

National Stock Exchange of India

Circular

Department: Investigation	
Download Ref No: NSE/INVG/ 67309	Date: March 26, 2025
Circular Ref. No: 453/2025	

To All NSE Members,

Sub: **SEBI Confirmatory Order in the matter of Bharat Global Developers Ltd (BGDL)**

This is with reference to NSE Circular no. NSE/INVG/ 65737 dated December 23, 2024 in respect of SEBI Order No. WTM/AB/CFID/CFID-TPD/31067/2024-25 dated December 23, 2024, wherein SEBI had debarred following entities to not buy, sell or deal in the securities market in any manner whatsoever, or access the securities market, directly or indirectly until further orders. Further, SEBI has also directed that Noticees 1 to 47 (mentioned in above SEBI order) are directed to not deal in shares of BGDL in any manner whatsoever, till further directions.

Sr No.	Name	PAN
1	Bharat Global Developers Limited	AAACP9354K
2	Ashok Kumar Sewda	BQAPS9919R
3	Mohsin Shaikh	FQQPS1725B
4	Dinesh Kumar Sharma	CLDPS4790M
5	Nirali Prabhatbhai Karetha	EAPPK9315D
6	Mahadev Manubhai Makvana	EXFPM7561C
7	Arjun Kishorbhai Bhut	CSEPB1036P
8	Chandan Chaurasiya	CKWPC0798P
9	Dhruv Ganji	DQMPG0411E
10	Nikhil Rajesh Singh	OKOPS4711J
11	Prashant Sevantkar	IAEPS3604G
12	Ghanshyam Babubhai Mistry	ANGPM7549B
13	Jignesh Prajapati	ECDPP8855D
14	Bhupinder Duchaina	BMRPD0696M
15	Arun Mohanbhai Kordia	AVFPK4671H

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16	Kavit Bharat Sanghavi	APXPS7070L
17	Sheetal Mithilesh Jhala	AFSPJ9385E
18	Minal Ghanshyamsinh Gohil	BADPG9432L

Further, SEBI Order no. WTM/AB/CFID/CFID-TPD/31324/2024-25 dated March 26, 2025 has directed that the directions issued in para. 70 of the above SEBI Order dated December 23, 2024, including the restraint imposed on the preferential allottees to prevent them from dealing in shares or liquidating their shareholding in the company in any manner whatsoever, shall continue till further orders.

Further, the consolidated list of such entities is available on the Exchange website <http://www.nseindia.com> home page at the below mentioned link:

<https://www.nseindia.com/regulations/member-sebi-debarred-entities>

Members are advised to take note of the above and ensure compliance.

In case of any further queries, members are requested to email us at dl-invsg-all@nse.co.in

**For and on behalf of
National Stock Exchange of India Limited**

**Sandesh Sawant
Senior Manager**

ANNEXURE: SEBI Confirmatory Order in the matter of Bharat Global Developers Ltd

SECURITIES AND EXCHANGE BOARD OF INDIA
CONFIRMATORY ORDER

**Under Sections 11(1), 11(4) and 11B(1) of the Securities and Exchange Board
of India Act, 1992**

In respect of:

Sr. No.	Name of the Noticee	PAN
1.	Bharat Global Developers Limited	AAACP9354K
2.	Ashok Kumar Sewda	BQAPS9919R
3.	Mohsin Shaikh	FQQPS1725B
4.	Dinesh Kumar Sharma	CLDPS4790M
5.	Nirali Prabhatbhai Karetha	EAPPK9315D
6.	Dhruvi Kothari	ITQPK8962N
7.	Mahadev Manubhai Makvana	EXFPM7561C
8.	Arjun Kishorbhai Bhut	CSEPB1036P
9.	Chandan Chaurasiya	CKWPC0798P
10.	Dhruv Ganji	DQMPG0411E
11.	Nikhil Rajesh Singh	OKOPS4711J
12.	Prashant Sevantikar	IAEPS3604G
13.	Ghanshyam Babubhai Mistry	ANGPM7549B
14.	Jignesh Prajapati	ECDPP8855D
15.	Bhupinder Duchaina	BMRPD0696M
16.	Arun Mohanbhai Kordia	AVFPK4671H
17.	Kavit Bharat Sanghavi	APXPS7070L
18.	Sheetal Mithilesh Jhala	AFSPJ9385E
19.	Minal Ghanshyamsinh Gohil	BADPG9432L
20.	Hiren Maheshbhai Sadhu	BZWPS8338F
21.	Dhaval Manubhai Jadav	AUPPJ7997N

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22.	Nishitaben Chandrakant Bharvad	DKPPB6133M
23.	Manubhai Sendhabhai Bharwad	ACTPB5034E
24.	Neel Kamleshbhai Sanandiya	KCXPS8377B
25.	Kevinkumar Mansukhlal Saparia	BZSPS6586F
26.	Jayeshbhai Kanjibhai Parmar	BZOPP7070B
27.	Praful Guptakaushal	BIDPG6011M
28.	Mahammadfaruk Hajibhai Mir	GQOPM9131C
29.	Pujababen Barot	FRCPB9855E
30.	Ranjitsinh Ishwarsinh Rajput	AJIPR3232L
31.	Vikrambhai Gokalbhai Chaudhari	AVVPC7479F
32.	Pradipkumar Lakhani	ALFPL4585R
33.	Theshiya Kajalben	BWUPT8126K
34.	Veer Vikas Sorathiya	OZXPS8175L
35.	Danabhai Gandabhai Parmar	ACOPP8027G
36.	Ayush Patel	DCPPP0147D
37.	Prasad Shirke	CLAPS1465A
38.	Dhruv Pradipkumar Shah	MHBPS3319C
39.	Bhargavsinh Nandkishorsinh Chauhan	AIXPC1296M
40.	Alkaben Pradipkumar Shah	DHCPS5135L
41.	Pragneshkumar Girishchandra Dave	AKWPD6894K
42.	Pooja Pragnesh Dave	APRPD8679L
43.	Dhaval Shankarbhai Rabari	EVPPD9687A
44.	Ankush Rajkumar Dabhane	GQUPD7299N
45.	Govindsingh Bhavnathsingh Rajbhar	EGYPR9301B
46.	Kuldeep Ranvirsingh Tomar	CETPT8942M
47.	Rahul Ratansingh Sikarwar	NEBPS1895R

In the matter of Bharat Global Developers Ltd.

BACKGROUND

1. Securities and Exchange Board of India (“SEBI”) passed an Interim Order-cum-Show Cause Notice dated December 23, 2024 (“Interim Order”) against Bharat Global Developers Limited (“BGDL”/ “Company”), a company listed on the BSE Ltd. (“BSE”), as well as its Managing Director, Chief Executive Officer, Directors, Compliance Officer and 41 preferential allottees to which BGDL had allotted shares.
2. It was *prima facie* found in the Interim Order that BGDL had reported negligible sales in the eleven financial years from 2012-13 to 2022-23, and was earlier suspended by BSE for non-payment of listing fees till November 2023. Upon revocation of suspension on November 9, 2023, trading in the scrip resumed and the scrip price increased from INR 16.14 on the date of revocation of suspension to reach an all-time high of INR 1702.95 on November 28, 2024.
3. After overhauling its management in December 2023, BGDL increased its authorised capital from INR 6 crore to INR 100 crore on December 4, 2023 and made a preferential allotment of 9.72 crore equity shares to 31 preferential allottees in April 2024 at a price of INR 10 per share.
4. Thereafter, its authorised capital was increased from INR 100 crore to INR 200 crore on June 22, 2024. Subsequently, BGDL made another preferential allotment of 35 lakh equity shares to 10 preferential allottees in August 2024; this time at a price of INR 210 per share, a jump of twenty-one times over the price of preferential allotment made in April 2024.
5. This resulted in concentration of 99.5% of the company’s equity in the hands of these 41 allottees. Further, the preferential allotment increased the paid-up equity capital of the company from INR 0.56 crore to INR 101.26 crore.
6. As noted in the Interim Order, just before the end of lock-in period of first tranche of preferentially allotted shares on October 31, 2024, BGDL began making allegedly false disclosures between October-December 2024 regarding business expansion and information regarding the Company securing high-value orders from companies such as McCain India Agro Pvt. Ltd., UPL Agro Pvt. Ltd., TATA Agro & Consumer Products and Reliance Industries Ltd. (“RIL”), in addition to high-value orders bagged by its wholly-owned Dubai-based subsidiary. Most of

these companies were found to be non-existent, and the nature of order secured from RIL was incorrectly described as involving design, engineering and expertise in delivering advanced refining technologies, to falsely showcase technological expertise. The said order was for supply of general construction materials only.

7. The price of the scrip of BGD L increased from INR 674.30 on October 30, 2024, just before the end of lock-in on the first tranche of preferentially allotted shares, to INR 1236.45 on December 20, 2024. Thus, the Interim Order observed that BGD L, through the disclosures it made, tried to induce investors to buy its shares. Further, as per the Interim Order, SEBI's examination found certain aberrations in the financial statements as disclosed by the Company from FY20 to FY25 (upto September 2024). The abovementioned false and misleading statements strongly indicated *prima facie* that the Company violated section 12A (a), (b), (c) of the SEBI Act, regulations 3 (a), (b), (c), (d), 4 (1), 4 (2) (f), (k), (r) of the PFUTP Regulations and regulation 30 of the LODR Regulations.
8. Between November 01, 2024 and December 20, 2024, thirteen preferential allottees who were allotted shares in April 2024, offloaded a total of 21,17,582 shares (2.09% of the total shareholding of the Company) which were purchased by public shareholders, amounting to approximately INR 271 crore . The sale of shares began immediately after release of lock-in on the first tranche of preferentially allotted shares on October 31, 2024.
9. The Interim Order found *prima facie* that the sharp price rise in the scrip was the result of wrong disclosures and misrepresented financials. Further, the price rise was timed to benefit certain preferential allottees who offloaded shares to unsuspecting investors enabling the sellers to make huge gains.
10. Therefore, the price rise was symptomatic of a premeditated scheme involving violation of section 12A (a), (b), (c) of the SEBI Act, regulations 3 (a), (b), (c), (d), 4 (1), 4 (2) (f), (k), (r) of the PFUTP Regulations and regulation 30 of the LODR Regulations. For these violations committed by the Company (Noticee 1), its Managing Director (Noticee 2), its CEO (Noticee 3) and its Directors (Noticees 4 and 5) were also found *prima facie* liable under section 27 of SEBI Act. Further, as Compliance Officer of BGD L, Noticee 6 was also liable *prima facie* for the misstatements under LODR Regulations.

11. The Interim Order noted circumstances warranting issuing of interim directions. Significant interest was generated in the media around the “free shares” (on account of the impending bonus issue and stock split announced by BGDG) being offered to shareholders of a Company with diverse businesses and ostensibly reputable contracts under its belt. The company was being widely reported on social media and perceived as a multibagger stock with diverse business interests and excellent prospects. Between the quarter ended September 2023 and December 5, 2024, the number of shareholders increased from 10,129 to 44,976.
12. It was also noted in the Interim Order that a bonus issue and share split, with December 26, 2024 as the record date was approved by the Board of Directors of the Company on November 12, 2024 and in an Extraordinary General Meeting of shareholders on December 12, 2024. The bonus issue and stock split needed to be halted so that further increase in liquidity did not increase the number of public shareholders. There was an imminent risk that unsuspecting investors would be saddled with shares foisted on them based on dubious claims of the Company.
13. Vide the Interim Order, the following Interim directions were issued against the Noticees under sections 11(1), 11(4) and 11B(1) read with section 19 of the SEBI Act –
- 13.1. *Trading in the scrip of Bharat Global Developers Ltd. was suspended till further orders.*
- 13.2. *Noticees 1 to 5 and 7 to 19 were restrained from buying, selling or dealing in securities, or accessing capital market either directly or indirectly, in any manner whatsoever until further orders. If the said Noticees had any open position in any exchange-traded derivative contracts, as on the date of the order, they could close out /square off such open positions within 7 days from the date of order or at the expiry of such contracts, whichever was earlier. The said Noticees were permitted to settle the pay-in and pay-out obligations in respect of transactions, if any, which had taken place before the close of trading on the date of this order.*
- 13.3. *The Compliance Officer, i.e., Noticee 6 was restrained from associating herself with any intermediaries registered with SEBI, any listed public*

company or any company that intends to raise money from the public, until further orders.

13.4. *The alleged unlawful gains as detailed in para. 28 of the Interim Order, accrued to Noticees 7 to 19 from sale of preferentially allotted shares as part of a prima facie fraudulent scheme, are impounded.*

13.5. *Banks where the Noticees 7 to 19 were holding bank accounts, including joint accounts, were directed that no debits in their accounts shall be made without permission of SEBI. Further, the Depositories were also directed that no debit shall be made without permission of SEBI in respect of the demat accounts held by the aforesaid persons. However, credits, if any, into the accounts maybe allowed. Further, debits in the bank accounts may be allowed for amounts available in the account in excess of the amount to be impounded. Banks were allowed to debit the accounts for the purpose of complying with this Order. Banks and the Depositories were directed to ensure that all the aforesaid directions are strictly enforced.*

13.6. *Noticees 1 to 47 were further directed to provide a full inventory of all their assets whether movable or immovable, or any interest or investment or charge in any of such assets, including property, details of all their bank accounts, demat accounts, holdings of shares/securities if held in physical form and mutual fund investments and details of companies in which they hold substantial or controlling interest immediately but not later than fifteen (15) working days from the date of service of the Interim Order.*

13.7. *Noticees 1 to 47 were directed to not deal in shares of BGDL in any manner whatsoever.*

13.8. *Noticees were directed to co-operate with SEBI's investigation by furnishing all relevant information regarding the Company's commercial transactions, Income Tax returns, minutes of meetings of the Company's Board of Directors, employees, EPFO, GST registration and payments, communications with TATA Agro & Consumer Products, Reliance Industries Ltd., UPL Agro Pvt. Ltd., Mc Cain India Agro Pvt. Ltd. regarding the business contracts disclosed to investors.*

14. The Interim Order also directed SEBI to complete a detailed investigation in the matter by the end of the financial year, i.e., March 31, 2025.

15. The Noticees were permitted to file their reply/ objections, if any, to the Interim Order within 21 days, and could also indicate whether they desired to avail an opportunity of personal hearing on a date and time to be fixed in that regard. This period of 21 days lapsed on February 24, 2025.
16. Following this, vide e-mail dated March 8, 2025 and reminder e-mail dated March 18, 2025 details were sought with respect to removal of existing directors. Further, vide e-mail dated March 24, 2025 and reminder e-mail dated March 25, 2025 the details with respect to profile of the new management and directors, and information regarding the manner of their appointment, was specifically sought from BGD. However, till date, no response has been received from BGD.
17. Further, in response to 3 SEBI summonses dated January 20th, 29th, and February 21st, 2025 seeking documents, and 2 SEBI summonses dated January 6 2025 for personal appearance, only the Compliance Officer of BGD ("Noticee 6") and one independent director ("Noticee 5") came forward for deposition as scheduled.

Noticees' response

18. Nine of the Noticees, i.e., Noticees 6, 10, 24, 26, 31, 40, 42, 44 and 47 submitted their asset details. Further, six Noticees, i.e., Noticees 15, 16, 17, 18, 19 and 35 sought inspection of documents vide letters dated January 12 and 13, 2025, and inspection was granted to them on January 31, 2025.
19. In the meantime, fourteen Noticees, i.e., Noticees 28 to 31 and 38 to 47 filed appeals before the Hon'ble Securities Appellate Tribunal ("SAT"), on the ground that their demat/trading/bank accounts were frozen despite there being no such direction by SEBI in the Interim Order. In this regard, SEBI sought the freezing status in respect of all Noticees from CDSL and NSDL. Both depositories confirmed that the said freeze was not a blanket freeze but a PAN-ISIN level freeze. Vide orders dated January 23, 2025 and February 6, 2025, the Hon'ble SAT disposed of these appeals holding that the appellants shall not trade in the scrip of BGD, thus limiting the freeze on the appellants' accounts to the extent of trading in the scrip of BGD.
20. Noticees 15, 16, 18 and 19 submitted their representations for unfreezing of all their bank accounts except certain bank accounts having balances sufficient to

cover the amount to be impounded. Further, Noticees 20 to 26, 28 to 33, 38 to 45 and 47 also requested for unfreezing of their bank accounts as the banks had frozen their bank accounts despite no such direction by SEBI. Upon consideration of their request, instructions were issued by SEBI to banks to unfreeze accounts other than those frozen in accordance with the Interim Order.

21. Vide reply dated March 5, 2025, Noticee No.1, BGD L has stated the following –

21.1. *“Post passing of the SEBI Interim Order, BGD L immediately decided to change its Board and key personnel. The Independent Director of Company reached out to public shareholders for discussing and taking appropriate steps. BGD L took proactive steps to reestablish the Appellant Company to its core and thereby carry out all the tasks in good faith, in the interests of public investors.*

21.2. *BGD L wanted to ensure that the decisions of the old management which may allegedly appears to be not bona fide or not in good faith, does not harm the public and lay shareholders of the company in any manner whatsoever. The following people were removed and forced to resignation:*

- i. *Mr. Ashok Kumar Sewda as a Managing Director;*
- ii. *Mr. Dinesh Kumar Biharilal Sharma as an Executive Director;*
- iii. *Mr. Nirali Prabhatbhai Karetha as a Non-Executive Director.*

21.3. *BGD L is in process of undertaking internal investigation to verify the allegations made by the SEBI in the Ad-interim Ex-parte Order.*

21.4. *BGD L had already submitted its response to SEBI via email dated February 1, 2025. The same set of queries were raised vide SEBI's email dated January 6, 2025 and response were provided by our email dated February 1, 2025. Since the new management does not have entire data readily available with it, BGD L is trying its best to collate the data to best of its abilities.*

21.5. *Regarding Query 1, in terms of para. 70 of the Interim Order, all relevant information regarding the Company's commercial transactions, Income Tax returns, minutes of meetings of the Company's Board of Directors and Audit Committee during FY 2023-24 and FY 2024-25, EPFO, GST registration and payments along with GST returns for FY 2023-24 and FY 2024-25 are furnished through pendrive. Information on commercial transactions is in Commercial Transactions Sub-Folder under the Folder Titled ITEM NO. 1 (in PEN Drive). Information on Income Tax Returns is in Income Tax Returns*

Sub-Folder under the Folder Titled ITEM NO. 1 (in pendrive). Minutes of the Meetings of the Company's Board of Directors (BOD) during FY 2023-24 and FY 2024-25, minutes of the Meetings of the Company's Audit Committee during FY 2023-24 and FY 2024-25, GST Registration, GST payments, GST returns details are in the relevant sub-folders titled Item No. 1 in the pen drive.

21.6. Regarding Query 2 on all communications with TATA Agro & Consumer Products, Reliance Industries Ltd., UPL Agro Pvt. Ltd., McCain India Agro Pvt. Ltd. regarding the business contracts disclosed to investors and all the ledgers in the books of BGDL of TATA Agro & Consumer Products, Reliance Industries Ltd., UPL Agro Pvt. Ltd., McCain India Agro Pvt. Ltd. for FY 2023-24 and FY 2024-25, since the concerned Executive Director isn't available (has been removed), all the underlying communication is not available. We have attached the relevant data with whatever we could retrieve (at this point in time) in RIL Sub-Folder under the Folder Titled ITEM NO. 2 (in PEN Drive).

21.7. Regarding Query No. 3 on details of funds raised by the Company during FY 2023-24 and FY 2024-25 through preferential allotment, folder titled ITEM No. 3 (in pendrive).

21.8. Regarding Query No. 4 on details of all the bank accounts including bank name, account number, IFSC, branch name, branch address, Authorised Signatories to the bank account (Active, non-active and/or closed accounts) of Bharat Global Developers Limited including overdraft account, if any, along with the statements, for the period 01/04/2023 to 31/03/2024.

S.No.	Name of Bank	Account Details (A/c Number)	IFSC	Branch address	Account type	Authorised Signatory
1	Indian Bank	7694873882	IDIBO00A004	Mission Road Bhadra, Ahrnedabad	Current Account	Mahadev M. Makwana
2	Punjab National Bank	1051102100000750	PUNB0105110	C G Road Branch, Ahmedabad	Current Account	Mahadev M. Makwana
3	Yes Bank Ltd.	118263700000113	YESB0001182	Mahalaxmi Six Road, Ahmedabad	Current Account	Mahadev M. Makwana

21.9. Bank statements for the relevant period are under folder titled ITEM NO. 4 (in Pendrive)

- 21.10. *Regarding Query No. 5 on details (including names, contact number, email id., relationship with BGD L) of Top 20 debtors, creditors, customers and suppliers (in terms of value) of BGD L for the period FY 2023-24 and FY 2024-25, refer folder titled ITEM No. 5 (in pendrive).*
- 21.11. *Regarding Query No. 6 on detailed breakup of Other Current and Non-Current Assets, Other Payables as on FY 2023-24 and FY 2024-25, refer folder titled ITEM No. 6 in pendrive.*
- 21.12. *Regarding Query No. 7 on detailed breakup of inventory held as on 31/03/2024 along with valuation certificate of the inventory, kindly refer folder titled Item No. 7 in pendrive.*
- 21.13. *Regarding Query No. 8, detailed breakup of Non-current investments made during FY 2023-24 and FY 2024-25, Investment 23-24 and Investment 24-25 Sub-Folders under the Folder Titled ITEM NO. 8 (in PEN Drive).*
- 21.14. *Regarding Query No. 9 on detailed breakup of employee benefit expenses, kindly refer folder titled ITEM NO. 9 (in pendrive).*
- 21.15. *Regarding Query No. 10 on detailed breakup of Loans and Advances given by BGD L and borrowings of BGD L during FY 2023-24 and FY 2024-25, kindly refer Loans and Advances sub-folder under the folder titled ITEM NO. 10 (in pendrive)."*
22. Further, even after availing opportunity to inspect documents, none of the Noticees, except BGD L, has filed a reply on the *prima facie* findings in the Interim Order, nor sought an opportunity of personal hearing.

Details of BGD L's response

23. Noticee 1, i.e., the company/ BGD L, submitted that after the Interim Order was passed, it changed its management and forced its erstwhile Managing Director, Executive Director and Non-executive Director to resign. In response to SEBI's e-mail dated January 6, 2025 and summons dated February 21, 2025, BGD L has provided certain documents related to SEBI's queries on commercial transactions, income-tax returns, Board and Audit Committee meetings, GST payment details, funds raised through preferential allotment during FY 2023-24 and 2024-25, bank account details and statements, top 20 debtors, assets, payables, inventory, investments, employee benefit expenses, loans and advances.

24. The item-wise details of documents furnished by BGDL in its reply are tabulated as under:

Item Number	Contents
1	Audited Annual Report for FY 2023-24, unaudited results dated September 30, 2024; Income Tax Returns for AY 2023-24 and AY 2024-25; Minutes of meetings of Board of Directors held 7 times in FY 2023-24, and on 15 occasions in FY 2024-25; Records of Audit Committee meetings held on 4 occasions in FY 2023-24 and on 3 occasions in FY 2024-25; Details of GST registration, i.e., forms filed during January to December 2024, GST payments (challans) between May and December 2024, GST returns filed during FY 2023-24 and 2024-25.
2	Ledger account details for RIL as maintained with Kkrafton Developers Ltd. (now BGDL); Details of the deal dated February 4, 2024 between Kkrafton Developers Limited and RIL for supply of civil construction and infrastructure material as documented in BGDL's proposal, deal slip with gross order value of INR 212.40 crore for the period between April 1, 2024 to March 31, 2025, and terms of supply of material. However, the ledger details for the other companies with which contracts were claimed by BGDL, such as Tata Agro, UPL Agro and Mc Cain India Agro, were not provided, even though the same was sought by SEBI.
3	Details of the two preferential allotments made by BGDL to 31 and 10 allottees respectively
4	Bank statements for the three bank accounts disclosed by BGDL in its reply (for the months of January, February, March and April 2024)
5	Names of customers and suppliers of BGDL during FY 2023-24 and FY 2024-25 (till September 2024), along with respective amounts (apparently drawn from BGDL's ledger accounts and purchase register)
6	Details of Non-current assets of BGDL for FY 2023-24 and 2024-25 which comprises a single entry pertaining to investment of approx. INR 4.18 crore in one Parikh Herbals during April 1, 2024 to March 31, 2025
7	Stock summary dated March 31, 2024 on BGDL's letterhead certifying inventory details as on the said date along with its total fair value of INR

	135,19,73,611.70/-, i.e., approx. INR 135 crore, as signed by the MD of BGD
8	Investment details in respect of Parikh Herbals, identical to Item No. 6
9	Employee expenses in respect of 17 employees including the MD, the Director, the Company Secretary and 2 interns
10	Details of loans and advances made to certain entities by BGD and the relevant bank account numbers

25. I also take note of BGD's submission regarding non-availability of the underlying communications related to SEBI's query on BGD's claimed communications with TATA Agro & Consumer Products, RIL, UPL Agro Pvt. Ltd., McCain India Agro Pvt. Ltd., and the business contracts with these entities as disclosed to exchanges, as well as all the ledgers pertaining to these entities in the books of BGD for FY 2023-24 and FY 2024-25. In this regard, BGD submitted that since it had removed the concerned Executive Director, the underlying communications were not available.
26. I find the above explanation offered by BGD unacceptable because information pertaining to RIL for the same period has been provided by BGD. Therefore, there appears to be no ground for BGD to not provide information regarding the contracts with other companies pertaining to the same period.
27. From the above, it appears that BGD is trying to take cover of change of management to not provide information about the fictitious deals disclosed by it through stock exchange disclosures as alleged in the Interim Order. The Noticee cannot be allowed to benefit on this account simply by taking this stand to subvert the investigation. BGD is a professionally managed going concern with no promoter. All records of a professionally managed company should be available for audit/inspection at all times.
28. In respect of the direction of suspension of trading in the shares of BGD, the same is dealt with subsequently in this Order.

Appeal filed by BGD before Hon'ble SAT

29. I note the contents of the Memorandum of Appeal filed by BGD before the Hon'ble SAT (Appeal No. 134 of 2025), as well as the copies of investor complaints at Annexure C thereto. The Hon'ble SAT vide its order dated March 19, 2025 in the said appeal has, *inter alia*, directed that SEBI "*shall scrutinize*

and examine the profile of the new management/directors before March 31, 2025 and if they are found fit, the trading shall be permitted.”

30. In this regard, BGD L submitted that after SEBI’s Interim Order dated December 23, 2024, three of BGD L’s Directors (Managing Director, Executive Director and Non-Executive Non-Independent Director) were forced to resign, and one of its erstwhile independent directors, Mr. Keyurkumar Pravinbhai Patel, was designated as an Additional Executive Director in February 2025. Further, two new Additional Independent Directors were appointed by BGD L.
31. From BGD L’s submissions to the Hon’ble SAT, it appears that its Board of Directors now comprises of one additional executive director and two additional independent directors. Details regarding members of the new management have not been provided by BGD L to SEBI.
32. Further, contrary to BGD L’s submission in its Memorandum of Appeal and its representation to SAT that it has changed its management to the core, I note that BGD L’s Chief Executive Officer (CEO, “Noticee 3”), Mr. Mohsin Shaikh, is still occupying the position of CEO and has not been removed as part of the purported change of the company’s management.
33. I also note that the Compliance Officer of BGD L, Ms. Dhruvi Kothari (“Noticee 6”) has resigned from her position after the supposed overhaul of management on March 13, 2025.
34. In response to SEBI summons for personal appearance dated January 6, 2025, Ms. Dhruvi Kothari appeared and made submissions. Ms. Dhruvi Kothari revealed that the login ID and password for filing of corporate announcements on the stock exchange was handled by Mr. Ashok Sewda (“Noticee 2”), and she was told to restrict herself to the work assigned and not go beyond that.
35. Ms. Nirali Prabhatbhai Karetha (“Noticee 5”), one of the independent directors, also appeared and made submissions in response to SEBI summons for personal appearance dated January 6, 2025. Ms. Nirali Karetha stated that she had attended a few meetings over Zoom call and did not know anything about the company.
36. BGD L has also stated that it will be undertaking internal investigation to verify the allegations made in the Interim Order. Further, it has stated that it plans to appoint a third party auditor to audit the operations for the relevant period.

37. I note that BGD L took almost 2 months after issuance of SEBI's Interim Order to remove its earlier Directors. However, in response to SEBI's summonses, it claimed that due to such change of management, it was unable to respond to the queries in respect of the false disclosures to the stock exchange. In the light of the above, the change in management appears to be an attempt to protect the Company from the consequences of violations committed by it during the investigation period.
38. Further, no information has been provided by BGD L regarding the processes followed for such change in its management, including for designating an Independent Director on the Board of the Company, when the Interim Order was passed, as the Executive Director.
39. The sequence of events leads us to the conclusion that there are certain individuals who could be controlling the affairs of BGD L and who enjoy the power to change its management at their discretion. The details and profile of the entire management has not been provided by BGD L contrary to claims made before Hon'ble SAT.
40. As per the GST filings submitted by BGD L to SEBI for the months of January to December 2024, a set of 10 entities are disclosed as promoters of BGD L. In this regard, as per disclosures made by BGD L on the stock exchange, it does not have any promoters.

Conclusions

41. Hon'ble SAT in its order dated March 19, 2025 directed SEBI to look into the fitness of the new management/Directors. SEBI approached the Company/management for details and asked for the resumes through emails dated March 24, 2025 and March 25, 2025. Letter dated March 24, 2025 in this regard was physically delivered to their registered address in Ahmedabad too.
42. No responses were received from the Company in this regard and hence, we are unable to comment on the fitness or otherwise of the new management/Directors.
43. A case was made out before Hon'ble SAT that the trading in BGD L shares, which was suspended through directions in the Interim Order, should be permitted in the interest of investors.

44. Having examined the matter, I deem it fit to decide in the interest of investors that trading in the shares of BGD L can resume two days after the Company comes out with its provisional financial numbers and/ or key financial numbers including sales/purchases/gross profit/net profit/networth for the FY 2024-25, which must be disseminated on the Exchange before April 15, 2025.
45. Trading in the shares of BGD L will be permitted in the existing ISIN (INE893C01032) only. The Company shall not operationalize the stock split and bonus approved by the Board of Directors of the Company on November 12, 2024 and in an Extraordinary General Meeting of shareholders on December 12, 2024.
46. BGD L, including its management and directors, shall cooperate with SEBI to ensure that the investigation being undertaken by SEBI is concluded promptly.
47. Investors are advised to be vigilant and understand fundamentals before making investments and committing their hard-earned savings in the capital market.
48. In the absence of any meaningful response from BGD L to SEBI summonses, there is insufficient information before me to arrive at a conclusion regarding the fitness of the new management at this stage. The company has not provided details/resumes of the persons/KMPs actually running the company and taking decisions regarding its business and operations.
49. I note that the reply of BGD L, apart from selectively furnishing certain information sought by SEBI, does not make a case for modification of directions issued in the matter. Further, I find that no information/clarification regarding the false disclosures of contracts with non-existent companies as alleged in the Interim Order has been submitted by BGD L.
50. Further, the Company has failed to submit any concrete evidence of genuine business activities undertaken by it so far which could justify its financial statements or the disclosures made regarding high-value contracts to stock exchanges. Therefore, I find no material in the submissions of BGD L which would justify interference with the *prima facie* findings in the Interim Order in respect of the Noticees.
51. However, I take note of the fact that several investors appear to have lodged complaints that their investments are stuck, as the suspension of trading in shares of BGD L prevents them from liquidating their investment or exiting the

stock. The company has 60,950 public shareholders as per disclosures of shareholding pattern on the BSE website for quarter ended December 2024.

52. It must be mentioned that the suspension of trades in the company was directed to ensure that further dilution of stake of preferential allottees did not take place at the cost of innocent investors and to ensure that the Company did not come out with further issue of shares. Further, the suspension was called for as the exchange-level surveillance measures had not been able to protect investors getting roped into the false disclosures by BGD, and preferential allottees apparently hand-in-glove with the company profited at the cost of public investors. Another reason for suspending the trading in the scrip was to signal to the market and assure the investors that the regulator would step in, in case of such egregious acts. Public interest of retail investors was uppermost in our minds while exposing apparent wrongdoing by the management of the company.
53. BGD has failed to provide SEBI with sufficient information to scrutinize details of its management and directors in terms of the directions of the Hon'ble SAT. While the Noticee in its letter dated March 5, 2025 refers to an email of February 1, 2025 sent by BGD to SEBI by way of response to summons, no such email is on the records of SEBI. SEBI has sought a copy of BGD's email vide its email dated March 8, 2025 to BGD and Keyurkumar Patel.
54. It is shocking to note that a company with a market capitalization of over INR 12,000 crore does not have the systems and processes in place to provide basic information to the regulator.
55. However, considering that over the last three months, the Interim Order has already signaled to the investing public the nature of the Company and the *prima facie* violations committed by it, trading of the shares of the Company can be allowed to resume, with the caveat that before resumption of trading, BGD be required to come out with key provisional financial numbers to be disseminated on the exchange before April 15, 2025. Two days after such dissemination, trading in shares of BGD can resume.
56. Considering the above, I hereby consider it fit to revoke the suspension of trading in the scrip, in the manner detailed in the ensuing section.

Directions

57. In view of the above, I, in exercise of the powers conferred upon me under sections 11 (1), 11 (4) and 11B (1) read with section 19 of the SEBI Act, 1992, hereby direct the following –

57.1. BGD L shall disclose provisional financial numbers and/or key financial numbers including sales/purchases/gross profit/net profit/networth for the FY 2024-25. The said key financial numbers must be disseminated on the exchange before April 15, 2025.

57.2. Two days after dissemination of the abovementioned key financial numbers by BGD L, the direction contained in para. 70 a. of the Interim Order which suspended trading in the scrip of Bharat Global Developers Ltd. shall stand revoked.

57.3. Trading in the scrip of BGD L shall be permitted in the existing ISIN (INE893C01032) only. The Company shall not be permitted to effect the stock split and bonus issue approved by BGD L's then board of directors on November 12 2024 and shareholders on December 12, 2024 due to the reasons recorded in para. 53 of the Interim Order.

57.4. BSE is directed to actively monitor the nature of disclosures being made by the company, and seek disclosure of supporting documents in respect of any announcement or disclosure being made by the company. Further, BSE may ensure that the company issues a disclosure that it is unable to produce supporting evidence regarding the statements made earlier on contracts with TATA Agro & Consumer Products, UPL Agro Pvt. Ltd., McCain India Agro Pvt. Ltd.

57.5. The caveat in para. 69 of the Interim Order is hereby reiterated.

58. I hereby confirm that all the other directions in para. 70 of the Interim Order, including the restraint imposed on the preferential allottees to prevent them from dealing in shares or liquidating their shareholding in the company in any manner whatsoever, shall continue till further orders.

59. In view of the need to examine the change in management and obtain the Noticees' response regarding other aspects of the allegations in the Interim Order, I hereby extend the time to complete the investigation given at para. 71 of the Interim order till June 30, 2025.

Confirmatory Order in the matter of Bharat Global Developers Ltd.

60. This order is without prejudice to the right of SEBI to take any other action that may be initiated against the Noticees in accordance with law.

61. A copy of this Order shall be served upon the Noticees, recognised Stock Exchanges, Depositories, Banks and Registrar and Share Transfer Agents to ensure compliance with the above directions.

DATE: MARCH 26, 2025

PLACE: MUMBAI

ASHWANI BHATIA

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA