Moondra
Roshan Moondra
Partner
M No. 406356

Mandideep
Date: 19.05.2017

For HEG Graphite Products and Services Limited

Om Prakash Bahl
Director
DIN : 02643557

Om Prakash Bahl

Venkatraman Sukumar
Director
DIN : 00322740

Venkatraman Sukumar

Rakesh Shrivastava
Director
DIN : 02751169

Rakesh Shrivastava

HEG GRAPHITE PRODUCTS AND SERVICES LIMITED

CIN : U31908MP2009PLC022414

Mandideep, Dist Raipur (M.P.)

STATEMENT OF CHANGES IN EQUITY

Statement of Changes In Equity for the Period Ended 31. March 2017

| A. Equity Share Capital | |
|--|---------|
| Balance at the beginning of the reporting period | 500,000 |
| Changes in equity share capital during the year | - |
| Balance at the end of the reporting period | 500,000 |

B. Other Equity

| | Share application money pending allotment | Equity component of compound financial instruments | Reserves and Surplus | | | Debt Instruments through Other Comprehensive Income | Equity Instruments through Other Comprehensive Income | Effective portion of Cash Flow Hedges | Revaluation Surplus | Exchange differences on translating the financial statements of a foreign Operation | Other items of Other Comprehensive Income (specify nature) | Money received against share warrants | Total |
|---|---|--|----------------------|----------------------------|---------------------------------|---|---|---------------------------------------|---------------------|---|--|---------------------------------------|----------|
| | | | Capital Reserve | Securities Premium Reserve | Other Reserves (specify nature) | | | | | | | | |
| Balance at the beginning of the reporting period | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Changes in accounting policy or prior period errors Restated balance at the beginning of the reporting period | - | - | - | - | (212181) | - | - | - | - | - | - | - | (212181) |
| Total Comprehensive Income for the year | - | - | - | - | (212181) | - | - | - | - | - | - | - | (212181) |
| Dividends | - | - | - | - | (32573) | - | - | - | - | - | - | - | (32573) |
| Transfer to retained earnings Any other change (to be specified) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance at the end of the reporting period | - | - | - | - | (244754) | - | - | - | - | - | - | - | (244754) |

The accompanying notes are integral part of standalone financial statements.

Signed in terms of our report of even date

For V. Mattha & Co.
Chartered Accountants
FRN 009115C

Ravinder
Ravinder Moondra
Partner
M No. 406356

Mandideep
Date: 19.05.2017

For HEG Graphite Products and Services Limited

Om Prakash Bahl
Om Prakash Bahl
Director
DIN : 02644357

Venkatraman Sukumar
Venkatraman Sukumar
Director
DIN : 00322740

Rakesh Shrivastava
Rakesh Shrivastava
Director
DIN : 02751169

HEG GRAPHITE PRODUCTS AND SERVICES LIMITED

CIN : U31908MP2009PLC022414

Mandideep , Distt. Raisen (M.P.)

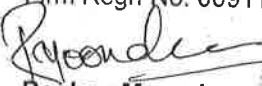
Cash Flow Statement for the Year ended 31-3-2017

| Particulars | Amount(Rs) 31/3/2017 | Amount(Rs) 31/3/2016 |
|--|-------------------------|-------------------------|
| A. Cash Flow from Operating Activities | | |
| Profit before taxation | -32,573 | -47,311 |
| Operating Profit before Working Capital Changes | -32,573 | -47,311 |
| Adjustment for changes in working Capital | - | 264 |
| Increase in Trade and Other Payable | - | - |
| Cash generated from Operations | -32,573 | -47,047 |
| Direct Taxes paid | - | - |
| Net Cash from Operating Activities | -32,573 | -47,047 |
| B. Cash Flow from Investing Activities | - | - |
| Net Cash from Investing Activities | - | - |
| C. Cash Flow from Financing Activities | - | - |
| Net Cash from Financing Activities | - | - |
| Net Increase in Cash and Cash Equivalents | - | - |
| Cash and Cash Equivalents at the beginning of the Year | -32,573 | -47,047 |
| Cash and Cash Equivalents at the end of the Year | 299,319 | 346,366 |
| Cash and Cash Equivalents comprise of | 266,746 | 299,319 |
| Balance with Scheduled bank | 266,747 | 299,319 |


Signed in terms of our report of even date


For V. Mattha & Co.
Chartered Accountants
Firm Regn No. 009115C


For HEG Graphite Products and Services Limited


Roshan Moondra
Partner
M. No. 406356



Om Prakash Bahl 
Director
DIN : 02643557

Venkatraman Sukumar 
Director
DIN : 00322740

Rakesh Shrivastava 
Director
DIN : 02751169

Date : 19.05.2017
Place : Mandideep

Note 3 Cash and cash Equivalent

| Cash and cash Equivalent | Current | |
|---|---------------------|---------------------|
| | As at 31 March 2017 | As at 31 March 2016 |
| a. Balances with banks | | |
| On Current accounts | 266,747 | 299,319 |
| On Unpaid dividend account | - | - |
| b. Cheques, drafts on hand | - | - |
| c. Cash on hand | - | - |
| d. Postage and Stamps | - | - |
| | 266,747 | 299,319 |
| Amount Disclosed under non-current assets | - | - |
| Total | 266,747 | 299,319 |

Note 4 Share Capital

| <u>Share Capital</u> | <i>Amount in Rs.</i> | | | |
|---------------------------------|----------------------|----------------|---------------------|----------------|
| | As at 31 March 2017 | | As at 31 March 2016 | |
| | Number | Amount | Number | Amount |
| Authorised shares | | | | |
| Equity Shares of ` 10 each | 100,000 | 1,000,000 | 100,000 | 1,000,000 |
| Issued | | | | |
| Equity Shares of ` 10 each | 50,000 | 500,000 | 50,000 | 500,000 |
| Subscribed & Paid up | | | | |
| Equity Shares of ` 10 each | 50,000 | 500,000 | 50,000 | 500,000 |
| Total | 50,000 | 500,000 | 50,000 | 500,000 |

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting

Equity Shares

| Particulars | As at 31 March 2017 | | As at 31 March 2016 | |
|--|---------------------|---------|---------------------|---------|
| | Number | Amount | Number | Amount |
| Shares outstanding at the beginning of the year | 50,000 | 500,000 | 50,000 | 500,000 |
| Shares Issued on FCCB Conversion during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 50,000 | 500,000 | 50,000 | 500,000 |

Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share.

The dividend if proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts

Detail of Shareholding holding more than 5% Shares in the Company

| Name of Shareholder | As at 31 March 2017 | | As at 31 March 2016 | |
|------------------------------|---------------------|--------------|---------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| HEG Limited and its nominees | 50000 | 100 | 50000 | 100 |

Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate.

| Name of Holding Company | As at 31 March 2017 | | As at 31 March 2016 | |
|------------------------------|---------------------|--------------|---------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| HEG Limited and its nominees | 50000 | 500000 | 50000 | 500000 |

Not applicable Clauses

Reason

| | |
|--|--------------------|
| Subscribed and not fully paid up | No such shares |
| Forfeited shares (amount originally paid up) | No such shares |
| For the period of 5 years immediately preceding the date as at which the Balance sheet date is prepared: Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash, Aggregate number and class of shares allotted as fully paid up by way of bonus shares, Aggregate number and class of shares bought back | No such shares |
| shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts; | No such shares |
| Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date. | No such securities |
| Calls unpaid (showing aggregate value of calls unpaid by directors and officers) | No calls Unpaid |

Note 5 Other Equity

| <u>Reserves & Surplus</u> | As at 31 March 2017 | As at 31 March 2016 |
|--|---------------------|---------------------|
| Retained Earnings | | |
| Opening balance | (212,181) | (164,870) |
| (+) Net Profit/(Net Loss) For the current year | (32,573) | (47,311) |
| Closing Balance | (244,754) | (212,181) |



HEG Graphite Products and Services Limited

Note 6 Other Current Liabilities

| <u>Other Current Liabilities</u> | Current | |
|----------------------------------|---------------------------|---------------------------|
| | As at 31 March 2017 | As at 31 March 2016 |
| Revenue received in advance | - | - |
| Other Advances | - | - |
| Others | 11,500 | 11,500 |
| Total | 11,500 | 11,500 |

Note 7 Other Expenses

| OTHER EXPENSES | As at 31 March 2017 | As at 31 March 2016 |
|-------------------------------|---------------------------|---------------------------|
| Bank Charges | 633 | 630 |
| Legal & Professional Expenses | 8,940 | 23,781 |
| <u>Payment to Auditors</u> | | |
| Audit Fees | 11,500 | 11,500 |
| Taxation Matters | 11,500 | 11,400 |
| Total | 32,573 | 47,311 |

Signed in terms of our report of even date

For V. Mattha & Co.
Chartered Accountants
Firm Regn. No. 009115C

Roshan Moondra

Roshan Moondra
(Partner)
Membership No. 406356



Place : Mandideep
Dated: 19.05.2017

For HEG Graphite Products and Services Ltd

Om Prakash Bahl
Director
DIN : 02643557

Om Prakash Bahl

Venkatraman Sukumar
Director
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