

NATIONAL COMPANY LAW TRIBUNAL
COURT-V, MUMBAI BENCH
4. C.P.(CAA)/254(MB)2025 C.A.(CAA)/220(MB)2024

IN THE MATTER OF

Talwandi Sabo Power Limited

U/s 230-232 of the Companies Act, 2013

Order Delivered on 09.01.2026

CORAM:

SH. MOHAN PRASAD TIWARI
MEMBER (J)

SH. CHARANJEET SINGH GULATI
MEMBER (T)

Appearance through VC/Physical/Hybrid Mode:

For the Petitioner: Sr. Adv. Ravi Kadam, Adv. Hemant Sethi, Adv. Shruv Sethi,
Adv. Rishabh Bhargava, Adv. Tanya Sethi (PH)

For the Respondent:

ORDER

C.P.(CAA)/254(MB)2025: The above CP is listed for pronouncement of order.

The same is pronounced in open court, vide a separate order.

Sd/-

CHARANJEET SINGH GULATI
Member (Technical)
//Rahul//

Sd/-

MOHAN PRASAD TIWARI
Member (Judicial)

NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH-COURT-V

C.P.(CAA)/MB/254/2025

IN

C.A./CAA/MB/220/2024

In the matter of the Companies Act, 2013;

AND

In the matter of Sections 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 Vedanta Limited (“**First Non-Petitioner Company**” or “**Demerged Company**”) and Vedanta Aluminium Metal Limited (“**Second Non-Petitioner Company**” or “**Resulting Company 1**”) and Talwandi Sabo Power Limited (“**Petitioner Company**” or “**Resulting Company 2**”) and Malco Energy Limited (“**Third Non-Petitioner Company**” or “**Resulting Company 3**”) and Vedanta Base Metals Limited (“**Fourth Non-Petitioner Company**” or “**Original Resulting Company 4**”)* and Vedanta Iron and Steel Limited (“**Fifth Non-Petitioner Company**” or “**Resulting Company 4**”) and their

respective shareholders and creditors
("Original Scheme")*.

IN THE MATTER OF:

VEDANTA LIMITED	}	
A company incorporated under the provisions	}	
of the Companies Act, 1956, having its	}	
registered office at 1 st floor, C Wing, Unit 103,	}	
Corporate Avenue Atul Projects, Chakala	}	
Andheri (East) Mumbai – 400093.	}	
CIN: L13209MH1965PLC291394	}	...First Non-Petitioner Company/ Demerged Company
VEDANTA ALUMINIUM METAL	}	
LIMITED	}	
A company incorporated under the provisions	}	
of the Companies Act, 2013 having its	}	
registered office at C-103 Atul Projects,	}	
Corporate Avenue New Link Chakala MIDC,	}	...Second Non-Petitioner Company / Resulting Company 1
Mumbai – 400093.		
CIN: U24202MH2023PLC411663		
TALWANDI SABO POWER LIMITED	}	
A company incorporated under the provisions	}	
of the Companies Act, 1956 having its	}	
registered office at C-103, Atul Projects,	}	
Corporate Avenue, New Link Road, Chakala,	}	
Andheri (E), Chakala MIDC, Mumbai –	}	...Petitioner Company/ Resulting Company 2
400093.		
CIN: U40101MH2007PLC433557		

MALCO ENERGY LIMITED	}	
A company incorporated under the provisions	}	
of the Companies Act, 1956 having its	}	
registered office at C-103 Atul Projects,	}	
Corporate Avenue, New Link Chakala	}	
MIDC, Mumbai – 400093.	}	...Third Non-Petitioner Company/
CIN: U31300MH2001PLC428719		Resulting Company 3
VEDANTA BASE METALS LIMITED	}	
A company incorporated under the provisions	}	
of the Companies Act, 2013 having its	}	
registered office at C-103 Atul Projects,	}	.
Corporate Avenue New Link, Chakala	}	... Fourth Non-Petitioner Company/
MIDC, Mumbai – 400093.	}	Original Resulting Company 4*
CIN: U43121MH2023PLC411696		
<u>VEDANTA IRON AND STEEL</u>	}	
<u>LIMITED</u>	}	
A company incorporated under the provisions	}	
of the Companies Act, 2013 having its	}	
registered office at C-103 Atul Projects,	}	
Corporate Avenue New Link Chakala MIDC,	}	... Fifth Non-Petitioner Company/
Mumbai – 400093.		Resulting Company 4
CIN: U24109MH2023PLC411777		

*(The First Non-Petitioner Company, Second Non-Petitioner Company, Third Non-Petitioner Company, Fourth Non-Petitioner Company and Fifth Non-Petitioner Company together referred to as the "**Non-Petitioner Companies**". Resulting Company I, Resulting Company 2, Resulting Company 3 and Resulting Company 4 together referred to as the "**Resulting Companies**").*

* Subsequent to the filing of Company Scheme Application CA. (CAA)/220/MB/2024 on October 22, 2024, before this Tribunal, the board of directors of the Demerged Company, Original Resulting Company 4 and the Resulting Companies have, by way of their resolutions dated December 20, 2024, December 23, 2024 and December 23, 2024 respectively, decided to not proceed with implementation of Part V (Demerger and Vesting of the Base Metals Undertaking) of the Original Scheme. Accordingly, the Board of the Demerged Company, Original Resulting Company 4, and the Resulting Companies (including the Petitioner Company) have approved the updated Scheme of Arrangement, between the Demerged Company and the Resulting Companies (including the Petitioner Company) and their respective shareholders and creditors.)

Order Delivered On: 09.01.2026

Coram:

Hon'ble Mr. Mohan Prasad Tiwari, Member (Judicial)

Hon'ble Mr. Charanjeet Singh Gulati, Member (Technical)

For the Petitioner: Mr. Ravi Kadam, Senior Advocate, Mr. Hemant Sethi, Adv., Mr. Rohan Batra, Mr. Rishabh Bhargava, Adv., Mr. Dhruv Sethi, Adv., Ms. Yuga Kane, and Ms. Tanaya Sethi, Advocates i/b Hemant Sethi & Co. and Anagram Partners.

For the Regional Director: Altap Shaikh ICLS, Asst Director, RD Western Region

ORDER

1. The sanction of this Tribunal is sought under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Companies Act**”) and the rules framed thereunder for the Scheme of Arrangement (“**Scheme**”) between Vedanta Limited (“**First Non-Petitioner Company**” or “**Demerged**

Company”), Vedanta Aluminium Metal Limited (“**Second Non-Petitioner Company**” or “**Resulting Company 1**”), Talwandi Sabo Power Limited (“**Petitioner Company**” or “**Resulting Company 2**”), Malco Energy Limited (“**Third Non-Petitioner Company**” or “**Resulting Company 3**”), and Vedanta Iron and Steel Limited (“**Fifth Non-Petitioner Company**” or “**Resulting Company 4**”) and their respective shareholders and creditors.

2. The registered office of the Petitioner Company is situated in Mumbai, Maharashtra and hence the subject matter of the Petition is within the jurisdiction of this Bench.
3. The Learned Counsel for the Petitioner Company submits that the Board of Directors (“**Board**”) of the Demerged Company, Vedanta Base Metals Limited (“**VBML**”)/ Original Resulting Company 4, and the Resulting Companies (including the Petitioner Company) approved the Scheme of Arrangement between the Demerged Company, VBML, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4 (“**Original Scheme**”) by way of resolutions passed on the following dates:
 - i. Demerged Company: September 29, 2023
 - ii. VBML: October 13, 2023
 - iii. Resulting Company 2 / Petitioner Company: October 10, 2023

The certified copies of the board resolutions of the Demerged Company, VBML and the Petitioner Company, approving the Original Scheme are annexed with the Company Scheme Petition.

4. Pursuant to paragraphs 44, 46 and 51 of the Original Scheme, the Board of the Demerged Company, VBML and the Resulting Companies (including the Petitioner), have by way of their resolutions dated December 20, 2024, December

23, 2024 and December 23, 2024 respectively, decided to not proceed with implementation of Part V i.e., Demerger and Vesting of the Base Metals Undertaking into VBML, of the Original Scheme. Accordingly, the Board of the Demerged Company, VBML and the Resulting Companies have approved the Scheme, as modified, between the Demerged Company, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4. The certified copies of the resolutions dated December 20, 2024, December 23, 2024, and December 23, 2024, respectively passed by the Board of the Demerged Company, VBML and the Petitioner Company are annexed to the Company Scheme Petition.

5. Learned Counsel for the Petitioner Company submits that the present Company Scheme Petition has been filed *inter alia* seeking sanction of the Scheme in consonance with the order dated October 17, 2025, passed by this Tribunal in the connected Company Scheme Application bearing CA(CAA)/220(MB)2024 (“Application Order”).
6. Learned Counsel for the Petitioner Company submits that the Demerged Company and the Resulting Companies (except the Petitioner Company) had filed a separate petition, bearing C.P. (CAA)/ 79 (MB)/ 2025, before this Tribunal seeking sanction of the Scheme. This Tribunal vide its order dated December 16, 2025, allowed the said petition and granted sanction to the Scheme.
7. **Appointed Date**

The Appointed Date for Part III of the Scheme i.e., demerger of Merchant Power Undertaking of the Demerged Company to the Petitioner Company, means the effective date, which is defined in the Scheme, as the date or the last of the dates on which all of the conditions precedent set forth in Clause 39.1 and 39.3 of the Scheme are fulfilled, obtained or waived, as applicable in accordance with the Scheme.

8. **Nature of Business**

- i. The Demerged Company is a diversified natural resource company engaged in the business of extraction, refining, manufacture and sale of various metals and minerals, generation and sale of power and other businesses including semiconductor manufacturing, display glass manufacturing, etc. The equity shares of the Demerged Company are listed on the BSE Limited (“BSE”) and the NSE Limited (“NSE”). The Listed Debt Securities (*as defined in the Scheme*) of the Demerged Company are listed on the BSE. The Resulting Companies are wholly owned subsidiaries of the Demerged Company.
- ii. The Resulting Company 2 (Petitioner Company) is Talwandi Sabo Power Limited, a wholly owned subsidiary of the Demerged Company. The Resulting Company 2 is authorized by its memorandum of association to engage in the business of *inter alia* generation, transmission and distribution of power for supply to the state electricity boards, power utilities, generating companies, transmission companies, distribution companies, etc.

9. The Learned Counsel for the Petitioner Company submits that in accordance with Clause 45 of the Scheme, the Parts of the Scheme are severable from each other and if any Part and/or provision of the Scheme is found to be unworkable for some reason whatsoever or is withdrawn, the same shall not, subject to the decision of the Demerged Company and the Resulting Companies, through their respective Boards, affect the validity or the implementation of the other Parts and/or provisions of this Scheme.

10. The authorized, issued, subscribed, paid-up and listed share capital of the Demerged Company as on June 30, 2025, is as under:

Particulars	Amount (INR)
Authorised Share Capital	
44,02,01,00,000 equity shares of INR 1 each	44,02,01,00,000
3,01,00,00,000 preference shares of INR 10 each	30,10,00,00,000
Total	74,12,01,00,000
Issued, Subscribed and Paid-up Share Capital	
3,91,06,86,689 equity shares of INR 1 each	3,91,06,86,689
Total	3,91,06,86,689
Paid-up Share Capital	
3,91,06,86,689 equity shares of INR 1 each	3,91,06,86,689
Total	3,91,06,86,689
Listed Capital	
3,91,03,88,057* equity shares of INR 1 each	3,91,03,88,057
Total	3,91,03,88,057

*2,98,632 shares are under abeyance category which are pending for allotment being sub Judice and does not form part of the listed capital of the Company.

11. The authorized, issued, subscribed and paid-up share capital of the Petitioner Company as on June 30, 2025, is as under:

Particulars	Amount (INR)
Authorised Share Capital	
4,00,00,00,000 equity shares of INR 10 each	40,00,00,00,000
Total	40,00,00,00,000
Issued, Subscribed and Paid-up Share Capital	
3,20,66,09,692 equity shares of INR 10 each	32,06,60,96,920
Total	32,06,60,96,920

12. **Consideration**

The Learned Counsel for the Petitioner Company submits that the consideration of the Scheme, as determined by the share entitlement ratio reports dated September 29, 2023, issued by BDO Valuation Agency LLP for each of the Resulting Companies, provides for share entitlement ratio of 1:1. Copies of the share entitlement ratio reports are annexed to Company Scheme Petition.

13. **Rationale of the Scheme**

The Rationale of the Scheme is submitted as under:

- (i) *VEDL has interests in multiple businesses including metals, mining, and exploration of natural resources (zinc-lead-silver, iron ore, steel, copper, aluminium, nickel, and oil and gas) and power generation.*
- (ii) *Each of the varied businesses carried on by VEDL by itself or through strategic investments in subsidiaries or through affiliate companies (including the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking) have significant potential for growth and profitability.*
- (iii) *The nature of risk and competition involved in each of these businesses, financial profiles and return ratios are distinct from others and consequently each of the abovementioned business undertakings is capable of attracting a different set of investors, lenders, strategic partners, and other stakeholders. The manner of handling and management of each of the abovementioned businesses is also distinct.*

- (iv) *In order to lend enhanced focus to the operation of identified businesses, VEDL proposes to segregate and organize these businesses as separate entities, through demergers of each of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking.*
- (v) *The following benefits shall accrue on demergers of the Aluminium Business (as defined hereinafter), the Merchant Power Business (as defined hereinafter), the Oil and Gas Business (as defined hereinafter) and the Iron Ore Business (as defined hereinafter):*
 - (a) *creation of independent global scale companies focusing exclusively on mining, production and/or supply of aluminium, iron-ore, copper, oil & gas and on generation and distribution of power and exploring new opportunities and taking advantage of the growth potential in the said respective sectors;*
 - (b) *enabling greater focus of management in the relevant businesses thereby allowing new opportunities to be explored for each business efficiently and allowing a focused strategy in operations;*
 - (c) *each of the independent companies can attract different sets of investors, strategic partners, lenders, and other stakeholders enabling independent collaboration and expansion in these specific companies without committing the existing organization in its entirety;*
 - (d) *enabling investors to separately hold investments in businesses with different investment characteristics thereby enabling them*

to select investments which best suit their investment strategies and risk profiles;

- (e) *enabling focused and sharper capital market access (debt and equity) and thereby unlocking the value of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, and the Iron Ore Undertaking and creating enhanced value for shareholders.*

The Scheme is in the interests of all stakeholders of VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4.

14. Learned Counsel for the Petitioner Company submits that BSE and NSE had issued observation letters with no adverse observations dated July 31, 2024, and July 30, 2024, respectively, to file the Original Scheme with the NCLT. Thereafter, by way of the observation letters dated June 03, 2025, issued by BSE and NSE, the Petitioner Company received “no adverse observations” with respect to the Scheme. The observation letters dated June 03, 2025, issued by NSE and BSE are annexed to the Company Scheme Petition.
15. In compliance with the Application Order, notices were issued to secured and unsecured creditors of the Petitioner Company on October 18, 2025, and the notices were published in newspapers “**Business Standard**” and “**Navshakti**” on October 20, 2025. The affidavit in compliance with the directions regarding issuance of abovementioned notices and publication of the notices in the newspaper are annexed to the Company Scheme Petition.
16. In compliance with the Application Order, the Petitioner Company had served notices upon (i) Central Government through the Regional Director, Western

Region, Ministry of Corporate Affairs; (ii) the Registrar of Companies at Maharashtra, Ministry of Corporate Affairs; (iii) the Income Tax Authority at the Assistant Commissioner of Income Tax Circle, Circle 1, Bhatinda; (iv) Income Tax Nodal Office at CCIT, Amritsar; (v) the Goods & Services Tax ('GST') Authority at Mansa; and (vi) GST Authority at Ludhiana; (vi) Ministry of Power; (vii) Ministry of Coal; and (viii) Punjab State Electricity Regulatory Commission. The affidavit in compliance with the directions regarding issuance of notices to sectoral regulator is annexed to the Company Scheme Petition.

17. No representations have been received from the aforesaid authorities / regulators in terms of Section 230(5) of the Companies Act (except from the Regional Director, Western Region and the Official Liquidator).
18. Learned Counsel for the Petitioner Company submits that as directed by this Hon'ble Tribunal *vide* the Application Order, the meeting of equity shareholder of the Petitioner Company was dispensed with. The meetings of secured and unsecured creditors of the Petitioner Company, as directed in the Application Order were convened on November 21, 2025. In the said meetings, the Scheme, as modified, was approved by 100% of the secured creditors and 99.99% of the unsecured creditors in accordance with Section 230(6) of the Companies Act.
19. The chairperson appointed for the abovementioned meetings has, in its reports dated November 22, 2025, provided details regarding the conduct and the results of the said meetings, which are annexed with the Company Scheme Petition.
20. It is also submitted that the Petitioner Company in compliance with the order dated December 3, 2025 ("Petition Order"), passed by this Tribunal in the Company Scheme Petition, served notices upon the sectoral regulators and published the notice for the next hearing date, i.e., January 7, 2026, of the captioned Company Petition in newspapers "**Business Standard**" and "**Navshakti**" on December 11, 2025. The Petitioner Company has filed the joint

affidavit dated December 19, 2025, in compliance with the directions regarding issuance of notices to sectoral regulators and publication of the notice regarding next hearing date of the Company Scheme Petition in the aforesaid newspapers.

21. The Regional Director, Western Region, has filed its Report dated January 06, 2026. The Petitioner Company has filed an affidavit in reply dated January 06, 2026, to the report filed by the Regional Director with this Tribunal providing clarification / undertakings to the observations made by the Regional Director. The observations made by the Regional Director and the clarifications / undertakings given by the Petitioner Company are summarized in the table below:

	<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
1.	2(a)(i)	<p><i>That on examination of the report of the Registrar of Companies, Mumbai dated 30.12.2025 (Annexed as Annexure A-1) for Petitioner Companies falls within the jurisdiction of ROC, Mumbai. It is submitted that no representation regarding the proposed scheme of Amalgamation/Arrangement has been received against the Petitioner Companies.</i></p>	<p><i>So far as the observation in Paragraph 2(a)(i) of the Report is concerned, no response is warranted.</i></p>

	<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
		<p>Further, the Petitioner Companies has filed Financial Statements up to 31.03.2025.</p> <p>The ROC, Mumbai has further submitted that in his report dated 30.12.2025 (Copy enclosed as Annexure-I) which are as under :-</p> <p>i, That the ROC Mumbai in his report dated 30.12.2025 has also stated that No Inquiry, Inspection, Investigations, Prosecutions and complaints under CA, 2013 have been pending against the Petitioner Companies.</p>	
2.	2(a)(ii)(1)	<p>As per NCLT vide order dated 17.10.2025 the Demerged Company has obtained the observation letters dated</p>	<p>So far as the observation in Paragraph 2(a)(ii)(1) of the Report is concerned, no response is warranted.</p>

	<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
		03.06.2025 from NSE and BSE respectively, stating 'no adverse observations.	
3.	2(a)(ii)(2) to 2(a)(ii)(4)	<p>2. Facts may be considered on merit as deem fit and proper.</p> <p>3. Interest of the creditors & Employees should be protected.</p> <p>4. May be decided on its merits.</p>	<p>So far as the observation in Paragraph 2(a)(ii)(2) to 2(a)(ii)(4) of the Report is concerned, the Petitioner Company submits that as per Clause 11.2.7 of the Scheme, the debts and liabilities, whether secured or unsecured pertaining to Merchant Power Undertaking (as provided in the Scheme) will be transferred to the Resulting Company 2, pursuant to the Scheme. In any event, it is submitted that pursuant to the meeting convened in compliance with directions in the order dated October 17, 2025 by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") ("TSPL First Motion Order"), the secured</p>

<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
		<p><i>and unsecured creditors of the Resulting Company 2 have approved the Scheme and the meetings of the equity shareholders of the company was dispensed with.</i></p> <p><i>Further, with respect to the interest of the employees, it is submitted that as part of the Merchant Power Undertaking, all employees employed by / engaged in the Merchant Power Undertaking as on the Effective Date (as defined in the Scheme) including liabilities with regard to employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise will be transferred to the Resulting Company 2. It is further</i></p>

<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
		<p><i>submitted that in accordance with Clause 12.1 of the Scheme, and with effect from the Appointed Date (as defined in the Scheme), all employees of the Demerged Company engaged in or in relation to the Merchant Power Undertaking shall become the employees of the Resulting Company 2 on terms and conditions no less favourable than those on which they are engaged by the Demerged Company and without any interruption in service, and with the period of service to the Demerged Company being taken into consideration for retirement benefits. Accordingly, it is submitted that the interests of employees and creditors will be protected pursuant to the Scheme.</i></p>

	<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
4.	2(b)	<p><i>In compliance of Accounting Standard-14 or IND-AS 103, as may be applicable, the Resulting company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards including AS-5 or IND AS-8 etc.</i></p>	<p><i>So far as the observation in Paragraph 2(b) of the Report is concerned, the Petitioner Company submits that in compliance of Accounting Standard -14 or IND-AS 103 for accounting treatment, as applicable, the Petitioner Company / Resulting Company 2 shall pass such accounting entries as may be necessary in connection with the Scheme to comply with other applicable accounting standards such as IND-AS 8, as applicable.</i></p>
5.	2(c)	<p><i>The Hon'ble Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made.</i></p>	<p><i>So far as the observation in Paragraph 2(c) of the Report is concerned, the Petitioner Company submits that subsequent to the filing of the company scheme application CA(CAA)/220/MB/2024 (“Company Scheme Application”) and as set out in Paragraph 32 and 33 of the</i></p>

<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
		<p>company petition CP(CAA)/254/MB/2025 (“Company Petition”), the Board of Directors of the Demerged Company, Original Resulting Company 4 and Resulting Companies have by way of their resolutions dated December 20, 2024, December 23, 2024 and December 23, 2024 respectively decided not to proceed with implementation of the Part V (Demerger and Vesting of the Base Metals Undertaking) of the Original Scheme presented with the Company Scheme Application and have approved the Scheme, with modifications to exclude Part V of the Original Scheme.</p> <p>The Petitioner Company submits that the Scheme, as modified, was submitted to the Hon’ble NCLT by way of affidavit dated September 20,</p>

<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
		<p><i>2025 in the Company Scheme Application and was enclosed in the notices served to the secured and unsecured creditors served on October 18, 2025 and in the notices served to the sectoral regulators under Section 230(5) of the Companies Act, 2013 on October 19, 2025 (“Notices”) in the compliance with TSPL First Motion Order. An affidavit of service for serving notice to the secured and unsecured creditors was filed with the Hon’ble NCLT on October 27, 2025. Similarly, An affidavit of service for serving notice to the regulatory authorities was filed on October 27, 2025 respectively.</i></p> <p><i>On November 21, 2025, the secured and unsecured creditors of the Petitioner Company (as directed under the TSPL First Motion Order)</i></p>

	<i>Paragraph h number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
			<p>approved the Scheme, as modified.</p> <p>Accordingly, the aforesaid Scheme, as approved by the creditors of the Petitioner Company and as notified to the sectoral regulators, has been annexed to the Company Petition for sanction by the Hon'ble Tribunal.</p>
6.	2(d)	<p><i>The Petitioner Companies under provisions of section 230(5) of the Companies Act 2013 have to serve notices to concerned authorities which are likely to be affected by the Amalgamation or arrangement.</i></p> <p><i>Further, the approval of the scheme by the Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme.</i></p>	<p><i>So far as the observation in Paragraph 2(d) of the Report is concerned, the Petitioner Company submits that the notices have been served to the concerned authorities which are likely to be affected by the amalgamation or arrangement, as per provisions of Section 230(5) of the Companies Act 2013. The Petitioner Company undertakes that the approval of the Scheme by this Hon'ble NCLT will not deter such appropriate authorities to deal</i></p>

<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
	<p><i>The decision of such authorities shall be binding on the petitioner companies concerned.</i></p>	<p><i>with any issues that may arise, after giving effect to the Scheme, since the appropriate remedies available to such authorities shall continue to be available, under the applicable laws.</i></p>
7.	<p><i>As per Definition of the Scheme, “Appointed Date” in respect of any of Parts II to V of the Scheme, shall mean the Effective Date in respect of such Part of the Scheme, and the Appointed Date for each of the Parts I to V of the Scheme may be a different date.</i></p> <p><i>“Effective Date” means, in respect of:</i></p> <p><i>(i) Part II of the Scheme, the date or the last date of the dates on which all conditions precedent set forth in Clause 39.1 and Clause 39.2 are fulfilled, obtained or waived</i></p>	<p><i>So far as the observation in paragraph 2(e) of the Report is concerned, it is submitted that Appointed Date (as defined in the Scheme) shall be Effective Date for each part of the Scheme. The Petitioner Company confirms and undertakes that upon the order sanctioning this Scheme, as passed by the Hon'ble Tribunal, being filed by the Petitioner Company with the Registrar of Companies, Mumbai the Scheme shall take effect from the Appointed Date, in compliance with the requirements as clarified vide circular no. F. No.</i></p>

<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
	<p><i>as applicable in accordance with this Scheme.</i></p> <p><i>(ii) Part III of the Scheme, the date or the last date of the dates on which all conditions precedent set forth in Clause 39.1 and Clause 39.3 are fulfilled, obtained or waived, as applicable in accordance with this Scheme.</i></p> <p><i>(iii) Part IV of the Scheme, the date or the last date of the dates on which all conditions precedent set forth in Clause 39.1 and Clause 39.4 are fulfilled, obtained or waived, as applicable in accordance with this Scheme.</i></p> <p><i>(iv) Part V of the Scheme, the date or the last date of the dates on which all conditions precedent set forth in Clause 39.1 and Clause 39.5 are</i></p>	<p><i>7/12/2019/CL-I dated August 21, 2019 issued by the Ministry of Corporate Affairs and as directed by the Hon'ble Tribunal. The same is recorded in the order of the Hon'ble NCLT dated December 16, 2025 (“VEDL Order”) in the Company Petition C.P. (CAA)/79/MB/2025 filed by the Demerged Company and other Resulting Companies (except the Petitioner Company / TSPL (“VEDL Company Petition”)).</i></p>

<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
	<p><i>fulfilled, obtained or waived, as applicable in accordance with this Scheme.</i></p> <p><i>References in any of this Scheme to the date of “coming into effect of this Scheme” or “upon the Scheme becoming effective” shall mean the Effective Date in respect of such Part of the Scheme.</i></p> <p><i>“Record Date” means the date to be fixed by the Board of</i></p> <p><i>Resulting Company 1,</i></p> <p><i>Resulting Company 2,</i></p> <p><i>Resulting Company 3 and</i></p> <p><i>Resulting Company 4</i></p> <p><i>respectively in consultation with the Board of the Demerged Company for the purpose of determining the shareholders of the Demerged</i></p>	

<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
	<p><i>Company for issue of the Resulting Company 1 New Equity Shares, Resulting Company 2 New Equity Shares, Resulting Company 3 New Equity Shares and Resulting Company 4 New Equity Shares respectively and the Record Date for each of the Parts II to V of the Scheme may be different dates.</i></p> <p><i>In this regard, it is submitted that Section 232 (6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date.</i></p>	

	<i>Paragraph h number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
		<p><i>However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers and may consider to fix appointed date keeping in view of Ministry's circular dt. 21/8/2019 and should not be more than 30 days for the date of order of composite scheme by which petitioner companies are required to file INC 28 with ROC.</i></p> <p><i>The Petitioners may be asked to comply with the requirements as clarified vide circular no. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</i></p>	
8.	2(f)	<i>The Hon'ble Tribunal may kindly seek the undertaking that this Scheme is approved</i>	<i>So far as the observation in paragraph 2(f) of the Report is concerned, the Petitioner</i>

<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>	
	<p><i>by the requisite majority of members and creditors as per Section 230(6) of the Act in meeting duly held in terms of Section 230(1) read with 7 subsection (3) to (5) of Section 230 of the Act in which Hon'ble NCLT Mumbai has not granted dispensation vide order dated 21.11.2024 in CA No. 171 of 2024 and the Minutes thereof are duly placed before the Tribunal.</i></p>	<p><i>Company submits that the meeting of the equity shareholders of the Petitioner Company was dispensed with by the TSPL First Motion Order and the Scheme is approved by the requisite majority of creditors of the Petitioner Company, as per Section 230(6) of the Companies Act, 2013 in the meetings duly held in terms of Section 230(1) read with subsection (3) and (4) of Section 230 of the Companies Act, 2013 and the minutes thereof are duly placed before the Hon'ble NCLT in the Company Petition at pages 144 (for secured creditor) and 148 (unsecured creditor).</i></p>	
9.	2(g)	<p><i>Petitioner Companies shall undertake to comply with the directions of the Income Tax Department & GST Department, if any.</i></p>	<p><i>So far as the observation in paragraph 2(g) of the Report is concerned, the Petitioner Company submits that no representations have been</i></p>

<i>Paragraph h number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>	
		<i>received from the Income Tax Department and GST Department, pursuant to the Scheme.</i>	
10.	2(h)	<i>The Petitioner Company may be directed to undertake that the present scheme is in compliance with Section 2(19AA) of the Income Tax Act, 1961.</i>	<i>So far as the observation in paragraph 2(h) of the Report is concerned, the Petitioner Company submits that as mentioned in paragraph E (Treatment of the Scheme under Income Tax Act, 1961) of the Scheme, the Scheme is in compliance with Section 2(19AA) of the Income Tax Act, 1961.</i>
11.	2(i)	<i>The Petitioner Company has furnished Auditors Certificate dated 27.11.2025 (Copy enclosed as Annexure-II) having the list of assets & liabilities to be transferred to the resulting companies and the asset value</i>	<i>So far as the observation in paragraph 2(i) of the Report is concerned, the Petitioner Company submits that in terms of the Clause 11.1 of Scheme, all assets and liabilities of Merchant Power Undertakings of the Demerged Company shall stand transferred to the</i>

<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
	<p>transferred are in excess of liabilities to the resulting companies as per pre-post merger assets & liabilities statements.</p> <p>Therefore, the Hon'ble NCLT may ensure that the interest of creditors may be protected.</p> <p>Further, the Hon'ble Tribunal may consider to direct to Demerged company and all 4 resulting companies to undertake that they will be jointly or severely liable for payment of creditors of demerged undertaking as on appointed date as the asset value transferred are in excess of liabilities to the resulting companies.</p>	<p>Resulting Company 2 on a going concern basis. Therefore, all the liabilities of Merchant Power Undertaking shall be transferred to the Resulting Company 2 and the Resulting Company 2 shall be severally, not jointly, liable for the liabilities arising out of such transferred undertaking. As stated in the paragraph 2(i) of the Report, the assets to be transferred to the Resulting Company 2 is in excess of liabilities to be transferred to the Resulting Company 2 as per the independent auditors certificate issued by SBH & Co., dated November 27, 2025 ("Net Worth Certificate").</p> <p>Further, as mentioned above at paragraph 4(a)(iii), the Scheme has been approved by the secured and unsecured</p>

<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
		<p>creditors of the Petitioner Company with overwhelming majority by 99.99% and 100%, respectively. Therefore, the Scheme is without prejudice to the interests of the creditors. In any event, the net worth of Resulting Company 2 is projected to increase ensuring that the interests of the creditors are protected. Additionally, it is submitted that no prejudice would be caused to the creditors of the Demerged Company pursuant to the implementation of the Scheme. Attention is drawn towards the Net Worth Certificate to demonstrate that post-merger, the asset base of the Demerged Company, will INR 60,273 crores, while the liabilities will only be INR 14,124 crores. Therefore, the demerged undertaking has</p>

	<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
			<i>sufficient asset base to cover the liabilities post demerger.</i>
12.	2(j)	<p><i>The Petitioner Companies shall undertake to comply with Rules & Regulations of BSE, NSE, SEBI and also comply with BSE observations letter dt. 31.07.2024 & 03.06.2025 and NSE observation letter dt. 30.07.2024 & 03.06.2025 in this regard.</i></p> <p><i>Further, Demerged company being a Listed company shall also comply under Regulation 37 of SEBI (LODR) Regulation, 2015.</i></p> <p><i>Further, the SEBI vide Affidavit dt. 02.09.2025 as mentioned in Hon'ble NCLT Order dt. 29.10.2025 may kindly be taken into consideration in the subject matter.</i></p>	<p><i>So far as the observation in paragraph 2(j) of the Report is concerned, the Petitioner Company submits that BSE and NSE have issued Revised Observation Letters dated June 3, 2025 ("Revised Observation Letters"), providing no comments or adverse observations to the modified Scheme. Further the Revised Observation Letters provide that the Scheme shall be subject to the order of the Hon'ble NCLT. Further, the affidavit dated September 2, 2025 filed by Securities and Exchange Board of India ("SEBI") in VEDL Company Petition, SEBI has submitted that the "Hon'ble Tribunal may be pleased to adjudicate the Petition without making any specific finding or</i></p>

<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
		<p>determination on whether the First Petitioner Company has complied with the requirements of the SEBI Master Circular in light of the SEBI Administrative Letter dated 13 July 2025)."</p> <p>It is also submitted that the Hon'ble NCLT by way of its order dated December 16, 2025 in the VEDL Order has sanctioned the Scheme and recorded the aforesaid submission of SEBI at paragraph 33 of the VEDL Order and further recorded that SEBI has no further observation or objections in respect of the Scheme before the NCLT. The Petitioner Company undertakes to comply with the directions of the Hon'ble NCLT in the matter, without prejudice to remedies available to the Petitioner Company under the applicable laws.</p>

	<i>Paragraph number of the Report</i>	<i>Observations from the Report</i>	<i>Response of the Petitioner Company</i>
13.	2(k)	<i>Petitioner Companies have foreign shareholders; hence Petitioner Companies shall undertake to comply with rules, regulations, guidelines of FEMA, FERA and RBI.</i>	<i>So far as the observation in paragraph 2(k) of the Report is concerned, it is submitted that the Petitioner Company hereby undertakes to ensure compliance with the rules and regulations of FEMA (FERA) & RBI guidelines, as applicable.</i>

22. The Official Liquidator, by his report dated January 06, 2026, has submitted that, as per para 43 (Remaining Business of VEDL) of the Composite Scheme of Arrangement, the Demerged Company continues its corporate existence and, as such, is not being contemplated to be dissolved without winding up. In view of the same, the Liquidator has no comments/observation/representation to make in the Scheme.

23. As per the Independent Auditor's Certificate dated January 2, 2025, the Pre and Post Scheme Net worth of the Demerged Company as on 30th September 2024, is as follows:

(Rs. in crores)

Particulars	Pre-demerger	Post-demerger

Issued, subscribed and paid-up equity share capital	391	391
Reserves & Surplus:		
Securities Premium	27,424	24,121
Capital Redemption Reserve (Including Preference Share Redemption Reserve)	3,125	3,125
General Reserve	12,587	12,587
Retained earnings/ Surplus in Statement of Profit and Loss	2,755	2,755
Share based Payment Reserve	251	251
Net Worth as at 30 September 2024	46,533	43,230

24. For the Petitioner Company, it is as follows:

(Rs. in crores)

Particulars	Pre-demerger	Post-demerger
Issued, subscribed and paid-up equity share capital	3,207	3,910
Reserves & Surplus:		
Securities Premium	-	3,898
Retained earnings / Surplus in Statement of Profit and Loss	399	399
Net Worth as at 30 September 2024	3,606	8,207

25. It is submitted that the non-implementation of Part V of the Original Scheme will have no impact on the share entitlement ratio for other Parts of the Original Scheme and Resulting Companies. Upon the Scheme (with modifications to exclude Part V of the Original Scheme) becoming effective, the share capital of each of the Petitioner Company shall stand altered to mirror the shareholding of the Demerged Company. As such, a shareholder holding in the Demerged

Company (which will include the Base Metals Undertaking) will be replicated in each of the Resulting Companies.

26. It is submitted that other than non-implementation of Part V of the Original Scheme, the Original Scheme will be implemented as originally envisaged, including there being no alterations to the share entitlement ratio of 1:1 for demerger of the Merchant Power Undertaking, Oil and Gas Undertaking (as defined under the Scheme). Therefore, non-implementation of Part V of the Original Scheme does not impact or have an effect on the share entitlement ratio reports.

27. On 07.01.2026, this Bench passed the following order:

“This is the Company Petition filed under Section 230-232 of the Companies Act, 2013. Heard the Ld. Counsel for the Petitioner. Mr. Altap Shaikh, ICLS Assistant Director is present and logged in through the VC on behalf of the Regional Director, Western Region and submits that the undertakings/clarifications given by the Petitioner Company in response to their observations raised are satisfactory and that they have no further observations/objections to the Scheme. It is noted that notice under Section 230(5) was issued also to the RoC, Income Tax Authorities, GST Authorities, Ministry of Power, Ministry of Coal, Punjab State Electricity Regulatory Commission. However, it is the submission of the Ld. Counsel for the Petitioner Company that there are no representations received from the said Authorities, Regulators. Further, there is no representation from SEBI in this case. Accordingly, the matter is reserved for orders.”

28. The shareholders and Creditors of the Petitioner Company are the best judges of their interest. Their decision should not be ordinarily interfered with by the Tribunal as per the decision of Hon'ble Supreme Court in *Miheer H. Mafatlal vs. Mafatlal Industries Ltd [JT 1996 (8) 205]* wherein it was held as follows:

“It is the commercial wisdom of the parties to the scheme who have taken an informed decision about the usefulness and propriety of the scheme by supporting it by the

usefulness and propriety of the scheme by supporting it by the requisite majority vote.”

29. No further objections have been received by the Tribunal opposing the Company Scheme Petition nor has any party controverted any averments made in the Company Scheme Petition.

ORDER

30. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition bearing No. C.P.(CAA)/254/MB/2025 is approved. Consequently, Sanction is hereby Granted to the Scheme under Sections 230 to 232 of the Companies Act, 2013, in terms of the following directions:
 - a. If there is any deficiency found or violation committed *qua* any enactment, statutory rule or regulation, the sanction granted by this Tribunal will not come in the way of action being taken, albeit in accordance with law, against the concerned persons, directors and officials of the Resulting Companies.
 - b. While approving the Scheme, we clarify that this Order should not, in any way, be construed as an order granting exemption from payment of stamp duty, taxes or other charges, if any, and payment in accordance with law or in respect of any permission or compliance with other requirements which may be specifically required under any law or Regulations.
 - c. Further, effectiveness of this Scheme shall not deter any regulatory authorities to initiate action, proceedings, prosecution, investigation or any regulatory action against the Demerged Company and Resulting Companies.
 - d. As per the provisions of Section 232(4) of the Companies Act, 2013, by virtue of this order, on the Scheme becoming effective, the properties and

liabilities provided to be demerged in the Scheme being approved, the properties shall be transferred to the Petitioner Company and the liabilities shall be transferred to and become the liabilities of the Petitioner Company and the properties provided in the Scheme being approved to be freed from any charge, shall be freed from the said charge.

- e. The Income Tax Department will be at liberty to examine the aspect of any tax payable by the Petitioner Company or by the Shareholders of the Demerged Company. It shall be open to the Income Tax Authorities to take necessary action as permissible under the Income Tax Law. The decision of Income Tax Department shall be binding on the Petitioner Company and also the Demerged Company and their Directors, Shareholders etc. as the case may be.
- f. All the Duties, Direct and Indirect taxes (including any Advance Taxes), GST liabilities, liabilities under the erstwhile provisions of the VAT Act, Sales Tax Act, Customs Duty, Excise Duty and any other tax obligations or litigations thereunder for any tax laws for Demerged Company in respect of the demerged undertaking shall be transferred to the Petitioner Company, as a result of the Scheme.
- g. The Petitioner Company is directed to file a Certified Copy of this order along with a copy of the Scheme duly authenticated/certified by the Deputy Registrar or the Joint Registrar or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Registrar of Companies, electronically, in e-Form INC-28 within 30 (thirty) days from the date of receipt of this Order, duly certified by the Deputy Registrar or the Assistant Registrar, as the case may be, of this Tribunal.
- h. The Certified Copy of this Order be also submitted to all applicable Statutory Authorities.
- i. The Petitioner Company to lodge a certified copy of this Order and the Scheme duly authenticated by the Deputy Registrar or the Assistant

Registrar, as the case may be, of this Tribunal, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 working days from the date of receipt of the certified copy of this order.

- j. The Petitioner Company shall be bound by the undertaking given by them to the Regional Director, including the undertaking to protect the interest of all Creditors, and forms integral part of this order.
- k. Any proceedings now pending by or against the Demerged Company in relation to the Merchant Power Undertaking be continued by or against the Petitioner Company.
- l. All the properties, rights, liabilities, duties and powers of the Demerged Company, in respect of the Merchant Power Undertaking, be transferred without further act or deed, to the Petitioner Company and accordingly the same shall, pursuant to Section 232 of the Companies Act, 2013, be transferred to and vest in the Petitioner Company.
- m. All the employees of the Merchant Power Undertaking of the Demerged Company in service, on the date immediately preceding the date on which the Scheme takes effect i.e. the Effective Date, shall become the employees of the Petitioner Company on such date, without any break or interruption in service and upon terms and conditions not less favourable than those subsisting in the concerned Demerged Company on the said date.
- n. In compliance with Accounting Standard-14 or IND-AS-103, as may be applicable, the Petitioner Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 or IND AS-8 etc. The net worth of the Demerged Company and of the Petitioner Company shall finally be based on accounting treatment as given by the respective Company in its books of accounts in accordance with the said Accounting Standards.

- o. The Registrar of Companies is entitled to proceed against the Petitioner Company for violation/ offences committed by Demerged Company, in so far as it relates to the Merchant Power Undertaking (Demerged Undertaking), if any.
- p. Any person interested shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.
- q. In case there is an inconsistency in the provisions of Scheme and of this order being passed by this Tribunal, the provisions of this order shall prevail.
- r. Any concerned authorities are at liberty to approach this Tribunal for any further clarification as may be necessary.
- s. All authorities concerned to act on a copy of this Order along with Scheme duly authenticated by the Deputy Registrar or Assistant Registrar, National Company Law Tribunal, Mumbai.

31. Ordered accordingly and the Company Scheme Petition with C.P.(CAA)/254/MB/2025 in C.A. (CAA)/220/MB/ 2024 stands **disposed of**.

32. File be consigned to record storage (current).

Sd/-
CHARANJEET SINGH GULATI
MEMBER (TECHNICAL)

/Ziyaul Steno/

Sd/-
MOHAN PRASAD TIWARI
MEMBER (JUDICIAL)