

Independent Practitioner's Certificate on Compliance with the provisions of Companies act, 2023 and applicable accounting standards, in regard to Reduction/Cancellation of Equity Share Capital

The Board of Directors,
HEG Graphite Limited,
C/o HEG Limited, NH-12, Dist Raisen, Near Bhopal,
Mandideep, Bhopal, Huzur, Madhya Pradesh, India, 462046

Dear Sirs,

1. This Certificate is issued in accordance with the terms of our service scope letter dated June 07, 2024 with HEG Graphite Limited (hereinafter the "Company or Resulting Company") for onwards submission to BSE Limited (BSE), National Stock Exchange of India Limited (NSE), Securities and Exchange Board of India (SEBI), National Company Law Tribunal (NCLT) and other regulatory authorities in connection with the composite scheme of arrangement amongst HEG Limited ("Demerged Company" or "Transferee Company") and HEG Graphite Limited ("Resulting Company") and Bhilwara Energy Limited ("Transferor Company") and their respective shareholders and creditors ("the Scheme"), approved by the Board of Directors of the Demerged Company/Transferee Company in their meeting held on May 22, 2024.
2. We, SCV & Co. LLP, Chartered Accountants, have been requested by the management of the Company, to provide a reasonable assurance that the proposed accounting treatment in regard to Reduction/Cancellation of Equity Share Capital of the Company, as specified in clause 12 of the Scheme, is in compliance with provisions of Companies act, 2013 and applicable accounting standards prescribed under section 133 of the Act read together with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. For ease of reference, the proposed accounting treatment in regard to Reduction/Cancellation of Equity Share Capital of the Company, as specified in clause 12 of the Scheme, duly authenticated on behalf of the Company, is reproduced in Annexure-I to this certificate ("the Statement") and has been initialed by us for identification purposes only.

Management's Responsibility

3. The preparation of the Statement and its compliance with relevant laws and regulations, including the applicable accounting standards, is the responsibility of the Management and Board of Directors of the Company. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

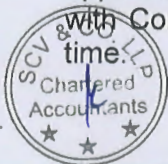


Independent Practitioner's Responsibility

4. Our responsibility is to provide reasonable assurance as to whether the proposed accounting treatment in regard to Reduction/Cancellation of Equity Share Capital of the Company, as specified in clause 12 of the Scheme as reproduced in the Statement, is in compliance with provisions of Companies act, 2013 and applicable accounting standards prescribed under section 133 of the Act read together with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
5. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the reporting criteria as mentioned in paragraph 4 above. The procedures selected depend on the professional judgement, including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following:
 - a. Obtained copy of resolution passed by the Board of Directors of the Demerged Company/Transferee Company dated May 22, 2024 approving the Scheme.
 - b. Obtained and read the Clause 12 of the Scheme, in regard to Reduction/Cancellation of Equity Share Capital of the Company.
 - c. Examined that the proposed accounting treatment in regard to Reduction/Cancellation of Equity Share Capital of the Company, as specified in clause 12 of the Scheme as reproduced in the Statement, is in compliance with provisions of Companies act, 2013 and applicable accounting standards prescribed under section 133 of the Act read together with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
 - d. Performed necessary inquiries with the management and obtained necessary representations from the management.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. Our examination did not extend to any aspects of legal or propriety nature of the scheme and other compliances thereof.

Opinion

9. Based on our examination and according to the information and explanations given to us, in our opinion, the proposed accounting treatment in regard to Reduction/Cancellation of Equity Share Capital of the Company, as specified in clause 12 of the Scheme as reproduced in the Statement, is in compliance with provisions of Companies act, 2013 and applicable accounting standards prescribed under section 133 of the Act read together with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.



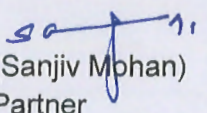
Restriction on Use

10. This certificate has been issued at the request of the management of the Company and is addressed to and provided to the Board of Directors, pursuant to the requirements of provisions of section 230 to 232 of the Act and SEBI Circular, for onwards submission to the BSE, NSE, SEBI, NCLT and any other regulatory authority in connection with the Scheme and should not be used for any other person or purpose or distributed to anyone or referred to in any document without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom it is shown or into whose hands it may come.

For SCV & Co. LLP

Chartered Accountants

Firm Registration No. 000235N/N500089


(Sanjiv Mohan)
Partner



Membership no. 086066

Date: June 12, 2024

Place: Noida

UDIN: 24086066BKDGBI9683

HEG GRAPHITE LIMITED



PROUD TO BE INDIAN
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Annexure-I

Extract of Proposed accounting treatment in regard to Reduction/Cancellation of Equity Share Capital of HEG Graphite Limited, as specified in clause 12 of the composite scheme of arrangement amongst HEG Limited ("Demerged Company" or "Transferee Company") and HEG Graphite Limited ("Resulting Company") and Bhilwara Energy Limited ("Transferor Company") and their respective shareholders and creditors ("the Scheme"), approved by the Board of Directors of HEG Limited in their meeting held on May 22, 2024

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.

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.

For and on behalf of HEG Graphite Limited

(Manish Gulati)
Director
DIN: 08697512



HEG GRAPHITE LIMITED
CIN: U23994MP2024PLC071568

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