



LNJ Bhilwara Group Company

PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL

To,

Date: 11th June, 2024

BSE Limited
P J Towers, Dalal Street
MUMBAI - 400 001.

Scrip Code: 509631

Sub: Scheme - beneficial to public shareholders of the Listed entity and details of change in value of public shareholders pre and post scheme of arrangement.

Dear Sir/Madam

The rationale and benefits arising out of the Scheme to the shareholders (including public shareholders) and as mentioned in the Scheme is reproduced below:

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;

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
GSTN No.: 09AAACH6184K2Z6
Website: www.lnjbhilwara.com

Regd. Office :

Mandideep (Near Bhopal) Distt. Raigarh - 462046
(Madhya Pradesh), India
Tel.: +91-7480-405500, 233524 to 233527
Fax: +91-7480-233522
GSTN No.: 23AAACH6184K1ZH
Website: www.hegltd.com

E-mail: heg.investor@lnjbhilwara.com

Corporate Identification No.: L23109MP1972PLC008290





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- (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.

Details of change in value of public shareholders pre and post scheme of arrangement

1. HEG Limited:

| Shareholding pattern | Pre | | Post | |
|----------------------|---------------|--------------|---------------|--------------|
| | No. of Shares | % of holding | No. of Shares | % of holding |
| Promoter | 2,15,27,974 | 55.78 | 4,08,48,374 | 70.53 |
| Public | 1,70,67,532 | 44.22 | 1,70,67,532 | 29.47 |
| Custodian | | | | |
| TOTAL | 3,85,95,506 | 100 | 5,79,15,906 | 100 |
| No of shareholders | 1,29,905 | | 1,29,907 | |

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2. Bhilwara Energy Limited

| Shareholding pattern | Pre | | Post |
|----------------------|---------------|--------------|---|
| | No. of Shares | % of holding | |
| Promoter | 16,57,59,311 | 100 | Pursuant to the Scheme, Bhilwara Energy Limited will be dissolved without being wound up |
| Public | 0 | 0 | |
| Custodian | 0 | 0 | |
| TOTAL | 16,57,59,311 | 100 | |
| No of shareholders | 16 | | 0 |

3. HEG Graphite Limited

| Shareholding pattern | Pre | | Post | |
|----------------------|---------------|--------------|---------------|--------------|
| | No. of Shares | % of holding | No. of Shares | % of holding |
| Promoter | 10,000 | 100 | 2,15,27,974 | 55.78 |
| Public | 0 | 0 | 1,70,67,532 | 44.22 |
| Custodian | | | | |
| TOTAL | 10,000 | 100 | 3,85,95,506 | 100 |
| No of shareholders | 7 | | 1,29,905 | |

For HEG Limited

Vivek Chaudhary
Company Secretary
M.No. A - 13263



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