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HEG/SECTT/2010/ 27th July, 2010

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

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

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

Sub: Outcome of Board Meeting held on 27th July, 2010 and Unaudited Financial Results for the quarter ended 30th June, 2010 and other information.

Dear Sir,

We hereby inform / send herewith the following:-

(i) Unaudited financial results of the Company for the quarter ended 30th June, 2010 as approved and taken on record by the Board of Directors at its meeting held today i.e. 27th July, 2010.

(ii) The Board today learnt about the sad demise of Shri V K Mehta, Director of the Company on 24th July, 2010. The Board expressed its condolences and appreciated and put on record the valuable services rendered by Shri V K Mehta during his tenure of directorship in the Company. Consequently, Shri Niket A R Mehta (Alternate Director to Shri V K Mehta) also ceased to be the Alternate Director.

(iii) The Board of Directors has also approved change in nomination of Director on the Board of the Company by Life Insurance Corporation of India. Accordingly, Shri Lalit Mohan Lohani has been appointed as Nominee Director on the Board in place of Shri N Mohan Raj. The Board appreciated and put on record the services rendered by Shri N Mohan Raj during his tenure of directorship in the Company.

Contd.. 2/-

(iv) In view of increasing involvement of Shri Riju Jhunjhunwala, in other Group Company namely M/s. Bhilwara Energy Ltd, he has resigned from the position of Executive Director of the Company. However, he will continue to be a Director on the Board of the Company.

(v) The Board has also approved the reconstitution of the Audit Committee and Remuneration Committee as under:-

(I) Audit Committee:

Shri D N Davar	-	Chairman
Dr. Kamal Gupta	-	Member
Shri Shekhar Agarwal	-	Member

(II) Remuneration Committee

Shri D N Davar	-	Chairman
Dr. Kamal Gupta	-	Member
Dr. O P Bahl	-	Member

Kindly take the same on record.

Thanking you,

Yours faithfully,
For **HEG Limited**

(ASHISH SABHARWAL)
COMPANY SECRETARY

Encl: as above.

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 ENDED 30TH JUNE, 2010

Rs. in Crores

	Particulars	Quarter Ended		Year Ended
		Unaudited	Unaudited	Audited
		30.06.2010	30.06.2009	31.03.2010
1	**Sales / Income from Operations**			
	Sales Gross-Domestic	106.33	103.53	461.17
	-Export	155.33	152.08	807.27
	-Gross Sales	**261.66**	**255.61**	**1268.44**
	Less: Interdivisional sales - Power	34.19	18.54	115.89
	Less: Excise Duty	5.34	4.89	21.16
	(a) Net Sales	**222.13**	**232.18**	**1131.40**
	(b) Other Operating Income	-	-	-
	Total Income	**222.13**	**232.18**	**1131.40**
2	**Total Expenditure**			
	a) (Increase) / Decrease in Stocks	-60.16	-10.97	7.03
	b) Consumption of Raw Materials	148.33	87.39	469.96
	c) Purchase of Traded Goods	-	-	-
	d) Power & Fuel (Net of Interdivisional Purchases)	15.46	14.78	52.39
	e) Staff Cost	10.21	9.63	39.02
	f) Depreciation & Amortisation	15.46	12.20	52.41
	g) Other Expenditure	51.21	46.81	215.58
	Total	180.51	159.84	836.39
3	**Profit from Operations before Other Income, Interest & Exceptional Items**	**41.62**	**72.34**	**295.01**
4	Other Income	1.99	1.56	10.18
5	**Profit before Interest & Exceptional Items**	**43.61**	**73.90**	**305.19**
6	Interest & finance charges	9.08	17.77	59.26
7	**Profit after Interest but before Exceptional Items**	**34.53**	**56.13**	**245.93**
8	Exceptional Items - Loss of material	-	-	-3.61
9	**Profit from Ordinary Activities before Tax**	**34.53**	**56.13**	**242.32**
10	Provision for Taxation - Current	9.11	14.09	70.48
	- Deferred	-1.13	0.18	-0.09
	- Fringe Benefit Tax	0.00	0.00	-0.01
	- Earlier Years	-	-	0.88
11	**Net Profit from Ordinary Activities after Tax**	**26.55**	**41.86**	**171.06**
12	**Paid -Up Equity Capital (Face Value Rs.10/- per share)**	42.85	41.63	42.61
13	**Reserves (Excl. Revaluation Reserves)**	-	-	-
14	**Earning Per Share (Rs.) - Basic**	6.20	9.96	41.10
	(not annualised) - Diluted	6.20	9.96	40.91
15	**Public Shareholding**			
	- Number of Shares	2,04,48,399	1,98,18,602	2,02,14,666
	- Percentage of Shareholding	47.73	47.34	47.44
16	**Promoters and Promotor Group Shareholding**			
	a) Pledged/Encumbered			
	-Number of Shares	-	1220000	-
	-Percentage of Shares (as % of the total shareholding of promoter and promoter group)	-	5.53	-
	-Percentage of Shares (as % of the total share capital of the company)	-	2.91	-
	b) Non-encumbered			
	-Number of Shares	2,23,96,508	2,08,24,261	2,23,92,508
	-Percentage of Shares (as % of the total shareholding of promoter and promoter group)	100.00	94.47	100.00
	-Percentage of Shares (as % of the total share capital of the company)	52.27	49.74	52.56

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Rs. in Crores

	Particulars	Quarter Ended		Year Ended
		Unaudited	Unaudited	Audited
		30.06.2010	30.06.2009	31.03.2010
1	**Segment Net sale / Income**			
	Graphite	208.74	212.46	1062.76
	Power	47.50	37.99	183.83
	Others	0.08	0.26	0.70
	Less: Inter segment sales	34.19	18.54	115.89
	Net Sales / Income from Operations	**222.13**	**232.18**	**1131.40**
2	**Segment Profit / (Loss) Before Tax**			
	Graphite	33.84	59.99	256.02
	Power	9.26	13.45	41.86
	Others	0.51	0.46	7.31
	Less:			
	Interest & finance charges	9.08	17.77	59.26
	Exceptional Item - Loss of Material			(3.61)
	Profit Before Tax	**34.53**	**56.13**	**242.32**
3	**Capital Employed**			
	Graphite	641.02	648.02	633.53
	Power	234.85	214.19	217.96
	Unallocable / Others	41.15	46.43	63.14
	Total	**917.02**	**908.64**	**914.63**

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 Due to its seasonal nature, the hydro electric plant at Tawanagar did not operate during the quarter under review.

3 The Company's Capex programme to increase its Graphite Electrodes Capacity from current 66,000 MT to 80,000 MT p.a. is progressing as per schedule.

4 Out of total FCCBs of USD 28.75 mn, USD 24.70 mn were converted resulting in allotment of 55,92,411 Equity Shares and FCCBs of USD 3 mn were bought back by the company till the previous financial year. In the quarter under review remaining FCCBs of USD 1.05 Million have been converted resulting in allotment of 2,37,733 Equity Shares. Now no FCCBs are outstanding

5 A total of 9 shareholders' complaints were received during the quarter and all of them have been resolved.

6 The above audited financial results have been subjected to a Limited Review 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 27th July, 2010.

Place : Noida
Dated : 27th July 2010

HEG LIMITED

For HEG Limited

Ravi Jhunjhunwala
Chairman & Managing Director