

**AUDITED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2012**
**SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT
FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2012**

| Sl. No. | Particulars | Quarter Ended | | | Financial Year Ended | | Consolidated | |
|---------------|--|---------------|---------------|---------------|----------------------|----------------|----------------|----------------|
| | | Audited | Unaudited | Audited | Audited | | Audited | |
| | | 31.03.2012 | 31.12.2011 | 31.03.2011 | 31.03.2012 | 31.03.2011 | 31.03.2012 | 31.03.2011 |
| (₹ in Crores) | | | | | | | | |
| 1. | Income from Operations | | | | | | | |
| | a) Net sales/Income from Operations (Net of excise duty) | 407.37 | 417.95 | 281.55 | 1423.99 | 1113.65 | 1423.99 | 1113.65 |
| | b) Other Operating Income | - | - | - | - | - | - | - |
| | Total Income from operations (Net) | 407.37 | 417.95 | 281.55 | 1423.99 | 1113.65 | 1423.99 | 1113.65 |
| 2. | Expenses | | | | | | | |
| | a) Cost of materials consumed | 200.07 | 173.28 | 162.33 | 694.47 | 612.98 | 694.47 | 612.98 |
| | b) Purchase of stock -in-trade | - | - | - | - | - | - | - |
| | c) Changes in inventories of finished goods, work-in- progress and stock in trade | (0.38) | 25.18 | (42.45) | 4.45 | (117.73) | 4.45 | (117.73) |
| | d) Employee benefits expense | 12.11 | 15.53 | 14.98 | 47.16 | 51.79 | 47.16 | 51.79 |
| | e) Depreciation & amortisation expense | 15.54 | 14.61 | 13.99 | 57.93 | 56.88 | 57.93 | 56.88 |
| | f) Power & Fuel (Net of Interdivisional Purchases) | 32.87 | 24.13 | 16.77 | 105.35 | 68.29 | 105.35 | 68.29 |
| | g) Other Expenses | 90.32 | 96.29 | 86.08 | 330.75 | 278.71 | 330.76 | 278.71 |
| | Total expenses | 350.53 | 349.02 | 251.70 | 1240.11 | 950.92 | 1240.11 | 950.92 |
| 3. | Profit from Operations before Other Income, finance costs & Exceptional Items | 56.84 | 68.93 | 29.85 | 183.88 | 162.73 | 183.88 | 162.73 |
| 4. | Other Income | 4.48 | 5.99 | 21.07 | 16.79 | 26.81 | 16.79 | 26.81 |
| 5. | Profit from ordinary activities before finance costs & Exceptional Items | 61.32 | 74.92 | 50.92 | 200.67 | 189.54 | 200.66 | 189.54 |
| 6. | Finance costs | 12.88 | 12.11 | 8.25 | 40.68 | 21.56 | 40.68 | 21.56 |
| 7. | Profit from ordinary activities after finance costs but before Exceptional Items | 48.44 | 62.81 | 42.67 | 159.99 | 167.97 | 159.99 | 167.97 |
| 8. | Exceptional Items - Foreign Exchange Gain/ (Loss) Refer Note 9 | (48.16) | (35.50) | - | (92.85) | - | (92.85) | - |
| 9. | Profit from Ordinary Activities before Tax | 0.28 | 27.31 | 42.67 | 67.14 | 167.97 | 67.14 | 167.97 |
| 10. | Tax expenses | | | | | | | |
| | - Current (Net) | (2.86) | 3.26 | 8.42 | 6.66 | 41.59 | 6.66 | 41.59 |
| | - Earlier Year(s) | (1.85) | 0.01 | (0.11) | (1.84) | (2.48) | (1.84) | (2.48) |
| 11. | Net Profit from Ordinary Activities after Tax | 4.99 | 24.04 | 34.36 | 62.32 | 128.86 | 62.31 | 128.86 |
| 12. | Share in Earnings of Associates | - | - | - | - | - | (5.09) | (7.50) |
| 13. | Net Profit from Ordinary Activities after Tax, Minority interest & share of profit/(Loss) of associates | 4.99 | 24.04 | 34.36 | 62.32 | 128.86 | 57.22 | 121.36 |
| 14. | Paid-Up Equity Capital (Face Value ₹ 10/- per share) | 39.96 | 39.96 | 42.85 | 39.96 | 42.85 | 39.96 | 42.85 |
| 15. | Reserves (Excl. Revaluation Reserves) | - | - | - | 722.27 | 773.47 | 809.42 | 867.59 |
| 16. | Earning Per Share (₹) - Basic | 1.23 | 5.89 | 8.02 | 15.34 | 30.08 | 14.09 | 28.33 |
| | (not annualised) | 1.23 | 5.89 | 8.02 | 15.34 | 30.08 | 14.09 | 28.33 |
| | - Diluted | 1.23 | 5.89 | 8.02 | 15.34 | 30.08 | 14.09 | 28.33 |
| 17. | Debt Redemption Reserve (Cumulative) | 25.07 | 18.56 | 23.81 | 25.07 | 23.81 | 25.07 | 23.81 |
| 18. | Debt Equity Ratio | 0.61 | 0.57 | 0.33 | 0.61 | 0.33 | 0.61 | 0.33 |
| 19. | Debt Service Coverage Ratio (DSCR) | 2.02 | 0.69 | 2.51 | 1.52 | 2.73 | 1.52 | 2.73 |
| 20. | Interest Service Coverage Ratio (ISCR) | 1.02 | 3.26 | 6.17 | 2.65 | 8.79 | 2.65 | 8.79 |

| PART II | | | | | |
|-------------------------------|--|--------------------------------------|------------|------------|------------|
| A PARTICULARS OF SHAREHOLDING | | | | | |
| Sl. No. | Particulars | 31.03.2012 | 31.12.2011 | 31.03.2011 | 31.03.2012 |
| 1. | Public Shareholding | | | | |
| | - Number of Shares | 17,273,684 | 17,493,410 | 20,448,399 | 17,273,684 |
| | - Percentage of Shareholding | 43.23 | 43.78 | 47.73 | 43.23 |
| 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 | 22,685,458 | 22,465,732 | 22,396,508 | 22,685,458 |
| | - 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) | 56.77 | 56.22 | 52.27 | 56.77 |
| B INVESTOR COMPLAINTS | | Quarter ended 31st March 2012 | | | |
| | - Pending at the beginning of the quarter | Nil | | | |
| | - Received during the quarter | 14 | | | |
| | - Disposed off during the quarter | 14 | | | |
| | - Remaining unresolved at the end of the quarter | Nil | | | |

- Notes:**
- The figures of the corresponding previous period / year have been regrouped / recast 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 above audited financial results have been audited by the auditors of the company and reviewed by the Audit Committee and approved & taken on record by the Board at their respective meetings held on the 10th May, 2012.
 - Reserves and Surplus includes Hedging Reserve towards adverse Foreign Currency fluctuation of ₹ 26.92 Crores.
 - The Graphite Electrodes Capacity expansion from current 66,000 MT to 80,000 MT p.a. has been completed and operationalised.
 - Operation of Tawa Hydel Power Unit is seasonal in nature.
 - The ratios in item nos. 18 to 20 above have been calculated as follows 1) Debt equity ratio=Long term debt/Equity 2) DSCR=PBDIT/(Interest+Principal repayment) 3) ISCR= PBIT/Interest & finance charges.

| Sl. No. | Particulars | Quarter Ended | | | Financial Year Ended | | Consolidated | |
|---------------|---|----------------|----------------|----------------|----------------------|----------------|----------------|----------------|
| | | Audited | Unaudited | Audited | Audited | | Audited | |
| | | 31.03.2012 | 31.12.2011 | 31.03.2011 | 31.03.2012 | 31.03.2011 | 31.03.2012 | 31.03.2011 |
| (₹ in Crores) | | | | | | | | |
| A | Segment Revenue | | | | | | | |
| | Graphite | 400.33 | 404.02 | 275.13 | 1394.66 | 1079.44 | 1394.66 | 1079.44 |
| | Power | 53.97 | 64.50 | 53.68 | 215.81 | 196.66 | 215.81 | 196.66 |
| | Others | 0.05 | 0.03 | 0.13 | 0.12 | 0.44 | 0.12 | 0.44 |
| | Total | 454.35 | 468.55 | 328.95 | 1610.59 | 1276.54 | 1610.59 | 1276.54 |
| | Less: Inter segment sales | 46.98 | 50.60 | 47.39 | 186.60 | 162.90 | 186.60 | 162.90 |
| | Net Sales / Income from Operations | 407.37 | 417.95 | 281.55 | 1423.99 | 1113.65 | 1423.99 | 1113.65 |
| B | Segment Results | | | | | | | |
| | Earning before tax & interest from each segment | | | | | | | |
| | Graphite | 48.74 | 51.18 | 31.50 | 142.35 | 140.10 | 142.35 | 140.10 |
| | Power | 9.16 | 20.67 | 18.70 | 48.71 | 46.55 | 48.71 | 46.55 |
| | Others | 3.42 | 3.06 | 0.72 | 9.61 | 2.99 | 9.61 | 2.99 |
| | Total | 61.32 | 74.91 | 50.92 | 200.67 | 189.64 | 200.67 | 189.64 |
| | Less: | | | | | | | |
| | Finance cost | 12.88 | 12.11 | 8.25 | 40.68 | 21.56 | 40.68 | 21.56 |
| | Exceptional Item - Foreign Exchange Gain/(Loss) | (48.16) | (35.50) | - | (92.85) | - | (92.85) | - |
| | Total Profit Before Tax | 0.28 | 27.31 | 42.67 | 67.14 | 168.07 | 67.14 | 168.07 |
| C | Capital Employed | | | | | | | |
| | Graphite | 936.15 | 900.33 | 779.80 | 936.15 | 779.80 | 936.15 | 779.80 |
| | Power | 216.73 | 225.44 | 225.82 | 216.73 | 225.82 | 216.73 | 225.82 |
| | Unallocable / Others | 87.66 | 86.12 | 86.10 | 87.66 | 86.10 | 87.66 | 86.10 |
| | Total | 1240.54 | 1211.89 | 1091.72 | 1240.54 | 1091.72 | 1240.54 | 1091.72 |

| STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2012 | | | | | |
|---|--------------------|----------------|----------------|----------------|--|
| (₹ in Crores) | | | | | |
| Particulars | For The Year ended | | Consolidated | | |
| | 31.03.2012 | 31.03.2011 | 31.03.2012 | 31.03.2011 | |
| | (Audited) | (Audited) | (Audited) | (Audited) | |
| A EQUITY AND LIABILITIES | | | | | |
| 1. Shareholders Funds | | | | | |
| (a) Share Capital | 39.96 | 42.85 | 39.96 | 42.85 | |
| (b) Reserves and Surplus | 722.27 | 773.47 | 809.42 | 867.59 | |
| Sub-total-Shareholders funds | 762.23 | 816.31 | 849.38 | 910.44 | |
| 2. Minority Interest | | | | | |
| 3. Non-current liabilities | | | | | |
| (a) Long-term borrowings | 352.74 | 210.64 | 352.74 | 210.64 | |
| (b) Deferred tax liabilities (net) | 78.66 | 73.61 | 78.66 | 73.61 | |
| (c) Other long term liabilities | 2.06 | 2.14 | 2.06 | 2.14 | |
| (d) Long-term provisions | 2.24 | 3.00 | 2.24 | 3.00 | |
| Sub-total-Non-current liabilities | 435.70 | 289.39 | 435.70 | 289.39 | |
| 4. Current liabilities | | | | | |
| (a) Short-term borrowings | 790.69 | 634.91 | 790.69 | 634.91 | |
| (b) Trade Payables | 102.67 | 43.89 | 102.67 | 43.89 | |
| (c) Other current liabilities | 215.76 | 147.48 | 215.76 | 147.48 | |
| (d) Short term provisions | 51.42 | 25.52 | 51.42 | 25.52 | |
| Sub-total-current liabilities | 1160.53 | 851.80 | 1160.53 | 851.80 | |
| TOTAL EQUITY AND LIABILITIES | 2358.45 | 1957.50 | 2445.61 | 2051.62 | |
| B ASSETS | | | | | |
| 1. Non-current assets | | | | | |
| (a) Fixed assets | 873.72 | 737.19 | 873.72 | 737.19 | |
| (b) Non-current investments | 68.46 | 66.60 | 155.58 | 160.68 | |
| (c) Long-term loans and advances | 81.48 | 51.40 | 81.48 | 51.40 | |
| (d) Other non-current assets | 1.26 | 0.00 | 1.26 | 0.00 | |
| Sub-total-non-current assets | 1024.92 | 855.19 | 1112.04 | 949.27 | |
| 2. Current assets | | | | | |
| (a) Current Investment | 0.25 | 35.28 | 0.25 | 35.28 | |
| (b) Inventories | 618.81 | 509.52 | 618.81 | 509.52 | |
| (c) Trade receivables | 490.68 | 395.29 | 490.68 | 395.29 | |
| (d) Cash and cash equivalents | 17.98 | 11.78 | 18.02 | 11.82 | |
| (e) Short-term loans and advances | 142.85 | 103.66 | 142.85 | 103.66 | |
| (f) Other Current assets | 62.96 | 46.78 | 62.96 | 46.78 | |
| Sub-total-current assets | 1333.53 | 1102.31 | 1333.57 | 1102.35 | |
| TOTAL-ASSETS | 2358.45 | 1957.50 | 2445.61 | 2051.62 | |

- The Company has exercised the option made available by the Notification dated 29th December, 2011 issued by the Ministry of Company Affairs. Accordingly, an amount of ₹ 7.60 Crores, 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.
- Foreign currency fluctuations loss has been classified as an exceptional item on account of extreme fluctuation in foreign currency rates during the Financial Year. The corresponding figure of foreign currency fluctuations for previous year was a gain of ₹ 23.48 Crores which was part of other income.
- The Board of Directors has recommended a dividend of ₹ 5 per equity share of ₹ 10/- each for the financial year 2011-12.

For HEG Limited

 Dated : 10th May, 2012
Place : Noida

 Ravi Jhunjunwala
Chairman & Managing Director