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Ho/

October 4, 2019

Manager  
Department of Corporate Services  
Bombay Stock Exchange Ltd  
Registered Office: Floor 25,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001

Dear Sirs,

**Scrip Code: 533033, Scrip Id: ISGEC**  
**Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

**Settlement of dispute with M/s. Cavite Biofuels Producers Inc., Philippines, and Acquisition of Bioeq Energy Holdings One, Cayman Islands, along with its Step Down Companies**

1. Please refer to our letter dated 31.08.2019 regarding above.
2. As mentioned in the letter we were in talks with M/s. Cavite Biofuels Producers Inc., Philippines (CBPI) to settle the arbitration out of court. We had further stated that one of the possible modes for settlement is the acquisition of CBPI.
3. After prolonged discussions with the owners of CBPI we have entered into out of court settlement on following terms:-
  - (a) Our Wholly Owned Subsidiary Company, Isgec Investments Pte Ltd., Singapore, has acquired CBPI through its holding company as detailed in corporate structure, attached as Chart-I. CBPI's Ultimate holding company namely Bioeq Energy Holding Cayman (Seller) has sold its wholly owned company namely Bioeq Energy Holdings One, Cayman Islands along with its all subsidiaries including CBPI to Isgec Investments Pte Ltd., at a nominal consideration of USD 100 (United States Dollars One Hundred only).
  - (b) The acquisition of CBPI consists of under construction fully integrated sugar mill, bio-ethanol distillery and cogeneration facility in Lobo Lobo, Barangay Cavite, Philippines and related assets. It also consists of liability of bank loan of USD 35.8 million.

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4. We hope to sell the Plant along with related companies and recover our outstanding.
5. While discussing the sale we shall undertake to complete the plant under a separate contract. The completion cost will be payable by the prospective buyer.
6. The prescribed particulars for acquisition are enclosed as Annexure-I and Chart-I.

Thanking you,

Yours faithfully,  
For Isgec Heavy Engineering Limited

**S.K. Khorana**  
**Executive Director & Company Secretary**

Encl: 1. Annexure-I  
2. Chart-I

**ISGEC HEAVY ENGINEERING LIMITED**

Annexure-I

**Annexur to our letter No. Ho/425-S dated 04.10.2019**

S.No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover, etc.	Bioeq Energy Holdings One, Cayman Islands, along with its subsidiaries and step down companies. (For details, refer to sl.no.10).
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/promoter group/group companies have any interest in the entity being acquired?  If yes, nature of interest and details thereof and whether the same is done at "arm's length"	No
3.	Industry to which the entity being acquired belongs:	Sugar Mill and Ethanol Distillery.
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	Isgec Heavy Engineering Limited (Isgec) has an ongoing arbitration with M/s. Cavite Biofuel Producers Inc. (CBPI), Philippines, regarding dues owed to Isgec.  In order to settle the arbitration with CBPI, which is a step down wholly owned subsidiary of Bioeq Energy Holdings One, this acquisition has been made, which results in Isgec acquiring CBPI and its related companies along with all assets and liabilities.
5.	Brief details of any governmental or regulatory approvals required for the Acquisition.	----
6.	Indicative time period for completion of the acquisition	Completed on October 03, 2019 at 10.00 p.m. (Singapore Time).
7.	Nature of consideration – whether cash consideration or share swap and details of the same.	Cash.
8.	Cost of acquisition or the price at which the shares are acquired.	US\$ 100 (United States Dollars One Hundred only).
9.	Percentage of shareholding/control acquired and/ or number of shares acquired.	100%.
10.	Brief background about the entity acquired	Please refer to Chart-I attached, which



in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief).

shows details of the step down subsidiaries of Bioeq Energy Holdings One, Cayman Island, the company that has been acquired.

Bioeq Energy Holdings One is only a holding company.

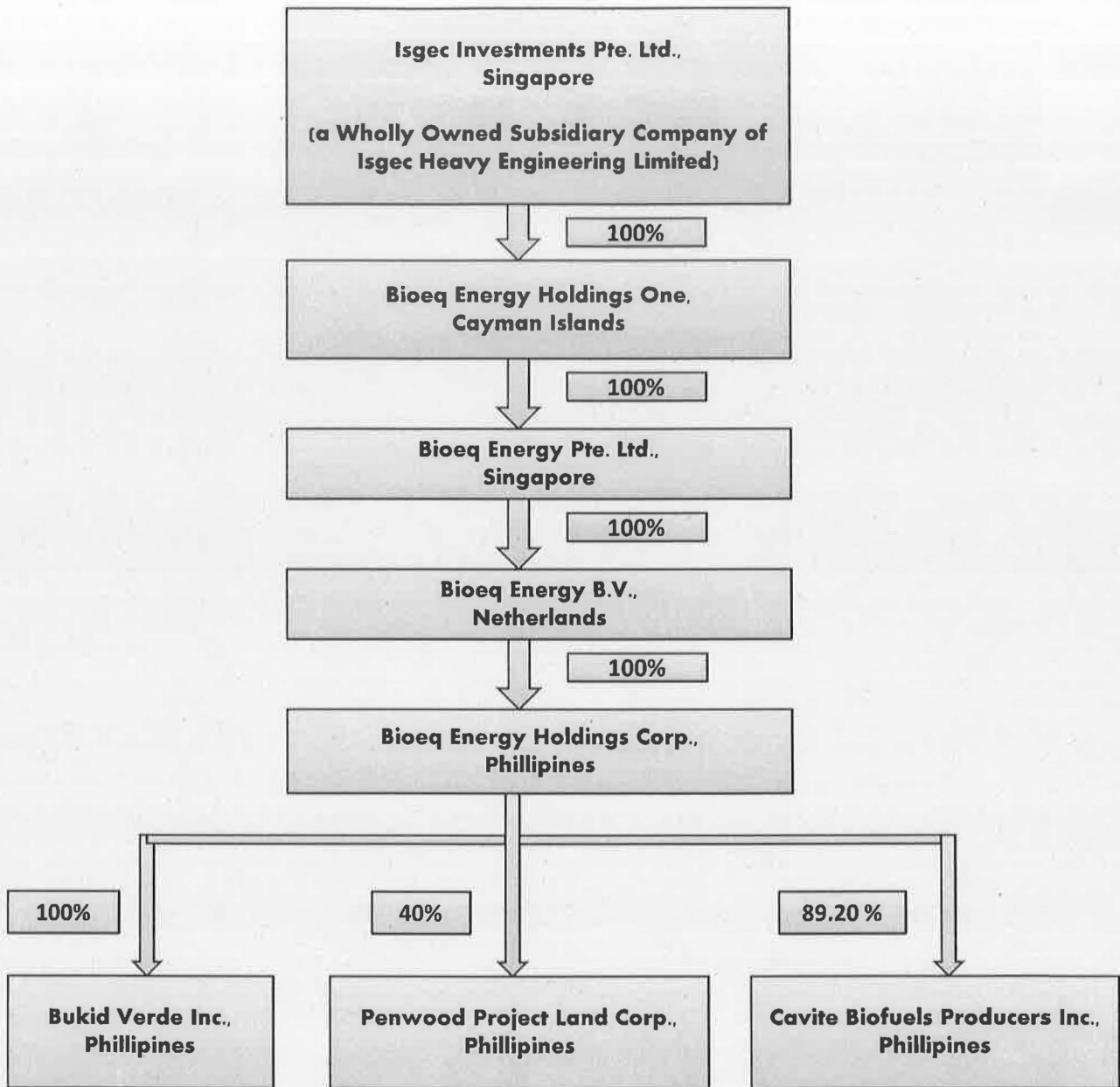
CBPI, the step down subsidiary of the acquired company, is establishing a sugar mill and ethanol plant in the Philippines. Its related company Bukid Verde, Inc., Philippines, which is also a step down subsidiary of Bioeq Energy Holdings One, has leased land on long term basis for cultivation of sugarcane for supply to CBPI.

M/s. Penwood Project Land Corporation, which is 40% owned by the step down subsidiary of Bioeq Energy Holdings One, owns land which has been leased on long term basis to CBPI for establishing the sugar mill and ethanol plant.

Since the plant is still under construction and it has not commenced its commercial operations.



**Corporate Structure**



*Handwritten signature*