



Memorandum & Articles

of

Association

of

HEG GRAPHITE LIMITED





**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

Central Registration Centre

Certificate of Incorporation

[Pursuant to sub-section (2) of section 7 and sub-section (1) of section 8 of the Companies Act, 2013 (18 of 2013) and rule 18 of the Companies (Incorporation) Rules, 2014]

I hereby certify that HEG GRAPHITE LIMITED is incorporated on this FOURTH day of JUNE TWO THOUSAND TWENTY FOUR under the Companies Act, 2013 (18 of 2013) and that the company is Company limited by shares

The Corporate Identity Number of the company is **U23994MP2024PLC071568**

The Permanent Account Number (PAN) of the company is **AAHCH3849J***

The Tax Deduction and Collection Account Number (TAN) of the company is **BPLH03747C***

Given under my hand at Manesar this FOURTH day of JUNE TWO THOUSAND TWENTY FOUR

Certification signature by DS MINISTRY OF CORPORATE
AFFAIRS , CRC MANESAR 1 <ROC.CRC@MCA.GOV.IN>,
Validity Unknown

Digitally signed by
DS MINISTRY OF CORPORATE
AFFAIRS , CRC MANESAR 1
Date: 2024.06.04 21:17:01 IST

PRAMOD MEENA

Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies

For and on behalf of the Jurisdictional Registrar of Companies

Registrar of Companies

Central Registration Centre

Disclaimer: This certificate only evidences incorporation of the company on the basis of documents and declarations of the applicant(s). This certificate is neither a license nor permission to conduct business or solicit deposits or funds from public. Permission of sector regulator is necessary wherever required. Registration status and other details of the company can be verified on mca.gov.in

Mailing Address as per record available in Registrar of Companies office:

HEG GRAPHITE LIMITED

C/o HEG LIMITED, NH-12, DIST RAISEN, NEAR BHOPAL, Mandideep, Huzur, Bhopal- 462046, Madhya Pradesh

*as issued by Income tax Department



THE COMPANIES ACT, 2013
(A COMPANY LIMITED BY SHARES)

MEMORANDUM OF ASSOCIATION

OF

HEG GRAPHITE LIMITED

1. The Name of the Company is **HEG GRAPHITE LIMITED**.
2. The Registered Office of the Company will be situated in the State of Madhya Pradesh.
3. **(a) The objects to be pursued by the company on its incorporation are:-**
 - (1) To produce, extract, manufacture, purchase, refine, prepare, process, import, export, buy, sell and deal in graphite, graphite electrodes, graphite anodes, graphite specialities, coal tar, coal tar pitch, synthetic and natural coal, cokes, carbon, all kinds of minerals, chemicals, electro chemicals, gas and substances in all their various forms and derivations and their products, by products and ancillary products and to carry on the business of distillers, refinery operators, compounders, synthetics, analysts, physicists, reactor operators, gas producers, and consumers, manufacturers of plastics, prospectors, drillers, miners, chemical manufacturers, chemists, druggists, analytical chemists, dry salters, oil and colour men.
 - (2) To prospect, form, examine, explore, win, get, quarry, smelt, calcine, refine, crush and grind, dress, amalgamate, manipulate and prepare for market, purchase, sell or deal in ores, metals and minerals of kinds, and to carry on any other prospecting, mining or metallurgical operations and to buy, sell manufacture and deal in minerals, plant, machinery, implements, products in which any of the minerals is used and such other things capable of being used in connection with prospecting, mining and/or metallurgical operations.
 - (3) 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.
 - (4) 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, dry cell 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 there from or may be incidentally hereafter discovered in dealing with electricity.
 - (5) 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 kind :i. 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, alumina, mercury, silicon, sulphur, graphite, brass, aluminium silicas and bentonite, quartz, dextrine, magnesite, dolomite, ferro-alloys, corundum, manganese, mica, silver, gold, platinum, diamond, sapphire, ruby, topaz, garnet, emerald, pearl and other precious, semiprecious or commercial minerals, and stones and to act as metal foundries manufacturers, agents, and dealers of metals, sheets, wires, rods, squares, plates, metal foils, 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.
 - (6) 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 on shore 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.

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(b) Matters which are necessary for furtherance of the objects specified in clause 3(a) are

- (1) To undertake, execute, advise on, assess, design, draft, inspect, estimate, survey, supervise, superintend works and contracts for work, and contracts involving the design, supply, use, construction, installation, operation or maintenance of any structure, factory, workshop, plant, reactors, machinery, tools, utensils, apparatus, appliances, substances, materials and other articles.
- (2) To purchase and/or otherwise acquire and undertake the whole or any part of the business, property rights, and liabilities of any person, firm, or body corporate, carrying on or proposing to carry on any business which this Company is authorised to carry on, or possessed of property or rights suitable for any of the purposes of the Company, or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company and to purchase, acquire, sell and deal in property, share, stocks, debenture stock of any such person, firm or body corporate and to conduct, make or to carry into effect any arrangements in regard to the winding up of the business of any such person, firm or body corporate.
- (3) To buy, sell, manufacture, repair, alter, improve, exchange, let out on hire, import, export and deal in all factories, works, plants, machinery, tools, utensils, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which this Company is competent to carry on or required by any customers or persons having dealing with the Company or commonly dealt in by persons engaged in any such business or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and deal in all products of residual and by products incidental to or obtained in any of the business carried on by the Company.
- (4) To purchase, take on lease or tenancy or in exchange, hire, take options over or otherwise acquire for any estate or interest whatsoever and to hold, develop, work, cultivate, deal with and turn to account, concessions, grants, decrees, licences, privileges, claims, options, leases, property, real or personal, or rights or powers of any kind which may appear to be necessary or convenient for any business of the Company.
- (5) To acquire from any person, firm or body corporate or unincorporate, whether in India or elsewhere, technical information, knowhow process, engineering, manufacturing and operating data, plans, layouts and blue prints useful for the design, erection and operation of plant required or any of the business of the Company and to acquire any grant or licence and other rights and benefits in the foregoing matters and things.
- (6) To sell, exchange, mortgage, let on lease, royalty or tribute, grant licences, easements, options and other rights over and in any other manner deal with or dispose of the whole or any part of the undertaking, property, assets, rights and effects of the Company for such consideration as may be thought fit and in particular for stocks, shares, whether fully or partly paid up, or securities of any other company.
- (7) To pay for any rights or property acquired by the Company and to remunerate any person, firm, body corporate rendering services to the Company either by cash payment or by allotment to him or them of shares or securities of the Company credited as paid up in full or in part or otherwise.
- (8) To borrow or raise or secure the payment of money from any Bank or Banks or any other person or persons for the purpose of the Company's business in such manner and on such terms and conditions and with such rights, powers, and privileges as the Company thinks fit.
- (9) To procure the registration or recognition of the Company in or under the laws of any place outside India.
- (10) To guarantee the performance of any contract or obligations of and the payment of dividends and interest on any stock, shares or securities of any company, corporation, firm, or person in any case in which such guarantee may be considered likely directly or indirectly to further the objects of the Company or the interests of its shareholders.

- (11) To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture stocks, contracts, mortgages, charges, obligations, instruments, and securities of any company or any authority, supreme, municipal, local or otherwise or of any persons whomsoever, whether incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations.
- (12) To subscribe for, underwrite, acquire, hold, sell and otherwise deal in shares, stock, debentures, debenture stock, bonds, mortgages, obligations and securities of any kind issued or guaranteed by any company (body corporate or undertaking) of whatever nature and where so ever constituted or carrying on business, and shares, stocks, debentures, debenture stock, bonds, mortgages, obligations and other securities issued or guaranteed by any government, sovereign ruler, commissioners, trust, municipal, local, or other authority or body of whatever nature, whether in India or elsewhere.
- (13) To receive money on deposit loan and borrow or raise money in such manner as the Company shall think fit, and in particular by issue of debentures, or debenture stock(perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future), including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company as the case may be.
- (14) To draw, make, endorse, accept, discount, negotiate, execute and issue bills of exchange, promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments or securities.
- (15) To apply for, purchase or otherwise acquire and protect, prolong and renew, whether in India or elsewhere any patents, patents rights, brevets d invention trademarks, design, licences, protections, concessions and the like conferring any exclusive or non exclusive or limited right to use any secret or other information as to any invention, process or privilege which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and use, exercise, develop, manufacture under or grant licences or privileges in respect of, or otherwise turn to account, the property, rights and information so acquired and to carry on any business in any way connected therewith.
- (16) To expend money in experimenting on and testing and in improving or seeking to improve any patents, rights, inventions, discoveries, processes or information of the Company or which the Company may acquire or propose to acquire.
- (17) Subject to any applicable law for the time being in force, to act as managers of any business or other undertaking and generally, subject as aforesaid, to undertake or take part in the management, supervision or control of the business or operations of any person, firm, body corporate, association or other undertaking and for such purpose or purposes to appoint and remunerate any officers of the Company, accountants or other experts or agents.
- (18) To form, incorporate or promote any company or companies whether in India or in any foreign country having same or similar objects as that of the company and to do all the things required to be done in that connection.
- (19) Subject to the provisions of the Act to amalgamate or enter into partnership or into any arrangement for sharing profits, union of interests, cooperation, joint adventure or reciprocal concession or for limiting competition with any person or persons or company or companies carrying on or engaged in, or about to carry on or engage in, or being authorised to carry on or engage in any business or transaction which the Company is authorised to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit this Company.
- (20) To enter into any arrangements and to take all necessary or proper steps with Governments or with other authorities supreme, national, local, municipal or otherwise of any placed in which the Company

may have interests and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the company or effecting any modification in the constitution of the Company or furthering the interests of its members and to oppose any such steps taken by any other company, firm or person which may be considered likely directly or indirectly to prejudice the interests of the Company or its members and promote or assist the promotion, whether directly or indirectly, of any legislation which may appear to be in the interest of the Company and to oppose and resist whether directly or indirectly, any legislation which may seem disadvantageous to the Company and to obtain from any such Government authority or any company any charters, contracts, decrees, rights, grants, loans, privileges or concessions which the company may think it desirable to obtain and carry out, exercise, and comply with any such arrangements, charters, contracts, decrees, rights, privileges or concessions.

- (21) To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press by circulars, by purchase and exhibition of works of art or interests, by publication of books and periodicals, and by granting prizes, rewards and donations.
- (22) To undertake and execute any trust, the undertaking of which may seem to the Company desirable, and either gratuitously, or otherwise and vest any real or personal property, rights or interests acquired by or belonging to the Company in any person or company on behalf or for the benefit of the Company and with or without any declared trust in favour of the Company.
- (23) To establish and support or aid in the establishment, maintenance or extension of any association, institution or fund in any way connected with any trade, commerce or industry including any association, institution or fund for the protection of the interests of masters, owners and employers against loss by bad debts, strikes, combinations, fire, accidents or otherwise or for the benefit of any clerks, workmen or others at any time employed by the Company or any of its predecessors in business or their families or dependants and whether or not in common with other persons or classes of persons and in particular of friendly, co- operative and other societies, reading rooms, libraries, educational and charitable institutions, dining and recreation rooms, churches, chapels, schools and hospitals and to grant gratuities, pensions and allowances and to contribute to any funds raised by public or local subscriptions for any purpose whatsoever.
- (24) To aid, pecuniary or otherwise, any association, body or movement having an object for the solution, settlement, of surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
- (25) To subscribe or guarantee money for any national, charitable, be nevolent, public, general or useful objector for any exhibitions.
- (26) To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pension, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company, or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid, and the wives, widows, families and dependants of any such persons, and also establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid, and do any of the matters aforesaid either alone or in conjunction with any other company as aforesaid.
- (27) To distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company in case of winding up but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the, time being required by law.
- (28) To do all or any of the above things in any part of the world as principals, agents, contractors, trustees,

or otherwise by or through trustees, attorneys, agents or otherwise and either alone or in conjunction with others and to establish offices, agencies or branches for carrying on any of the aforesaid objects in India or elsewhere in the world and to undertake the management of the Company or companies having objects altogether or in part similar to those of the Company.

- (29) To amalgamate with any Company or Companies having objects altogether or in part similar to those of this Company or any other Company, subject to the provisions of the Companies Act, 2013.
- (30) To undertake arrangements including mergers, demerged and reorganizations as permitted under the law.
- (31) To open branches in India and elsewhere and to get the Company registered in any foreign country and adopt such means of making known to the public the business or the products of the Company as may seem expedient and in particular by advertising in the press, by circulars and publication of books and periodicals.
- 4. The liability of the member(s) is limited, and this liability is limited to the amount unpaid if any, on the shares held by them.
- 5. The share capital of the company is Rs. 55,00,00,000/- (Rupees Fifty Five Crore) divided into 27,50,00,000 (Twenty Seven Crore Fifty Lac) Equity Shares of Rs. 2/- (Rupees Two) each.

6. We, the several persons, whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this memorandum of association, and we respectively agree to take the number of shares in the capital of the company set against our respective names:

Subscriber Details					
S. No.	Name, Address, Description and Occupation	DIN/PAN/ Passport Number	No. of shares taken	DSC	Dated
1.	OM PRAKASH AJMERA B-6, Sector-14, Noida Gautam Buddha Nagar, Uttar Pradesh-201301, NA India Occupation : Service	0*3*2*3*	1 Equity, 0 Preference	OM PRAKASH AJMERA Digitally signed by OM PRAKASH AJMERA Date: 2024.06.03 18:11:42 +05'30'	03/06/2024
2.	MANISH GULATI 461, Neelkanth Apartments, Sector-13 Rohini, Sector- 5, North West Delhi Delhi-110085 Occupation : Service	0*6*7*1*	1 Equity, 0 Preference	MANISH GULATI Digitally signed by MANISH GULATI Date: 2024.06.03 18:13:02 +05'30'	03/06/2024
3.	PUNEET ANAND E-120, 2nd Floor, Greater Kailash Part-II South Delhi, New Delhi-110048, India Occupation : Service	0*5*5*8*	1 Equity, 0 Preference	PUNEET ANAND Digitally signed by PUNEET ANAND Date: 2024.06.03 18:10:27 +05'30'	03/06/2024
4.	HEG LIMITED Authorised Person- Ravi Jhunjhunwala Mandideep Near Bhopal, District- Raissen Madhya Pradesh-462046, NA India Occupation- Industrialist	0*0*0*7*	9994 Equity, 0 Preference	RAVI JHUNJHUNWALA Digitally signed by RAVI JHUNJHUNWALA Date: 2024.06.03 18:14:27 +05'30'	03/06/2024
5.	RISHABH JHUNJHUNWALA 63, Friends Colony East, New Delhi Delhi-110065, NA India Occupation : Industrialist	0*1*4*5*	1 Equity, 0 Preference	RISHABH JHUNJHUNWALA Digitally signed by RISHABH JHUNJHUNWALA Date: 2024.06.03 18:15:38 +05'30'	03/06/2024
6.	RIJU JHUNJHUNWALA 63, Friends Colony East, New Delhi Delhi-110065, NA India Occupation : Industrialist	0*0*1*6*	1 Equity, 0 Preference	RIJU JHUNJHUNWALA Digitally signed by RIJU JHUNJHUNWALA Date: 2024.06.03 18:16:53 +05'30'	03/06/2024
7.	JYOTI GUPTA 1A-106, Wellington Estate, D L F Phase-5 Gurgaon, Haryana-122009, NA India Occupation : Service	0*2*2*3*	1 Equity, 0 Preference	JYOTI GUPTA Digitally signed by JYOTI GUPTA Date: 2024.06.03 18:08:41 +05'30'	03/06/2024
		Total Shares taken	1,00,000 Equity, 0 Preference		

Signed before Me					
Name Prefix (ACA/FCA/ ACS/FCS/ ACMA/FCMA)	Name	Address, Description and Occupation	DIN/PAN/ Passport Number / Membership Number	DSC	Dated
FCA	RABINDRA KUMAR SARAWGEE	32A, Chittaranjan Avenue Trust House, 2nd Floor Kolkata-700012 (Professional)	0*7*5*	RABINDRA KUMAR SARAWGEE Digitally signed by RABINDRA KUMAR SARAWGEE Date: 2024.06.03 18:25:13 +05'30'	03/06/2024

THE COMPANIES ACT, 2013
A COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
HEG GRAPHITE LIMITED

Description

Interpretation

I. In these regulations-

1. The Act means the Companies Act 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law so far as may be applicable.
2. The Article means these Articles of Association as adopted or as may from time to time be altered.
3. Board of Directors or Board in relation to a Company means the collective body of the directors of the Company and includes a committee constituted by the Board.
4. Directors mean the directors for the time being of the Company.
5. Dividend includes any interim dividend.
6. Depository shall mean a Depository as defined in Section 2 of the Depositories Act 1996.
7. Key Managerial Personnel means the Chief executive officer or the Managing Director or the Manager the Company secretary the Whole-time Director the Chief Financial Officer and such other officer as may be notified from time to time in the rules.
8. Managing Director means a director who by virtue of the articles of a Company or an agreement with the Company or a resolution passed in its general meeting or by its Board of Directors is entrusted with substantial powers of management of the affairs of the Company and includes a director occupying the position of managing director by whatever name called.
9. The Office means the Registered Office of the Company for the time being.
10. The Register means the Register of Members to be kept pursuant to the Act.
11. In Writing and Written shall include printing lithography and other modes of representing or reproducing words in a visible form.
12. Number and Gender Words importing the singular number shall include the plural number and vice-versa and words importing the masculine gender shall where the context admits include the feminine and neuter gender.

Unless the context otherwise requires words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company

Share capital and variation of rights

- II.1.**
1. The Authorised share capital of the Company shall be as stated in the Memorandum of Association of the Company.
 2. Subject to the provisions of the Act and these Articles the shares in the capital of the company shall be under the control of the Directors who may issue allot or otherwise dispose of the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

3. Subject to the provisions of the Act and these Articles the Board may issue and allot shares in the capital of the Company on payment or part payment for and property or assets of any kind whatsoever sold or transferred goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash and if so issued shall be deemed to be fully paid-up or partly paid-up shares as the case may be.
 4. The Board or the Company as the case may be may in accordance with the Act and the Rules issue further shares to -
 - (a) persons who at the date of offer are holders of equity shares of the Company such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person or
 - (b) employees under any scheme of employees stock option or (c) any persons whether or not those persons include the persons referred to in clause (a) or clause (b) above.
 5. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement subject to and in accordance with the Act and the Rules.
 6. Subject to the provisions of the Act and other applicable provisions of law the Company may with the approval of the shareholders by a special resolution in general meeting issue sweat equity shares in accordance with such rules and guidelines issued by the Securities and Exchange Board of India and or other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf.
 7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking *pari passu* there with.
 8. If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of Act and whether or not the Company is being wound up be varied with the consent in writing of the holders of such proportion of the issued shares of that class as may be specified in the Act or rules made there under or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
 9. To every such separate meeting the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply but so that the necessary quorum as specified in the Act or rules made there under shall be present.
 10. If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of the Act and whether or not the Company is being wound up be varied with the consent in writing of such number of the holders of the issued shares of that class or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class as prescribed by the Act.
 11. To every such separate meeting the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply.
2. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided one certificate for all his shares without payment of any charges or several certificates each for one or more of his shares upon payment of twenty rupees for each certificate after the first.

Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

In respect of any share or shares held jointly by several persons the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. If any share certificate be worn out defaced mutilated or torn or if there be no further space on the back for endorsement of transfer then upon production and surrender thereof to the company a new certificate may be issued in lieu thereof and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

The provisions of Articles(2) and(3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law no person shall be recognised by the company as holding any share upon any trust and the company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable contingent future or partial interest in any share or any interest in any fractional part of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6.
 1. The Company may issue the following kinds of shares in accordance with these Articles the Act the Rules and other applicable laws (a) Equity share capital (i) with voting rights and or (ii) with differential rights as to dividend voting or otherwise in accordance with the Rules and (b) Preference share capital.
 2. If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of section 48 and whether or not the company is being wound up be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
 3. To every such separate meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply but so that the necessary quorum as specified in the Act or rules made there under shall be present
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
8. Subject to the provisions of section 55 any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may by special resolution determine.

Lien

9. The company shall have a first and paramount lien on every share (not being a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share and

on all shares (not being fully paid shares) standing registered in the name of a single person for all monies presently payable by him or his estate to the company.

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

The company's lien if any on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell in such manner as the Board thinks fit any shares on which the company has a lien.

Provided that no sale shall be made unless-

- a sum in respect of which the lien exists is presently payable; or
- b until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof.

The purchaser shall be registered as the holder of the shares comprised in any such transfer.

The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

The residue if any shall subject to a like lien for sums not presently payable as existed upon the shares before the sale be paid to the person entitled to the shares at the date of the sale.

Calls on shares

13. The Board may from time to time make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

Each member shall subject to receiving at least fourteen days notice specifying the time or times and place of payment pay to the company at the time or times and place so specified the amount called on his shares.

A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate if any as the Board may determine.

The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date whether on account of the nominal value of the share or by way of premium shall for the purposes of

these regulations be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

In case of non-payment of such sum all the relevant provisions of these regulations as to payment of interest and expenses forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board -

- a. may if it thinks fit receive from any member willing to advance the same all or any part of the monies uncalled and unpaid upon any shares held by him; and
- b. upon all or any of the monies so advanced may (until the same would but for such advance become presently payable) pay interest at such rate not exceeding unless the company in general meeting shall otherwise direct twelve per cent per annum as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may subject to the right of appeal conferred by section 58 decline to register the transfer of a share not being a fully paid share to a person of whom they do not approve or any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless.

- a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56.
- b. the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- c. the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days previous notice in accordance with section 91 and rules made thereunder the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine.

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

23. On the death of a member the survivor or survivors where the member was a joint holder and his nominee or nominees or legal representatives where he was a sole holder shall be the only persons recognised by the company as having any title to his interest in the shares.

Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. Any person becoming entitled to a share in consequence of the death or insolvency of a member may upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided elect either to be registered himself as holder of the share or to make such transfer of the share as the deceased or insolvent member could have made.

The Board shall in either case have the same right to decline or suspend registration as it would have had if the deceased or insolvent member had transferred the share before his death or insolvency.

25. If the person so becoming entitled shall elect to be registered as holder of the share himself he shall deliver or send to the company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share he shall testify his election by executing a transfer of the share.

All the limitations restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days the Board may thereafter withhold payment of all dividends bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with.

Forfeiture of shares

27. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof the Board may at any time thereafter during such time as any part of the call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued.
28. The notice aforesaid shall name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made and state that in the event of non-payment on or before the day so named the shares in respect of which the call was made shall be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Board to that effect.
30. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

At any time before a sale or disposal as aforesaid the Board may cancel the forfeiture on such terms as it thinks fit.

31. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall notwithstanding the forfeiture remain liable to pay to the company all monies which at the date of forfeiture were presently payable by him to the company in respect of the shares.

The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. A duly verified declaration in writing that the declarant is a director the manager or the secretary of the company and that a share in the company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

The company may receive the consideration if any given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

The transferee shall thereupon be registered as the holder of the share; and

The transferee shall not be bound to see to the application of the purchase money if any nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time whether on account of the nominal value of the share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

34. The company may from time to time by ordinary resolution increase the share capital by such sum to be divided into shares of such amount as may be specified in the resolution.
35. Subject to the provisions of section 61 the company may by ordinary resolution consolidate and divide all or any of its share capital into shares of larger amount than its existing shares convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paidup shares of any denomination sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.
36. Where shares are converted into stock the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit.

Provided that the Board may from time to time fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

The holders of stock shall according to the amount of stock held by them have the same rights privileges and advantages as regards dividends voting at meetings of the company and other matters as if they held the shares from which the stock arose but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not if existing in shares have conferred that privilege or advantage. such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words share and shareholder in those regulations shall include stock and stock-holder respectively.

37. The Company may by special resolution as prescribed by the Act reduce in any manner and in accordance with the provisions of the Act and the Rules (a) its share capital and or (b) any capital redemption reserve account and or (c) any securities premium account and or (d) any other reserve in the nature of share capital.

Capitalisation of profits

38. The company in general meeting may upon the recommendation of the Board resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the companys reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions.

The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in clause (iii) either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively paying up in full unissued shares of the company to be allotted and distributed credited as fully paid-up to and amongst such members in the proportions aforesaid partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B).

A securities premium account and a capital redemption reserve account may for the purposes of this regulation be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares.

The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares if any and generally do all acts and things required to give effect thereto.

The Board shall have power to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of shares becoming distributable in fractions and to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation or as the case may require for the payment by the company on their behalf by the application thereto of their respective proportions of profits resolved to be capitalised of the amount or any part of the amounts remaining unpaid on their existing shares Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force the company may purchase its own shares or other specified securities.

General meetings

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.
42. 1. Subject to the provisions of the Act the Company shall hold from time to time as provided by the Act in addition to any other meetings a general meeting as its Annual General Meeting.
2. The Board may whenever it thinks fit call an extra ordinary general meeting.
3. The board of directors shall on requisition of members in accordance with the provisions of the Act forth with proceed to call an Extraordinary General Meeting.
4. The Board may also call a General Meeting by passing a resolution by Circulation and there solution so passed would be as effective as a resolution passed at the Board Meeting.
5. The Company shall comply with provisions of the Act as to giving notice of resolution and circulating statement on the requisition of Member.
6. Every Annual General Meeting shall be called for a time during business hours and on such day (not being a national holiday) as the Directors may from time to time determine and it shall be held either at the Registered Office of the Company or at any place within the city town or village in which the office of the Company for the time being is situated.
7. A General Meeting of the Company may be called by giving not less than such number of days notice as specified in the Act or rules made thereunder in writing or through electronic mode in such manner as may be specified in the Act or rule made thereunder.
8. In the case of an Annual General Meeting all business to be transacted at the meeting shall be deemed special with the exception of business relating to-
- (i) the consideration of the Financial Statements (including the consolidated financial statements if applicable) and he Reports of the Board of Directors and Auditors.
 - (ii) the declaration of a dividend.
 - (iii) the appointment of Directors in the place of those retiring and
 - (iv) the appointment of and the fixing of the remuneration of the Auditors.
- In the case of any other meeting all business shall be deemed special.
9. Notice of every general meeting of the Company shall specify the place date day and the hour of the meeting and shall contain a statement of the business to be transacted thereat.

Proceedings at general meetings

43. 1. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

- (ii) Save as otherwise provided herein the quorum for the general meetings shall be as per the provisions of the Act.
- 2. On any business at any general meeting in case of an equality of votes whether on a show of hands or electronically or on a poll the Chairperson shall have a second or casting vote.
- 3. (i) A poll demanded for adjournment of the meeting or appointment of Chairperson of the meeting shall be taken forthwith.
- (ii) A poll demanded on any question other than adjournment of the meeting or appointment of Chairperson shall be taken at such time not being later than forty eight hours from the time when the demand was made as the Chairperson of the meeting may direct.
- 4. (i) Where a poll is to be taken the Chairperson of the meeting shall appoint one or more scrutinizer(s) to scrutinize the votes given on the poll and to report thereon to him her.
- (ii) The Chairperson shall have power at any time before the result of the poll is declared to remove a scrutinizer from office and to fill vacancies in the office of the scrutinizers arising from such removal or from any other cause.
- 5. At every Annual General Meeting of the Company there shall be laid on the table the Directors report and audited statement of accounts Auditors report the proxy register with the proxies and the register of Directors share holdings mentioned under the provisions of the Act.

The Auditors Report shall be read before the members in such General Meeting and shall be open to inspection by any member of the Company.
- 6. The Board shall cause minutes of all proceedings of every general meeting and of all proceedings of every meeting of the Board of Directors or of every committee of the board to be kept in accordance with the provisions of the Act.
- 7. The books containing the minutes of the proceedings of general meetings of the Company shall be kept at the office of the Company and be open to the inspection of members during the business hours as prescribed by the provisions of the Act.
- 44. The chairperson if any of the Board shall preside as Chairperson at every general meeting of the company.
- 45. If there is no such Chairperson or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting the directors present shall elect one of their members to be Chairperson of the meeting.
- 46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

- 47. The Chairperson may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place.

No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid and as provided in section 103 of the Act it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

- 48. Subject to any rights or restrictions for the time being attached to any class or classes of shares on a show of hands every member present in person shall have one vote and on a poll the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders.

For this purpose seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on a poll vote by proxy.

52. Any business other than that upon which a poll has been demanded maybe proceeded with pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. 1. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.

2. Any such objection made in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.

3. A Body Corporate (whether a company within the meaning of the Act or not) may if it is a Member by resolution of its Board or other governing body authorize such person as it thinks fit to act as its representative at any meeting of the Company in accordance with the provisions of the Act. The production at the meeting of a copy of such resolution duly signed by one Director or such Body Corporate or by a member of its governing body and certified by him as being a true copy of the resolution shall on production at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment.

4. No objection shall be made to the validity of any vote except at the meeting or adjourned meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

5. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting and the Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

The Chairman shall be assisted by a scrutinizer appointed by the Board for this purpose.

Proxy

55. The instrument appointing a proxy and the power-ofattorney or other authority if any under which it is signed or a notarised copy of that power or authority shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll and in default theinstrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

57. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given.

Provided that no intimation in writing of such death insanity revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

58.
 1. Unless otherwise determined by the Company in general meeting the number of directors shall not be less than 3 (three) and shall not be more than 15 (fifteen).
 2. The First Directors of the Company are-
 - (1) Shri Manish Gulati
 - (2) Shri Om Prakash Ajmera
 - (3) Shri Puneet Anand
 3. The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.
 4. The same individual may at the same time be appointed as the Chairperson of the Company as well as the Managing Director and or Chief Executive Officer of the Company.
 5. Director of the Company shall not be required to hold any qualification shares.
59.
 1. The remuneration of the directors shall in so far as it consist of a monthly payment be deemed to accrue from day-to-day.
 2. In addition to the remuneration payable to them in pursuance of the Act the directors may be paid all travelling hotel and other expenses properly incurred by them in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company or in connection with the business of the company.
 3. The fees payable to the Director for attending the meeting of the Board or committee thereof shall be decided by the Board of Directors from time to time within the maximum limits of such fees that may be prescribed under the Act or the Rules.
60. The Board may pay all expenses incurred in getting up and registering the company.
61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
62. All cheques promissory notes drafts hundis bills of exchange and other negotiable instruments and all receipts for monies paid to the company shall be signed drawn accepted endorsed or otherwise executed as the case may be by such person and in such manner as the Board shall from time to time by resolution determine.
63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
64.
 1. Subject to the provisions of section 149 the Board shall have power at any time and from time to time to appoint a person as an additional director provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
 2. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
 3. The Company shall appoint such number of Independent Directors as it may deem fit for a term specified in the resolution appointing him/her in accordance with the provisions of the Act. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors.
 4. The Board may appoint an alternate director to act for a director (hereinafter in this Article called the Original Director) during his absence for a period of not less than three months from India. No

person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.

5. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
6. If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors in default of an other appointment shall apply to the Original Director and not to the alternate director.
7. If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board.
8. The director so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.
9. Any deed for securing loans by the Company from financial corporations may be so arranged to provide for the appointment from time to time by the lending financial corporation of some person or persons to be a director or directors of the Company and may empower such lending financial corporation from time to time to remove and reappoint any Director so appointed. A Director appointed under this Article is herein referred as Nominee Director and the term Nominee Director means any director for time being in office under this Article. The deed aforesaid may contain ancillary provisions as may be arranged between the Company and the lending corporation and all such provisions shall have effect notwithstanding any of the other provisions herein contained.
10. The Board may subject to the provisions of the Act at its discretion appoint a representative of any major shareholder on the Board of the Company from time to time. Such Director may be appointed as a director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.
11. The office of Director shall be vacated pursuant to the provisions of the Companies Act 2013.
12. Subject to the provisions of the Act a Director may at any time resign from his office by giving notice in writing to the Company of his intention so to do and thereupon his office shall be vacated.
13. (i) Not less than two-thirds of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the said Act be appointed by the Company in General Meeting. Explanation- for the purposes of this Article total number of Directors shall not include Independent Directors appointed on the Board of the Company.
- (ii) At the Annual General Meeting of the Company in every year one third of the Directors for the time being liable to retire by rotation and if their number is not three or a multiple of three then the number nearest thereto shall retire from the office. The Directors to retire at such Annual General Meeting shall be the Directors who shall have been longest in office since their last election. As between Directors who became Directors on the same day those to retire shall in default of subject to any agreement between them be determined by lot. For the purpose of this Article a Director appointed to fill a vacancy under the provisions of the Articles shall be deemed to have been in office since the date on which the Director in whose place he she has been appointed was last elected as a Director.
14. At the annual general meeting at which a director retires as aforesaid the Company may fill up the vacancy by appointing the retiring director or some other person thereto.
15. A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.
16. (i) Subject to the provisions of the Act the Board shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do in

furtherance of its objects specified in the Memorandum of Association for which the Company is established except such powers as are required by the Act or the Memorandum or Articles of Association of the Company to be exercised or done by the Company in General Meeting. In exercising any such powers or doing any such acts or things the Board shall be subject to the provisions contained in that behalf in this Act or in the Memorandum or Articles of the Company or in any regulations not inconsistent there with and duly made thereunder including regulations made by the Company in General Meeting.

- (ii) No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which have been valid if that regulation had not been made.
- 17. Subject to the provisions of the Act the Directors may from time to time appoint or re-appoint one or more of their Body to be Managing Director (in which expression shall be included a Joint Managing Director) or whole time Director or whole time Directors of the Company for such term not exceeding five years at a time as they may think fit and may from time to time remove or dismiss him her or them from office and appoint another or others in his her or their places.
- 18. An individual may be appointed or re-appointed as the Chairman of the Company as well as the Managing Director and Chief Executive Officer or Whole Time Director of the Company at same time.
- 19. The Board shall have the power to determine whether the Managing Director whole time Director shall be subject to retirement by rotation or not. If the Managing Director whole time Director is subject to retirement by rotation and is reappointed as Director immediately on retirement by rotation he shall continue to hold office of Managing Director whole time Director and the retirement by rotation and reappointment shall not be deemed to constitute a break in his tenure of appointment as Managing Director whole time Director.
- 20. Subject to the provisions of the Act and to the approval of the Company in general meeting the remuneration of a Managing Director or whole time Director shall from time to time be fixed by the Board by way of fixed salary or commission on profits of the Company or by participation in any such profits or by any or all of those modes.

Proceedings of the Board

- 65. The Board of Directors may meet for the conduct of business adjourn and otherwise regulate its meetings as it thinks fit.
A director may and the manager or secretary on the requisition of a director shall at any time summon a meeting of the Board.
- 66. Save as otherwise expressly provided in the Act questions arising at any meeting of the Board shall be decided by a majority of votes.
In case of an equality of votes the Chairperson of the Board if any shall have a second or casting vote.
- 67. The continuing directors may act notwithstanding any vacancy in the Board but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum or of summoning a general meeting of the company but for no other purpose.
- 68. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the directors present may choose one of their number to be Chairperson of the meeting.
- 69. The Board may subject to the provisions of the Act delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.

70. A committee may elect a Chairperson of its meetings. If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the members present may choose one of their members to be Chairperson of the meeting.
71. A committee may meet and adjourn as it thinks fit.

Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present and in case of an equality of votes the Chairperson shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. 1. Save as otherwise expressly provided in the Act are solution in writing signed by all the members of the Board or of a committee thereof for the time being entitled to receive notice of a meeting of the Board or committee shall be valid and effective as if it had been passed at a meeting of the Board or committee duly convened and held.

2. A minimum number of four meetings of the Directors shall have been held in every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board.

The Directors may meet together for the conduct of business adjourn and otherwise regulate their meeting and proceedings as they think fit and may determine the quorum necessary for the transaction of business.

3. The Chairperson or any one Director with the previous consent of the Chairperson may or the company secretary on the direction of the Chairperson shall at any time summon a meeting of the Board.

4. The quorum for a Board meeting shall be as provided in the Act.

5. The participation of directors in a meeting of the Board may be either in person or through video conferencing or audiovisual means or teleconferencing as may be prescribed by the Rules or permitted under law.

6. If a meeting of the Board could not be held for want of a quorum then the meeting shall automatically stand adjourned to the same day in the next week at the same time and place or if that day is a National Holiday till the next succeeding day which is not a National Holiday at the same time and place.

7. Save as otherwise expressly provided in the Act questions arising at any meeting of the Board shall be decided by a majority of votes.

8. In case of an equality of votes the Chairperson of the Board if any shall have a second or casting vote.

9. The continuing directors may act notwithstanding any vacancy in the Board but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum or of summoning a general meeting of the Company but for no other purpose.

10. The Chairperson of the Company shall be the Chairperson at meetings of the Board.

11. In his absence the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

74. Subject to the provisions of the Act A chief executive officer manager company secretary or chief financial officer may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and any chief executive officer manager company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board A director may be appointed as chief executive officer manager company secretary or chief financial officer.
75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer manager company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as or in place of chief executive officer manager company secretary or chief financial officer.

Dividends and Reserve

76. The company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
77. Subject to the provisions of section 123 the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
78. The Board may before recommending any dividend set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall at the discretion of the Board be applicable for any purpose to which the profits of the company may be properly applied including provision for meeting contingencies or for equalizing dividends and pending such application may at the like discretion either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may from time to time thinks fit.

The Board may also carry forward any profits which it may consider necessary not to divide without setting them aside as a reserve.

79. Subject to the rights of persons if any entitled to shares with special rights as to dividends all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of the shares in the company dividends may be declared and paid according to the amounts of the shares.

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

80. The Board may deduct from any dividend payable to any member all sums of money if any presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
81. Any dividend interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders to the registered address of that one of the joint holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct.

Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

82. Any one of two or more joint holders of a share may give effective receipts for any dividends bonuses or other monies payable in respect of such share.
83. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
84. No dividend shall bear interest against the company.

Accounts

85. 1. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the company or any of them shall be open to the inspection of members not being directors.
2. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.
3. The Board of directors shall lay before each Annual General Meeting a duly authenticated financial statements as per the provisions of the Act along with its report made up in accordance with the provisions of the Article.
4. The Financial Statements shall be signed in accordance with the provisions of the Act. The Directors shall make out and attach to every Balance Sheet laid before the Company in General Meeting a Report of the Board of Directors which shall comply with the requirements of and shall be signed in the manner provided by the Act.
5. The Profit and Loss Account shall be annexed to the Balance Sheet and Auditors Report (including the Auditors separate special or supplementary report if any) shall be attached thereto.
6. Every financial statement laid before the Company in Annual General Meeting shall have attached to it a Report by the Board of Directors in accordance with the provisions of the Act.
7. Every financial statement of the Company when audited and adopted by an Annual General Meeting shall be conclusive.
8. Every financial statement that is required to be laid before the members of the Company shall be audited by one or more auditors to be appointed. The appointment powers rights remuneration and duties of the auditors shall be regulated by the provisions of the Act.

Winding up

86. Subject to the provisions of Chapter XX of the Act and rules made thereunder If the company shall be wound up the liquidator may with the sanction of a special resolution of the company and any other sanction required by the Act divide amongst the members in specie or kind the whole or any part of the assets of the company whether they shall consist of property of the same kind or not.

For the purpose aforesaid the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

The liquidator may with the like sanction vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

87. 1. Subject to the provisions of the Act every director, managing director whole- time director manager company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company to pay all costs losses and expenses (including travelling expense) which such director manager company secretary and Officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director manager company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.
2. Subject as aforesaid every director managing director manager company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

3. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.
4. Subject to the provisions of the Act no Director or other officer of the Company shall be liable for the acts receipts neglects or defaults of any Director or officers or for joining in any receipt or other act of conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title of any property acquired by order of the Directors for or on behalf of the Company or for insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy insolvency or tortuous acts of any person company body corporate or corporation with whom any money securities or effect shall been trusted or deposited or for any other loss or damage or misfortune whatsoever which shall happen in the execution of the duties of his her office or in relation thereto unless the same happens through his her wilful misconduct or neglect or dishonesty.

Other

88. 1. To undertake arrangements including mergers demerged and re organisations as permitted under the law.

2. DEMATERIALISATION OF SECURITIES -

- (a) For the purpose of this Article Beneficial Owner means a person or persons whose name is recorded as such with a depository Depository means a depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act 1996 and Security means such security as maybe specified by SEBI from time to time.
- (b) Notwithstanding anything contained in these Articles the Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act 1996.
- (c) Every person subscribing to shares offered by the Company shall have the option to receive security certificates or to hold the securities with a depository.

Such a person who is the beneficial owner of the securities can at any time opt out of a depository if permitted by the law in respect of any security in the manner provided by the Depositories Act and the Company shall in the manner and within the time prescribed issue to the beneficial owner the required Certificates of Securities.

- (d) If a person opts to hold his security with a depository the Company shall intimate such depository the details of allotments of the security and on receipt of the information the depository shall enter in its record the name of the allottee as the beneficial owner of the security.
- (e) All securities held by a depository shall be dematerialized and be in fungible form.

Nothing contained in Sections 89 of the Act apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

- (1) Notwithstanding anything to the contrary contained in the Actor these Articles a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- (2) Save as otherwise provided in (a) above the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (3) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company.

The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

- (f) Notwithstanding any thing in the Act or these Articles to the contrary where securities are held in a depository the records of the beneficial Ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.
 - (g) Nothing contained in Section 56 of the Act shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository. Notwithstanding anything contrary contained herein it being understood that the restrictions contained on any transfer of Shares in these Articles shall also apply to any transfer of securities in dematerialized form.
 - (h) Notwithstanding anything in the Act or these Articles where securities are dealt with by depository the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
 - (i) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.
 - (j) The Register and Index of beneficial ownership maintained by a depository under the Depositories Act 1996 shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.
3. General power-Wherever in the Act it has been provided that the Company shall have any right privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles then and in that case this Article authorizes and empowers the Company to have such rights privileges or authorities and to carry out such transactions as have been permitted by the Act without there being any specific Article in that behalf herein provided.
 4. Documents and Service of Documents-A document (which expression of this purpose shall be deemed to include and shall include any summon notice requisition to or in the winding up of the Company) may be served or sent by the Company on or to any member in the manner prescribed under the Act.

Every person who by operation of law transfer or by other means whatsoever shall become entitled to any share shall be bound by every document in respect of such shares which previously to his name and address being entered on the register shall have been duly served on or sent to the person from whom he derives his title to share.

5. Reconstruction-On any sale of the undertaking of the Company the Board or liquidator on a winding up may if authorised by a special resolution accept fully paid or partly paid up shares debentures or securities of any other Company whether incorporated in India or not either then existing or to be formed for the purchase in whole or in part of the property of the Company.

The liquidator (in winding up) may distribute such shares or securities or any other property of the Company amongst the contributories without realisation or vest the same in trustees for them and may if authorised by Special Resolution provide for the distribution or appropriation of the Cash shares or other-securities benefits or property otherwise than in accordance with the strict legal rights of the contribution of the Company and for the valuation of any of such securities or property at such price and in such manner as the meeting may approve and the contributories shall be bound to accept and shall be bound by any valuation or distribution so authorised and waive all rights in relation thereto save such statutory rights (if any) under the Act as are incapable of being varied or excluded by these Articles.

Subscriber Details						
S. No.	Name, Address, Description and Occupation	DIN/PAN/ Passport Number	Place	DSC	Dated	
1.	OM PRAKASH AJMERA B-6, Sector-14, Noida Gautam Buddha Nagar, Uttar Pradesh-201301, NA India Occupation : Service	0*3*2*3*	Noida	OM PRAKASH AJMERA Digitally signed by OM PRAKASH AJMERA Date: 2024.06.03 18:11:42 +05'30'	03/06/2024	
2.	MANISH GULATI 461, Neelkanth Apartments, Sector-13 Rohini, Sector- 5, North West Delhi Delhi-110085 Occupation : Service	0*6*7*1*	Noida	MANISH GULATI Digitally signed by MANISH GULATI Date: 2024.06.03 18:13:02 +05'30'	03/06/2024	
3.	PUNEET ANAND E-120, 2nd Floor, Greater Kailash Part-II South Delhi, New Delhi-110048, India Occupation : Service	0*5*5*8*	Noida	PUNEET ANAND Digitally signed by PUNEET ANAND Date: 2024.06.03 18:10:27 +05'30'	03/06/2024	
4.	HEG LIMITED Authorised Person- Ravi Jhunjhunwala Mandideep Near Bhopal, District- Raizen Madhya Pradesh-462046, NA India Occupation- Industrialist	0*0*0*7*	Noida	RAVI JHUNJHU NWALA Digitally signed by RAVI JHUNJHU NWALA Date: 2024.06.03 18:14:27 +05'30'	03/06/2024	
5.	RISHABH JHUNJHUNWALA 63, Friends Colony East, New Delhi Delhi-110065, NA India Occupation : Industrialist	0*1*4*5*	Noida	RISHABH JHUNJHU NWALA Digitally signed by RISHABH JHUNJHU NWALA Date: 2024.06.03 18:15:36 +05'30'	03/06/2024	
6.	RIJU JHUNJHUNWALA 63, Friends Colony East, New Delhi Delhi-110065, NA India Occupation : Industrialist	0*0*1*6*	Noida	RIJU JHUNJHU NWALA Digitally signed by RIJU JHUNJHU NWALA Date: 2024.06.03 18:16:53 +05'30'	03/06/2024	
7.	JYOTI GUPTA 1A-106, Wellington Estate, D L F Phase-5 Gurgaon, Haryana-122009, NA India Occupation : Service	0*2*2*3*	Noida	JYOTI GUPTA Digitally signed by JYOTI GUPTA Date: 2024.06.03 18:08:41 +05'30'	03/06/2024	
Signed before Me						
Name Prefix (ACA/FCA/ ACS/FCS/ ACMA/FCMA)	Name	Address, Description and Occupation	DIN/PAN/ Passport Number / Membership Number	Place	DSC	Dated
FCA	RABINDRA KUMAR SARAWGEE	32A, Chittaranjan Avenue Trust House, 2nd Floor Kolkata-700012 (Professional)	0*7*5*	Kolkata	RABINDRA KUMAR SARAWGEE Digitally signed by RABINDRA KUMAR SARAWGEE Date: 2024.06.03 18:26:13 +05'30'	03/06/2024



NATIONAL COMPANY LAW TRIBUNAL
INDORE BENCH
COURT NO. 1

ITEM No.201
CP(CAA)/3(MP)2026
in
CA(CAA)/1(MP)2026

Order under Section 230-232

IN THE MATTER OF:

HEG Ltd (Demerged Company)

HEG Graphite Ltd (Resulting Company)

Bhilwara Energy Ltd (Transferor Company)

.....Applicant

Coram:

Hon'ble Shri Brajendra Mani Tripathi, Member (J)

Hon'ble Shri Man Mohan Gupta Member (T)

PRONOUNCEMENT OF ORDER
Delivered on 13/08/2026

The case is fixed for pronouncement of the order.

The order is pronounced in open Court *vide* separate sheet.

Sd/-

MAN MOHAN GUPTA
MEMBER (TECHNICAL)

Tomar

Sd/-

BRAJENDRA MANI TRIPATHI
MEMBER (JUDICIAL)





IN THE NATIONAL COMPANY LAW TRIBUNAL

INDORE BENCH,

CP(CAA)/3/MP/2026

IN

CA(CAA)/1/MP/2026

[Company Petition under Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

RULE 15(1) OF THE COMPANIES (COMPROMISES,
ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016;

AND

IN THE MATTER OF COMPOSITE SCHEME OF
ARRANGEMENT

AMONGST

HEG LIMITED

AND

HEG GRAPHITE LIMITED

AND

BHILWARA ENERGY LIMITED

AND

Page 2 of 74





THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

HEG Limited (CIN: L23109MP1972PLC008290) a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Mandideep Near Bhopal, District Raisen, Madhya Pradesh - 462 046, India	...First Petitioner Company / Demerged Company / Transferee Company
HEG Graphite Limited (CIN: U23994MP2024PLC071568) a company incorporated under the provisions of the Companies Act, 2013 having its registered office at C/o HEG Limited, NH - 12, Dist. Raisen, Near Bhopal, Mandideep, Bhopal Huzur, Madhya Pradesh - 462 046, India	...Second Petitioner Company / Resulting Company
Bhilwara Energy Limited (CIN: U35100MP2006PLC071693) a company incorporated under the Companies Act, 1956, having its registered office at C/o HEG Limited, NH-12, Dist. Raisen, Near Bhopal, Mandideep, Bhopal -	...Third Petitioner Company/ Transferor Company





462046, Huzur, Madhya Pradesh,
India

CORAM:

Hon'ble Shri Brajendra Mani Tripathi, Member (J)

Hon'ble Shri Man Mohan Gupta Member (T)

APPEARANCE:

For the Applicant : Mr. Ravi Pahwa a.w.

Mr. Mehul Shah (Advs.)

For the RD Office : Mr. Shivpal Singh (Deputy Director)

ORDER

Delivered on 13.08.2026

1. This is a second motion petition regarding Composite Scheme of Arrangement amongst HEG limited (hereinafter referred to as "**First Petitioner Company**" or "**Demerged Company**" or "**Transferee Company**") and HEG Graphite Limited (hereinafter referred to as "**Second Petitioner Company**" or "**Resulting Company**") and Bhilwara Energy Limited (hereinafter referred to as "**Third Petitioner Company**" or "**Transferor Company**") (hereinafter collectively referred to as "**Petitioner Companies**") and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") read with the Companies





(Compromises, Arrangements and Amalgamations) Rules, 2016, seeking sanction of the Composite Scheme of Arrangement (hereinafter referred to as the '**Scheme**'), jointly filed by the Petitioner Companies, seeking sanction of the Scheme.

2. It is stated that the Petitioner Companies are situated in the State of Madhya Pradesh. Hence, the Petitioner Companies are under the jurisdiction of the National Company Law Tribunal Bench at Indore.
3. The rationale of the proposed Scheme, as set out in the Petition, is *inter alia* stated to be as under:

RATIONALE

1. *Over the course of time, core businesses of the demerged Company viz. manufacturing graphite electrodes (including other carbon products) and generation of thermal and hydel power have acquired critical mass. Each of the said businesses required flexibility and independence to grow faster in the fast-changing technology and innovation driven environment.*
2. *Each of the core businesses mentioned above has a differentiated strategy, different industry specific risks and operate inter alia under different market dynamics and growth trajectory. The nature and competition involved in each of the businesses is distinct from others and consequently each business or undertaking is capable of attracting a different set of investors, strategic*





partners, lenders and other stakeholders. Further, it is important to create a structure which is amenable for future growth keeping in view different growth trajectory for each business segment.

3. In view thereof, it is proposed to segregate the core businesses of the Demerged Company pursuant to the Scheme. The said segregation, is expected, inter alia, to result in following benefits:

- (a) unlocking the value of each of the businesses for the shareholders of the Demerged Company, attracting different sets of investors, strategic partners, lenders and other stakeholders having a specific interest in the respective businesses and providing better flexibility in accessing capital;
- (b) segregating different businesses having different risk and return profiles, and providing investors with better flexibility to select investments which best suit their investment strategies and risk profile;
- (c) enabling focused growth strategy for each of the businesses for opportunities specific to each business;
- (d) creating greater visibility on performance of each of the businesses;
- (e) providing a separate growth path and focussed management for each of the businesses;
- (f) enhancing operational efficiency; and





*(g) pursuing growth in the respective business verticals
with focused management approach and de-risking
the businesses from each other.*

4. The Transferee Company is desirous of consolidating the assets and liabilities of the Transferor Company pursuant to amalgamation. Consolidating the assets and liabilities of the Transferor Company and the Transferee Company would streamline the corporate structure by consolidating multiple entities and enable efficiency in operations and processes through reduction in legal and regulatory compliances and related administrative costs.
5. The amalgamation will also result in the following benefits:
- (a) establishing independent brand identity of future oriented and new age business;
 - (b) combining resources, creating synergies, optimally utilising resources and greater economies of scale and deriving operating efficiencies from adoption of existing technology-enabled processes of the Transferor Company; and
 - (c) eliminating multiple entities, legal and regulatory compliances and reduction of administrative costs.

The Scheme is in the interests of all stakeholders of each of the Demerged / Transferee Company, the Transferor Company and the Resulting Company.





6. The Petitioner Companies had earlier filed a joint application bearing **CA(CAA) No. 01/MP/2026** ('First Motion Application') before this Tribunal. By order dated **26th March, 2026**, This Tribunal had allowed the said application and (i) directed to hold the meetings of the equity shareholders, secured creditors and unsecured creditors of the First Petitioner Company; (ii) dispensed with the meetings of the preference shareholders of the Petitioner Companies since there are no preference shareholders in the Petitioner Companies; (iii) dispensed with the convening and holding of the meetings of the equity shareholders of the Second Petitioner Company basis the consent affidavit received from the equity shareholders of the Second Petitioner Company; (iv) dispensed with the meetings of preference shareholders, secured creditors and unsecured creditors of the Second Petitioner Company since the Second Petitioner Company does not have any preference shareholders, secured creditors and unsecured creditors; (v) directed to hold meeting of the equity shareholders of the Third Petitioner Company; (vi) dispensed with the meetings of the preference shareholders and secured creditors of the Third Petitioner Company since the Third Petitioner Company does not have any preference shareholders and secured creditors; and (vi) dispensed with the meeting of Unsecured Creditors of the Third Petitioner Company in view of the consent affidavit received from the Unsecured Creditors of the Third Petitioner Company.





7. The First Petitioner Company in compliance thereof with the directions of order dated 26th March 2026 and has duly convened the meetings of the equity shareholders, secured creditors and unsecured creditors of the First Petitioner Company. The Chairman's Reports regarding the said meetings of the equity shareholders, secured creditors and unsecured creditors of the First Petitioner Company have been filed and placed on record as **Annexure P (COLLY)**.
8. The present Company Petition (second motion) was filed on 12th May, 2026 and the same was admitted by this Tribunal by order dated 14th May, 2026. The First Petitioner Company is in compliance thereof with the directions of the order dated 26th March, 2026, and has duly convened meetings of the equity shareholders, secured creditors and unsecured creditors of the First Petitioner Company. The Chairman's Reports regarding the said meetings of the equity shareholders, secured creditors and unsecured creditors of the First Petitioner Company and Chairman's Reports regarding the meetings of the equity shareholders of the Third Petitioner Company have been filed on record.
9. The Petitioner Companies have filed the affidavit of service with this Tribunals, providing service of the Form CAA-3 notices, together with annexures, upon the statutory authorities under Section 230(3) read with Rule 6 and Section 232(2) of the Companies Act, 2013.





10. The particulars of incorporation, registered office and share capital of the Petitioner Companies, as set out in the Petition, are as under:

- a. **First Petitioner Company / Demerged Company / Transferee Company** – (CIN: L23109MP1972PLC008290) was incorporated on October 27th, 1972, under the provisions of the Companies Act, 1956, having its registered office at Mandideep Near Bhopal, Dist. Raisen, Madhya Pradesh - 462 046, India. Its authorised share capital is Rs. 70,00,00,000/- (divided into 27,50,00,000 equity shares of Rs 2/- each and 15,00,000 preference shares of Rs 100/- each, and its issued, subscribed and paid-up share capital is Rs. 38,59,58,810/- (divided into 19,29,77,530 equity shares of Rs. 2/- each and 1,150 forfeited equity shares aggregating to 3,750/-).
- b. **Second Petitioner Company / Resulting Company** – (CIN: U23994MP2024PLC071568) was incorporated on June 4, 2024, under the provisions of the Companies Act, 2013, having its registered office at C/o HEG Limited, NH-12, Dist. Raisen, Near Bhopal, Mandideep, Bhopal, Huzur, Madhya Pradesh - 462 046, India. Its authorised share capital is Rs. 1,00,000/- (divided into 50,000 equity shares of Rs. 2/- each) and its issued, subscribed and paid-up share capital is Rs. 1,00,000/- (divided into 50,000 equity shares of Rs. 2/- each).





c. **Third Petitioner Company / Transferor Company –**

(CIN: U35100MP2006PLC71693) was incorporated on July 13th, 2006, under the provisions of the Companies Act, 1956, having its registered office at C/o HEG Limited, NH-12, Dist. Raisen, Near Bhopal, Mandideep, Bhopal, Huzur, Madhya Pradesh - 462 046, India. Its authorised share capital is Rs. 2,40,00,00,000/- (divided into 24,00,00,000 equity shares of Rs. 10/- each) and its issued, subscribed and paid-up share capital is Rs. 1,78,07,65,613/- (divided into 16,57,59,411 equity shares of Rs. 10/- each and 3,51,91,858 equity shares of Rs. 10/- each (Rs. 3.5 paid up)).

11. The Scheme is annexed as **Annexure I [Page 665-704]** to the Petition. The Board Resolutions of the Petitioner Companies approving the Scheme, each dated 10th March, 2025, are annexed as **Annexure G Colly [Page 643-653]** of the Petition.
12. The certificate issued by the Statutory Auditor of (i) the First Petitioner Company and Second Petitioner Company, M/s SCV & Co., LLP Chartered Accountants, dated 10th March, 2025; and (ii) the Third Petitioner Company, M/s. Doogar & Associates, Chartered Accountants dated 10th March, 2025, certifying that the accounting treatment contained in the





Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, in compliance with the proviso to Section 230(7) of the Act, have been placed on record and annexed as **Annexure H [Page 654-666]** of the Petition,

13. The Share Exchange Ratio has been determined by the Registered Valuer, PwC Business Consulting Services LLP, an IBBI Registered Valuer, Registration No. IBBI/RV/02/2021/14036, vide Valuation Report dated 10th March, 2025 (**Annexure J**), in conformity with the ICAI Valuation Standards. Based on the value per share arrived at therein, Share Exchange Ratio is as under:

- (a) 1 (One) fully paid-up equity share of INR 2 (Indian Rupees Two only) each of the Resulting Company (**"Resulting Company New Equity Shares"**), credited as fully paid up, for every 1 (One) equity share of INR 2 (Indian Rupees Two only) each of the Demerged Company; and
- (b) 8 (Eight) fully paid up equity shares of INR 2 (Indian Rupees Two only) each of the Transferee Company (**"Transferee Company New Equity Shares"**), credited as fully paid up, for every 7 (Seven) equity shares of INR 10 (Indian Rupees Ten only) each of the Transferor Company.





(c) The said valuation has been carried out by the Registered Valuer, PwC Business Consulting Services LLP, vide Valuation Report dated 10th March, 2025 (Annexure J), and is supported by the Fairness Opinion of ICICI Securities Limited, Merchant Banker (Annexure K). The value per equity share as concluded therein, and the resultant Share Exchange Ratio for each limb of the Scheme, are summarised as under:

Particulars	Demerger of the Graphite Business (into the Resulting Company)	Amalgamation of the Transferor Company (into the Transferee Company)
Value per equity share as concluded by the Registered Valuer	Graphite Business (Demerged Undertaking): Rs. 393.4	Transferor Company (BEL): Rs. 141.8; Transferee Company (HEG, post-demerger): Rs. 124.0
Share Exchange Ratio	1: 1 — one (1) equity share of Rs. 2 each of the Resulting Company, credited as fully paid up, for every one (1) equity share of Rs. 2 each of the Demerged Company (on a mirror basis)	8: 7 — eight (8) equity shares of Rs. 2 each of the Transferee Company, credited as fully paid up, for every seven (7) equity shares of Rs. 10 each of the Transferor Company





14. As per the Scheme, the 'Appointed Date' means opening business hours of 1 April, 2024, or such other date as may be mutually agreed by the respective Board of the Parties **(as defined in the Scheme)*.
15. As per Clause 19 of the Scheme, upon the Scheme becoming effective, the authorised share capital of the Transferor Company will be combined with the authorised share capital of the Transferee Company, pursuant to Section 232(3) of the Act read with Sections 13 and 61 of the Act, whereupon the authorised share capital of the Transferee Company shall stand increased accordingly.
16. The financial position of the First Petitioner Company (HEG Limited) and the Third Petitioner Company (Bhilwara Energy Limited), before and after the amalgamation, as placed on record by the Petitioner Companies (as on 30th September, 2025), is set out below (amounts in INR Crore):

Particulars	HEG Limited — Before Scheme	Bhilwara Energy Ltd (amalgamated into HEG)	HEG Limited — After Scheme
Total Assets	5,594.20	769.71	1,727.48
Total Liabilities,	5,594.20	769.71	1,727.48





out of which:			
Equity Share Capital	38.60	169.28	58.72
Other Equity	4,287.83	569.80	1,576.10
Net Worth	4,274.76	739.08	1,092.38
Revenue from Operations	1,309.63	—	1,104.69

The reduction in the overall size of the First Petitioner Company after the Scheme is on account of the simultaneous demerger of its Graphite Business into the Second Petitioner Company, even as the undertaking of the Third Petitioner Company stands amalgamated into it; the post-Scheme position therefore reflects the First Petitioner Company as (its existing business less the demerged Graphite Business, plus the amalgamated undertaking of the Third Petitioner Company).

Net Worth has been computed in terms of Regulation 2(1)(s) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 2(57) of the Companies Act, 2013, and accordingly excludes reserves created out of revaluation of assets, write-back of depreciation and amalgamation; it therefore differs from the aggregate of the Equity Share Capital and Other Equity.





17. The financial position of the Second Petitioner Company (HEG Graphite Limited), the Resulting Company, before and after the Scheme, as placed on record (as on 30 September, 2025), is set out below (amounts in INR Crore):

Particulars	Pre-Scheme	Post-Scheme
Total Assets	0.02	4,329.30
Total Liabilities, out of which:	0.02	4,329.30
Equity Share Capital	0.01	38.60
Other Equity	(0.03)	3,084.94
Net worth	(0.02)	3810.32
Revenue from Operations	Nil	1,309.63

The Second Petitioner Company, having been incorporated on 04 June, 2024 as a wholly-owned subsidiary of the First Petitioner Company with a capital of Rs. 1,00,000 for the purpose of receiving the demerged Graphite Business, had no material operations prior to the Scheme; its post-Scheme position reflects the vesting of the Graphite Business into it.

The pre-Scheme and post-Scheme shareholding pattern of the Petitioner Companies, as placed on record (Annexure E to the Explanatory Statement, as on 27 March, 2026), is set out below:





Particulars	Pre-Scheme (No. of shares / %)	Post-Scheme (No. of shares / %)
HEG Limited (Demerged / Transferee Company)		
Promoter / Promoter Group	10,86,08,870 (56.28%)	20,02,68,014 (60.72%)
Public	8,43,68,660 (43.72%)	12,95,30,898 (39.28%)
Total	19,29,77,530 (100%)	32,97,98,912 (100%)
HEG Graphite Limited (Resulting Company)		
Promoter / Promoter Group	50,000 (100%)	10,86,08,870 (56.28%)
Public	Nil	8,43,68,660 (43.72%)
Total	50,000 (100%)	19,29,77,530 (100%)
Bhilwara Energy Limited (Transferor Company)		
Promoter / Promoter Group	16,14,34,311 (80.34%)	—
Public	3,95,16,958 (19.66%)	—
Total	20,09,51,269 (100%)	—

The Transferor Company stands dissolved without winding up upon the Scheme taking effect, and accordingly no post-Scheme shareholding arises in its case. Consequent upon the amalgamation, the shareholding of the Promoter / Promoter Group of the First Petitioner Company stands increased from 56.28% to 60.72%, with a corresponding decrease in the public shareholding, the public





shareholders having approved the Scheme by the requisite majority.

18. In pursuance of the directions in the order dated 26th March, 2026 and the service effected as aforesaid, notices were duly served upon the Statutory Authorities, viz. (i) the Regional Director, North-Western Region, Ahmedabad; (ii) the Registrar of Companies, Gwalior; (iii) the Official Liquidator; (iv) the concerned Income Tax Authorities having jurisdiction over the Petitioner Companies; (v) Principal Commissioner of Income Tax; and (vi) BSE Limited and National Stock Exchange of India Limited.
19. In response to the notice, the Regional Director, North-Western Region, Ahmedabad, has filed a Representation dated 22nd June, 2026 (signed by RK Dalmia, Regional Director, Northwest Region), which incorporates the report of the jurisdictional Registrar of Companies submitted vide letter dated 22nd May, 2026.
20. The Petitioner Companies have filed a reply affidavit (Affidavit of Rejoinder) to the Representation of the Official Liquidator dated 3rd June, 2026, sworn by Mr. Ravi Kant Tripathi, the authorised representative of the First Petitioner Company and Puneet Anand, the authorised representative of the Second Petitioner Company and Ravi Gupta, authorised representative of the Third Petitioner Company verified on 22nd June, 2026 at





Uttar Pradesh. The observations made by the Official Liquidator and the responses/ clarifications given by the Petitioner Companies are reproduced in the table below:

Sr. No.	Observations in the OL Report filed by the Official Liquidator	Response of the Petitioner Companies
i.	That Chartered Accountant in his report submitted that the Transferor Company has Deferred tax liability Rs.(1973.03) lakhs in FY 2022-23 which subsequently reduces to Rs. (69.39) lakhs in FY 2023-24. Moreover, the profit of the Company was Rs.7444.64 lakhs in FY 2022-23 and consequently raised to Rs.9312.84 Lakhs in FY 2023-24. In this regard, upon a perusal of the financial statements and affairs of the Company, it appears	As far as the observation made in Paragraph 12 of the OL Report is concerned, the Petitioner Companies respectfully acknowledge the representation of the Official Liquidator and submit that the figure of Rs. 1,973.03 lakhs for FY 2022-23 represents a Net Deferred Tax Asset and not a Deferred Tax Liability, as erroneously mentioned in the report. The said deferred tax asset





that the Deferred Tax may represent an adjustment relating to tax liabilities, the nature and correctness of which require further examination. The circumstances, prima facie, warrant verification by the Income Tax Authorities to ascertain whether there has been any irregularity, including possible tax evasion or improper tax treatment. Accordingly, it is respectfully submitted that the Hon'ble Tribunal may consider directing the concerned Income Tax Department to examine the matter and furnish its findings/clarifications

primarily arose on account of carried forward unabsorbed depreciation and business losses along with other timing differences, in accordance with applicable Accounting Standards under Section 133 of the Companies Act, 2013.

The Petitioner Companies further submit that the Net Deferred Tax Asset has increased by Rs. 69.39 lakhs during FY 2023-24, resulting in a closing Net Deferred Tax Asset balance of Rs. 2,042.42 lakhs as on 31-03-2024, as reflected in the audited financial statements. The movement is solely





or such orders and directions as it may deem fit and proper by this Hon'ble Tribunal in the facts and circumstances of the case.

attributable to normal timing differences, utilisation and reassessment of deferred tax items. Reference is drawn to Note no. 9 and 23 of the audited financial statements of the company, relevant extracts of which is enclosed herewith and marked as Annexure - 1. The above said figures are duly certified by the Statutory Auditors and do not indicate any irregularity and they represent appropriate accounting treatment in accordance with applicable standards. Further, the financial statements are duly audited, and the Transferor Company has been regular in





		<i>filing its Income Tax Returns and there are no outstanding demands or disputed dues.</i>
ii.	<i>That as per share exchange ratio, 8 fully paid equity shares of Rs.2 each of the Transferee Company, credited as fully paid up for every 7 equity shares of Rs.10 each of the Transferor Company. Upon examination of the financial position of the Transferor Company, it is observed that the Company possesses substantial investments amounting to Rs. 24,431 lakhs as reflected in its Financial Statements</i>	<i>As far as the observation made in Paragraph 13 of the OL Report is concerned, the Petitioner Companies respectfully submit that exchange ratio for the amalgamation of the Transferor Company with the Transferee Company is 8 fully paid equity shares of Rs. 2 each of the Transferee Company, credited as fully paid up for every 7 equity shares of Rs.10 each of the Transferor Company.</i>





for FY 2023-24 and is also a profit-making entity. In view of the aforesaid facts, the basis, methodology, and fairness of the share exchange ratio proposed under the Scheme require further verification and scrutiny. Accordingly, it is considered appropriate that the Transferor Company and the Transferee Company be directed to place on record the detailed valuation report, workings, assumptions, and calculations forming the reasonable basis for justification of the share exchange ratio placed before this Hon'ble Tribunal about the fairness and reasonableness of the

The detailed valuation report dated 10th March, 2025 along with workings, assumptions and calculations forming the basis of the share exchange ratio has been prepared by PwC Business Consulting Services LLP, an IBBI Registered Valuer. Copy of the valuation report is enclosed herewith and marked as Annexure – 2.

It is further submitted by the Petitioner Companies that the valuation has been carried out in accordance with applicable law and established valuation principles, and the share exchange ratio is





	<i>proposed exchange ratio and to safeguard the interests of all stakeholders.</i>	<i>fair and reasonable, adequately safeguarding the interests of all stakeholders. Further, a fairness opinion issued by ICICI Securities Limited, Merchant Banker, supporting the share entitlement/exchange ratio, is enclosed hereto and marked as <u>Annexure – 3</u>.</i>
iii.	<i>That the Transferee Company is a listed company and therefore, is required to comply with all applicable provisions, regulations, circulars, guidelines, and directions issued by the Securities and Exchange Board of India (SEBI), the concerned Stock Exchange(s), and other</i>	<i>As far as the observation made in Paragraph 14 of the OL Report is concerned, the Petitioner Companies respectfully submit that the Transferee Company, i.e., HEG Limited, being a listed entity, has obtained the requisite observation letters</i>





regulatory authorities in relation to the proposed Scheme. In this regard, Hon'ble Tribunal be pleased to direct the Transferee Company to ensure compliance with all statutory and regulatory requirements, including obtaining such approvals, permissions, no-objection certificates, confirmations, and filings as may be required under the applicable SEBI Regulations and Stock Exchange requirements, and to place the same on record before the Hon'ble Tribunal, if so required	from BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). In this regard, a copy of observation letters from BSE dated 8th January 2026 and NSE dated 9th January 2026, which was filed along with the Application before the Hon'ble Tribunal, is reproduced and enclosed herewith and marked as <u>Annexure – 4</u> colly respectively. The Transferee Company further undertakes to comply with any additional directions that may be issued by SEBI or the Stock Exchanges, with
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		respect to any other statutory compliances.
iv.	That, the Hon'ble National Company Law Tribunal may be pleased to direct the Transferee Company to preserve the books of accounts, papers and other records of Transferor Company and shall not be disposed off without prior permission of Central Government as per the provisions of section 239 of the Companies Act, 2013	As far as the observation made in Paragraph 15 of the OL Report is concerned, the Petitioner Companies respectfully submit that the Transferee Company undertakes to preserve the books of account, papers, and other records of the Transferor Company in accordance with Section 239 of the Companies Act, 2013, and shall not dispose of the same without prior permission of the Central Government, as required under law.
v.	That, the Hon'ble National Company Law	As far as the observation made in Paragraph 16 of the OL





Tribunal may be pleased to direct the Transferee Company to comply the requirements of Accounting Standards under section 133 of the Companies Act, 2013.

Report is concerned, the Petitioner Companies respectfully submit that the companies involved in the Scheme have already obtained necessary certificates from the Statutory Auditors of the respective companies (as applicable) confirming that the accounting treatment provided in the Scheme is in conformity with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013. The said certificates were filed along with the Company Application before the Hon'ble Tribunal and the same is reproduced and enclosed herewith





		and marked as <u>Annexures – 5 Colly.</u> The Transferee Company further undertakes to ensure compliance with the requirements of the applicable Accounting Standards under Section 133 of the Companies Act, 2013, while giving effect to the Scheme.
vi.	That, the Hon'ble National Company Law Tribunal may be pleased to direct the Transferee company to ensure statutory compliance of all applicable laws and also on sanctioning of the present scheme, the Transferor company shall not be absolved from any of its statutory	As far as the observation made in Paragraph 17 of the OL Report is concerned, the Transferee Company undertakes to ensure compliance with all applicable laws while implementing the Scheme, as may be sanctioned by this Hon'ble Tribunal. It is





	<i>liability in any manner.</i>	<i>further submitted that upon the Scheme becoming effective, all statutory liabilities, duties, and obligations of the Transferor Company shall stand transferred to and be vested in the Transferee Company. However, it is clarified that sanction of the Scheme shall not, in any manner, absolve the Transferor Company from any of their past statutory liabilities, and the Transferee Company shall be liable for the same in accordance with law.</i>
vii.	<i>That, the Official Liquidator most respectfully submits that the related office expenses of the office of</i>	<i>As far as the observation made in Paragraph 18 of the OL Report is concerned, the Petitioner</i>





the Official Liquidator for submitting this report is Rs. 10,000/- approximately. Therefore, this Hon'ble Tribunal may be pleased to direct the Transferee Company to pay such cost to the office of the Official Liquidator by way of Demand Draft in favour of "Pay & Accounts Officer, Ministry of Corporate Affairs" payable at Mumbai or any other amount as may be considered appropriate by this Hon'ble Tribunal.	Companies respectfully submits that the Transferee Company has paid the costs of the Office of the Official Liquidator amounting to Rs. 10,000/- as directed, through Demand Draft in favour of "Pay & Accounts Officer, Ministry of Corporate Affairs", payable at Mumbai. A copy of the Demand Draft which has been filed with Official Liquidator is enclosed herewith and marked as <u>Annexure - 6</u>.
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21. The Petitioner Companies have filed a reply affidavit (Affidavit of Rejoinder) to the Representation of the Regional Director dated 29th June, 2026, sworn by Mr. Ravi Kant Tripathi, the authorised representative of the First Petitioner Company and Puneet Anand, the authorised representative of the Second Petitioner Company and Ravi Gupta, authorised representative of the Third Petitioner





Company verified on June 29th, 2026 at Uttar Pradesh. The observations made by the Regional Director and the response / clarifications given by the Petitioner Companies are reproduced in the table below as under:

Sr. No.	Observations	Responses
8. (i)	That, the Registrar of Companies, MP, Gwalior has reported that there are no complaints, Inquiry, inspection, Investigation and prosecution are pending against the Petitioner Companies. A copy of ROC report dated 22.05.2026 is enclosed herewith and marked as Annexure-A to representation.	As far as the observations in Paragraph 8(i) of the RD Report are concerned, the Petitioner Companies state that the same are factual observations and does not require a reply. As far as the observations in Paragraph 31 of the Report issued by the Registrar of Companies, Gwalior are concerned, the Petitioner Companies state that, in terms of Clause 19 of the Scheme, the authorised share capital of the Transferor Company will be





	31. Observation, if any:- As per the Scheme, the Transferee Company may kindly be directed to comply with the provisions of Section 230-232 of the Companies Act, 2013 in regard to the fees payable on its revised authorised share capital, if any.	combined with the authorised share capital the Transferee Company in the manner provided in the Scheme and the Transferee Company will comply with provisions of Section 232(3)(i) of the Act to the extent applicable.
9. (i)	The Appointed Date / Transfer Date is 01-04-2024 as per para 1.1 of the Scheme, however, company	The Appointed Date as mentioned in the Scheme is 01 April 2024. The Board of Directors of HEG Limited (First Petitioner Company) approved the Scheme on





application was filed on 24-01-2026 after one year from Appointed Date. As per para 6 (c) of MCA Circular no. 09/2019 dt 21-08-2019 have stated that "if the 'appointed date' is significantly ante-dated beyond a year from the date of filing, the justification for the same would have to be specifically brought out in the scheme and it should not be against public interest". On examination of the scheme, It appears that no justification has mentioned in the scheme about

May 22, 2024, however, in view of the observations of SEBI as communicated to the Company by BSE Limited, the Board of the First Petitioner Company, at its meeting, held on March 10, 2025 had considered and approved the modified draft Scheme.

As a listed company, HEG Limited was required, under applicable SEBI regulations and circulars, to obtain no-objection letters from BSE Limited and National Stock Exchange of India Limited (collectively "Stock Exchanges") prior to approaching this Hon'ble Tribunal. The Scheme was accordingly submitted to the Stock Exchanges; however, no-objection letters were received from BSE Limited on 08 January 2026 and





gap of more than one year in filing of application and appointed date.

The Hon'ble NCLT may therefore be pleased to direct the petitioner companies to clarify the same and place on record all the relevant facts of the matter.

National Stock Exchange of India Limited on 09 January 2026. The company application was filed immediately upon receipt of the said letters. The intervening period between the Appointed Date and the date of filing is therefore entirely attributable to the time consumed in obtaining the requisite regulatory approvals, which was beyond the control of the Petitioner Companies.

It is submitted that the Appointed Date of 01 April 2024, as stipulated in the Scheme, is not against public interest in any manner. In terms of Section 232(6) of the Companies Act, 2013, read with MCA General Circular No. 09/2019 dated 21 August 2019, an Appointed Date may validly precede the





date of filing of the application before this Hon'ble Tribunal. The Circular does not prohibit a scheme of amalgamation or demerger where the Appointed Date is ante-dated beyond one year; it merely requires that adequate justification for such Appointed Date be set out in the Scheme and that it not be against public interest. The Circular neither renders such a scheme non-maintainable nor prohibits its sanction on this ground.

In the present case, as set out above, the delay in filing the application was solely on account of the time taken to obtain no-objection letters from the Stock Exchanges, which was entirely beyond the control of the Petitioner Companies.





		<i>Reliance is placed on the order of the Hon'ble NCLT, Ahmedabad Special Bench in Mahalaxmi Rubtech Limited, C.P.(CAA) No. 57(AHM) of 2023 in C.A.(CAA) No. 47(AHM) of 2023, dated 04 March 2024, wherein the Tribunal considered and accepted a justification furnished in respect of a similar issue and sanctioned the scheme. The present case is squarely covered by the said precedent, and this Hon'ble Tribunal may similarly be pleased to accept the justification furnished and sanction the Scheme.</i>
9.(ii)	<i>It is submitted that Appointed Date is 01.04.2024 as per para 1.1 of the Scheme, however, the Resulting Company HEG</i>	<i>Section 232(6) of the Companies Act 2013 read with Ministry of Corporate Affairs General Circular No. 09/2019 dated 21 August 2019 provides companies with the flexibility to fix an</i>





Graphite Limited incorporated on 04.06.2024 after appointed date. The Hon'ble NCLT may therefore be pleased to direct the petitioner companies to clarify that how they will give effect as on 01.04.2024 as per law as Resulting Company was not existing as on appointed date and place on record all the relevant facts of the matter.

Appointed Date. Such date may be prospective or retrospective based on commercial, accounting, and taxation considerations. The Appointed Date is distinct from the Effective Date, as the Scheme becomes effective prospectively only upon the completion of all conditions precedent agreed by the parties in the sanctioned Scheme.

It is further submitted that the Appointed Date is used to reflect the date on which the assets and liabilities of the existing company are to be identified for the purposes of transfer to the Second Petitioner Company and the fact that the Appointed Date is falling prior to the incorporation of the Second Petitioner Company is not material





because the transfer takes place only on the Effective Date of the Scheme and the Second Petitioner Company must be in existence on the Effective Date. In other words, there is no statutory bar under the Act requiring the Second Petitioner Company to be in existence on the Appointed Date.

Under the present case, the Appointed Date of 1 April 2024 has been fixed by the board of directors of the respective companies to align with the commencement of the financial year, ensuring administrative convenience in accounting, taxation and valuation and to provide a clean cut-off date for transfer of the Demerged Undertaking. The Stock Exchanges i.e. BSE Limited and the National Stock





Exchange of India Limited has considered the said Scheme (including the Appointed Date) and provided its NOC to the Scheme. Further, the requisite majority of shareholders and creditors (as applicable) of the respective companies have also approved the Scheme.

Having said the above, such selection of Appointed Date is a recognised and accepted market practice and consistent with judicial precedents.

In this regard, reliance is placed on Delhi High Court judgement in the case of HCL Ltd., Re (1994) 80 Com Cases 228 (Del) wherein, while considering a similar objection, the court has held as under: -

“.....Where in a scheme of arrangement the





expression "appointed date" was used to reflect the date on which the assets and liabilities of the existing company were to be identified for the purposes of transfer to the newly created company, the fact that the "appointed date" was falling prior to the incorporation of the transferee company was not material because the transfer was to take place on the effective date of the scheme."

Also, in C.P.(CAA)/213/MB/2023 connected with C.A.(CAA)/288/MB/2022 USP Digital Private Limited, the National Company Law Tribunal, Mumbai Bench IV, has sanctioned the scheme of arrangement wherein the Appointed Date was prior to



the date of incorporation of the Second Petitioner Company.

Further, as per the Scheme, the undertaking of the Demerged Company has, from the Appointed Date, been carried on in trust and for and on behalf of the Second Petitioner Company, pending effectiveness of the Scheme. Accordingly, there would be no disruption of business or prejudice to any stakeholder.

It is further submitted that:

- the Scheme satisfies all conditions of a demerger under Section 2(19AA) of the Income Tax Act, 1961 (corresponding to Section 2(35) of the Income Tax Act, 2025), and remains tax neutral.





		- the accounting treatment proposed in the Scheme is in conformity with applicable Accounting Standards. - no prejudice is caused to shareholders, creditors or any other stakeholders. Accordingly, it is respectfully submitted that the Scheme is in compliance with the provisions of Sections 230 to 232 of the Act and established judicial precedents. In any case, the Second Petitioner Company undertakes to comply with all the accounting requirements pursuant to applicable Accounting Standards.
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9. (iii)	As per the Scheme, the authorized share capital of the petitioner Transferor Companies amounting to will be added to the authorized share capital of the petitioner transferee company. The Transferee Company shall pay the differential fees and stamp duty, if any, on the enhanced authorised share capital after set-off the fee/ stamp duty paid by the Transferor Company(ies) on its authorised capital prior to amalgamation in	As far as the observations in Paragraph 9(iii) of the RD Report are concerned, the Petitioner Companies state that, in terms of Clause 19 of the Scheme, the authorised share capital of the Transferor Company will be combined with the authorised share capital the Transferee Company in the manner provided in the Scheme and the Transferee Company will comply with provisions of Section 232(3)(i) of the Act to the extent applicable.
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	compliance of provisions of Section 232 (3) (i) of the Companies Act, 2013.	
9. (iv)	It appears that the Petitioner Companies have not disclosed the complete list of the assets and liabilities as on appointed date which are proposed to be demerged and transferred to the Petitioner Resulting Company through this scheme and also the petitioner companies have not attached the list of assets and liabilities in this regard pertaining	The Petitioner Companies submit that the Demerged Undertaking (as defined in the Scheme) proposed to be transferred pursuant to the Scheme has been specifically identified and defined in Clause 1 & Clause 4 of the Scheme. The assets, liabilities, rights, obligations, contracts and other properties, etc. forming part of the Demerged Undertaking are proposed to be transferred as a going concern in accordance with Sections 230 to 232 of the Companies Act, 2013. Without prejudice to the aforesaid, for the sake of completeness and for your





	to the proposed demerged undertaking, with the scheme. The Hon'ble NCLT may therefore be pleased to direct the Petitioner Companies to submit the complete list and full details of assets and liabilities as on appointed date which are proposed to be transferred to the Resulting Company through this scheme.	consideration, the details of the assets and liabilities comprising the Demerged Undertaking, along with their respective book values have been shared in the notice and explanatory statements regarding the meetings of the equity shareholders, secured creditors and unsecured creditors as on 30 September 2025. Further, the details of the assets and liabilities comprising the Demerged Undertaking, along with their respective book values and transfer values as on the Appointed Date i.e. 01 April 2024 and as on 31 December 2025 were also already served with your good office on 8 June 2026.
9. (v)	That, according to para 27.1 and 27.3	As regards the observations in Paragraph 9(v) of the Report, the Petitioner





of the scheme, it is stated that – 27.1 “upon this Scheme becoming effective, the name of the Demerged/ Transferee Company shall stand changed to 'HEG Greentech Limited' or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate consent, approval, act, procedure, instrument, or deed shall be required to be obtained or	Companies submit that, in terms of Clause 27 of the Scheme, the name of the First Petitioner Company shall be changed to “HEG Greentech Limited”, while the name of the Second Petitioner Company shall be changed to “HEG Limited”, being the present name of the First Petitioner Company, as an integral part of the Scheme. In this regard, it is clarified that, pursuant to Part II of the Scheme, the Demerged Undertaking (Graphite Business) of the First Petitioner Company shall be demerged, transferred to, and vested in the Second Petitioner Company. Further, pursuant to Part III of the Scheme, the Third Petitioner Company shall be amalgamated with and into
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	<i>followed under the Act.</i> <i>27.3 Upon this Scheme becoming effective, the name of the Resulting Company shall stand changed to 'HEG Limited' or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate consent, approval, act, procedure, instrument, or deed shall be required to be obtained or</i>	<i>the First Petitioner Company.</i> <i>Upon the Scheme becoming effective, the First Petitioner Company shall carry on the Remaining Business (as defined in the Scheme) together with the business of the Third Petitioner Company relating to the establishment, operation and maintenance of power generating stations, tie-lines, sub-stations and the main transmission lines connected therewith. Accordingly, the term "Greentech" appropriately reflects the green energy and sustainable business objectives of the First Petitioner Company.</i> <i>Further, since the Demerged Undertaking of the First</i>
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<i>followed under the Act.”</i> <i>In this regard, it is submitted that the reason for change of name of Demerged / Transferee Company has not been provided in the scheme. However, change of name of a company will be subject of availability of name after filing application before competent authority by the applicant company(s). Further, the applicant company(s) is required to be filed</i>	<i>Petitioner Company is proposed to be transferred to the Second Petitioner Company, it is proposed that the Second Petitioner Company retain the present name of the First Petitioner Company.</i> <i>The Petitioner Companies undertake to comply with all applicable legal and regulatory requirements, including the filing of necessary forms with the Registrar of Companies, to give effect to the change of name of the First Petitioner Company and the Second Petitioner Company.</i>
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	relevant eform with applicable fee before concern ROC in compliance of Sections 4, 13 and 14 of the Companies Act, 2013.	
9. (vi)	According to para 28.1 of the scheme, the memorandum of association of the Demerged / Transferee Company shall be altered and amended by adding some clauses (as per scheme) in the Clause III (A) of the memorandum of association of the Demerged/ Transferee Company.	As regards the observations in Paragraph 9(vi) of the Report, the Petitioner Companies submit that Clause 28.1 of the Scheme provides for the alteration of clause III(A) of the Memorandum of Association of the First Petitioner Company upon the Scheme becoming effective. Such alteration constitutes an integral part of the Scheme and has been specifically placed before the shareholders and creditors for their consideration and approval as part thereof.





	<i>In this regard, the applicant company(s) is required to file relevant eform with applicable fee before concerned ROC in compliance of Sections 13 and 14 of the Companies Act, 2013.</i>	<i>Without prejudice to the above, the Petitioner Companies undertake to comply with all applicable provisions of the Companies Act, 2013, including Sections 13 and 14, and to file all requisite e-forms, returns and other documents, along with the prescribed fees, with the concerned Registrar of Companies, as may be required in connection with the sanction and effectiveness of the Scheme.</i>
9. (vii)	<i>Petitioner Demerged Company namely HEG Limited is listed with the BSE and NSE and Petitioner Company has submitted with the office of the Regional Director,</i>	<i>As regards the observations in paragraph 9(vii) of the Report, the First Petitioner Company respectfully submits that, being a listed company, it has duly complied with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,</i>





the copy of observation letters dated 08.01.2026 and 09.01.2026 issued by BSE and NSE respectively to the Petitioner Demerged Company pursuant to the SEBI master circular No. SEBI/HO/CFD/P OD2/P/CIR/ 2023/93 dated 20.06.2023 for necessary compliance. The SEBI's circulars are intended to ensure compliances by listed companies in the interest of shareholders at large. This office is of the view that the SEBI circulars	2015 and the provisions of SEBI Master Circular No. SEBI/HO/CFD/POD2/P/CI R/2023/93 dated 20 June 2023 in relation to the Scheme. Pursuant thereto, the First Petitioner Company had submitted the Scheme and all requisite documents before BSE Limited and NSE Limited and obtained their respective observation letters dated 08 January 2026 and 09 January 2026. The observations and conditions contained in the said letters have been duly noted and shall be complied with by the First Petitioner Company. Further, the First Petitioner Company hereby undertakes that it shall
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	<i>which are applicable, and the petitioner company should comply with the requirements of the circular.</i> <i>In this regard the Hon'ble NCLT may be pleased to direct petitioner Demerged Company to place confirmation /undertaking before the Hon'ble NCLT that company has complied the observations of aforesaid letter of said stock exchanges.</i>	<i>comply with all applicable observations, conditions and requirements stipulated by the Stock Exchanges and SEBI in relation to the Scheme.</i>
9. (viii)	<i>As per information provided by the petitioner Companies vide</i>	<i>As regards the observations in paragraph 9(viii) of the Report, the Petitioner Companies have complied</i>





letter dated 28.05.2026 pursuant to this Directorate's letter dated 29.04.2026 stating that there are Foreign National / NRI / Foreign Bodies Corporate are holding shares in the Petitioner Demerged Company. The Regional Director is not aware as to whether the Petitioner Companies have complied with the provisions of FEMA and RBI guidelines or not, in this regard. The Hon'ble NCLT may therefore be	with the provisions of FEMA / RBI regulations, as applicable. Further, the Petitioner Companies undertake to comply with all applicable FEMA and RBI regulations in connection with the post-Scheme allotment of shares to foreign shareholders as consideration, as the case may be.
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	<i>pleased to direct the Petitioner Companies to undertake about the compliances of FEMA and RBI guidelines, in the matter, from time to time.</i>	
9. (ix)	<i>That, as per consideration provided in the scheme, that further increase in authorized share capital of the Petitioner Resulting Company will be required since the authorized share capital of the Resulting Company is not sufficient to issue and allot new shares of the</i>	<i>As regards the observations in paragraph 9(ix) of the Report, the Petitioner Companies submit that, to the extent the existing authorised share capital of the Second Petitioner Company is insufficient to give effect to the issuance and allotment of shares contemplated under the Scheme, the same shall be increased in accordance with the provisions of the Companies Act, 2013 and as contemplated under the Scheme.</i>





Resulting Company to the shareholders of the petitioner Demerged Company through this scheme. There is requirement to increase in the authorized capital of the petitioner Resulting Company. The company is required to comply with the relevant provisions of the Companies Act, 2013 for increase in authorized share capital of the Resulting Company. The Hon'ble NCLT may therefore be pleased to direct the petitioner	The Second Petitioner Company further undertakes to comply with section 61 and all other applicable provisions of the Companies Act, 2013, including obtaining the requisite corporate approvals, effecting the necessary alteration to the capital clause of its Memorandum of Association, payment of applicable registration fees, stamp duty and other statutory charges, if any, and filing the requisite e-forms and returns with the Registrar of Companies.
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	Resulting Company to comply with the provisions of Section 61 of the Companies Act, 2013 and also as to the payment of stamp duty, registration fees etc. and file the relevant e-form with respective Registrar of Companies.	
9. (x)	The Hon'ble Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that the Scheme enclosed with the Company Application and Company Petition are one and same	As far as the observations in Paragraph 9(x) of the RD Report are concerned, the Petitioner Companies vide this affidavit confirm that the Scheme enclosed in the Company Application and Company Petition is one and the same and there is no discrepancy /change made.





	<i>and there is no discrepancy, or no change is made.</i>	
9. (xi)	<i>The Hon'ble Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that no CIRP proceeding under IBC and/ or winding up petition against applicant companies are pending.</i>	<i>As far as the observations in Paragraph 9(xi) of the RD Report are concerned, the Petitioner Companies vide this affidavit confirm that no proceedings under the Insolvency and Bankruptcy Code, 2016, including any Corporate Insolvency Resolution Process (CIRP), liquidation proceedings, or any winding-up proceedings under the Companies Act, 2013 or any other applicable law, are pending against any of the Petitioner Companies as on the date of this affidavit.</i>
10. (i)	<i>To ensure compliance and furnish the clarification, if any, regarding observations made</i>	<i>The Petitioner Companies submit that they have duly complied with the requirements and have furnished appropriate clarifications in respect of</i>





	by Registrar of Companies and this Directorate (NWR) in forgoing Paragraph No. 8 and 9 above.	the observations made by the Registrar of Companies and RD referred to in the Paragraph No. 8 and 9.
10. (ii)	To preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the Provision Section 239 of the Companies Act, 2013.	The Petitioner Companies undertake to preserve their books of account, papers and records and shall not dispose of the same without obtaining prior approval of the Central Government, as and to the extent required under Section 239 of the Companies Act, 2013.
10. (iii)	To ensure Statutory compliance of all applicable Laws and on sanctioning of the present Scheme, the Petitioner	The Petitioner Companies undertake to comply with all applicable provisions of law and acknowledge that sanction of the Scheme shall not absolve them from any statutory liability or





	<i>Companies shall not be absolved from any of its Statutory liabilities, in any manner.</i>	<i>obligation under any applicable law.</i>
10. (iv)	<i>Necessary Stamp Duty on transfer of property/ Assets, if any is to be paid to the respective Authorities before implementation of the Scheme.</i>	<i>The Petitioner Companies undertake to pay the applicable stamp duty, registration fees, taxes, duties and other levies, if any, payable in relation to the implementation of the Scheme.</i>
10. (v)	<i>The petitioner companies involved in the scheme to comply with the provisions of Section 232(5) of the Companies Act, 2013 with respect to file certified copy of order sanctioning the scheme with Registrar of</i>	<i>The Petitioner Companies undertake to comply with the provisions of Section 232(5) of the Companies Act, 2013 by filing the certified copy of the order of this Hon'ble Tribunal with the Registrar of Companies within the prescribed period of 30 (Thirty) days from the date of the receipt of certified copy of the order.</i>





	<i>Companies within 30 days from date of passing order.</i>	
10. (vi)	<i>The Petitioner companies shall undertake to comply with Income Tax /GST law and any demand /tax payable on implementation of the said scheme as per law.</i>	<i>The Petitioner Companies undertake to comply with all applicable provisions of the Income-Tax/ GST laws and any demand/ tax arising, if any, pursuant to or in connection with the implementation of the Scheme.</i>
10. (vii)	<i>Applicant company/(ies) to pay such amount of legal fees / cost to the Central Government which may be considered appropriate by this Hon'ble NCLT for the legal fees / expenses of the office of the Regional Director</i>	<i>The Petitioner Companies further submit that they shall abide by and comply with such directions regarding costs and expenses of the Central Government, if any, as may be ordered by this Hon'ble Tribunal.</i>





	<i>for submitting this report and representing the matter on behalf of the Central Government</i>	
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22. The Petitioner Companies have filed a reply affidavit (Affidavit of Rejoinder) to the communications of the jurisdictional Income Tax Authorities, sworn by Mr. Manish Gulati, the authorised representative of the First Petitioner Company and the Second Petitioner Company, and Mr. Ravi Gupta, authorised representative of the Third Petitioner Company verified on 29th June, 2026 at Uttar Pradesh, *inter alia* submitting as confirmed by communications received from the jurisdictional Income Tax Authorities as under:

- a) There are no outstanding collectable tax demands against any of the Petitioner Companies as on the respective dates of the communications received from the jurisdictional Income Tax Authorities by the Petitioner Companies;





- b) No assessment, reassessment, penalty, or other income tax proceedings are pending against any of the Petitioner Companies; and
- c) The communications received from the jurisdictional income tax authorities do not raise any objection to the Scheme or the sanction thereof by this Tribunal.

ANALYSIS AND FINDINGS

- 23. We have considered the averments made in the Petition, perused the Composite Scheme of Arrangement (Annexure I), the reports of the Chairperson of the meetings placed on record, the Representation of the Regional Director, North-Western Region, the report of the Official Liquidator, the communications received from the jurisdictional Income Tax Authorities, and the reply affidavits filed by the Petitioner Companies in response thereto.
- 24. Upon a consideration of the record, we are satisfied that the meetings directed to be convened by the first-motion order dated 26th March, 2026 have been duly held on 5th May, 2026 through video conferencing, and the meetings dispensed with by the said order stand duly dispensed with. As borne out by the Chairperson's report dated 11th May, 2026 and the accompanying Scrutinizer's reports (Annexure P Colly), the Scheme has been approved by: **(i)** *the equity shareholders of the First Petitioner Company, 367 in number holding 13,92,41,384 shares, representing 99.9997% in value of the votes cast;* **(ii)** *the secured creditors*





of the First Petitioner Company, 5 in number holding Rs. 5,59,55,57,560, representing 100% in value; (iii) the unsecured creditors of the First Petitioner Company, 47 in number holding Rs. 5,75,78,65,358, representing 100% in value; and (iv) the equity shareholders of the Third Petitioner Company, 25 in number holding 19,57,14,787 shares, representing 100% in value - in each case well above the majority prescribed by Section 230(6) of the Act. No person has appeared before this Tribunal to oppose the Scheme, nor has any objection been received.

25. As regards the observation of the Official Liquidator, founded on the report of the Chartered Accountant appointed under Section 230(5) of the Act, that the deferred tax position of the Transferor Company warranted examination by the Income Tax Authorities, the Petitioner Companies have clarified, with reference to Notes 9 and 23 of the audited financial statements and the certificate of the Statutory Auditors, that the figure in question represents a Net Deferred Tax Asset of Rs. 2,042.42 lakhs as on 31st March, 2024 - arising principally from carried-forward unabsorbed depreciation, business losses and other timing differences - and not a deferred tax liability as was inadvertently recorded. We accept the clarification; the treatment is in conformity with the Accounting Standards prescribed under Section 133 of the Act and discloses no irregularity. The apprehension does not survive, more so in view of the communications of the Income Tax Authorities dealt with hereinafter.





26. As regards the share exchange ratio, the same has been determined by a Registered Valuer, PwC Business Consulting Services LLP, by valuation report dated 10th March, 2025, and is supported by the fairness opinion of ICICI Securities Limited, Merchant Banker, both of which are on record. It is well settled that a valuation arrived at by a registered valuer upon an accepted methodology is a matter of commercial wisdom, and this Tribunal does not sit in appeal over the same in the absence of any allegation of fraud or mala fides, of which there is none. The share exchange ratio is found to be fair and reasonable. The First Petitioner Company, being a listed company, has obtained the observation letters of BSE Limited dated 08th January, 2026 and the National Stock Exchange of India Limited dated 09th January, 2026, which are on record, and has undertaken to comply with the observations contained therein and with all applicable directions of SEBI and the Stock Exchanges. The cost of Rs. 10,000/- quantified by the Official Liquidator has been paid by the Petitioner Companies and is taken on record.

27. The Registrar of Companies, Madhya Pradesh, Gwalior has reported that no complaint, inquiry, inspection, investigation or prosecution is pending against the Petitioner Companies. As regards the observation touching the fee payable on the revised authorised share capital, the Petitioner Companies have submitted that, in terms of Clause 19 of the Scheme, the authorised share capital of the Transferor Company will be combined with that of the





Transferee Company, and the Transferee Company will comply with Section 232(3)(i) of the Act and pay the differential fee and stamp duty, if any, after set-off of the fee and stamp duty already paid by the Transferor Company on its authorised capital. The undertaking is accepted.

28. The Regional Director observed that, the Appointed Date being 1st April, 2024 and the first-motion application, CA(CAA) No. 01/MP/2026, having been filed on 24th January, 2026, the Appointed Date is ante-dated by more than one year, and that justification therefor ought to have been brought out in terms of paragraph 6(c) of the Ministry of Corporate Affairs General Circular No. 09/2019 dated 21st August, 2019. The Petitioner Companies have explained that the Board of Directors of the First Petitioner Company approved the Scheme on 22nd May, 2024 and, in view of the observations of SEBI communicated through BSE Limited, approved the modified Scheme on 10th March, 2025; and that, being a listed company, the First Petitioner Company was required to obtain the observation / no-objection letters of BSE Limited and the National Stock Exchange of India Limited, which were received only on 08th and 09th January, 2026 respectively, whereupon the application was filed. We are satisfied that the intervening period is attributable to the regulatory approval process, which was beyond the control of the Petitioner Companies, that adequate justification within the meaning of the said Circular has been furnished, and that the Appointed Date is not against public interest. Section 232(6) of the Act





permits the Appointed Date to precede the date of filing of the application. The reliance placed on Mahalaxmi Rubtech Limited, C.P.(CAA) No. 57(AHM) of 2023 in C.A.(CAA) No. 47(AHM) of 2023 (NCLT, Ahmedabad Special Bench, order dated 04th March, 2024) is well founded.

29. The Regional Director further observed that the Resulting Company, HEG Graphite Limited, was incorporated on 04th June, 2024, that is, after the Appointed Date, and sought clarification as to how effect would be given as on 1st April, 2024. We accept the clarification of the Petitioner Companies that the Appointed Date is distinct from the Effective Date; the vesting takes effect only upon the Scheme becoming effective, by which date the Resulting Company is in existence, and there is no statutory bar requiring the Resulting Company to be in existence on the Appointed Date. The point is covered by the judgment in HCL Ltd., Re (1994) 80 Com Cases 228 (Del) and by the order in USP Digital Private Limited, C.P.(CAA)/213/MB/2023 connected with C.A.(CAA)/288/MB/2022 (NCLT, Mumbai Bench IV). The objection does not survive.
30. The Regional Director observed that the complete list of the assets and liabilities of the Demerged Undertaking as on the Appointed Date, proposed to be transferred to the Resulting Company, had not been placed on record. The Demerged Undertaking stands specifically identified and defined in Clauses 1 and 4 of the Scheme and is to be transferred as a going concern. Without prejudice thereto,





the Petitioner Companies have placed on record the details, with book values, of the assets and liabilities comprising the Demerged Undertaking as on the Appointed Date (1st April, 2024) and as on 31st December, 2025, which were also served upon the office of the Regional Director on 08th June, 2026; and have, by purshis dated 10th August, 2026, tendered the Schedule of Assets of the First Petitioner Company and the Third Petitioner Company pertaining to the Demerged Undertaking (Annexure A1 Colly), which is taken on record. The observation stands satisfied.

31. In terms of Clauses 27.1 and 27.3 of the Scheme, upon the Scheme becoming effective the name of the First Petitioner Company shall stand changed to "HEG Greentech Limited" and the name of the Second Petitioner Company shall stand changed to "HEG Limited"; and in terms of Clause 28.1 of the Scheme, the object clause, being Clause III(A) of the Memorandum of Association of the First Petitioner Company, shall stand altered. The said alterations form an integral part of the Scheme and have been placed before the shareholders and creditors. The Petitioner Companies have undertaken to comply with Sections 4, 13 and 14 of the Act and to file the requisite forms with the Registrar of Companies. The undertakings are accepted.
32. The Petitioner Companies have undertaken to comply with the applicable provisions of the Foreign Exchange Management Act, 1999 and the regulations of the Reserve Bank of India in connection with the post-Scheme allotment of shares to foreign shareholders, as may be applicable.





Further, to the extent the existing authorised share capital of the Second Petitioner Company, being Rs. 1,00,000/-, is insufficient to give effect to the issue and allotment of shares to the shareholders of the First Petitioner Company contemplated under the Scheme, the Second Petitioner Company has undertaken to increase the same in accordance with the Scheme and to comply with Section 61 and all other applicable provisions of the Act, including the alteration of the capital clause of its Memorandum of Association and payment of the applicable fees, stamp duty and other charges. The undertakings are accepted, and the Second Petitioner Company shall act accordingly.

33. The Petitioner Companies have confirmed on affidavit that the Scheme annexed to the Company Application and to the Company Petition is one and the same, and that no proceeding under the Insolvency and Bankruptcy Code, 2016, including any corporate insolvency resolution process, liquidation or winding-up proceeding, is pending against any of them. They have also furnished the undertakings sought by the Regional Director, viz. as to the preservation of records under Section 239 of the Act, statutory compliance, payment of stamp duty on the transfer of property, the filing of the certified copy of this Order under Section 232(5) of the Act within the prescribed period, compliance with the Income-Tax and GST laws, and the payment of such costs of the Central Government as may be ordered. The undertakings are taken on record and are reflected in the directions hereinafter.





34. The jurisdictional Income Tax Authorities have placed on record their communications, viz. (i) letter bearing F.No. DCIT/CC-31/NOC/2026-27/147 dated 29th May, 2026 of the Deputy Commissioner of Income Tax, Central Circle-31, New Delhi, in respect of the First Petitioner Company (PAN AAACH6184K); (ii) Form C (Proof of Claim) dated 27th May, 2026 of the Assistant Commissioner of Income Tax-1(1), Bhopal, in respect of the Second Petitioner Company (PAN AAHCH3849J), quantifying the amount of the claim at NIL; and (iii) letter bearing F.No. ACIT/CIR 4(2)/2026-27/79 dated 04th May, 2026 of the Assistant Commissioner of Income Tax, Circle 4(2), New Delhi, in respect of the Third Petitioner Company (PAN AACCB9081B). The said communications report that there is no effective or collectable outstanding demand, and no assessment, reassessment, penalty or other proceeding pending, against the Petitioner Companies, and raise no objection to the Scheme, while reserving the right of the Department to determine the tax implications of the Scheme in accordance with the Income Tax Act, 1961 and the Income Tax Act, 2025, to the extent applicable, which shall prevail over anything to the contrary contained in the Scheme. The Petitioner Companies have, by their reply affidavit, undertaken to comply with all applicable tax laws and to discharge any demand or liability arising in connection with the implementation of the Scheme. The rights and remedies of the Income Tax Department are, accordingly, fully





preserved, and nothing in this Order shall be construed to detract therefrom.

35. In view of the foregoing, we are satisfied that the requirements of Sections 230 to 232 of the Act read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 stand duly complied with; that the Scheme is fair, reasonable and not contrary to any provision of law or to public policy or public interest; and that the observations of the Regional Director, the Registrar of Companies, the Official Liquidator and the Income Tax Authorities stand adequately answered by the Petitioner Companies. The Scheme is, therefore, fit to be sanctioned.

ORDER

36. In the result, the Company Petition is allowed and the Scheme is hereby sanctioned, subject to the following terms and directions:

- (a) The Scheme of (**Annexure - I**), as approved by the respective Boards of Directors of the Petitioner Companies, is hereby sanctioned and declared binding, with effect from the Appointed Date i.e. 1st April, 2024, upon the Petitioner Companies and their respective shareholders, and all concerned.
- (b) With effect from the Appointed Date, the entire Demerged Undertaking (*as defined in the Scheme*) of the First Petitioner Company, including all their assets, properties, rights, title and interest, together with all their debts, liabilities, duties and obligations,





shall stand transferred to and vested in the Second Petitioner Company, in accordance with the terms of the Scheme and pursuant to Sections 230 to 232 of the Companies Act, 2013, without any further act or deed.

- (c) With effect from the Appointed Date, the entire undertaking of the Third Petitioner Company, including all their assets, properties, rights, title and interest, together with all their debts, liabilities, duties and obligations, shall stand transferred to and vested in the First Petitioner Company as a going concern, in accordance with the terms of the Scheme and pursuant to Sections 230 to 232 of the Companies Act, 2013, without any further act or deed.
- (d) All proceedings, suits and appeals, if any, pending by or against the Third Petitioner Company shall be continued by or against the First Petitioner Company, in accordance with the terms of the Scheme.
- (e) The Second Petitioner Company shall, in consideration of the Demerged Undertaking, issue and allot equity shares to the shareholders of the First Petitioner Company in accordance with the Share Exchange Ratio recorded in this Order, viz. 1 fully paid up equity shares of Rs. 2 each of the Second Petitioner Company credited as fully paid-up, for every 1 equity share of Rs. 2 each of the First Petitioner Company.
- (f) The First Petitioner Company shall, in consideration of the amalgamation, issue and allot equity shares to the shareholders of the Third Petitioner Company in





accordance with the Share Exchange Ratio recorded in this Order, viz. 8 fully paid up equity shares of Rs. 2 each of the First Petitioner Company credited as fully paid-up, for every 7 equity shares of Rs. 10 each of the Third Petitioner Company.

- (g) The equity shares to be issued and allotted by the Second Petitioner Company pursuant to the Scheme shall remain frozen in the depository system until listing and trading permission is granted in respect thereof by the designated stock exchange, in terms of the observation letters dated 08 January, 2026 and 09 January, 2026 issued by BSE Limited and the National Stock Exchange of India Limited respectively.
- (h) There shall be no change in the shareholding pattern of, or control in, the Second Petitioner Company between the record date and the date of listing, which may affect the status of the approval granted by the stock exchanges.
- (i) The Second Petitioner Company shall take all necessary steps to complete the listing and commencement of trading of its equity shares on the stock exchange(s) within sixty (60) days of the receipt of this Order, in accordance with Part II(A)(5) of the SEBI Master Circular dated 20 June, 2023.
- (j) Upon the Scheme becoming effective, the authorised share capital of the Third Petitioner Company shall stand transferred to and combined with the authorised share capital of the First Petitioner Company, in terms





of Clause 19 of the Scheme read with Section 232(3) of the Act and Sections 13 and 61 of the Act, whereupon the authorised share capital of the First Petitioner Company shall stand increased and Clause V of its Memorandum of Association shall stand altered accordingly without any further act or deed.

- (k) The First Petitioner Company shall pay the differential fees and stamp duty, if any, on the enhanced authorised share capital, after set-off of the fees/stamp duty already paid by the Transferor Companies on their respective authorised share capital, in compliance with Section 232(3)(i) of the Act.
- (l) The First Petitioner Company shall preserve the books of account, papers and records of the Third Petitioner Company and shall not dispose of the same without prior permission of the Central Government, in terms of Section 239 of the Act, and shall comply with the Accounting Standards under Section 133 of the Act.
- (m) Upon this Order taking effect, the Third Petitioner Company, i.e. Bhilwara Energy Limited, shall stand dissolved without winding up, in terms of Clause 20 of the Scheme.
- (n) The Petitioner Companies shall, within thirty (30) days of the receipt of a certified copy of this Order, cause the same to be delivered to the Registrar of Companies, Madhya Pradesh, Gwalior, for registration, in compliance with Section 232(5) of the Act.





- (o) Notwithstanding anything contained herein, should any deficiency be found, or any violation be committed, in respect of any enactment, statutory rule or regulation, the sanction granted by this Order shall not come in the way of appropriate action being taken, in accordance with law, against the concerned persons, directors and officials of the Petitioner Companies.
- (p) Any person interested shall be at liberty to apply to this Tribunal in the above matter for such direction(s) as may be necessary.

37. The Company Petition **CP(CAA) No. 03/MP/2026** stands **allowed** and **disposed** of in the aforesaid terms.

38. Urgent certified copy of this Order, if applied for, be issued to the parties upon compliance with all requisite formalities.

Sd/-

MAN MOHAN GUPTA
MEMBER (TECHNICAL)

Deepti-L.R.A.

Sd/-

BRAJENDRA MANI TRIPATHI
MEMBER (JUDICIAL)



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21.08.26
Deputy Registrar
National company Law Tribunal
Indore Bench

Form No. CAA 7
(Pursuant to Section 232 and Rule 20)

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENCH,
INDORE BENCH**

**CP (CAA)/3/MP/2026
IN
CA (CAA)/1/MP/2026**

In the matter of Companies Act,
2013;

And

In the matter of section 230 to 232
and other applicable provisions of
the Companies Act, 2013 and Rules
framed thereunder;

And

In the matter of Scheme of
Arrangement between HEG Limited
and HEG Graphite Limited and
Bhilwara Energy Limited and their
respective shareholders and
creditors;

HEG LIMITED

(CIN:L23109MP1972PLC008290)

A company incorporated under the
provisions of the Companies Act, 1956,
Having its registered office at
Mandideep Near Bhopal, Dist Raisen,
Madhya Pradesh – 462 046, India.

...First Applicant Company/
Demerged Company/
Transferee Company/

HEG GRAPHITE LIMITED

(CIN:U23994MP2024PLC071568)

A Company incorporated under the
provisions of the Companies Act, 2013,
Having registered office at
C/o HEG Limited, NH-12, Dist Raisen,
Near Bhopal, Mandideep, Bhopal,
Huzur, Madhya Pradesh – 462 046, India.

.....Second Applicant Company/
Resulting Company/

BHILWARA ENERGY LIMITED

(CIN:U31101MP2006PLC071693)

A company incorporated under the
provisions of the Companies Act, 1956,



Having its registered office at C/o HEG Limited,
NH-12, Dist Raisen, Near Bhopal, Mandideep,
Bhopal – 462 046, Huzur, Madhya Pradesh, India.

**.....Third Applicant Company/
Transferor Company**

...Collectively referred to as Applicant Companies

**ORDER UNDER SECTION 232 OF THE
COMPANIES ACT, 2013**

Upon the above joint petition along with the application coming up for further hearing on 13th August 2026, upon reading the said petition, and upon hearing Mr. Ravi Pahwa, Learned Advocate for the petitioner companies;

This Tribunal do order

- (1) That upon the Scheme being effective, all the property, rights and powers of the Demerged Undertaking of Demerged Company specified in the Schedule annexed hereto and all other property, rights and powers of the said Demerged Undertaking of Demerged Company be transferred without any further act or deed to the Resulting Company and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013 be transferred to and vested in the Resulting Company for all the estate and interest of the said Demerged Company, therein but subject nevertheless to all charges now affecting the same; and
- (2) That upon the Scheme being effective, all the property, rights and powers of the Transferor Company specified in the Schedule annexed hereto and all other property, rights and powers of the said Transferor Company be transferred without any further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013 be transferred to and vested in the Transferee Company for all the estate and interest of the said Transferor Company, therein but subject nevertheless to all charges now affecting the same; and
- (3) That upon Scheme being effective, all the liabilities and duties of the Demerged Undertaking of Demerged Company be transferred without any further act or deed to the



C

Resulting Company and accordingly, the same shall pursuant to Section 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Resulting Company; and

- (4) That upon Scheme being effective, all the liabilities and duties of the Transferor Company be transferred without any further act or deed to the Transferee Company and accordingly, the same shall pursuant to Section 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Transferee Company; and
- (5) That upon the Scheme being effective, all proceedings by or against the Demerged Undertaking of Demerged Company be continued by or against the Resulting Company; and
- (6) That upon the Scheme being effective, all proceedings by or against the Transferor Company be continued by or against the Transferee Company; and
- (7) That upon Scheme being effective, the Resulting Company do without further application allot to all the members of the Demerged Undertaking of Demerged Company, as is required by the Scheme of Arrangement herein; the shares in the Resulting Company to which they are entitled under the said Scheme of Arrangement; and
- (8) That upon Scheme being effective, the Transferee Company do without further application allot to all the members of the Transferor Company, as is required by the Scheme of Arrangement herein; the shares in the Transferee Company to which they are entitled under the said Scheme of Arrangement; and



- (9) That upon Scheme being effective, the Demerged Undertaking of Demerged Company do within thirty days of the receipt of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Demerged

Undertaking of Demerged Company shall be dissolved and the Registrar of Companies shall place all documents relating to the Demerged Undertaking of Demerged Company and registered with him on the file kept by him in relation to the Resulting Company and the files relating to the said two companies shall be consolidated accordingly; and

- (10) That upon Scheme being effective, the Transferor Company do within thirty days of the receipt of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Company shall be dissolved and the Registrar of Companies shall place all documents relating to the Transferor Company and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said two companies shall be consolidated accordingly; and
- (11) That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.

SCHEDULE

(Demerged Company & Transferor Company)
as annexed

By the Tribunal



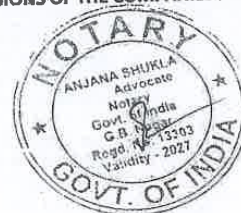
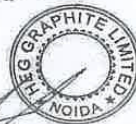
Registry/ Deputy Registrar
This __ day of August 2026

Contents verified and found in order

Ravi Pahwa

For Thakkar and Pahwa Advocates
71, New York Tower-A,
Nr. Thaltej Cross Roads, S.G. Highway,
Ahmedabad-380054.

COMPOSITE SCHEME OF ARRANGEMENT
AMONGST
HEG LIMITED
AND
HEG GRAPHITE LIMITED
AND
BHILWARA ENERGY LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT,
2013



(A) DESCRIPTION OF COMPANIES

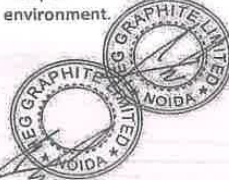
1. HEG Limited ("Demerged Company" or "Transferee Company" or "Demerged/ Transferee Company") is a company incorporated under the provisions of the Companies Act, 1956. The Demerged/ Transferee Company is, *inter alia*, engaged in the business of manufacturing and exporting of graphite electrodes and operates world's largest single-site integrated graphite electrodes plant. The Demerged/ Transferee Company also operates three power generation facilities with a total capacity of about 76.5 MW. The equity shares of the Demerged/ Transferee Company are listed on the Stock Exchanges (as defined hereinafter).
2. HEG Graphite Limited ("Resulting Company") is a company incorporated under the provisions of the Act (as defined hereinafter). The Resulting Company has been incorporated to carry on the Graphite Business (as defined hereinafter) proposed to be demerged under the Scheme. The Resulting Company is a wholly owned subsidiary of the Demerged Company.
3. Bhilwara Energy Limited ("Transferor Company") is a company incorporated under the provisions of the Companies Act, 1956. The Transferor Company, along with its subsidiaries, is, *inter alia*, engaged in the business of establishment, operation and maintenance of power generating stations and tie-lines, sub-stations and main transmission lines connected therewith. Currently, the Transferor Company is engaged in generation of wind power through 14 MW wind power project situated in Maharashtra.

(B) OVERVIEW OF THE SCHEME

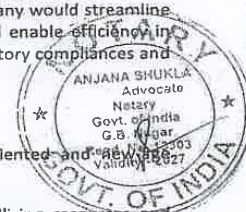
1. This Scheme (as defined hereinafter) is pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act read with Section 2(1B), Section 2(19AA) and other applicable provisions of the Income Tax Act (as defined hereinafter) and *inter alia* provides for:
 - (a) the demerger, transfer and vesting of the Demerged Undertaking (as defined hereinafter) from the Demerged Company into the Resulting Company on a going concern basis, and issue of equity shares by the Resulting Company to the shareholders of the Demerged Company, in consideration thereof;
 - (b) the amalgamation of the Transferor Company with the Transferee Company and issue of equity shares by the Transferee Company to the shareholders of the Transferor Company (except the Transferee Company itself), in consideration thereof; and
 - (c) various other matters consequent and incidental thereto.

(C) RATIONALE

1. Over the course of time, core businesses of the Demerged Company viz. manufacturing graphite electrodes (including other carbon products) and generation of thermal and hydel power have acquired critical mass. Each of the said businesses require flexibility and independence to grow faster in the fast-changing technology and innovation driven environment.



2. Each of the core businesses mentioned above has a differentiated strategy, different industry specific risks and operate *inter alia* under different market dynamics and growth trajectory. The nature and competition involved in each of the businesses is distinct from others and consequently each business or undertaking is capable of attracting a different set of investors, strategic partners, lenders and other stakeholders. Further, it is important to create a structure which is amenable for future growth keeping in view different growth trajectory for each business segment.
3. In view thereof, it is proposed to segregate the core businesses of the Demerged Company pursuant to the Scheme. The said segregation, is expected, *inter alia*, to result in following benefits:
- (a) unlocking the value of each of the businesses for the shareholders of the Demerged Company, attracting different sets of investors, strategic partners, lenders and other stakeholders having a specific interest in the respective businesses and providing better flexibility in accessing capital;
 - (b) segregating different businesses having different risk and return profiles, and providing investors with better flexibility to select investments which best suit their investment strategies and risk profile;
 - (c) enabling focused growth strategy for each of the businesses for opportunities specific to each business;
 - (d) creating greater visibility on performance of each of the businesses;
 - (e) providing a separate growth path and focussed management for each of the businesses;
 - (f) enhancing operational efficiency; and
 - (g) pursuing growth in the respective business verticals with focused management approach and de-risking the businesses from each other.
4. The Transferee Company is desirous of consolidating the assets and liabilities of the Transferor Company pursuant to amalgamation. Consolidating the assets and liabilities of the Transferor Company and the Transferee Company would streamline the corporate structure by consolidating multiple entities and enable efficiency in operations and processes through reduction in legal and regulatory compliances and related administrative costs.
5. The amalgamation will also result in the following benefits:
- (a) establishing independent brand identity of future oriented and new business;
 - (b) combining resources, creating synergies, optimally utilising resources and greater economies of scale and deriving operating efficiencies from adoption of existing technology-enabled processes of the Transferor Company; and



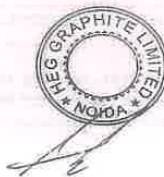
- (c) eliminating multiple entities, legal and regulatory compliances and reduction of administrative costs.

The Scheme is in the interests of all stakeholders of each of the Demerged/ Transferee Company, the Transferor Company and the Resulting Company.

(D) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

1. **PART I** deals with the definitions, share capital of the Parties (as defined hereinafter), date of taking effect and implementation of this Scheme;
2. **PART II** deals with the demerger, transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company on a going concern basis and issue of equity shares by the Resulting Company to the shareholders of the Demerged Company, in consideration thereof;
3. **PART III** deals with the amalgamation of the Transferor Company with the Transferee Company and issue of equity shares by the Transferee Company to the shareholders of the Transferor Company (except the Transferee Company itself), in consideration thereof; and
4. **PART IV** deals with the general terms and conditions applicable to this Scheme,



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PART I

DEFINITIONS, SHARE CAPITAL OF THE PARTIES, DATE OF
TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

1. DEFINITIONS

- 1.1 In this Scheme, (a) capitalised terms defined by inclusion in quotations and/ or parentheses shall have the meanings so ascribed; and (b) the following expressions shall have the meanings ascribed hereunder:

"Act" means the Companies Act, 2013;

"Applicable Law" or "Law" means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, enactments, laws (including the common law), bye-laws, codes, notifications, rules, regulations, policies, guidelines, circulars, press notes, clearances, approvals, directions, directives, ordinances or orders of any Appropriate Authority; (b) Permits; and (c) orders, decisions, writs, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties, in each case having the force of law and that is binding or applicable to a person, as may be in force from time to time;

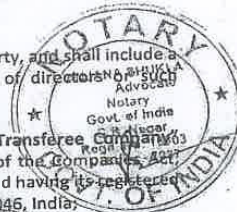
"Appointed Date" means opening business hours of 1 April 2024 or such other date as may be mutually agreed by the respective Board of the Parties;

"Appropriate Authority" means:

- (a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, Tribunal, central bank, commission or other authority thereof;
- (b) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, statutory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, SEBI and the Tribunal; and
- (c) any Stock Exchange.

"Board" in relation to a Party, means the board of directors of such Party, and shall include a committee of directors or any person authorized by such board of directors or such committee of directors;

"Demerged Company" or "Transferee Company" or "Demerged/ Transferee Company" means HEG Limited, a company incorporated under the provisions of the Companies Act, 1956, having corporate identity number L23109MP1972PLC008290 and having its registered office at Mandideep Near Bhopal, Dist Raipur, Madhya Pradesh - 462046, India;



"Demerged Undertaking" means entire undertaking of the Demerged Company, including all assets and liabilities pertaining to the Graphite Business as on the Appointed Date and shall include (without limitation):

- (a) all movable and immovable properties of the Demerged Company in relation to the Graphite Business, whether freehold or leasehold or licensed, including manufacturing units, plants, machinery and related tenancy rights, hire purchase and lease arrangements, real or personal, corporeal or incorporeal or otherwise, present, future, contingent, tangible or intangible, and associated capital costs, security deposits, capital work in progress, easmentary rights, rights of way, furniture, fixtures, office equipment, appliances, accessories, vehicles, stocks, investments in shares and securities, sundry debtors, deposits, provisions, advances, recoverables, receivables, title, interest, cash and bank balances, bills of exchange, covenants, all earnest monies, or other entitlements, funds, right to use and avail of telephones, telex, facsimile, email, internet, leased lines and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever and all the rights, title, interests, goodwill, benefits, fiscal incentives, entitlement and advantages, contingent rights or benefits belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Demerged Company pertaining to the Graphite Business;
- (b) Demerged Undertaking Liabilities;
- (c) contracts, agreements, schemes, arrangements, know your customer (KYC) details and any other instruments pertaining to the Graphite Business;
- (d) all refunds, reimbursements, claims, concessions, exemptions, benefits including sales tax deferrals, income tax deducted at source, goods and service tax credit, deductions and benefits under the relevant Law or any other Taxation statute pertaining to the Graphite Business;
- (e) all Permits, quotas, incentives, powers, authorities, allotments, rights, benefits, advantages, pertaining to the Graphite Business;
- (f) all Intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames and trademarks of the Demerged Company in relation to the Graphite Business (including any applications for the same) of any nature whatsoever, including all books, records, files, papers, engineering and process information, computer programs, domain names, software licenses (whether proprietary or otherwise), research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former investors, investor credit information, pricing information, and other records whether in physical or electronic form in connection with or pertaining to Graphite Business;
- (g) entire experience, credentials, past record and market share of the Demerged Company pertaining to the Graphite Business; and



(h) all employees engaged in the Graphite Business.

Any question that may arise as to whether a specific asset (tangible or intangible) or liability or employee pertains or does not pertain to the Demerged Undertaking shall be decided mutually by the Boards of the Demerged Company and the Resulting Company;

"Demerged Undertaking Liabilities" means the liabilities as defined in Clause 4.2.6 of the Scheme;

"Effective Date" means the date on which the last of the conditions specified in Clause 30 (Conditions Precedent) are complied with. Reference in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "effect of this Scheme" or "upon the Scheme becoming effective" shall mean the Effective Date;

"Graphite Business" means the entire business of manufacturing graphite electrode, speciality graphite products together with all associated activities, assets, liabilities including 76.5 mw captive power generating capacity (comprising of two thermal power plants and a hydroelectric power facility);

"Income Tax Act" means the Income-tax Act, 1961;

"INR" or "Rupee(s)" means Indian Rupee, the lawful currency of the Republic of India;

"Parties" shall collectively mean the Demerged/ Transferee Company, the Transferor Company and the Resulting Company; and **"Party"** means each of them, individually;

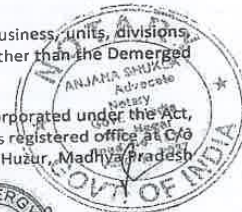
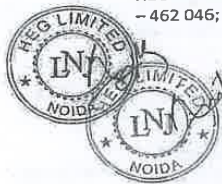
"Permits" means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

"Person" means an individual, a partnership, a corporation, a limited liability partnership, a company, an association, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

"Record Date" means the date to be fixed by the Board of the Resulting Company in consultation with the Board of the Demerged Company for the purpose of determining the shareholders of the Demerged Company for issue of the Resulting Company New Equity Shares;

"Remaining Business of the Demerged Company" means all the business, units, divisions, undertakings, and assets and liabilities of the Demerged Company other than the Demerged Undertaking;

"Resulting Company" means HEG Graphite Limited, a company incorporated under the Act, having corporate identity number U23994MP2024PLC071568 and its registered office at C/o HEG Limited, NH-12, Dist Raisen, Near Bhopal, Mandideep, Bhopal, Huzur, Madhya Pradesh - 462 046;



"Resulting Company New Equity Shares" means fully paid-up equity share(s) having face value of INR 2 each issued by the Resulting Company as consideration in terms of Clause 8.1 of this Scheme;

"RoC" means the relevant jurisdictional Registrar of Companies having jurisdiction over the Parties;

"Scheme" means this composite scheme of arrangement as modified from time to time;

"SEBI" means the Securities and Exchange Board of India;

"SEBI Circular" means the circular issued by the SEBI, being SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, and any amendments thereof issued pursuant to Regulations 11, 37 and 94 of the SEBI LODR Regulations;

"SEBI LODR Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

"Stock Exchanges" means BSE Limited and National Stock Exchange of India Limited collectively and Stock Exchange shall mean each of them individually;

"Tax Laws" means all Applicable Laws dealing with Taxes including but not limited to income-tax, goods and service tax, customs duty or any other levy of similar nature;

"Taxation" or **"Tax"** or **"Taxes"** means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, goods and services tax or otherwise or attributable directly or primarily to any of the Parties and all penalties, charges, costs and interest relating thereto;

"Transferor Company" means Bhilwara Energy Limited, a company incorporated under the provisions of the Companies Act, 1956 under the corporate identity number U31101MP2006PLC071693 and having its registered office at C/O HEG Limited, NH-12, Dist. Raipur, Near Bhopal, Mandideep, Bhopal - 462046, Huzur, Madhya Pradesh, India; and

"Tribunal" means the relevant bench of the National Company Law Tribunal having jurisdiction over the Parties.

1.2 In this Scheme, unless the context otherwise requires:

- (i) words denoting the singular shall include the plural and vice versa;
- (ii) headings, subheadings, titles, subtitles to clauses and sub-clauses, and for convenience only and shall be ignored in construing the Scheme;
- (iii) reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s), replacement, re-



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enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder; and

- (iv) all terms and words not defined in this Scheme shall unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act, Income Tax Act, or any other Applicable Laws, rules, regulations, bye laws, as the case may be.

2. SHARE CAPITAL

2.1 The share capital of the Demerged/ Transferee Company is as follows:

Particulars	INR
Authorised Share Capital	
27,50,00,000 equity shares of INR 2 each	55,00,00,000
15,00,000 preference shares of INR 100 each	15,00,00,000
Total	70,00,00,000
Issued and Subscribed Share Capital	
19,29,77,530 equity shares of INR 2 each	38,59,55,060
1,150 forfeited equity shares	3,750
Total	38,59,58,810

2.2 The share capital of the Resulting Company is as follows:

Particulars	INR
Authorised Share Capital	
50,000 equity shares of INR 2 each	1,00,000
Total	1,00,000
Issued, Subscribed and Paid-up Share Capital	
50,000 equity shares of INR 2 each	1,00,000
Total	1,00,000

2.3 The share capital of the Transferor Company is as follows:

Particulars	INR
Authorised Share Capital	
24,00,00,000 equity shares of INR 10 each	240,00,00,000
Total	240,00,00,000
Issued, Subscribed and Paid-up Share Capital	
16,57,59,311 equity shares of INR 10 each fully paid up	1,65,75,93,110
100 equity shares of INR 10 each fully paid*	1,000
3,51,91,858 equity shares of INR 10 each (INR 1 paid up)*	3,51,91,858
Total	1,69,27,85,968

*Note: Issued/to be issued pursuant to Clause 17.10 of the Scheme.



3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

This Scheme in its present form or with any modification(s) made as per Clause 29 of this Scheme, shall become operative from the Effective Date and effective from the Appointed Date.



PART II

DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING

4. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING

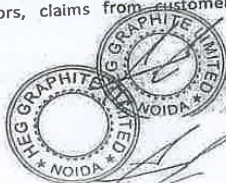
- 4.1 Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Demerged Undertaking shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company on a *going concern* basis, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, duties and obligations of the Resulting Company by virtue of operation of law, and in the manner provided in this Scheme.

This demerger under Part II of the Scheme complies with the definition of "demerger" as per Section 2(19AA) and other provisions of the Income Tax Act. If any terms of this Scheme are found to be or interpreted to be inconsistent with provisions of the Income Tax Act, then this Scheme shall stand modified to be in compliance with Section 2(19AA) of the Income Tax Act.

- 4.2 Without prejudice to the generality of the provisions of Clause 4.1 above, the manner of transfer of the Demerged Undertaking under this Scheme, is as follows:

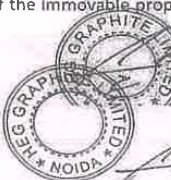
- 4.2.1 In respect of such of the assets and properties forming part of the Demerged Undertaking which are movable in nature (including but not limited to all intangible assets), intellectual property and intellectual property rights, including any applications for the same, of any nature whatsoever including but not limited to brands, trademarks forming part of the Demerged Undertaking, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and such other industrial and intellectual property rights of whatsoever nature or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Demerged Company to the Resulting Company upon coming into effect of this Scheme and shall, *ipso facto* and without any other or further order to this effect, become the assets and properties of the Resulting Company without requiring any deed or instrument of conveyance for transfer of the same. The transfer pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery, or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly;

- 4.2.2 Subject to Clause 4.2.3 below, with respect to the moveable assets of the Demerged Undertaking other than those referred to in Clause 4.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and



advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to the Resulting Company, with effect from the Appointed Date by operation of law as transmission in favour of the Resulting Company. With regard to the licenses of the properties, the Resulting Company will enter into novation agreements, if it is so required;

- 4.2.3 In respect of such of the assets and properties forming part of the Demerged Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including rights, interest and easements in relation thereto, the same shall stand transferred to the Resulting Company with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company. The Resulting Company shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to pay the ground rent and Taxes and fulfil all obligations in relation to or applicable to such immovable assets and properties;
- 4.2.4 For the avoidance of doubt and without prejudice to the generality of Clause 4.2.3 above and Clause 4.2.5 below, it is clarified that, with respect to the immovable properties comprised in the Demerged Undertaking in the nature of land and buildings, the Demerged Company and the Resulting Company shall register the true copy of the order of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 4.2.4 or Clause 4.2.5 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any part of the Demerged Undertaking takes place and the Demerged Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme. The mutation or substitution of the title to the immovable properties of the Demerged Company comprised in the Demerged Undertaking shall, upon the Scheme becoming effective, be made and duly recorded in the name of the Resulting Company by the Appropriate Authority pursuant to the Scheme coming into effect, in accordance with the terms hereof;
- 4.2.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Demerged Undertaking in the nature of land and buildings situated in states other than the state of Madhya Pradesh, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and transfer to the Resulting Company, if the Resulting Company so decides, the Demerged Company and the Resulting Company, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment



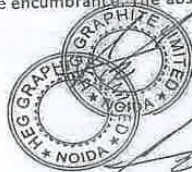
of stamp duty (If required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;

- 4.2.6 Upon effectiveness of Part II of the Scheme, all debts, liabilities, loans, obligations and duties of the Demerged Company as on the Appointed Date and relating to the Demerged Undertaking ("Demerged Undertaking Liabilities") shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Appointed Date. The term "Demerged Undertaking Liabilities" shall include:

- 4.2.6.1 the debts, liabilities obligations incurred and duties of any kind, nature or description (including contingent liabilities) which arise out of the activities or operations of the Demerged Undertaking;
- 4.2.6.2 the specific loans or borrowings (including, notes and other debt securities raised, incurred and utilized solely for the activities or operations of the Demerged Undertaking); and
- 4.2.6.3 in cases other than those referred to in Clauses 4.2.6.1 or 4.2.6.2 above, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same proportion which the value of the assets transferred pursuant to the demerger of the Demerged Undertaking bear to the total value of the assets of the Demerged Company immediately prior to the Appointed Date.

- 4.2.7 Post the Effective Date, the Demerged Company may, at the request of the Resulting Company, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, or deposit, contracts or policies relating to the Demerged Undertaking stands transferred to the Resulting Company and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;

- 4.2.8 In so far as encumbrances, if any, are concerned, in respect of the Demerged Undertaking Liabilities, such encumbrance shall, without any further act, instrument or deed being required to be taken or modified, be extended to and shall operate only over the assets comprised in the Demerged Undertaking which have been encumbered in respect of the Demerged Undertaking Liabilities as transferred to the Resulting Company pursuant to this Scheme. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the encumbrance over such assets relating to any loans, liabilities, borrowings or other debts which are not transferred to the Resulting Company pursuant to this Scheme and which continue with the Demerged Company shall without any further act, instrument or deed be released from such encumbrance and shall no longer be available as security in relation to such liabilities and the Demerged Company shall provide such other security that may be agreed between the Demerged Company and the respective lenders having the encumbrance. The absence of any formal amendment which may

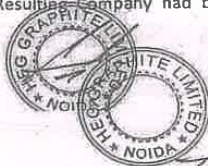
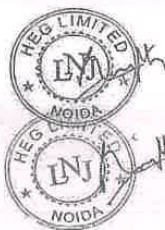


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be required by a lender or trustee or third party shall not affect the operation of the above;

- 4.2.9 All the security interest over any moveable and/or Immoveable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of the Demerged Company (pertaining to the Demerged Undertaking), or any other person acting on behalf of or for the benefit of the Demerged Company for securing the obligations of the persons to whom the Demerged Company (pertaining to the Demerged Undertaking) has advanced loans and granted other financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Resulting Company and the benefit of such security shall be available to the Resulting Company as if such security was *ab initio* created in favour of the Resulting Company. The recordal of such benefits/ charges, created in favour of the Resulting Company, shall upon this Scheme becoming effective and with effect from the Appointed Date, be made and duly recorded in the name of the Resulting Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Tribunal and upon the Scheme becoming effective in accordance with the terms hereof;
- 4.2.10 Subject to Clause 4 and any other provisions of this Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Demerged Undertaking, the Demerged Company shall, if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company, as the Person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 4.2.11 On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Demerged Undertaking, shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company;
- 4.2.12 All letters of intent/ acceptance/ awards, memoranda, requests for proposal, qualifications, pre-qualifications (including pending applications), and other instruments of whatsoever nature pertaining to the Demerged Undertaking, in which the Demerged Company is a party to or to the benefit of which Demerged Company may be eligible (including but not limited to entire experience, credentials, past record and market share), shall remain in full force and effect against or in favour of the Resulting Company without any further act, instrument, deed or thing and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee or



applicant thereto;

4.2.13 Permits, including the benefits attached thereto of the Demerged Company, in relation to the Demerged Undertaking, shall be transferred to the Resulting Company from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company and the Resulting Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Demerged Company to carry on the operations of the Demerged Undertaking without any hindrance, whatsoever; and

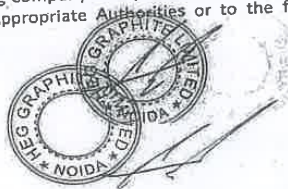
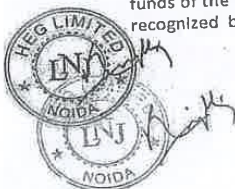
4.2.14 Contracts in relation to the Demerged Undertaking, where the Demerged Company is a party, shall stand transferred to the Resulting Company pursuant to the Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer shall not affect the operation of the foregoing sentence. The Demerged Company and the Resulting Company shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

4.3 Without prejudice to the provisions of the foregoing sub-clauses of this Clause 4 and upon the effectiveness of Part II of this Scheme, the Demerged Company and the Resulting Company may execute any and all instruments or documents and do all acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to this Scheme. The Demerged Company shall take such actions as may be necessary to get the assets pertaining to the Demerged Undertaking transferred to and registered in, the name of the Resulting Company, as per Applicable Law.

5. EMPLOYEES

5.1 Upon the effectiveness of Part II of this Scheme and with effect from the Effective Date, all employees of the Demerged Company engaged in or in relation to the Demerged Undertaking shall become the employees of the Resulting Company on terms and conditions no less favourable than those on which they are engaged by the Demerged Company and without any interruption in service. The decision on whether or not an employee is part of the Demerged Undertaking shall be decided by the Demerged Company, and such decision shall be final and binding on all concerned Parties.

5.2 The accumulated balances, if any, standing to the credit in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of the Resulting Company set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by the Resulting



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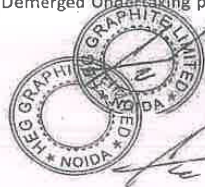
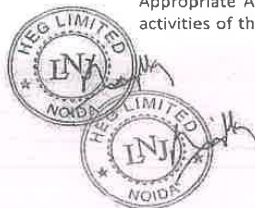
Company. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund and other fund respectively of Demerged Company.

6. LEGAL PROCEEDINGS

- 6.1 Upon coming into effect of this Scheme, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands, legal and other proceedings of whatsoever nature (except proceedings under the Income Tax Act) by or against the Demerged Company pending and/or arising on or before the Appointed Date or which may be instituted at any time thereafter and in each case relating to the Demerged Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme and shall be continued and be enforced by or against the Resulting Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. The Resulting Company shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend all such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall stand nullified. The Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Demerged Undertaking.
- 6.2 The Resulting Company undertakes to have all legal and other proceedings (except proceedings under the Income Tax Act) initiated by or against the Demerged Company referred to in Clause 6.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company on priority. The Demerged Company and the Resulting Company shall make relevant applications and take all steps as may be required in this regard.
- 6.3 Notwithstanding anything contained herein above, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority (except proceedings under the Income Tax Act), in each case in relation to the Demerged Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Demerged Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company. However, if the Demerged Company is unable to get the Resulting Company replaced in its place in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company and at the cost of the Resulting Company and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

7. TAXES/ DUTIES/ CESS

- 7.1 Tax payable to Appropriate Authorities under Tax Laws and/or any refunds of Tax from Appropriate Authorities under Tax Laws, which, in each case, arise from the operation or activities of the Demerged Undertaking prior to the Appointed Date, regardless of whether



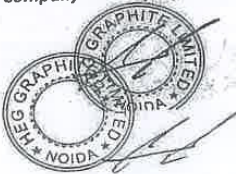
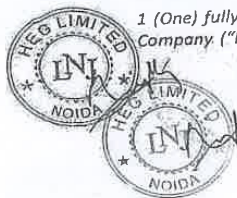
such payments or receipts are provided or recorded in the books of the Demerged Company and whether such payments or receipts are due or realised on, or after the Appointed Date; and even if the prescribed time limits for claiming such refunds or credits have lapsed, shall be the responsibility and / or entitlement of the Resulting Company. Upon effectiveness of this Scheme, in accordance with Tax Laws, the Demerged Company shall be liable for any Tax payable to and / or be entitled to any refunds of Tax receivable from Appropriate Authorities under Tax Laws, which, in each case, arise from the operation or activities of the Demerged Undertaking prior to the Appointed Date, and in this case the Resulting Company shall promptly reimburse the Demerged Company for such payment and / or be entitled to receive the amount of refund so received from the Demerged Company.

- 7.2 Upon the Scheme becoming effective and after the Appointed Date, the Resulting Company shall be liable for any Tax payable to Appropriate Authorities under Tax Laws and shall be entitled to refunds of any Tax from Appropriate Authorities under Tax Laws, which, in each case, arise from the operation or activities of the Demerged Undertaking on or after the Appointed Date, regardless of whether such payments or receipts are provided or recorded in the books of the Demerged Company and whether such payments or receipts are due or realised on, or after the Appointed Date.
- 7.3 If the Demerged Company is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), advance tax, tax deduction at source, tax collection at source, benefits under the state or central fiscal / investment incentive schemes and policies or concessions relating to the Demerged Undertaking under any Tax Law or Applicable Law, the Resulting Company shall be entitled, as an integral part of this Scheme, to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission and such benefit or incentives or unutilised credits, as the case may be, shall be available for utilisation to the Resulting Company in accordance with Applicable Law.
- 7.4 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of this Scheme. It is further clarified that the Resulting Company shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Demerged Undertaking to the extent not claimed by the Demerged Company, as and when the same are paid subsequent to the Appointed Date.

8. CONSIDERATION

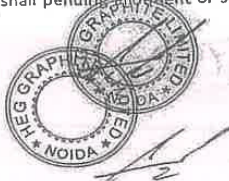
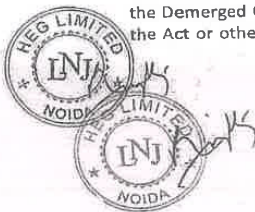
- 8.1 Upon effectiveness of Part II of this Scheme and in consideration of and subject to the provisions of this Scheme, the Resulting Company shall, without any further application, act, deed, consent, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Demerged Company whose name is recorded in the register of members and records of the depository as members of the Demerged Company as on the Record Date, as under:

1 (One) fully paid-up equity share of INR 2 (Indian Rupees Two only) each of the Resulting Company ("Resulting Company New Equity Shares"), credited as fully paid up, for every 1



(One) equity share of INR 2 (Indian Rupees Two only) each of the Demerged Company.

- 8.2 The Resulting Company New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of the Resulting Company, and shall rank *pari passu* in all respects with any existing equity shares of the Resulting Company, as the case may be, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Resulting Company.
- 8.3 The Resulting Company New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. Prior to the Record Date, the eligible shareholders of the Demerged Company, who hold shares in physical form shall provide such confirmation, information and details as may be required, relating to his/ her/ its account with a depository participant, to the Resulting Company to enable it to issue the Resulting Company New Equity Share(s) in dematerialised form.
- 8.4 For the purpose of allotment of the Resulting Company New Equity Shares pursuant to this Scheme, in the event, if any eligible shareholder of the Demerged Company holds shares in physical form, the Resulting Company shall deal with the relevant shares in such manner as they may deem fit and in the best interest of such eligible shareholder, including by way of issuing the Resulting Company New Equity Share(s) in dematerialised form to a trustee nominated by the Board of the Resulting Company ("Trustee of the Resulting Company") who shall hold these equity shares in trust for the benefit of such shareholder. The Resulting Company New Equity Share(s) held by the Trustee of the Resulting Company for the benefit of such eligible shareholders shall be transferred to the respective eligible shareholder once they provide details of his/her/its demat account to the Trustee of the Resulting Company, along with such other documents as may be required by the Trustee of the Resulting Company.
- 8.5 The issue and allotment of the Resulting Company New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of the Resulting Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the Resulting Company New Equity Shares under applicable provisions of the Act.
- 8.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative on the Record Date, in order to remove any difficulties arising to the transferor or transferee of shares in the Demerged Company, after effectiveness of this Scheme.
- 8.7 The equity shares to be issued pursuant to this Scheme in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or



otherwise, be held in abeyance by the Resulting Company.

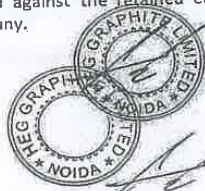
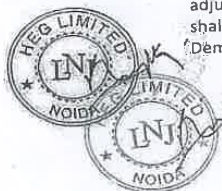
- 8.8 The Resulting Company New Equity Shares issued *in lieu* of the equity shares of the Demerged Company held in the unclaimed suspense account shall be credited to a new unclaimed suspense account created for shareholders of the Resulting Company. The Resulting Company New Equity Shares to be issued by the Resulting Company in respect of the shares of the Demerged Company held in the Investor Education and Protection Fund shall be credited to the Investor Education and Protection Fund.
- 8.9 In the event the Demerged Company restructures its share capital by way of share split or consolidation or bonus or any other corporate action before the Record Date, the share entitlement ratio set out in Clause 8.1 shall be suitably adjusted considering the effect of such corporate action without requirement of any further approval from shareholders or Appropriate Authority.
- 8.10 The Resulting Company shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The Resulting Company New Equity Shares allotted by the Resulting Company in terms of Clause 8.1 above, pursuant to this Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange. Further, there shall be no change in the shareholding pattern of the Resulting Company between the Record Date and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.
- 8.11 The Resulting Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

9. ACCOUNTING TREATMENT

9.1 Accounting treatment in the books of account of the Demerged Company:

Upon coming into effect of Part II of the Scheme, the same shall be accounted for in books of accounts of Demerged company in the following manner:

- 9.1.1 The Demerged Company shall reduce the book value of all assets, liabilities and reserves pertaining to the Demerged Undertaking transferred to the Resulting Company from its books of accounts.
- 9.1.2 The investment in the equity share capital of the Resulting Company held by Demerged Company, if any, as appearing in the books of account of Demerged Company shall stand cancelled.
- 9.1.3 The surplus/deficit, if any, arising between the carrying value of assets and liabilities and reserves pertaining to the Demerged undertaking transferred to the Resulting Company, after providing for adjustments as stated in clause 9.1.2 above, shall be adjusted in capital reserve of the Demerged Company. Any negative capital reserve shall be adjusted against the retained earnings in the books of account of the Demerged Company.



9.2 Accounting treatment in the books of account of the Resulting Company: -

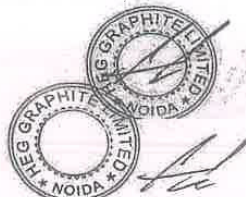
Upon coming into effect of Part II of the Scheme, the Resulting Company shall account for the Demerged Undertaking in its books of account in accordance with principles laid down in Appendix C to the Indian Accounting Standard 103 "Business Combination" in the following manner:

- 9.2.1 The Resulting Company shall record the assets, liabilities and reserves pertaining to the Demerged Undertaking transferred to and vested in it, pursuant to the Scheme, at the same value as appearing in the books of account of the Demerged Company. The identity of the reserves shall be preserved and shall appear in the books of account of the Resulting Company in the same form and manner, in which they appeared in the books of account of the Demerged Company.
- 9.2.2 The Resulting Company shall credit the share capital in its books of account with the aggregate face value of the equity shares issued to the shareholders of the Demerged Company pursuant to Clause 8 of the Scheme.
- 9.2.3 The shareholding of the Demerged Company in the Resulting Company, if any, shall stand cancelled.
- 9.2.4 The surplus/deficit, if any, arising between the carrying value of assets and liabilities and reserves pertaining to the Demerged undertaking and the face value of shares issued by the Resulting Company, after providing for adjustments as stated in clause 9.2.3 above, shall be adjusted in capital reserve. Any negative capital reserve shall be adjusted against the retained earnings in the books of account of the Resulting Company.
- 9.2.5 In case of any differences in accounting policies of the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail and the difference shall be adjusted in capital reserve of the Resulting Company, to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policies.
- 9.2.6 The comparative financial information in the financial statements of the Resulting Company shall be restated as if the demerger had occurred from the beginning of the comparative period presented in the financial statements, irrespective of the actual date of the demerger.

10. SAVING OF CONCLUDED TRANSACTIONS

Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by the Demerged Company in relation to the Demerged Undertaking until the Effective Date, to the end and intent that the Resulting Company shall adopt and adopt all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of the Resulting Company.

REMAINING BUSINESS OF THE DEMERGED COMPANY



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- 11.1 The Remaining Business of the Demerged Company shall continue to belong to and be owned and managed by the Demerged Company. The Demerged Company shall continue to be liable to perform and discharge all its liabilities and obligations in relation to the Remaining Business of the Demerged Company and the Resulting Company shall not have any liability or obligation in relation to the Remaining Business of the Demerged Company.
- 11.2 If the Resulting Company is in receipt of any demand, claim, notice and/or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Remaining Business of the Demerged Company, the Resulting Company shall take all such steps in the proceedings before the Appropriate Authority to substitute the Resulting Company with the Demerged Company. However, if the Resulting Company is unable to replace the Demerged Company in such proceedings, the Resulting Company shall defend the same or deal with such demand at the cost of the Demerged Company and the latter shall reimburse the Resulting Company, against all liabilities and obligations incurred by or against the Resulting Company, in respect thereof.
12. **REDUCTION AND CANCELLATION OF ENTIRE SHARE CAPITAL OF THE RESULTING COMPANY**
- 12.1 Upon allotment of the Resulting Company New Equity Shares, the entire paid up share capital of the Resulting Company as on the Effective Date ("Resulting Company Cancelled Shares") shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company, pursuant to Sections 230 to 232 of the Act as an integral part of the Scheme.
- 12.2 The Resulting Company shall debit its share capital account in its books of account with the aggregate face value of the Resulting Company Cancelled Shares and credit capital reserve account for the same amount.
- 12.3 It is clarified that the approval of the members of the Resulting Company to this Scheme, shall be deemed to be their consent/approval for the reduction of the share capital of the Resulting Company under applicable provisions of the Act.
- 12.4 Notwithstanding the reduction in the share capital of the Resulting Company, the Resulting Company shall not be required to add "And Reduced" as suffix to its name.



PART III
AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFeree COMPANY

13. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY

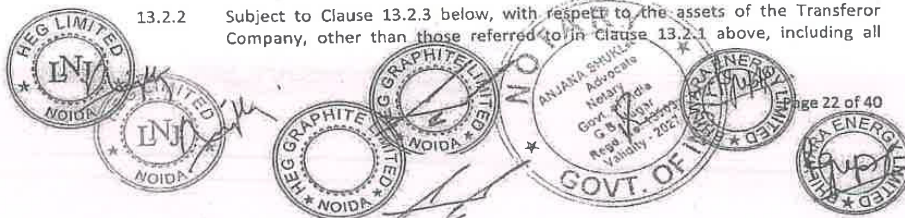
- 13.1 Immediately after Part II of the Scheme coming into effect and with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, the Transferor Company shall stand transferred to and vested in the Transferee Company as a going concern and accordingly, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, duties and obligations of the Transferee Company, by virtue of operation of law, and in the manner provided in this Scheme.

The amalgamation under Part III of the Scheme complies with the definition of "amalgamation" under Section 2 (1B) and other provisions of the Income Tax Act. If any terms of this Scheme are found to be or interpreted to be inconsistent with the provisions of the Income Tax Act, then this Scheme shall stand modified to be in compliance with Section 2 (1B) of the Income Tax Act.

- 13.2 Without prejudice to the generality of the provisions of Clause 13.1 above, the manner of transfer and vesting of assets and liabilities of the Transferor Company under this Scheme, is as follows:

- 13.2.1 In respect of such of the assets and properties of the Transferor Company which are movable in nature (including but not limited to all Intangible assets), intellectual property and intellectual property rights, including any applications for the same, of any nature whatsoever including but not limited to brands, trademarks, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and such other industrial and intellectual property rights of whatsoever nature or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Transferor Company to the Transferee Company upon coming into effect of this Scheme and shall, *ipso facto* and without any other or further order to this effect, become the assets and properties of the Transferee Company without requiring any deed or instrument of conveyance for transfer of the same. The transfer pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly;

- 13.2.2 Subject to Clause 13.2.3 below, with respect to the assets of the Transferor Company, other than those referred to in Clause 13.2.1 above, including all



rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Transferor Company shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date, by operation of law as transmission or as the case may be in favour of Transferee Company. With regard to the licenses of the properties, the Transferee Company will enter into novation agreements, if it is so required;

13.2.3 In respect of such of the assets and properties of the Transferor Company which are immovable in nature, whether or not included in the books of the Transferor Company, including rights, interest and easements in relation thereto, the same shall stand transferred to the Transferee Company with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to pay the ground rent and Taxes and fulfil all obligations in relation to or applicable to such immovable assets and properties;

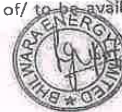
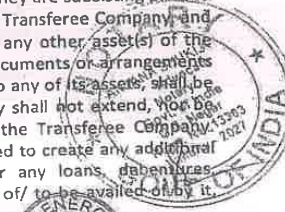
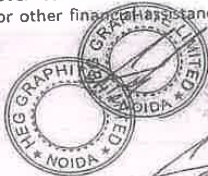
13.2.4 For the avoidance of doubt and without prejudice to the generality of Clause 13.2.3 above and Clause 13.2.5 below, it is clarified that, with respect to the immovable properties of the Transferor Company in the nature of land and buildings, the Transferee Company shall register the true copy of the order of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 13.2.4 or Clause 13.2.5 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any property of the Transferor Company takes place and the assets and liabilities of the Transferor Company shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme. The mutation or substitution of the title to the immovable properties of the Transferor Company shall, upon the Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the Appropriate Authority pursuant to the Scheme coming into effect, in accordance with the terms hereof;

13.2.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties of the Transferor Company in the nature of land and buildings situated in states other than the State of Madhya Pradesh, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and



transfer to the Transferee Company, If the Transferee Company so decides, the Transferor Company and/ or the Transferee Company, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such Immovable properties. Each of the Immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such Immovable properties shall form an integral part of this Scheme;

- 13.2.6 All debts, liabilities, duties, loans and obligations of the Transferor Company (including any guarantees provided by the Transferor Company to secure borrowings of its subsidiaries and related obligations, if any) shall, without any further act, instrument or deed be transferred to, and vested in, and/or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties, loans and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 13;
- 13.2.7 On and from the Effective Date and till such time that the name of the bank and demat accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank and demat accounts of the Transferor Company, as may be applicable, and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment, debit or credit instructions which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers and depository participants of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company;
- 13.2.8 Unless otherwise agreed between the Parties, the vesting of all the assets of the Transferor Company, as aforesaid, shall be along with the encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such encumbrances shall be confined only to the relevant assets of the Transferor Company or part thereof on or over which they are subsisting prior to the amalgamation of the Transferor Company with the Transferee Company, and no such encumbrances shall extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which the Transferor Company is a party) related to any of its assets, shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company. Similarly, the Transferee Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures deposits or other financial assistance already availed of/ to be availed of by it.



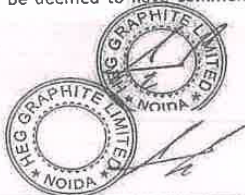
and the Encumbrances in respect of such indebtedness of the Transferee Company shall not extend or be deemed to extend or apply to the assets so vested. With regards to any guarantees provided by the Transferee Company to the lenders of the Transferor Company is concerned, upon the Scheme coming into effect, the said guarantees will stand cancelled and annulled. No separate obligations and/or security would be provided by the Transferee Company to that effect;

- 13.2.9 All the security interest over any moveable and/or immoveable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of the Transferor Company, or any other person acting on behalf of or for the benefit of the Transferor Company for securing the obligations of the persons to whom the Transferor Company has advanced loans and granted other financial assistance, by way of letter of comfort or through other similar Instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was *ab initio* created in favour of the Transferee Company. The recordal of such benefits/ charges, created in favour of the Transferee Company, shall upon this Scheme becoming effective and with effect from the Appointed Date, be made and duly recorded in the name of the Transferee Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Tribunal and upon the Scheme becoming effective in accordance with the terms hereof;
- 13.2.10 On and from the Effective Date, all cheques and other negotiable Instruments and payment orders received or presented for encashment which are in the name of the Transferor Company, shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company;
- 13.2.11 All letters of intent/ acceptance/ awards, memoranda, requests for proposal, qualifications, pre-qualifications (including pending applications), and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which Transferor Company may be eligible (including but not limited to entire experience, credentials, past record and market share), shall remain in full force and effect against or in favour of the Transferee Company without any further act, instrument, deed or thing and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or applicant thereto;
- 13.2.12 Permits, including the benefits attached thereto of the Transferor Company, shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the



terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company to carry on the operations of the Transferor Company without any hindrance, whatsoever;

- 13.2.13 Contracts where the Transferor Company is a party, shall stand transferred to and vested in the Transferee Company pursuant to this Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Transferee Company shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause; and
- 13.2.14 Provided that, upon the Part III of this Scheme coming into effect, all inter-company transactions including loans, contracts executed or entered into by or inter se between the Transferor Company and the Transferee Company, if any, shall stand cancelled with effect from the Effective Date and neither the Transferor Company and/or Transferee Company shall have any obligation or liability against the other party in relation thereto.
- 13.3 Without prejudice to the provisions of the foregoing sub-clauses of this Clause 13 and upon the effectiveness of Part III of this Scheme, the Transferor Company and the Transferee Company may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Transferor Company, shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company. The Transferee Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts of the Transferor Company transferred and/or registered in its name.
14. EMPLOYEES
- 14.1 Upon the effectiveness of Part III of this Scheme and with effect from the Effective Date, all employees of the Transferor Company shall become the employees of the Transferee Company on terms and conditions no less favourable than those on which they are engaged by the Transferor Company and without any interruption in service.
- 14.2 The accumulated balances, if any, standing to the credit in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of the Transferee Company set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by the Transferee Company. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund and other fund respectively of the Transferor Company. For all retirement and other benefits employees of the Transferor Company shall be deemed to be in continuation of service and his / her service shall be deemed to have commenced from the date, he / she joins the



Transferor Company.

15. LEGAL PROCEEDINGS

15.1 Upon coming into effect of Part III of this Scheme, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands, legal and other proceedings of whatsoever nature by or against the Transferor Company pending on the Effective Date shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Transferee Company with effect from the Effective Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company.

15.2 From the date of approval of this Scheme by the Board of the Transferor Company and until the Effective Date, the Transferor Company shall defend all legal proceedings, other than in the ordinary course of business, with the advice and instructions of the Transferee Company.

16. TAXES/ DUTIES/ CESS

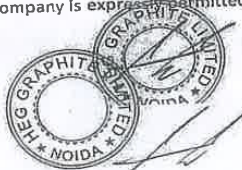
Upon coming into effect of Part III of this Scheme and with effect from the Appointed Date, by operation of law pursuant to the order of the Authority:

16.1 Taxes of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, dividend distribution tax, foreign tax, minimum alternative tax, if any, paid by the Transferor Company shall be treated as paid by the Transferee Company and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable. Further, any tax deducted at source by the Transferor Company/ the Transferee Company on payables to the Transferee Company/ the Transferor Company respectively which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

16.2 If the Transferor Company is entitled to any benefits under incentive schemes and policies under Tax Laws, all such benefits under all such incentive schemes and policies shall be and stand vested in the Transferee Company. Further, losses (including but not limited to book losses, tax losses), book unabsorbed depreciation, tax unabsorbed depreciations to which Transferor Company is entitled to in terms of Applicable Law(s), shall be available to and vest in the Transferee Company.

16.3 Without prejudice to the provisions of this Scheme, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes, from the Appointed Date. Any Taxes (including tax deducted at source or dividend distribution tax) paid in relation to such transaction shall, to the extent permissible by Applicable Law, be claimed as a refund.

The Transferee Company is expressly permitted to revise and file its income tax returns and



other statutory returns, along with the necessary forms, filings and annexures even beyond the due date, if required, including tax deducted/ collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/ withheld, minimum alternate tax credit, losses (including but not limited to book losses, tax losses), book unabsorbed depreciation, tax unabsorbed depreciations etc. if any, as may be required for the purposes of/ consequent to implementation of the Scheme.

- 16.5 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferee Company, if so required, shall issue notice in the name of the Transferor Company, in such form as it may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Company, to recover or realise the same, stands transferred to the Transferee Company.
- 16.6 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company, under Tax Laws or other applicable laws/ regulations dealing with Taxes/ duties/ levies duly complied by the Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company.

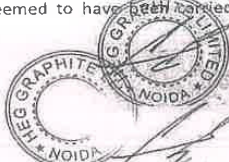
17. CONSIDERATION

- 17.1 Upon the Part III of this Scheme coming into effect and in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members as member of the Transferor Company as on the Effective Date, as under:

8 (Eight) fully paid up equity shares of INR 2 (Indian Rupees Two only) each of the Transferee Company ("Transferee Company New Equity Shares"), credited as fully paid up, for every 7 (Seven) equity shares of INR 10 (Indian Rupees Ten only) each of the Transferor Company.

- 17.2 No equity shares shall be issued by the Transferee Company in respect of the shares held by the Transferee Company in the Transferor Company and all such shares shall stand cancelled upon the Scheme becoming effective.
- 17.3 The Transferee Company New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of the Transferee Company, as the case may be, and shall rank *pari passu* in all respects with any existing equity shares of the Transferee Company, as the case may be, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Transferee Company.

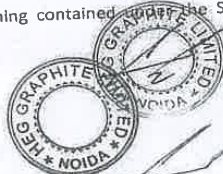
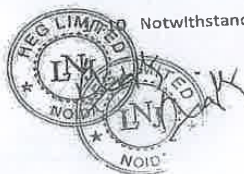
- 17.4 The issue and allotment of the Transferee Company New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the



Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the shareholders of the Transferee Company to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of the Transferee Company New Equity Shares.

- 17.5 Subject to Applicable Law, the Transferee Company New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. The register of members maintained by the Transferee Company and/or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Law shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of the Transferee Company New Equity Shares in terms of this Scheme.
- 17.6 For the purpose of the allotment of the Transferee Company New Equity Shares, pursuant to this Scheme, in case any shareholder's holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated Transferee Company New Equity Shares to a trustee (nominated by the Board of the Transferee Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such shares in the market at such price or prices and at any time within a period of 90 days from the date of allotment of the Transferee Company New Equity Shares as the trustee may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company pertaining to the fractional entitlements.
- 17.7 In the event, the Transferor Company and/or the Transferee Company restructure their equity share capital by way of share split or consolidation or bonus or any other corporate action during the pendency of the Scheme, the share entitlement ratio, per Clause 17.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions.
- 17.8 The Transferee Company shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The Transferee Company New Equity Shares allotted by the Transferee Company in terms of Clause 17.1 above, pursuant to this Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchanges.
- 17.9 The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

Notwithstanding anything contained in the Scheme, prior to the Effective Date, the



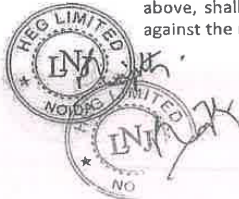
Transferor Company will issue additional equity shares (being partly paid up or fully paid up) to one or more investors not being promoter(s) or persons acting in concert with the promoters of the Parties, in one or more tranches, aggregating to 3,51,91,958 shares i.e. 17.51% of the fully diluted share capital of the Transferor Company, by way of preferential allotment at fair value to be determined by an independent valuer, in accordance with the provisions of Applicable Law, which shall be equal to or more than the price considered for determining the share exchange ratio.

- 17.11 In the event if the shares issued by the Transferor Company in terms of Clause 17.10 of the Scheme are partly paid-up shares, then such partly paid-up shares shall be made fully paid-up prior to the Effective Date. Further, if such partly paid-up shares are not made fully paid-up prior to the Effective Date, then such partly paid-up shares shall be forfeited and no consideration to that effect shall be discharged by the Transferee Company.

18. ACCOUNTING TREATMENT

Upon coming into effect of Part III of the Scheme, the Transferee Company shall account for amalgamation of the Transferor Company in its books of account in accordance with principles laid down in Appendix C to the Indian Accounting Standard 103 "Business Combination" in the following manner:

- 18.1 All assets and liabilities of the Transferor Company shall be recorded by the Transferee Company at their respective book values as appearing in the books of account of the Transferor Company.
- 18.2 The balance of the reserves appearing in the books of account of the Transferor Company shall be aggregated with the corresponding balance appearing in the books of account of the Transferee Company.
- 18.3 The Transferee Company shall credit the share capital in its books of account with the aggregate face value of the equity shares issued by it to the shareholders of the Transferor Company pursuant to Clause 17 of the scheme.
- 18.4 The investment in the equity share capital of the Transferor Company held by Transferee Company, as appearing in the books of account of Transferee Company, shall stand cancelled.
- 18.5 The inter-company loans and advances, other dues, receivables and payables outstanding between the Transferee Company and the Transferor Company shall stand cancelled and there shall be no further obligation/ outstanding in that regard.
- 18.6 The surplus/deficit, if any, arising between the carrying value of assets and liabilities and reserves pertaining to the Transferor Company and the face value of shares issued by the Transferee Company, after providing for adjustments as stated in clause 18.4 and 18.5 above, shall be adjusted in capital reserve. Any negative capital reserve shall be adjusted against the retained earnings in the books of account of the Transferee Company.



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18.7 In case of any differences in accounting policies of the Transferor Company and the Transferee Company, the accounting policies of the Transferee Company shall prevail and the difference shall be quantified and adjusted in the capital reserve to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policies.

18.8 The comparative financial information in the financial statements of the Transferee Company shall be restated as if the merger had occurred from the beginning of the comparative period presented in the financial statements, irrespective of the actual date of the merger.

19. COMBINATION OF AUTHORISED SHARE CAPITAL

19.1 Upon the coming into effect of this Scheme, the authorised share capital of the Transferor Company as on the Effective Date will be combined with the authorised share capital of the Transferee Company and accordingly the authorised share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees to RoC.

19.2 The memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the approval of the Tribunal to the Scheme shall be deemed to be consent/ approval of the members of the Transferee Company also for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be, for amendment of the Memorandum and Articles of Association of the Transferee Company and for this purpose the stamp duty and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company.

19.3 Consequentially, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital as per Clause 19.1 above, pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act.

19.4 It is clarified that the approval of the Tribunal to the Scheme shall be deemed to be consent/ approval of the members of the Transferee Company also to the alteration of the memorandum and articles of association of the Transferee Company as may be required under the Act.

20. DISSOLUTION OF THE TRANSFEROR COMPANY

20.1 Upon the effectiveness of Part III of this Scheme, the Transferor Company shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand discharged and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned RoC.

21. SAVING OF CONCLUDED TRANSACTIONS:



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Nothing in this Scheme shall affect any transaction or Proceedings already concluded or liabilities incurred by the Transferor Company, until the Appointed Date, to the end and intent that the Transferee Company, shall accept and adopt all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company. Upon this Scheme coming into effect, the resolutions/ power of attorneys/ letter of authority(ies) executed by the Transferor Company and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions, power of attorney and letter of authority(ies) passed/ executed by the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act or any other applicable statutory provisions, then such limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions for the purpose of the Transferee Company.



**PART IV
GENERAL TERMS AND CONDITIONS**

22. DIVIDENDS

- 22.1 The Parties shall be entitled to declare and pay dividends to their respective shareholders in the ordinary course of business, whether interim or final.
- 22.2 It is clarified that the aforesaid provisions in respect of declaration of dividends (whether interim or final) are enabling provisions only and shall not be deemed to confer any right on any shareholder of any of the Parties, as the case may be, to demand or claim or be entitled to any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of respective Parties, and subject to approval, if required, of the shareholders of the respective Parties.

23. CONDUCT OF BUSINESS UPTO THE EFFECTIVE DATE

- 23.1 With effect from the date of approval of the Scheme by the Board of the Parties and up to and including the Appointed Date, the Demerged Company with respect to Demerged Undertaking and the Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets for and on account of, and in trust for the Resulting Company and Transferee Company, respectively.
- 23.2 With effect from Appointed Date, and up to and including the Effective Date:
- 23.2.1 The Demerged Company with respect to the Demerged Undertaking and the Transferor Company, shall carry on their respective businesses with reasonable diligence and business prudence and in the same manner as the Demerged Company and the Transferor Company had been doing hitherto;
- 23.2.2 The Demerged Company with respect to the Demerged Undertaking and the Transferor Company, shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Resulting Company and the Transferee Company may respectively require to carry on the relevant businesses of the Demerged Company or the Transferor Company and to give effect to the Scheme; and
- 23.2.3 For the purpose of giving effect to the order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Resulting Company and the Transferee Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon demerger of the Demerged Undertaking and amalgamation of the Transferor Company, as the case maybe, in accordance with the provisions of Sections 230 to 232 of the Act. The Resulting Company and the Transferee Company shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc., as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the



implementation of this Scheme. For the purpose of giving effect to the vesting order passed under Section 232 of the Act in respect of this Scheme, the Resulting Company and the Transferee Company shall be entitled to exercise all rights and privileges, and be liable to pay all taxes and charges and fulfil all its obligations, in relation to or applicable to all immovable properties, including mutation and/or substitution of the ownership or the title to, or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Resulting Company and the Transferee Company, as the case maybe, pursuant to the sanction of the Scheme by the Tribunal and upon the effectiveness of this Scheme in accordance with the terms hereof, without any further act or deed to be done or executed by the Resulting Company and the Transferee Company. It is clarified that the Resulting Company and the Transferee Company shall be entitled to engage in such correspondence and make such representations, as may be necessary, for the purposes of the aforesaid mutation and/or substitution.

24. FACILITATION PROVISIONS

- 24.1 Immediately upon the Scheme being effective, the concerned Parties shall enter into agreements as may be necessary, *inter alia* in relation to use by the Parties of office space, infrastructure facilities, information technology services, security personnel, trademarks and other intellectual property rights, legal, administrative and other services, etc. on such terms and conditions that may be mutually agreed between them.
- 24.2 It is clarified that all guarantees provided by the Demerged Company in respect of the Demerged Undertaking and/ or by the Transferor Company, if any, shall be valid and subsisting till adequate arrangements/ guarantees have been provided in respect of the same by the Resulting Company and/ or the Transferee Company, as the case maybe.
- 24.3 The Board of the Resulting Company and the Transferee Company shall always be deemed to have been authorized to do all the acts, deeds and things as may be required for and on behalf the Board of the Demerged Company and the Transferor Company, respectively to give effect and implement the provisions of this Scheme, including executing any pleadings, applications, instruments, forms, policies, schemes, filing of necessary particulars relating to mutation and/or substitution of the ownership or the title to or interest in the immovable properties of the Demerged Company forming part of the Demerged Undertaking and the Transferor Company, as the case may be, and/ or modifications of charge, fulfilling statutory obligations, approving, etc.
- 24.4 Upon the Scheme coming into effect, the borrowing limit of the Transferee Company under Section 180(1)(c) and Section 186(2) of the Act shall be increased to INR 2800 crore and INR 3500 crore, respectively.
- 24.5 Upon the Scheme coming into effect, the limit under Section 180(1)(a) of the Act shall be increased in relation to creation or modification of security, mortgage, charges and hypothecation as may be necessary on the assets of the Transferee Company, in favour of the lenders and trustees of the holders of debentures/ bonds and/ or other instruments for the borrowings such that the outstanding amount of debt at any point of time does not exceed the limits mentioned in Clause 24.4 above.



- 24.6 Upon the Scheme becoming effective, all contracts, agreements (including joint venture agreements, memorandum of understandings, consortium agreements), undertakings of whatsoever nature, whether written or otherwise, deeds, bonds, arrangements, service agreements, or other instruments, executed by the Demerged Company, in relation to the Demerged Undertaking or the Transferor Company, as the case may be, shall stand transferred to and vested in the Resulting Company or the Transferee Company, pursuant to the Scheme, and the Resulting Company or the Transferee Company, as the case may be, shall be deemed to be a party to such agreements instead of the Demerged Company or the Transferor Company, and approval of shareholders of the Parties to the Scheme shall be deemed to be their approval as required under Section 188 of the Act and Regulation 23 of the SEBI LODR Regulations and no separate approval shall be obtained by the Parties, in this regard.

25. PROPERTY IN TRUST

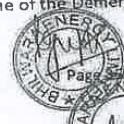
Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Demerged Undertaking of the Demerged Company, are transferred, vested, recorded, effected and/or perfected, in the records of any Appropriate Authority, regulatory bodies, any third party, or otherwise, in favour of the Resulting Company, the Resulting Company, will be deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time as may be mutually agreed by the Demerged Company and the Resulting Company, the Demerged Company will continue to hold the property and/or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as the case may be, in trust for and on behalf of, the Resulting Company.

26. APPLICATIONS/ PETITIONS TO THE TRIBUNAL

- 26.1 The Parties shall make and file all applications and petitions under sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.

27. CHANGE OF NAME OF THE DEMERGED/ TRANSFEE COMPANY AND THE RESULTING COMPANY

- 27.1 Upon this Scheme becoming effective, the name of the Demerged/ Transferee Company shall stand changed to 'HEG Greentech Limited' or such other name which is available and approved by the RoC, by simply filling the requisite forms with the Appropriate Authority and no separate consent, approval, act, procedure, instrument, or deed shall be required to be obtained or followed under the Act.
- 27.2 Consequently, subject to Clause 27.1 above, Clause I of the memorandum of association of the Demerged/ Transferee Company shall without any act, procedure, instrument or deed be and stand altered, modified and supplied, to reflect the revised name of the Demerged/



Transferee Company, pursuant to Sections 13, 232 and other applicable provisions of the Act.

- 27.3 Upon this Scheme becoming effective, the name of the Resulting Company shall stand changed to 'HEG Limited' or such other name which is available and approved by the RoC, by simply filling the requisite forms with the Appropriate Authority and no separate consent, approval, act, procedure, instrument, or deed shall be required to be obtained or followed under the Act.
- 27.4 Consequently, subject to Clause 27.3 above, Clause I of the memorandum of association of the Resulting Company shall without any act, procedure, instrument or deed be and stand altered, modified and amended, to reflect the revised name of the Resulting Company, pursuant to Sections 13, 232 and other applicable provisions of the Act.
- 27.5 It is hereby clarified that, for the purposes of acts and events as mentioned in Clause 27.1 to 27.4, the consent of the shareholders of the Demerged/ Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed.

28. CHANGE IN CHARTER DOCUMENTS OF THE DEMERGED/ TRANSFEE COMPANY

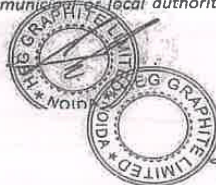
- 28.1 With effect from the Effective Date, the memorandum of association of the Demerged/ Transferee Company shall be deemed to be altered and amended, without any further act or deed. Accordingly, the memorandum of association of the Demerged/ Transferee Company shall be altered and amended and following clauses shall be inserted in the Clause III (A) of the memorandum of association of the Demerged/ Transferee Company:

"3. Establishment, operation and maintenance of power generating stations and tie-lines, sub-stations and main transmission lines connected therewith.

4. Operation and maintenance of such power generating stations, tie-lines, sub-stations and main transmission lines as are assigned to it by the competent government or governments.

5. To carry on in India or elsewhere the business of establishing, commissioning, setting up, operating and maintaining electric power generating stations based on conventional/non-conventional resources, tie-lines, sub-stations and transmission lines on build, own and transfer (BOT), and/or build, own, lease and transfer (BOLT) and/or build, own, operate and transfer (BOOT) basis and to carry on in India or elsewhere the business of acquiring, operating, managing and maintaining existing power generation stations, tie-lines, sub-stations and transmission lines, either owned by the private sector or public sector or the Government or Governments or other public authorities and for any or all of the aforesaid purposes, to do all the necessary or ancillary activities as may be considered necessary or beneficial or desirable.

6. To acquire concessions or licenses granted by, and enter into contracts with the Government of India or the Government of any Province in India, or the Government of any State in India, or any municipal or local authority, company or person in India, or



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elsewhere, for the construction and maintenance of an electric installation for the production, transmission or use of electric power for lighting, heating, pumping, signalling, telephonic, or traction or motive purposes, including the application thereof to tramcars, omnibuses, carriages, ships, conveyances and objects, or any other purpose.

7. To generate, acquire by purchase in bulk, develop and accumulate electrical power at the place or places contemplated by the said License and to transmit, distribute and supply such power throughout the area of supply named therein; and generally to generate, acquire by purchase in bulk, develop and accumulate power at any other place or places and to transmit, distribute and supply such power.

8. To carry on the business of an electric Power, Light and Supply Company in all its branches, and in particular to construct, lay down, establish, fix and carry out all necessary power stations, cables, wires, lines, accumulators, lamps and works, and to generate, acquire by purchase in bulk, accumulate, distribute and supply electricity, and to light cities, towns, streets, docks, markets, theatres, buildings and places, both public and private.

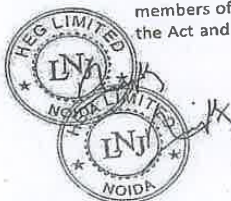
9. To carry on the business of purchase and sale of all forms of electrical Power, both conventional and non-conventional, and also to supply, import and export or otherwise deal in all forms of electrical energy in all aspects.

Without prejudice to generality of the above functions the Company shall carry out the business of (i) Purchase of all forms of power/ electricity from Independent Power Producers (IPPs), Captive Power Plants, other Generating Companies, Transmission Companies, State Electricity Boards, State Government's statutory bodies, Licensees, Power Utilities and to procure it from other sources (whether in Private, Public or Joint Sector Undertaking) including import from abroad; (ii) Sell all forms of electrical power to the State Electricity Boards, Vidut Boards, Power Utilities, Generating Companies, Transmission Companies, Distribution Companies, State Governments, Licensees, statutory bodies, other organizations and bulk consumers of power, whether in private and public sector or joint sector undertakings in India and abroad; (iii) Supply, distribute, transmit, export or otherwise transfer/ exchange of electrical power, and (iv) Co-ordinate with all concerned for purchase, import, sale, export, distribute, transmit and supply all forms of electrical power and undertake all connected functions.

10. To engage, undertake and carry on trading of all goods and commodities including providing services ancillary to the main objects, in domestic and global markets.

28.2 Consequential (numbering) changes shall be made to the objects forming part of Clause III (B) and (C) of the memorandum of association of the Demerged/ Transferee Company without any act, instrument or deed, in terms per Clause 28.1 above, pursuant to Sections 13, 14 and other applicable provisions of the Act.

28.3 For the purposes of the amendment of the memorandum of association of the Demerged/ Transferee Company as provided in this Clause, the consent/ approval given by the members of the Demerged/ Transferee Company to this Scheme pursuant to Section 232 of the Act and any other applicable provisions of the Act shall be deemed to be sufficient and



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no further resolution of members of the Demerged/ Transferee Company as required under the applicable provisions of the Act shall be required to be passed for making such change/ amendment in the memorandum of association of the Demerged/ Transferee Company and filing of the certified copy of this Scheme as sanctioned by the Tribunal, in terms of Sections 230 to 232 of the Act and any other applicable provisions of the Act, together with the order of the Tribunal and a printed copy of the memorandum of association for the purposes of the applicable provisions of the Act and the RoC shall register the same and make the necessary alterations in the memorandum of association of the Demerged/ Transferee Company accordingly and shall certify the registration thereof in accordance with the applicable provisions of the Act.

- 28.4 The Demerged/ Transferee Company shall file with the RoC, all requisite forms and complete the compliance and procedural requirements under the Act, if any.

29. MODIFICATION OR AMENDMENTS TO THIS SCHEME

- 29.1 The Board of the Parties may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate. The Board of the Parties may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.
- 29.2 For the purposes of giving effect to this Scheme, the Board of the Parties may give such directions including directions for settling any question or difficulty that may arise and such directions shall be binding on all Parties as if the same were specifically incorporated in this Scheme.

30. CONDITIONS PRECEDENT

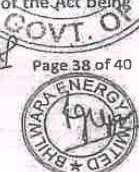
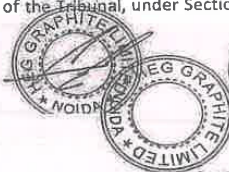
- 30.1 Unless otherwise decided (or waived) by the relevant Parties, the Scheme is conditional upon and subject to the following conditions precedent:

30.1.1 obtaining no-objection/ observation letter from the Stock Exchanges in relation to the Scheme under Regulation 37 of the SEBI LODR Regulations;

30.1.2 approval of the Scheme by the requisite majority of each class of shareholders and such other classes of Persons of the Parties, if any, as applicable or as may be required under the Act and as may be directed by the Tribunal;

30.1.3 the Demerged/ Transferee Company complying with other provisions of the SEBI Circular, including seeking approval of the shareholders through e-voting, as applicable. The Scheme shall be acted upon only if the votes cast by the public shareholders of the Demerged/ Transferee Company in favour of the proposal contemplated herein are more than the number of votes cast by the public shareholders of the Demerged/ Transferee Company against the proposal contemplated herein, as required under the SEBI Circular. The term "public" shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957;

30.1.4 the sanctions and orders of the Tribunal, under Sections 230 to 232 of the Act being



obtained by the Parties;

30.1.5 certified/ authenticated copies of the orders of the Tribunal, sanctioning the Scheme, being filed with the RoC having jurisdiction over the Parties; and

30.1.6 the requisite consent, approval or permission of Appropriate Authority which by Applicable Law or contract, agreement may be necessary for the implementation of this Scheme.

30.2 Without prejudice to Clause 30.1 and subject to the satisfaction or waiver of the conditions mentioned in Clause 30.1 above, the Scheme shall be made effective in the order as contemplated below:

30.2.1 Part II of the Scheme shall be made effective; and

30.2.2 Immediately upon effectiveness of Part II of the Scheme, Part III of the Scheme shall be made effective.

30.3 It is hereby clarified that submission of this Scheme to the Tribunal and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defences that the respective Parties may have under or pursuant to all Applicable Law.

30.4 On the approval of this Scheme by the shareholders and such other classes of Persons of the said Parties, if any, the shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the demerger, amalgamation set out in this Scheme, related matters and this Scheme itself.

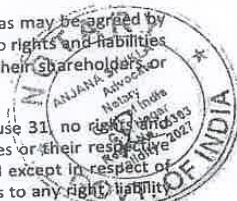
31. WITHDRAWAL OF THIS SCHEME AND NON-RECEIPT OF APPROVALS

31.1 Parties, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.

31.2 In the event of any of the requisite sanctions and approvals not being obtained on or before such date as may be agreed to by the Parties, this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/or in connection with this Scheme.

31.3 In the event the Effective Date does not occur on or before such date as may be agreed to by the Parties, this Scheme shall become null and void, and in that event no rights and liabilities whatsoever shall accrue to or be incurred *inter se* by the Parties or their shareholders or creditors or employees or any other person in terms of this Scheme.

31.4 In the event of revocation/ withdrawal of the Scheme under this Clause 31, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with



Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

32. COSTS AND EXPENSES

All costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) of the Parties, respectively in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/or incidental to the completion of this Scheme shall be paid by the Demerged Company/ Transferee Company and shall be allocated to the Resulting Company in the agreed ratio.



ATTESTED

ANJANA SHUKLA
Advocate Notary
Distt. Gautam Budh Nagar (U.P.)

11 MAY 2026

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Annexure-A1 (Colly)



C.P.(CAA)/3(MP)2026

CONNECTED WITH

CA(CAA)/1(MP)2026

SCHEDULE OF ASSETS

(As on the Appointed Date - 1 April 2024)

Name of the Demerged Company	HEG Limited
Corporate Identification Number (CIN)	L23109MP1972PLC008290
Registered Office	Mandideep Near Bhopal, Dist Raisen, Madhya Pradesh - 462046, India
Schedule of Assets pertaining to the Demerged Undertaking (as defined in the Scheme) of HEG Limited as on the Appointed Date i.e. 1 April 2024	
Fixed Deposit	Rs. 15,001.01 Lacs
Other investments	Rs. 5,673.28 Lacs
Electric Connections	1. MS HEG Limited, Mandideep (Consumer Code: H8333333333) - Madhya Pradesh Madhya Kshetra Vidyut Vitran Co. Ltd. Bhopal- MPMKVVCL- Bhopal. 2. MS HEG Ltd Coal Yard, Mandideep (CC: H7216666666) - MPMKVVCL Bhopal. 3. HEG Ltd Hydro Electric Power Plant Power Division, Ranipur, Tawanagar, Itarsi. (CC: H2451038305)- MPMKVVCL Bhopal. 4. HEG Ltd Pumping Station, Satlapur, Mandideep (CC: H2216666666)- MPMKVVCL Bhopal. 5. HEG Ltd Scrap Yard, 263, 270, 273, Ward No. 17, Sector-A Industrial Area, Obedullaganj. (CC: H0643971363) MPMKVVCL- Bhopal. 6. HEG Ltd (Tawa Nagar)- Ranipur Post, Tawanagar. (CC: H0517022000)-MPMKVVCL Bhopal. 7. MS HEG Ltd Water Pumping Mandideep (Betwa River, Bhojpur Mandir) (CC: H8416666666) - MPMKVVCL Bhopal.

HEG LIMITED

Corporate Office :
 Bhilwara Towers, A-12, Sector-1
 Noida-201 301 (NCR-Delhi), India
 Tel. : +91-120-4390300 (EPABX)
 Fax : +91-120-4277841
 GSTIN No.: 09AAACH6184K2Z6
 Website : www.injbhilwara.com



Corporate Identification No.: L23109MP1972PLC008290

Regd. Office :
 Mandideep (Near Bhopal)
 Distt. Raisen - 462 046,
 (Madhya Pradesh), India
 Tel.: +91-7480-405500, 233524 to 233527
 GSTIN No.: 23AAACH6184K1ZH
 Website : www.heg ltd.com



**IMMOVALBE PROPERTIES**

1	Freehold Land- Rs. 317.81 Lacs
2	Buildings- Rs. 38,282.64 Lacs
3	Railway Sidings- Rs. 163.60 Lacs
4	ROU Assets (Land and Buildings)- Rs. 689.29 Lacs
5	Capital WIP (Building & Equipment under erection)- Rs. 19,440.46 Lacs

OTHER ASSETS

1. Other PPE (P & M, Furniture & Fixtures, Vehicles, Office Equipment, Electrical Installation)	Rs. 1,37,989.55 Lacs
2. Intangible Assets	Rs. 114.87 Lacs
3. Loans	Rs. 154.00 Lacs
4. Other Financial Assets	Rs. 8,860.04 Lacs
5. Other Assets	Rs. 15,772.20 Lacs
6. Inventories	Rs. 1,19,415.23 Lacs
7. Income Tax Assets	Rs. 10,507.56 Lacs
8. Trade Receivables	Rs. 50,824.88 Lacs
9. Cash & Cash equivalents	Rs. 1,466.03 Lacs
10. Bank Balances	Rs. 2,167.36 Lacs

For: **HEG LIMITED**


(Ravi Kant Tripathi)
Chief Financial Officer

HEG LIMITED**Corporate Office :**

Bhilwara Towers, A-12, Sector-1
Noida-201 301 (NCR-Delhi), India
Tel. : +91-120-4390300 (EPABX)
Fax : +91-120-4277841
GSTIN No.: 09AAACH6184K2Z6
Website : www.lnjbhilwara.com



Corporate Identification No.: L23109MP1972PLC008290

Regd. Office :

Mandideep (Near Bhopal)
Distt. Raisen - 462 046,
(Madhya Pradesh), India
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Website : www.heg ltd.com





C.P.(CAA)/3(MP)2026

CONNECTED WITH

CA(CAA)/1(MP)2026

SCHEDULE OF ASSETS

(As on the Appointed Date - 1 April 2024)

Name of the Transferor Company	Bhilwara Energy Limited
Corporate Identification Number (CIN)	U31101MP2006PLC071693
Registered Office	C/O HEG Limited, NH-12, Distt. Raisen, Near Bhopal, Mandideep, Bhopal - 462046, Huzur, Madhya Pradesh, India
Schedule of Assets of Bhilwara Energy Limited as on the Appointed Date i.e. 1 April 2024	
Fixed Deposit	Rs. 8110.00 Lakhs
Other investments	As shown below
Electric Connections	N.A.

IMMOVALBE PROPERTIES	
Freehold Land	Rs. 294 lakhs

OTHER ASSETS	
(1) Plant & Machineries	Rs. 4915.60 lakhs
(2) Others Movable Assets (vehicle, Furniture, computers etc.)	Rs. 21.97 Lakhs
Investment in Subsidiaries	Rs. 24431.97 lakhs
Loan	Rs. 3364.50 lakhs
Security Deposit With NSDL	Rs. 7.00 lakhs
Deferred tax Assets	Rs. 2042.42 lakhs
TDS Receivable	Rs. 1088.39 lakhs
Trade Receivable	Rs. 273.95 lakhs
Cash and cash equivalents	Rs. 45.30 lakhs
Loan	Rs. 6714.82 Lakhs
Others financial assets	Rs. 167.22 Lakhs
Other current assets	Rs. 67.63 Lakhs

For Bhilwara Energy Limited

Krishna Prasad

CFO

Bhilwara Energy Limited

Corporate Office :
Bhilwara Towers, A-12, Sector-1
Noida - 201 301, Uttar Pradesh, India
Tel: +91-120-4390300 (EPABX)
Website: www.bhilwaraenergy.com

Regd. Office :
C/o HEG Limited
Mandideep, Near Bhopal
District Raisen, Huzur Madhya Pradesh - 462046
Website: www.injbhilwara.com

CIN: U35100MP2006PLC071693





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Deputy Registrar
National company Law Tribunal
Indore Bench