

Ref: NSE/LIST/47620

January 09, 2026

The Company Secretary,  
HEG Limited

Dear Sir/Madam,

**Sub: Observation Letter for draft composite scheme of arrangement amongst HEG Limited (“Demerged Company/Transferee Company”) and HEG Graphite Limited (“Resulting Company”) and Bhilwara Energy Limited (“Transferor Company”) and their respective shareholders and creditors under Section 230-232 and other applicable provisions of the Companies Act, 2013.**

We are in receipt of the captioned draft scheme filed by HEG Limited.

Based on our letter reference no. NSE/LIST/47620 dated October 31, 2025, submitted to SEBI pursuant to SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 read with Regulation 94 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI vide its letter dated January 08, 2026 has inter alia given the following comment(s) on the draft scheme of arrangement:

- a) The Company shall ensure that the proposed Scheme of Arrangement is in compliance with the provisions of Regulation 11 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
- b) The Company shall ensure that, it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon’ble NCLT and shareholders, while seeking approval of the scheme.*
- c) The Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed company and the stock exchanges.*
- d) The Company shall ensure compliance with the SEBI circulars issued from time to time. The entities involved in the Scheme shall duly comply with various provisions of the Master Circular(s) issued on June 20, 2023, and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*
- e) The Company shall ensure that the information pertaining to all the Unlisted Companies, if any, involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval, if applicable.*

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- f) The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old, if applicable.*
- g) The Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.*
- h) The Company shall ensure that the proposed equity shares, if any, to be issued in terms of the “Scheme” shall mandatorily be in demat form only.*
- i) The Company shall ensure that the “Scheme” shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- j) The entities involved in the proposed scheme shall not make any changes in the draft scheme subsequent to filing the draft scheme with SEBI by the Stock Exchange(s).*
- k) The Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.*
- l) The Company shall ensure that the observations of SEBI/Stock exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT.*
- m) The Company shall ensure to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.*
- n) The Company shall ensure that the following additional disclosure to the public shareholders as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, to enable them to take an informed decision –*
  - i. In the interest of ensuring transparency and informed decision making by public shareholders, Company to prominently disclose following information on the very first page of the notice convening the shareholders meeting for approval of scheme of arrangement (in bold text and highlighted for visibility) and in all the further communications to the public shareholders regarding the scheme:*

*“The shareholding pattern of Promoter/Promoter Group and Public shareholders before and after implementation of scheme is depicted as under:*

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| <b>Category</b>                 | <b>Pre-Scheme<br/>Shareholding (%)</b> | <b>Post-Scheme<br/>Shareholding (%)</b> | <b>Change (%)</b> |
|---------------------------------|----------------------------------------|-----------------------------------------|-------------------|
| <b>Promoter /Promoter Group</b> |                                        |                                         |                   |
|                                 |                                        |                                         |                   |
| <b>Total</b>                    |                                        |                                         |                   |
| <b>Public Shareholders</b>      |                                        |                                         |                   |
|                                 |                                        |                                         |                   |
| <b>Total</b>                    |                                        |                                         |                   |

*The public shareholders may note that implementation of scheme shall result in increase in the shareholding of Promoters of HEG from 55.78 % to 61.93 %. The Public Shareholders of HEG may also note that approval to scheme of merger would also result in to them agreeing to decrease in shareholding on implementation of the scheme. Therefore, investors should read all the scheme related documents before exercising their voting rights.*

*The above disclosure shall also be accompanied by a brief explanation regarding the reasons for the increase in shareholding of Promoter/Promoter Group and its impact on the public shareholders in terms of their rights and value of their holding in the Company.”*

- ii. Need for the merger, rationale of the scheme, synergies of business of the entities involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme.*
- iii. Details of Registered Valuer issuing Valuation Report and Merchant Banker issuing Fairness opinion, Summary of methods considered for arriving at the Share-Swap Ratio and Rationale for using above methods.*
- iv. Projections considered for valuation of Bhilwara Energy Limited (“BEL”) and HEG along with justification for growth rate considered for such valuation.*
- v. Details of shareholders of BEL being categorized as promoters and public, in HEG post-scheme along with rationale for the same in the following format in compliance with SEBI ICDR Regulations, 2018 and Companies Act, 2013.*

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| <b><i>Name of the shareholder</i></b> | <b><i>Classification in BEL (Promoter/Public)</i></b> | <b><i>No shares held</i></b> | <b><i>No of shares allotted as per share swap ratio</i></b> | <b><i>Classification in HEG (Promoter/Public)</i></b> | <b><i>Rationale for the same</i></b> |
|---------------------------------------|-------------------------------------------------------|------------------------------|-------------------------------------------------------------|-------------------------------------------------------|--------------------------------------|
|                                       |                                                       |                              |                                                             |                                                       |                                      |

- vi. *Latest financials of BEL and HEG not older than 6 months from the date of NOC of Stock Exchange should be updated on the Website and same also to be disclosed in the explanatory statement.*
- vii. *Details of new shareholder(s) being classified as Promoter/Promoter group in HEG post-merger as specified in Para 10(G) of Schedule VI to SEBI (ICDR) Regulations, 2018.*
- viii. *Pre and Post scheme shareholding of BEL and HEG as on the date of notice of Shareholders meeting along with rationale for changes, if any, occurred between filing of Draft Scheme to Notice to shareholders.*
- ix. *Capital built-up of BEL and HEG since incorporation and last 3 years shareholding pattern filed by BEL and HEG with ROC.*
- x. *Details of Revenue, PAT and EBIDTA of BEL and HEG for last 3 years.*
- xi. *Value of Assets and liabilities of BEL that are being transferred to HEG and post-merger balance sheet of HEG.*
- xii. *Details of potential benefits and risks associated with the merger, including integration challenges, market conditions and financial uncertainties.*
- xiii. *Financial implication of merger on Promoters, Public Shareholders and the companies involved, synergies between BEL and HEG along with inter-company transactions between them.*
- xiv. *Disclose all actions taken and/or initiated against the entities involved in the scheme including its promoters/directors/KMPs and possible impact of the same on the Transferee Company to the shareholders along with its status.*

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- xv. *Disclose the impact on reserves of HEG pursuant to the scheme of arrangement along with quantitative details showing the impact for both pre & post the scheme of arrangement and the same is accordance with applicable accounting standards and other applicable provisions of the Companies Act, 2013. Disclose the approval requirement of shareholders under the Companies Act, 2013 and other relevant details.*
- xvi. *The scheme shall be acted upon subject to the applicant complying with the Para 10 (a) & (b) of Part I of SEBI Master Circular issued on June 20, 2023 and relevant clauses mentioned in the scheme document.*
- o) *The company shall ensure the applicable additional information, if any, shall form part of disclosures to the shareholders, which was submitted by the company to the stock exchange as per Annexure-L of exchange checklist.*
- p) *The Company shall ensure that the listed entity(ies) involved in the proposed scheme shall disclose the No-Objection letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.*
- q) *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.*

**It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.**

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 37 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

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The Company should also fulfil the Exchange's criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of '**HEG Graphite Limited**' is at the discretion of the Exchange.

The listing of '**HEG Graphite Limited**' pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about **HEG Graphite Limited** and its group companies in line with the disclosure requirements applicable for public issues with National Stock Exchange of India Limited ("NSE") for making the same available to the public through website of the companies. The following lines must be inserted as a disclaimer clause in the Information Memorandum:

*"The approval given by the NSE should not in any manner be deemed or construed that the Scheme has been approved by NSE; and/ or NSE does not in any manner warrant, certify or endorse the correctness or completeness of the details provided for the unlisted Company; does not in any manner take any responsibility for the financial or other soundness of **HEG Graphite Limited**, its promoters, its management etc."*

2. To publish an advertisement in the newspapers containing all the information of **HEG Graphite Limited** in line with the details required as per SEBI Circular No. SEBI/HO/CFD/POD2/P/CIR/2023/93 dated June 20, 2023. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about **HEG Graphite Limited** to NSE on continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.
4. The following provision shall be incorporated in the scheme:
  - a) "The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange."
  - b) "There shall be no change in the shareholding pattern or control in **HEG Graphite Limited** between the record date and the listing which may affect the status of this approval."

With reference to Part II (A) (5) of SEBI Master Circular dated June 20, 2023, **HEG Graphite Limited** shall ensure that steps for listing of specified securities are completed and trading in securities commences within sixty days of receipt of the order of the Hon'ble High Court/NCLT, simultaneously on all the stock exchanges where the equity shares of the listed entity (or transfer entity) are/were listed. Accordingly, the company must initiate necessary steps to ensure strict adherence to said timeline.

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However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from January 09, 2026, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

**The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.**

Yours faithfully,  
For National Stock Exchange of India Limited

Khyati Vidwans  
Senior Manager

*The National Stock Exchange of India (NSE) has announced the launch of NEAPS mobile application. The app can be downloaded from the App Store/ Play store with the name “NEAPS APP”.*

*P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL: <https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>*