IN THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH-I

C.P.(CAA)/118(MB)2026

In

C.A.(CAA)/88(MB)2026

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 read with Companies (Compromises, Arrangement and Amalgamations) Rules, 2016;

And

In the matter of Scheme of Arrangement between ***GE Power India Limited ('Demerged Company')*** *And* ***JSW Energy Limited ('Resulting Company')*** *and their respective shareholders and creditors ('Scheme')*

GE Power India Limited
CIN: L74140MH1992PLC068379

..... First Petitioner Company/

Demerged Company

And

JSW Energy Limited
CIN: L74999MH1994PLC077041

..... Second Petitioner Company/

Resulting Company

राष्ट्रीय कम्पनी विधि अधिकरण
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मुंबई न्यायपीठ
MUMBAI BENCH

And their respective shareholders.

[collectively referred to as the "Petitioner Companies"]

Order Pronounced on 01.10.2026

Coram:

Shri Prabhat Kumar
Hon'ble Member (Technical)

Shri Sushil Mahadeorao Kochey
Hon'ble Member (Judicial)

Appearances:

For the Petitioner Companies : Mr. Gaurav Joshi a/w Mr. Mehul Shah, Mr. Peshwan Jehangir, Mr. Aman Yagnik, Mr. Haabil Vahanvaty, Mr. Jamsheed Dadachanji, Ms. Ishrita Bagchi, Mr. Anmol Sharma and Ms. Jwaalaa Suresh i/b Khaitan & Co, Advocates for the Petitioner Companies

For the Regional Director : Mr. Altap Shaikh

ORDER

1. This Company Scheme Petition has been filed by the Petitioner Companies under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, seeking sanction of the **Scheme of Arrangement between GE Power India Limited ("Demerged Company" or "First Petitioner Company")** and **JSW Energy Limited ("Resulting Company" or "Second Petitioner Company")** and their respective shareholders ("Scheme" or "this Scheme"), providing, inter

alia, for the demerger, transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company.

2. The Petitioner Companies have proposed a scheme of demerger whereby the Demerged Undertaking of the Demerged Company is transferred to and vested in the Resulting Company. The "Demerged Business" is defined to mean "*the business of manufacture and supply of power boilers components, pressure vessels, piping, and coal mills for thermal power plant undertaken by the Demerged Company at the Durgapur Facility*".

3. **GE Power India Limited** was incorporated on 02.09.1992 having its registered office situated at Regus Magnum Business Centers, 11th floor, Platina, Block G, Plot C-59 BKC, Bandra (East) Mumbai- 400 051 and is engaged in the business of design, development, engineering, project management, manufacturing, supply, construction, commissioning, repairs and modernization (R&M), services, retrofit and upgrades of boiler, coal mills, pressure vessels, critical piping for steam turbine applications, steam turbine and generator spares and components, air quality control systems, automation systems, and power electronics for thermal power plants and industrial application. The equity shares of GE Power are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

4. **JSW Energy Limited** was incorporated on 10.03.1994 having its registered office situated at JSW Centre, Bandra Kurla Complex Bandra (East), Mumbai 400051 and is engaged in the business of generation of power, and other allied activities, through itself and its subsidiaries. The equity shares of JSW Energy Limited are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). JSW Energy has also issued certain non-convertible debentures, which are listed on the BSE.

5. The Board of Directors of the respective Petitioner Companies, vide their resolutions dated 18.09.2025, have approved the Scheme.

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6. The Appointed Date for the transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company is 01.07.2025.

7. It is submitted that the present Company Scheme Petition has been filed in consonance with the Order dated 02.06.2026 passed by this Tribunal in C.A.(CAA) No. 88/MB/2026. By Order dated 10.08.2026, the present Company Scheme Petition was admitted and the matter was fixed for final hearing and final disposal on 04.09.2026. The Petitioner Companies were directed to publish the notice of hearing and to issue notices to the authorities specified under Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. In compliance thereof, the Petitioner Companies have filed the Affidavit of Service dated 28.08.2026, vide e-filing No. 2709138072012026/4, evidencing publication of the notice in "Business Standard" in English and "Navshakti" in Marathi, and service of notices upon the concerned statutory authorities, together with the Scheme and accompanying documents.

8. The Rationale for the Scheme of Arrangement of the Petitioner Companies is as follows:

"1. The transfer and vesting of the Demerged Undertaking from the Demerged Company to the Resulting Company pursuant to this Scheme will, inter alia, result in the following benefits for the Demerged Company and the Resulting Company and their respective shareholders, employees and other stakeholders:

(i) <u>Demerged Company</u>:

a) the Demerger allows the Demerged Company to focus on the strategic growth areas and services growth strategy;

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b) *the Demerger will enable the Demerged Company to focus on and enhance its Retained Business by streamlining its operations and cutting costs;*

c) *the Demerger will facilitate smoother transfer of the Demerged Business in terms of obtaining local approvals; and*

d) *the Demerger is the most optimum manner in which the Demerged Business could be transferred to the Resulting Company as it aids in unlocking and creation of value of the Demerged Business for the shareholders of the Demerged Company and giving them the flexibility to stay invested in the growth journey of the Demerged Undertaking.*

(ii) Resulting Company:

a) *the De merger provides an opportunity for the Resulting Company to enter into boiler pressure parts manufacturing business in alignment with the long-term vision of expanding into energy portfolio and extending footprint in a highly competitive and fast-growing business;*

b) *the Demerger will create value for shareholders by acquiring ready to use assets which shall create operational efficiencies;*

c) *the Demerger will also result in vertical integration by securing a dedicated manufacturing facility for boiler pressure parts and reducing dependency on third-party suppliers;*

d) *Demerger will create significant operational synergies within existing business verticals and across ongoing and upcoming thermal power projects, leading to economies of scale, enhancing*

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cost efficiencies, and improving control over critical component requirements of thermal power assets; and

e) *the Demerger will enable increased production capacity to support future thermal projects.*

9. The Petitioners have submitted the following documents and this Tribunal has perused them:

a. *Copy of the Memorandum and Articles of Association of the First Petitioner Company;*

b. *Copy of the Memorandum and Articles of Association of the Second Petitioner Company;*

c. *Copy of the standalone audited financial statements of the First Petitioner Company as on March 31, 2026*

d. *Copy of the standalone audited financial statements of the Second Petitioner Company as on March 31, 2026*

e. *Certified copies of the Board Resolutions passed by the Board of Directors of the Petitioner Companies*

f. *Copy of the certificates dated September 18, 2025, issued by Deloitte Haskins & Sells, Statutory Auditor of the First Petitioner Company and Deloitte Haskins & Sells LLP, Statutory Auditor of the Second Petitioner Company certifying that the accounting treatment as specified in the Scheme, is in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013*

g. *Copy of the Joint Share Entitlement Ratio Report issued by RBSA Valuation Advisors LLP, Registered Valuer (Registration No. IBBI/RV-E/05/2019/110) and GT Valuation Advisors Private*

Limited, Registered Valuer (Registration No. IBBI/RV-E/05/2020/134) to the Petitioner Companies

h. *Copy of the Fairness Opinion issued to the First Petitioner Company and Second Petitioner Company in connection with the Scheme*

i. *Copy of the Affidavit of the Chairperson appointed for the Tribunal convened meetings filed with this Hon'ble Tribunal*

j. *Copy of the Chairperson's Report on the results of the respective meetings of the equity shareholders and unsecured creditors of the Petitioner Companies*

k. *Copy of the Affidavit of Service evidencing the service of notice upon the regulatory authorities*

10. Pursuant to the Order dated 02.06.2026 passed by this Tribunal in C.A.(CAA) No. 88/MB/2026, the meetings of the equity shareholders and unsecured creditors of the First Petitioner Company were convened on 20.07.2026 through Video Conferencing/Other Audio-Visual means. The meetings of the preference shareholders and secured creditors of the First Petitioner Company are not required as it is dispensed with. In respect of the Second Petitioner Company, the meeting of secured creditors was dispensed with, while the meetings of its equity shareholders and unsecured creditors were held on 20.07.2026 through Video Conferencing/Other Audio-Visual Means.

11. The Scheme also provides for the accounting treatment in relation to the proposed demerger. **Deloitte Haskins & Sells, Statutory Auditor of the First Petitioner Company**, and **Deloitte Haskins & Sells LLP, Statutory Auditor of the Second Petitioner Company**, have issued the respective certificates confirming that the accounting treatment proposed

in the Scheme is in conformity with the applicable Accounting Standards prescribed under **Section 133** of the Companies Act, 2013.

12. The Petitioner Companies have placed on record the Joint Share Entitlement Ratio Report dated 18.09.2025 issued by RBSA Valuation Advisors LLP, Registered Valuer (Registration No. IBBI/RV-E/05/2019/110), and GT Valuation Advisors Private Limited, Registered Valuer (Registration No. IBBI/RV-E/05/2020/134), in connection with the Scheme and determination of the Share Entitlement Ratio.

13. The consideration for the proposed Scheme of Arrangement is as follows:

Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company in terms of this Scheme, the Resulting Company shall, without any further application, act or deed, issue and allot equity shares, credited as fully paid-up ("Resulting Company New Shares"), to the Eligible Shareholders, or to their respective heirs, executors, administrators, other legal representative or other successors in title in the following manner:

"10 (Ten) fully paid up equity shares of INR 10 (Indian Rupees Ten) each of the Resulting Company shall be issued and allotted for every 139 (One hundred and thirty nine) fully paid-up equity shares of INR 10 (Indian Rupees Ten) each held in the Demerged Company which shall be adjusted, without any further approval from the Government Authority, for any restructuring of share capital of the Demerged Company and/or the Resulting Company by way of share split/ consolidation/issue of bonus shares, buyback/ capital reduction/ preferential issue/ issue of shares on conversion of loans, debentures, preference shares, except issuance of shares on account of employee stock options during the pendency of the Scheme ("Share Entitlement Ratio")"

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14. Pursuant to the order dated 02.06.2026 passed by this Tribunal in C.A.(CAA) No. 88(MB)/2026, meetings of the equity shareholders and unsecured creditors of the First Petitioner Company and the equity shareholders and unsecured creditors of the Second Petitioner Company were convened and held through Video Conferencing/Other Audio-Visual Means on 20.07.2026. The said meetings were chaired by Mr. Mohan Prasad Tiwari, Chairperson appointed by this Tribunal, who has filed his Reports in respect of the respective meetings. The meetings were held in accordance with the directions contained in the said order.

15. As per the Report of the Chairperson, the Scheme was approved by the equity shareholders of the First Petitioner Company by 391 shareholders holding 4,80,58,269 equity shares, representing approximately 99.99% of the total valid votes cast. In the meeting of the unsecured creditors of the First Petitioner Company, 85 out of the 86 unsecured creditors representing 99.9359% of the total valid votes in terms of value of debt approved the Scheme. In respect of the Second Petitioner Company, the Scheme was approved by 1,025 equity shareholders holding 1,65,22,84,784 equity shares, representing 99.9999% of the total valid votes cast, and by 47 unsecured creditors having outstanding debt of Rs. 1,938,13,05,516, representing 100% of the total valid votes in terms of value of debt. The Chairperson has accordingly reported that the Scheme has been approved by the requisite majority.

16. The Regional Director, Western Region-I, Ministry of Corporate Affairs, Mumbai, has filed his Report dated 02.09.2026 ("Report"), wherein certain observations have been made in respect of the Scheme. With regard to paragraphs 2(a) and 2(b) of the Report, the Regional Director has observed that the Petitioner Companies shall comply with the applicable Accounting Standards and the provisions of the Companies Act, 2013 and General Circular No. 09/2019 dated 21.08.2019 in relation to the Scheme. The Petitioner Companies have undertaken to comply

with the applicable Accounting Standards and provisions of law and have stated that the Scheme is in compliance with the aforesaid Circular.

17. As regards the observations contained in paragraphs 2(c) to 2(j) of the Report of the Regional Director, the Petitioner Companies have undertaken to comply with the applicable provisions of the Companies Act, 2013, tax laws and the directions, if any, of the concerned statutory and sectoral authorities. The Petitioner Companies have further undertaken to comply with the applicable provisions of the Foreign Exchange Management Act, 1999 and the relevant RBI regulations. Insofar as the Petitioner Companies are listed entities, the Petitioner Companies have stated that the observation letters issued by BSE Limited and National Stock Exchange of India Limited, both dated 01.04.2026 have been placed on record and have undertaken to comply with the directions contained therein.

18. With regard to paragraphs 2(k) to 2(m) of the Report, the Regional Director has sought compliance with Section 90 of the Act and the applicable provisions relating to Significant Beneficial Owners, protection of the interests of creditors and employees, and has referred to the Report of the Registrar of Companies, Mumbai-I, including the complaint stated to be in process against the First Petitioner Company. The Petitioner Companies have stated that the requisite Form BEN-2 has been filed wherever applicable and have undertaken to comply with the applicable provisions and make necessary filings. They have further undertaken that the interests of the creditors and employees shall not be adversely affected by the Scheme and that necessary steps shall be taken in respect of the pending complaint in accordance with law.

19. The Office of the Assistant Commissioner of Income Tax, Circle 14(1)(2), Mumbai ("ACIT"), being the jurisdictional Assessing Officer of the First Petitioner Company under the Income-tax Act, 1961, has filed its Report dated 10.08.2026 ("Income Tax Report") before this Tribunal, raising objections in relation to the Scheme. The objections primarily

relate to the valuation of the Demerged Undertaking, the consequent Share Entitlement Ratio and the tax implications arising therefrom. The ACIT has, inter alia, questioned the methodology adopted for valuation of the Demerged Undertaking and the weightage assigned to the valuation methodologies, including the DCF method, and has raised concerns regarding the valuation of the Durgapur unit and the assets comprised therein. In response thereto, the First Petitioner Company has filed its Affidavit dated 21.08.2026, vide e-filing No. 2709138072012026/1, addressing the objections and concerns raised by the ACIT.

20. Further, the Principal Commissioner of Income Tax, Central-6, Mumbai ("PCIT"), has filed the Report of the Deputy Commissioner of Income Tax, Circle 14.1.2, Mumbai, before this Tribunal on 27.08.2026 ("PCIT Report"). The First Petitioner Company has filed its Affidavit dated 28.08.2026, vide e-filing No. 2709138072012026/3, in response to the observations and concerns raised in the PCIT Report. Thereafter, the Income Tax Department filed a Sur-Rejoinder dated 03.09.2026. In the Sur-Rejoinder, the Income Tax Department has, inter alia, reiterated its concerns regarding the valuation of the Durgapur unit and the related land and other properties, including the adoption of the DCF method, the non-adoption of the NAV and cost approach methods, and the absence of justification for the weightage assigned to the different valuation methodologies. The Department has also referred to certain outstanding tax demands against the First Petitioner Company and raised concerns regarding the tax implications of the Scheme, including the applicability of the relevant provisions of the Income-tax Act.

21. At the hearing held on 04.09.2026, the learned Counsel appearing for the Income Tax Department submitted that the First Petitioner Company, despite having been specifically asked to furnish details of the Durgapur unit, had not submitted the same, and sought that the interest of the Income Tax Department in relation thereto be protected. It was further submitted that certain demands were outstanding against the First

Petitioner Company and that the same should also be protected. The learned Counsel further submitted that the question as to whether Section 56(2) of the Income-tax Act, 1961 is applicable to the Scheme of demerger be left open for examination by the Income Tax Department in the proceedings under the Income-tax Act.

22. In response to the aforesaid submissions, the First Petitioner Company has undertaken to discharge all dues arising from ongoing tax proceedings, as well as any tax demands raised against it, in accordance with applicable law. It has further undertaken that the sanction of the Scheme shall not prevent the Income Tax Department from examining any tax liability or initiating proceedings for recovery of any dues or tax after sanction of the Scheme, in accordance with law.

23. We have considered the Scheme, the pleadings and documents placed on record, the Reports of the Chairperson, the Report of the Regional Director and the responses thereto, as well as the reports and submissions of the Income Tax Department and the responses and undertakings furnished by the First Petitioner Company. We have also considered the submissions made at the hearing. The requisite meetings of the concerned classes of shareholders and creditors have been duly convened and conducted pursuant to the directions of this Tribunal, and the Scheme has been approved by the requisite majority. The observations and requirements raised by the Regional Director have been duly considered and the undertakings furnished by the Petitioner Companies shall remain binding upon them. The rights of the Income Tax Department in respect of any tax liability, demand or proceedings arising under the Income-tax Act, 1961 shall remain unaffected by the sanction of the Scheme and may be dealt with in accordance with law.

24. The Income Tax Department shall be at liberty to examine any tax liability arising from the Scheme and, in the event, it is found that the Scheme ultimately results in tax avoidance under the provisions of the Income-tax

Act, 1961, it shall be open to the Income-tax authorities to take necessary action in accordance with law.

25. In view of the foregoing, and upon considering the Scheme of Arrangement between GE Power India Limited, the Demerged Company/First Petitioner Company, and JSW Energy Limited, the Resulting Company/Second Petitioner Company, and their respective shareholders, and having considered the material placed on record, the Reports of the Chairperson and the Regional Director and the responses thereto, the reports and submissions of the Income Tax Department, and the submissions and undertakings furnished by the Petitioner Companies, the Company Scheme Petition bearing **C.P.(CAA) No. 118(MB)/2026 in C.A.(CAA) No. 88(MB)/2026 is allowed** and the Scheme is hereby sanctioned, subject to the observations, undertakings and directions contained in this Order.
26. The Petitioner Companies are directed to file a certified copy of this Order along with a copy of the Scheme, duly authenticated by the Deputy/Assistant Registrar of this Tribunal, with the concerned Registrar of Companies electronically in e-Form INC-28, within 30 days from the date of receipt of the certified copy of this Order.
27. All concerned authorities shall act on a copy of this Order along with the Scheme, duly certified by the Deputy Registrar or Assistant Registrar, National Company Law Tribunal, Mumbai Bench.
28. The Petitioner Companies are directed to duly comply with all the undertakings and assurances furnished by them in their reply/response to the Report of the Regional Director.
29. The present Company Petition i.e., **C.P.(CAA) No. 118(MB)2026 in C.A.(CAA) 88(MB)2026** is **allowed** and **disposed of**, accordingly.

Sd/-
Prabhat Kumar
Member (Technical)

Sd/-
Sushil Mahadeorao Kochey
Member (Judicial)

AS.

P.T.O

NATIONAL COMPANY LAW TRIBUNAL
(MUMBAI BENCH)
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OF THE ORIGINAL

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JR/DR/AR
(Signature & Seal)

Ravi H Passi
Assistant Registrar
National Company Law Tribunal
Mumbai - 400 005.