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HEG/SECTT/2012/ 25th October, 2012

Madhya Pradesh Stock Exchange,
201, Palika Plaza-II,
MTH Compound,
INDORE - 452001
Fax No. # 0731 2432849

Bombay Stock Exchange Ltd, Mumbai (Fax No.022-22723121/3719/2039/2041/2061
25th Floor, P J Towers
Dalal Street
MUMBAI - 400 001

National Stock Exchange of India Ltd. (Fax No. 022-2659 8237/38) 26598347/48
Exchange Plaza, 5th Floor
Plot No.C/1, G Block, Bandra - Kurla Complex
Bandra (E), MUMBAI - 400 051

Sub: Unaudited Financial Results for the quarter & half year ended 30th September, 2012, alongwith the Limited Review Report for the quarter & half year ended 30th September, 2012.

Dear Sir,

We are pleased to fax / send herewith the unaudited financial results of the Company for the quarter & half year ended the 30th September, 2012 alongwith the Limited Review Report as approved and taken on record by the Board of Directors at its meeting held today i.e. 25th October, 2012.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For **HEG Limited**

(ASHISH SABHARWAL)
COMPANY SECRETARY

Encl: as above.

LIMITED REVIEW REPORT

To
The Board of Directors
HEG Limited
Noida.

We have reviewed the accompanying statement of unaudited financial results of HEG Limited (the "Company") for the quarter & half year ended September 30, 2012 (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.

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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

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' notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended) 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

(ARUN K. TULSIAN)
Partner
Membership No. 089907

Place : Noida
Date : 25th October, 2012

HEG LTD

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

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2012

PART I

₹ in Crores

Sl. No.	Particulars	Quarter Ended (Unaudited)			Half Year Ended (Unaudited)		Year Ended (Audited)
		30-09-2012	30-06-2012	30-09-2011	30-09-2012	30-09-2011	31-03-2012
1	**Income from Operations**						
	a) Net sales/Income from Operations (Net of excise duty)	**439.77**	**384.30**	**319.17**	**824.07**	**598.67**	**1423.99**
	(b) Other Operating Income	0.24	0.29	0.11	0.53	0.28	0.62
	Total Income from operation (Net)	**440.01**	**384.59**	**319.28**	**824.60**	**598.95**	**1424.61**
2	**Expenses**						
	a) Cost of materials consumed	227.77	203.65	181.43	431.42	321.12	694.47
	b) Purchase of stock -in-trade	-	-	-	-	-	-
	c) Changes in inventories of finished goods, work-in- progress and stock in trade	5.45	(47.24)	(12.44)	(41.79)	(20.35)	4.45
	d) Emplyee benefits expenses	13.45	13.55	10.71	27.00	22.01	47.16
	e) Depreciation & Amortisation expenses	15.70	16.00	14.04	31.70	27.78	57.93
	f) Power & Fuel (Net of Interdivisional Purchases)	28.32	30.42	19.80	58.74	48.35	105.35
	g) Other Expenses	96.91	81.11	75.63	178.02	141.92	331.37
	Total expenses	**387.60**	**297.49**	**289.17**	**685.09**	**540.83**	**1240.73**
3	**Profit from Operations before Other Income, finance costs & Exceptional Items**	**52.41**	**87.10**	**30.11**	**139.51**	**58.11**	**183.88**
4	Other Income	3.05	2.35	3.78	5.40	6.32	16.79
5	**Profit from ordinary activities before finance costs & Exceptional Items**	**55.46**	**89.45**	**33.90**	**144.91**	**64.45**	**200.67**
6	Finance costs	15.73	15.63	7.79	31.36	15.69	40.68
7	**Profit from ordinary activities after finance costs but before Exceptional Items**	**39.73**	**73.82**	**26.10**	**113.55**	**48.75**	**159.99**
8	Exceptional Items - Foreign Exchange Gain/ (Loss)	3.61	(48.42)	(11.55)	(44.81)	(9.19)	(92.85)
9	**Profit from Ordinary Activities before Tax**	**43.34**	**25.40**	**14.55**	**68.74**	**39.56**	**67.14**
10	Tax expenses						
	- Current (Net)	6.69	2.17	1.01	8.86	6.26	6.66
	- Earlier Year(s)	0.74	-	0.00	0.74	0.00	(1.84)
11	**Net Profit from Ordinary Activities after Tax**	**35.91**	**23.23**	**13.54**	**59.14**	**33.30**	**62.32**
12	**Paid -Up Equity Capital (Face Value Rs.10/- per share)**	39.96	39.96	40.44	39.96	40.44	39.96
13	**Reserves (Excl. Revaluation Reserves)**	-	-	-	-	-	722.27
14	**Earning Per Share (₹) - Basic**	8.99	5.81	3.29	14.80	8.08	15.34
	(not annualised) **- Diluted**	8.99	5.81	3.29	14.80	8.08	15.34
15	**Debenture Redemption Reserve (Cumulative)**	25.07	25.07	4.75	25.07	4.75	25.07
16	**Debt Equity Ratio**	0.62	0.69	0.51	0.62	0.51	0.63
17	**Debt Service Coverage Ratio (DSCR)**	3.08	2.47	3.61	2.77	3.25	1.56
18	**Interest Service Coverage Ratio (ISCR)**	4.75	3.65	4.67	4.20	5.29	4.07

PART II

A	**PARTICULARS OF SHAREHOLDING**						
1	**Public Shareholding**						
	- Number of Shares	16,855,206	17,120,425	18,101,970	16,855,206	18,101,970	17,273,684
	- Percentage of Shareholding	42.18	42.84	44.70	42.18	44.70	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	-	-	-	-	-	-
	-Percentage of Shares (as a % of the total share capital of the company)	-	-	-	-	-	-
(b)	**Non-encumbered**						
	-Number of Shares	23,103,936	22,838,717	22,396,372	23,103,936	22,396,372	22,685,458
	-Percentage of Shares (as a % of the total shareholding of promoter and promoter	100	100	100	100	100	100
	-Percentage of Shares (as a % of the total share capital of the company)	57.82	57.16	55.30	57.82	55.30	56.77

B	**INVESTOR COMPLAINTS**	Quarter ended 30th Sept 2012
	-Pending at the beginning of the quarter	Nil
	-Received during the quarter	10
	-Disposed of during the qaurter	10
	-Remaining unresolved at the end of the quarter	Nil

Sl. No.	SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT FOR THE QUARTER & HALF YEAR ENDED 30TH SEPTEMBER 2012						
	Particulars	Quarter Ended Unaudited			Half Year Ended Unaudited		Year Ended Audited
		30-09-2012	30-06-2012	30-09-2011	30-09-2012	30-09-2011	31-03-2012
A	**Segment Revenue**						
	Graphite	430.17	380.76	312.98	810.93	590.31	1394.66
	Power	67.73	56.20	56.69	123.93	97.62	216.43
	Others	0.06	0.05	0.01	0.11	0.04	0.12
	Total	**497.96**	**437.01**	**369.68**	**934.97**	**687.97**	**1611.21**
	Less: Inter segment sales	57.95	52.42	50.40	110.37	89.02	186.60
	Net Sales / Income from Operations	**440.01**	**384.59**	**319.28**	**824.60**	**598.95**	**1424.61**
B	**Segment Results**						
	Earning before tax & interest from each segment						
	Graphite	31.28	66.44	20.10	97.72	42.44	142.35
	Power	23.08	21.34	12.28	44.42	18.88	48.71
	Others	1.10	1.67	1.51	2.77	3.14	9.61
	Total	**55.46**	**89.45**	**33.90**	**144.91**	**64.46**	**200.67**
	Less:						
	Finance cost	15.73	15.63	7.79	31.36	15.69	40.68
	Exceptional Item - Forein Exchange Gain/(Loss)	3.61	(48.42)	(11.55)	(44.81)	(9.19)	(92.85)
	Total Profit Before Tax	**43.34**	**25.40**	**14.55**	**68.74**	**39.56**	**67.14**
C	**Capital Employed**						
	Graphite	1077.23	1042.22	804.11	1077.23	804.11	936.15
	Power	210.02	210.47	227.64	210.02	227.64	216.73
	Unallocable / Others	84.52	88.12	77.28	84.52	77.28	87.66
	Total	**1371.77**	**1340.81**	**1109.03**	**1371.77**	**1109.03**	**1240.54**

STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER 2012

	Particulars	As at 30-09-2012 (Unaudited)	Year Ended 31-03-2012 (Audited)
A	**EQUITY AND LIABILITIES**		
1	**Shareholders Funds**		
	(a) Share Capital	39.96	39.96
	(b) Reserves and Surplus	807.67	722.27
	Sub-total-Shareholders funds	847.63	762.23
2	Minorirty Interest		
3	**Non-current liabilities**		
	(a) Long-term borrowings	347.78	352.74
	(b) Deferred tax liabilities (net)	79.49	78.66
	(c) Other long term liabilities	2.08	2.06
	(d) Long-term provisions	2.38	2.24
	Sub-total-Non-current liabilities	431.73	435.70
4	**Current liabilities**		
	(a) Short-term borrowings	875.10	790.69
	(b) Trade Payables	119.83	102.67
	(c) Other current liabilities	301.13	215.76
	(d) Short term provisions	10.23	51.42
	Sub-total-current liabilities	1306.28	1160.53
	TOTAL EQUITY AND LIABILITIES	**2585.64**	**2358.45**
B	**ASSETS**		
1	**Non-current assets**		
	(a) Fixed assets	893.72	873.72
	(b) Non- current investments	68.46	68.46
	(c) Long-term loans and advances	89.30	81.48
	(d) Other non-current assets	16.83	1.26
	Sub-total-non-current assets	1068.32	1024.92
2	**Current assets**		
	(a) Current Investment	12.26	0.25
	(a) Inventories	648.76	618.81
	(b) Trade receivables	606.61	490.68
	(c) Cash and cash equivalents	37.25	17.98
	(d) Short- term loans and advances	162.74	142.85
	(e) Other Current assets	49.71	62.96
	Sub-total-current assets	1517.33	1333.53
	TOTAL -ASSETS	**2585.64**	**2358.45**

Notes:

1. The figures of the corresponding previous period / year have been regrouped / recast wherever considered necessary to correspond to current period / year classification.
2. 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 & taken on record by the Board at their respective meetings held on the 25th October,2012.
3. Operation of Tawa Hydel Power Unit is seasonal in nature & is expected to operate at higher capacity utilisation in the remaining two quarters.
4. The ratios in item nos 16 to 18 above have been calculated as follows 1) Debt equity ratio= Term debt/Equity 2) DSCR=EBDI but after tax/(Interest+Principal repayment) 3) ISCR= EBIDT/Interest
5. Reserves and Surplus include Hedging Reserve towards adverse foreign currency fluctuation of Rs.0.65 crores.
6. The Company has exercised the option made available by the Notification dated 29th December 2011 issued by the Ministry of Company Affaires. Accordingly , an amount of Rs.9.03 Crs being exchange difference arising on reporting of Long Term Foreign Currency Loans availed for acquisition of depreciable fixed assests have been taken to respective assests/capital work-in-progress account during the current financial year.

Place : Noida
Dated : 25th October,2012

For HEG Limited

Ravi Jhunjhunwala
Chairman & Managing Director