HEGAM/SECTT/2026

September 29, 2026

To BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 **SCRIP CODE: 509631**	To National Stock Exchange of India Limited Exchange Plaza, C-1, Block- G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 **SYMBOL: HEGAM**

Sub: Apportionment of Cost of Acquisition of Equity Shares of HEG Advanced Materials Limited *(formerly HEG Limited)* ("Company") and HEG Graphite Limited pursuant to the 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 ("Act") ("Scheme").

Dear Sir/Madam,

With reference to the cited subject, please find enclosed herewith, the communication being issued for guidance of the Equity Shareholders of the Company for apportionment of the Cost of Acquisition of Equity Shares of the Company, between the Company and HEG Graphite Limited, pursuant to the Scheme in relation to the demerger of the Graphite Business *(as defined in the Scheme)* of the Company, as approved by Hon'ble National Company Law Tribunal, Indore Bench *vide* its order dated August 13, 2026.

We request you to kindly take the same on record.

Yours truly,
For HEG Advanced Materials Limited
(formerly HEG Limited)

RAVI GUPTA
Digitally signed by RAVI GUPTA
Date: 2026.09.29 18:53:39 +05'30'

Ravi Gupta
Company Secretary & Compliance Officer
FCS No.: 5731

Encl.: A/A

FOR THE ATTENTION OF THE SHAREHOLDERS OF HEG ADVANCED MATERIALS LIMITED *(FORMERLY HEG LIMITED)*

1. The Hon'ble National Company Law Tribunal, Indore Bench, *vide* its order dated August 13, 2026, sanctioned the Composite Scheme of Arrangement amongst HEG Limited ("**Company**" or "**Demerged Company**" or "**Transferee Company**") *(presently HEG Advanced Materials Limited)* and HEG Graphite Limited ("**Resulting Company**") and Bhilwara Energy Limited ("**Transferor Company**") and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") ("**Scheme**").

2. The Scheme *inter alia* provides for:

   (a) the demerger, transfer and vesting of the Demerged Undertaking *(as defined in the Scheme)* 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.

3. In terms of Clause 8 of the Scheme, following shares have been allotted on September 11, 2026 in relation to demerger.

   1 (One) fully paid-up equity share of INR 2 (Indian Rupees Two) each of Resulting Company for every 1 (One) equity share of INR 2 (Indian Rupees Two) each held in Demerged Company; as on the record date fixed for the purpose *i.e.* September 7, 2026.

4. The above-mentioned demerger envisaged under the Scheme satisfies all conditions under Section 2(35) of the Income-tax Act, 2025 ("**IT Act**") and hence, the demerger is tax neutral in the hands of shareholders of the Demerged Company under the IT Act in view of the exemption granted under Section 70(k) of the IT Act.

5. Accordingly, for the purposes of the IT Act, the Resulting Company has been advised that for a shareholder which holds the shares of the Demerged Company as 'capital asset':

   a. the date of acquisition of the Resulting Company Equity Shares received by the shareholders of Demerged Company will be the date of acquisition of the original shares of Demerged Company as per Clause (III) to Section 2(101)(c)(B) of the IT Act.

   b. the cost of acquisition of the Resulting Company Equity Shares, as per S. No. 14 of the Table under Section 73(1) of the IT Act, shall be the amount which bears to the cost of acquisition of shares of the Demerged Company, the same proportion as the net book value of the assets transferred in the demerger bears to the net worth of the Demerged Company immediately before the demerger.

   c. the cost of acquisition of the original shares of the Demerged Company held by a shareholder, as per Section S. No. 15 of the Table under Section 73(1)of the IT Act, shall be deemed to have been reduced by the cost of acquisition of shares of the Resulting Company as referred to in subparagraph (b) above.

6. For the purpose of determining the cost of acquisition of the equity shares of the Demerged Company and Resulting Company (post demerger), the shareholders are advised to apportion their pre-demerger cost of acquisition of equity shares in the Demerged Company in the following manner:

Name of Company	**% of Cost of Acquisition of Equity Shares**
HEG Advanced Materials Limited *(formerly HEG Limited)*	27.60%
HEG Graphite Limited	72.40%
Total	**100.00%**

This communication is provided solely for the general guidance of shareholders, and it should not be considered a substitute for any independent opinion that shareholders may seek, and neither Demerged Company nor Resulting Company assume any express or implied liability in relation to this guidance.

Determination of cost of acquisition is otherwise an involved exercise requiring application of section 90(7) r. w. section 198 of the IT Act. Shareholders are advised to take necessary professional advice in the matter. The concerned regulatory, statutory or judicial authority, including any assessing officer / appropriate appellate authority, could take a different view.

Please note that if there is a change, including changes with retrospective effects, in statutory laws and regulations, the comments expressed in this guidance may need to be re-evaluated in light of such changes, however neither Demerged Company nor Resulting Company undertake the responsibility of updating this communication at any time in the future.

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