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HEG/SECTT/2011/ 4th February, 2011

Th. Courier Service

Madhya Pradesh Stock Exchange Ltd
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: Notice of Extra Ordinary General Meeting dated 11-03-2011.

Dear Sirs,

Enclosed please find six copies of Notice of Extra Ordinary General Meeting of Shareholders of the Company scheduled to be held on 11th March, 2011 at the Registered Office of the Company for your reference and records.

Thanking you,

Yours faithfully,
For **HEG Limited**

(ASHISH SABHARWAL)
COMPANY SECRETARY

Encl: as above.

HEG Limited

Regd. Office: Mandideep, (Near Bhopal) District Raisen- 462046 (Madhya Pradesh)

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NOTICE

NOTICE is hereby given that an EXTRA ORDINARY GENERAL MEETING of the Members of HEG LIMITED will be held on Friday, the 11th March, 2011 at 2.00 P.M. at the Registered Office of the Company at Mandideep (Near Bhopal), Distt. Raisen, Madhya Pradesh - 462 046 to transact the following business:

Special Business:

1. TO CONSIDER AND, IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S) THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of section 149(2A) and other applicable provisions of the Companies Act, 1956, approval be and is hereby given, to the commencement by the Company of new businesses, contained in Clause III (C) at sub clause Nos. (3), (19), (26)(ii), (35), (39), and (46) of the Memorandum of Association of the Company detailed hereunder:-

(i) To carry on any business relating to the mining and working and preparation of ores, minerals and other products and other substances which may be usefully or conveniently combined with all / or any of the business aforesaid.

(ii) To carry on business of electrical engineers, electricians, contractors, manufacturers, constructors, suppliers of and dealers in electric and other appliances, electric motors, fans, lamps, furnaces, household appliances, batteries, cables, wire line, drycell accumulators, lamps and work and to generate, accumulate, distribute and supply electricity for the purpose of light, heat, automotive power, and for all other purposes for which electrical energy can be employed, and the manufacture, and deal in all apparatus and things connected with the generation, distribution, supply accumulations, and employment of electricity including the terms electricity all power that may be directly or indirectly derived therefrom or may be incidentally hereafter discovered in dealing with electricity.

(iii) To carry on business as manufacturers, fabricators, processors, producers, makers, refiners, dealers, traders, importers, exporters, buyers, sellers, suppliers, stockists, distributors, agents and brokers and dealer in commodities of all or any one of the following kinds:

Coal, coke, charcoal, petroleum-coke, copper, iron ore, bauxite, kyanite, fire clay, china - clay, salt, sodium chloride, calcium phosphate, nickel, beryllium, uranium, Zinc, lead, asbestos, tin, aluminia, mercury, silicon, sulphur, graphite, brass, aluminium silica sand, bentonite, quartz, dextrine, magnestrie, dolomite, ferro-alloys, corundum, manganese, mica, silver, gold, platinum, diamond, sapphire, ruby, topaz, garnet, emerald, pearl and other precious, semi precious or commercial minerals, and stones and to act as metal founders manufactures, agents, and dealers of metals, sheets, wires, rods, squares, plates, metafoils, pipes, tubes, ingots, billets, circles, parts, coils, utensils, ornaments, decorative and art jewellery made wholly or partly from any one or more of the metals and materials mentioned herein.

(iv) To carry on all kinds of exploration business and to commercially exploit and turn to account and advantage either in collaboration or otherwise and in particular to search for, prospect, examine, explore, develop petroleum and natural gas resources and other minerals and take on lease, purchase or otherwise acquire oil wells, oil fields, gas wells, and gas fields and mines onshore and offshore, river beds, ocean and sea beds and to search for and obtain information in regard to such oil wells, oil fields, gas wells, gas field and minerals.

(v) To purchase, hold, acquire, mines, mining lease, mining licences, mining rights, mining claims, and metallifierous lands and to explore, search, work, exercise, develop, treat, find and to turn to account ores, all sorts of major and minor minerals, working deposits of all kinds of minerals and sub-soil minerals and to crush, win, set, quarry, smelt, calcine, refine, dress, preserve, amalgamate, manufacture, manage, manipulate and prepare for market ore, metal and mineral substances of all kinds and to carry on metallurgical operations in all its branches.

(vi) To act as contractors for design, supply, fabrication, lying, installing and supplying of electrical transmission and distribution systems, sub-stations, installation of electrical equipments and panels, and to undertake turnkey projects for power generation and distribution systems, and to act as contractors for design and installation of railway electrification systems and electrical installations, and to design and erect structures and towers, and undertake civil construction of buildings, bridges, tanks, pipelines for sewerage, water, oil and gas and to undertake erection of structures connected with oil and gas drilling."

2. TO CONSIDER AND, IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S) THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

"RESOLVED THAT consent of the Company be and is hereby accorded to the Board of Directors of the Company in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, for mortgaging and/or charging of all the immovable and movable properties of the Company wheresoever situate, present and future, and the whole of the undertaking of the Company and/or conferring power to enter upon and take possession of the assets of the Company in certain events to or in favour of the following to secure the financial assistances lent/agreed to be lent and advanced to the Company to the extent set out below:

i) The Hongkong & Shanghai Banking Corporation Ltd for its Foreign Currency Loan of USD 20 Million (to be secured by first pari- passu charge)

ii) DBS Bank Ltd for its Foreign Currency Loan of USD 20 Million (to be secured by first pari- passu charge)

iii) State Bank of India (SBI) in the capacity of Leader of Consortium of Banks for the working capital limits i.e. Fund Based Rs. 700 Crores and Non Fund Based Rs. 250 Crores (to be secured on Second Charge basis);

together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, guarantee commission, costs, charges, expenses and other monies payable by the Company to The Hongkong & Shanghai Banking Corporation Ltd, DBS Bank Ltd and State Bank of India under the Loan Agreements/Letters of Sanction/Memorandum of Terms and Conditions entered into/to be entered into by the Company in respect of the said financial assistance(s)."

"RESOLVED FURTHER THAT the mortgages/charges created/to be created and/or all agreements/documents executed/to be executed and all acts done in terms of this resolution by and with the authority of the Board of Directors are hereby approved, confirmed and ratified."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts and things as may be necessary for giving effect to this Resolution."

3. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S) THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 198, 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, the remuneration paid/payable to Shri Ravi Jhunjhunwala, Chairman & Managing Director be and is hereby approved/ratified for the period of three years, w.e.f. the 13th February, 2011 as per terms enumerated hereunder:-

Salary	:	Rs 7,00,000/- p.m.
Commission	:	Not more than 2.5% of the net profits of the Company as computed in the manner laid down in Section 309(5) of the Companies Act, 1956.
Perquisites	:	In addition to the salary and commission, Shri Ravi Jhunjhunwala is entitled to the following perquisites:

Category 'A'

i) Housing:
   a) The expenditure incurred by the Company on hiring unfurnished accommodation for him subject to a ceiling, namely (for residence in Delhi/outside Delhi), 60% of the salary, over and above 10% payable by him, or
   b) In case the accommodation is owned by the Company, 10% of the salary shall be deducted by the Company, or
   c) In case no accommodation is provided by the Company, a house rent allowance subject to a ceiling of 60% of the salary.

ii) The expenditure incurred by the Company on Gas, Electricity, Water and furnishing shall be valued as per Income-tax Rules, 1962 and will be subject to a ceiling of 10% of the salary.

iii) Medical Reimbursement:

For self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

iv) Leave Travel Concession:

For self and family once in a year incurred in accordance with the Rules specified by the Company.

v) Club Fees:

Fees, subject to a maximum of two clubs will be allowed. This will not include admission and life membership fees.

vi) Personal Accident Insurance:

Of an amount, the annual premium of which not to exceed Rs. 10,000/-.

For the purpose of this category, "family" means the spouse, dependent children and dependent parents.

Category 'B'

i) Provident Fund:

Company's contribution to provident fund shall be as per the scheme of the Company.

ii) Superannuation / Annuity Funds:

Company's contribution to superannuation/annuity fund shall be in accordance with the scheme of the Company.

iii) Gratuity:

As per Rules of the Company, payable in accordance with the approved fund at the rate of half a month's salary for each completed year of service.

Category 'C'

i) Car:

Provision of car for use on company's business. A car for personal use would be provided by the Company and the valuation of the perquisites of the same would be as per Income Tax Rules.

ii) Telephone:

Telephone at residence. Personal long distance calls shall be billed by the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of Shri Ravi Jhunjhunwala as Chairman & Managing Director, his remuneration shall be governed by the limits prescribed under Section II of Part II of the Schedule XIII of the Companies Act, 1956."

By Order of the Board
For **HEG LIMITED**

Place: Noida (U.P.)
Date: 1st February, 2011

(Ashish Sabharwal)
Company Secretary

Note:

1. A member entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is annexed hereto.

HEG Limited

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EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

ITEM NO. 1

With a view to diversify the business activities of the Company in future it is proposed to commence businesses contained in sub clauses (3), (19), (26)(ii), (35), (39), and (46) of the Other Objects Clause (Clause III C) of Memorandum of Association of the Company. The detailed clauses have been mentioned in the proposed Resolution. The Commencement of new business requires approval of the shareholders of the Company by way of a Special Resolution in terms of Section 149(2A) of the Companies Act, 1956.

The Directors commend the Resolution at Item No. 1 for your approval.

None of the Directors is in any way concerned or interested in the proposed Resolution.

ITEM NO. 2

To meet the requirement of funds for the ongoing expansion of capacity of its existing Graphite Electrodes unit at Mandideep, from the existing 66,000 MT to 80,000 MT and to meet its working capital requirements, the Company has borrowed / may borrow the funds as detailed in the proposed Resolution at Item No. 2 of this Notice. Your approval/ratification under Section 293 (1)(a) of the Companies Act, 1956 is required on creation of mortgage on the assets of the Company to secure the borrowings made or to be made by the Company.

The Directors commend the Resolution at Item No. 2 for your approval.

None of the Directors is concerned or interested in the proposed Resolution.

ITEM NO. 3

Shri Ravi Jhunjhunwala, was appointed as the Chairman & Managing Director of the Company for a period of 5 years w.e.f. 13th February, 2009. His remuneration was however approved for a period of two years w.e.f. 13th February, 2009. The Board of Directors has fixed his remuneration for the remaining period of his current tenure i.e. 3 years w.e.f. 13th February, 2011.

Your Directors commend the Resolution at Item No. 3 for your approval in terms of Schedule XIII of the Companies Act, 1956.

The particulars set out in the resolution may be treated as an abstract in terms of Section 302 (2) of the Companies Act, 1956.

None of the Directors may be deemed to be concerned or interested in the proposed Resolution except Shri L N Jhunjhunwala, Shri Shekhar Agarwal, Shri Riju Jhunjhunwala, being relatives and Shri Ravi Jhunjhunwala himself.

By order of the Board
For **HEG Limited**

(Ashish Sabharwal)
Company Secretary

Place : Noida (U.P.)
Date : 1st February, 2011

HEG Limited

Regd. Office: Mandideep, (Near Bhopal) District Raisen- 462046 (Madhya Pradesh)

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PROXY FORM

DP ID / CL ID/Folio No. ..... No. of Shares held .....

I / We.....of.....being a member / members of HEG Limited,
hereby appoint .....of.....
.....of.....or failing him/her
attend and vote on my / our behalf at the Extra-Ordinary General Meeting of the Company to be held on Friday, the 11th March, 2011 at 2:00 p.m. at the Registered Office of the Company at Mandideep (Near Bhopal), Distt. Raisen, Madhya Pradesh - 462 046 and / or at any adjournments thereof.

Signed this ..... day of.....2011.

Please Affix Re1/- Revenue Stamp here

Signature .....

Note :- The Proxy Form, duly completed must reach the Registered Office of the Company, not less than forty-eight hours before the time of holding this Meeting.

HEG Limited

Regd. Office: Mandideep, (Near Bhopal) District Raisen- 462046 (Madhya Pradesh)

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ATTENDANCE SLIP

DP ID / CL ID / Folio No. ..... No. of Shares held .....

Full name of shareholder .....

Full name of Proxy / Representative .....

I hereby record my presence at the Extra Ordinary General Meeting of the Company held on Friday, the 11th March, 2011 at 2:00 p.m. at the Registered Office of the Company at Mandideep (Near Bhopal), Distt. Raisen, Madhya Pradesh - 462 046.

Signature of the shareholder / proxy / representative*.....

Note: Please fill in this attendance slip and hand over at the entrance of the Meeting hall.
* Strike out whichever is not applicable.