174
28/05/2025

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
VACATION BENCH
COURT - 1

ITEM No.1

C.P.(IB)/33(AHM)2025

Proceedings under Section 241,242,246 r/w 339 of CA, 2013

IN THE MATTER OF:

Union of India, Ministry of Corporate Affaris .....**Applicant**
V/s
Gensol Engineering Limited & Ors .....**Respondents**

Order delivered on: 28/05/2025

Coram:

Mr. Mohan Prasad Tiwari, Hon'ble Member(J)
Ms. Reena Sinha Puri, Hon'ble Member(T)

PRESENT:

For the Applicant : Mr. Sanjay Shorey, DGOCA
: Mr. Keerthi Thej. N, RoC
: Ms. Sayali Gaikwad, ARoC
: Mr. Shiv Pal Singh, Deputy Director (NWR)

For the Respondents : Mr. Jinesh Kapadia, Advocate for R-32

ORDER
(Hybrid Mode)

The Petitioner has filed this Company Petition under section 241-242, 246 r.w. section 339 of the Companies Act 2013 praying for various interim reliefs as enumerated in para 22 (a) to (j).

Other applications have also been filed for urgent listing of this petition and also for seeking exemption from advance service of the copy of the Company Petition on the Respondents in form NCLT - 1 under Rule 14 r.w. Rule 23(5) of the National Company Law Tribunal Rules, 2016.

Heard,

It is averred that the Respondent companies are found to be in blatant violation of corporate governance norms, including

NATIONAL COMPANY LAW TRIBUNAL AHMEDABAD

diversion of funds by promoter entities, rerouting of borrowings raised for specific purposes in a fraudulent and illegal manner, which amounts to gross violations of the Companies Act, 2013. Investigations under Section 210(1)(c) and 219 of the Companies Act, 2013 are currently underway by Inspectors appointed by the Ministry of Corporate Affairs.

Considering the emergent nature of the case, the substantial public interest involved, and the possibility of further dissipation of evidence or assets, the Tribunal finds it appropriate to grant exemption from advance service of the Company Petition on the Respondents. Accordingly, the application under Rule 14 read with Rule 23(5) of the NCLT Rules, 2016 is allowed. The Applicant is permitted to proceed without serving advance copies of the Company Petition on the Respondents.

The learned Counsel of the Petitioner submits that the respondent No. 1, *Gensol Engineering Limited*, along with other respondent companies and associated individuals, have committed grave violations of corporate governance norms. The funds, raised for specified purposes by the companies, were illicitly transferred to various related parties, in gross violation of the provisions of the Companies Act, 2013. The pattern of illegal fund diversion, asset misstatement, and share price manipulation has caused irreparable harm to public shareholders, creditors, and other stakeholders.

Ld. Counsel Mr. Deepak Khosla appeared on VC and insisted that he be given an opportunity of hearing. We are not inclined to allow as we are of the opinion that in the absence of a *Vakalatnama* on record, or any Caveat listed for hearing, his request for being heard cannot be entertained. Moreover, we have already granted to the petitioner under rule 14 of the NCLT Rules 2016 to proceed without serving advance copies of the Company Petition on the respondents.

At this very stage, we are not inclined with the arguments as made by Ld. Counsel Shri Kapadia to exclude the Respondent No. 32.

On perusal of the materials placed on record, this Tribunal notes serious allegations of fraudulent conduct, including diversion of company funds by the promoters of Gensol Engineering Limited (Respondent No. 1) and related entities, violation of corporate governance norms, manipulation of financial statements, default in loan repayments despite false declarations, and illegal alienation of company assets. The investigation reports and regulatory findings from the Ministry of Corporate Affairs, SEBI, and Serious Fraud Investigation Office prima facie support the petitioner's claims of systemic fraud involving substantial public interest.

Upon considering the facts and circumstances of the case we deem it appropriate to grant the interim reliefs as sought at (a) to (j) in para 22 of the Petition. Notice be served upon all the respondents by all means with the copy of petition as well.

List this matter before the regular bench on **03.06.2025**.

-Sd-

REENA SINHA PURI
MEMBER (TECHNICAL)

-Sd-

MOHAN PRADAD TIWARI
MEMBER (JUDICIAL)

Vinit

ANNEXURE- "A"

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

AHMEDABAD

COMPANY PETITION NO. 33 of 2025

IN THE MATTER OF

UNION OF INDIA, MINISTRY OF CORPORATE AFFAIRS

Through Regional Director (North Western Region)

VERSUS

GENSOL ENGINEERING LIMITED & ORS.

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Note: Union of India through O/o Regional Directors (North Western Region), Ministry of Corporate Affairs, Government of India is exempted from paying Court Fee under Rule 112 of National Company Law Tribunal Rules, 2016.

Through

O/o Regional Director (NWR),
Ministry of Corporate Affairs,
ROC Bhavan, Opp. Rupal Park Society,
Behind Ankur Bus Stand, Naranpura,
Ahmedabad-380013, Gujrat

Date: 26-5-25

Place: Ahmedabad

अनिता क्लेर / Anita Klair, I.C.L.S.
संयुक्त निदेशक / Joint Director
कारपोरेट कार्य मंत्रालय / Ministry of Corporate Affairs
भारत सरकार / Govt. of India
प्रादेशिक निदेशक कार्यालय (उ.प.क्षे.)
O/o. Regional Director (N.W.R.)
अहमदाबाद / Ahmedabad.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

AHMEDABAD

COMPANY PETITION NO. _____ of 2025

IN THE MATTER OF

UNION OF INDIA, MINISTRY OF CORPORATE AFFAIRS

Through Regional Director (North Western Region)

VERSUS

GENSOL ENGINEERING LIMITED & ORS.

APPLICATION FOR EXEMPTION UNDER RULE 14 READ WITH 23(5) OF THE NCLT RULES, 2016.

MOST RESPECTFULLY SHOWETH:

1. That the Applicant is Union of India, and is filing this Application through Mrs. Anita Klair, who is working as Joint Director in the O/o Regional Director (North Western Region), Ministry of Corporate Affairs, having office at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stand, Naranpura, Ahmedabad- 380013, Gujrat and is duly authorized by the Central Government to file this present application, vide Ministry letter no. CL-II-03/120/2025-O/o DGCoA dated 23/05/2025. Copy of the Ministry letter dated 23/5/2025 is annexed herewith as **Annexure A-1.**

2. That due to the factual position, emergent grounds and reliefs sought as stated in the Company Petition No. ____ of 2025, it is prayed that exemption may be granted from advance service of the copy of the Company Petition No. ____ of 2025 on the Respondents as mentioned in the said petition. The contents of the Company Petition No. ____ of 2025 may be read as part of the present application and the same are not repeated here for the sake of brevity.

Date:

Place:

NOTARY SURESH K. CHAVDA AHMEDABAD GUJARAT STATE Reg.No. 3022 Expiry Date 18-7-2025 GOVT. OF INDIA

VERIFICATION:-

Verified that the contents of this Petition are true and correct to the best of my knowledge as derived from official records and nothing material has been concealed therefrom.

Verified at Ahmadabad on this the 26th day of May, 2025.

Petitioner through Authorized Signatory

अनिता क्लेर / Anita Klair, I.C.L.S.
संयुक्त निदेशक / Joint Director
कारपोरेट कार्य मंत्रालय / Ministry of Corporate Affairs
भारत सरकार / Govt. of India
प्रादेशिक निदेशक कार्यालय (उ.प.क्षे.)
O/o. Regional Director (N.W.R.)
अहमदाबाद / Ahmedabad.

SIGNED BEFOR ME

SURESH K. CHAVDA
NOTARY
GOVT. OF INDIA
26 MAY 2025

NOTARY SURESH K. CHAVDA AHMEDABAD GUJARAT STATE Reg. No. 3022 Expiry Date 19-7-2025 GOVT. OF INDIA

FORM NO. NCLT-6

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

BENCH AT AHMEDABAD

INTERLOCUTORY APPLICATION NO. _____ OF 2025 IN

COMPANY PETITION NO. _____ OF 2025

UNION OF INDIA, MINISTRY OF CORPORATE AFFAIRS

Through Regional Director (North Western Region)

VERSUS

GENSOL ENGINEERING LIMITED & ORS.

Sr.No...../2025

SURESH K. CHAVDA
NOTARY
GOVT. OF INDIA

26 MAY 2025

AFFIDAVIT VERIFYING INTERLOCUTORY APPLICATION

I, do hereby solemnly affirm and declare as under:

1. That I Mrs. Anita Klair, who is working as Joint Director in the O/o Regional Director (North Western Region), Ministry of Corporate Affairs, having office at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stand, Naranpura, Ahmedabad- 380013, Gujrat, and I am competent to swear this affidavit.
2. That I am conversant with the facts of the Application and have also examined all relevant documents and records in relation thereto.
3. That I say that the statements made in the Application are true and correct to the best of my knowledge, as derived from official records
4. That I say that there is no false statement or concealment of any material fact, document or record and I have included information that is according to me, relevant for the present Application.

Place:

Date:

DEPONENT

SOLEMNLY AFFIRMED
BEFORE ME

SURESH K. CHAVDA
NOTARY
GOVT. OF INDIA

26 MAY 2025

NOTARY
SURESH
K. CHAVDA
AHMEDABAD
GUJARAT STATE
Reg.No. 3022
Expiry Date
19-7-2025
GOVT. OF INDIA

VERIFICATION

Verified that statements made above are true to my knowledge. Verified at Ahmedabad on this 26th day of May, 2025.

Place:

DEPONENT

Date:

SIGNED
BEFOR ME

SURESH K. CHAVDA
NOTARY
GOVT. OF INDIA

26 MAY 2025

NOTARY
SURESH
K. CHAVDA
AHMEDABAD
GUJARAT STATE
Reg.No.3022
Expiry Date
19-7-2025
GOVT. OF INDIA

FORM NO. NCLT-3

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

BENCH AT AHMEDABAD

INTERLOCUTORY APPLICATION NO. _____ OF 2025 IN

COMPANY PETITION NO. _____ OF 2025

UNION OF INDIA, MINISTRY OF CORPORATE AFFAIRS

Through Regional Director (North Western Region)

VERSUS

GENSOL ENGINEERING LIMITED & ORS.

NOTICE OF MOTION

Date:

From: Union of India, Ministry of Corporate Affairs, Ahmedabad

To: The National Company Law Tribunal

Concerning:

Name: *UNION OF INDIA, MINISTRY OF CORPORATE AFFAIRS* THROUGH REGIONAL DIRECTOR (NORTH WESTERN REGION) *VS. GENSOL ENGINEERING LIMITED & OTHERS*

1. The Party named above requests that the Tribunal grant the following reliefs:

   "Exemption may be granted from advance service of the copy of the Company Petition No. ____ of 2025 on the Respondents as mentioned in the said petition."

2. The aforementioned relief is being requested in terms of Rule 14 read with 23(5) of the NCLT Rules, 2016.

3. For the following reasons:

   "The Respondent companies are found to be in blatant violation of corporate governance during the working of the company. Further diversion of funds of the Company by promoter entities reflect a culture of weak internal control including

re-routing of the borrowings from Institutional Creditors at the total discretion of the promoters. The funds raised for specific purposes by the Main Company being a Public Listed Company were illegally transferred to multiple related entities/individuals etc. in fraudulent and illegal manner in gross violations of the provisions of the Companies Act, 2013. Further, an investigation under the provisions of Section 210 (1)(C) of the Companies Act, 2013 has been ordered and being conducted by the Inspectors of the Ministry of Corporate Affairs. Therefore, huge public interest is involved in the instant matter.

4. In support of this, the Applicant has attached the Application as per Form No. NCLT-1 and affidavit as per Form No. NCLT-6, setting out the facts on which the Applicant relies.

Anita Klair,
Joint Director
O/o. Regional Director (North Western Region),
Ministry of Corporate Affairs,
ROC Bhavan, Opp. Rupal Park Society,
Behind Ankur Bus Stand, Naranpura,
Ahmedabad- 380013, Gujrat
Tel. No.:
Email:

This form is prescribed under Rule 4 under NCLT Rules, 2016.

NOTARY SURESH K. CHAVDA AHMEDABAD GUJARAT STATE Reg.No. 3022 Expiry Date 19-7-2025 GOVT. OF INDIA

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

AHMEDABAD

COMPANY PETITION NO. _____ of 2025

IN THE MATTER OF

UNION OF INDIA, MINISTRY OF CORPORATE AFFAIRS

Through Regional Director (North Western Region)

VERSUS

GENSOL ENGINEERING LIMITED & ORS.

MEMO OF PARTIES

Union of India, Ministry of Corporate Affairs,

Through Regional Director (North Western Region),

ROC Bhavan, Opp. Rupal Park Society,

Behind Ankur Bus Stand, Naranpura,

Ahmedabad-380013, Gujrat

... Petitioner

VERSUS

1. GENSOL ENGINEERING LIMITED

   15th FLOOR A BLOCK, WESTGATE BUSINESS BAY,

   SG ROAD, AHMEDABAD CITY,

   GUJRAT, INDIA -388051

   ..... Respondent No. 1

2. BLU SMART CHARGE PRIVATE LIMITED

   15th FLOOR A BLOCK, WESTGATE BUSINESS BAY,

   SG ROAD, AHMEDABAD CITY,

   GUJRAT, INDIA -388051 ..... Respondent No. 2

NOTARY SURESH K. CHAVDA AHMEDABAD GUJARAT STATE Reg.No.3022 Expiry Date 19-7-2025 GOVT. OF INDIA

3. BLU SMART FLEET PRIVATE LIMITED

15th FLOOR A BLOCK, WESTGATE BUSINESS BAY,

SG ROAD, AHMEDABAD CITY,

GUJRAT, INDIA -388051

..... Respondent No. 3

4. BLU SMART MOBILITY LIMITED

15th FLOOR A BLOCK, WESTGATE BUSINESS BAY,

SG ROAD, AHMEDABAD CITY,

GUJRAT, INDIA -388051

..... Respondent No. 4

5. BLU SMART MOBILITY TECH PRIVATE LIMITED

15th FLOOR A BLOCK, WESTGATE BUSINESS BAY,

SG ROAD, AHMEDABAD CITY,

GUJRAT, INDIA -388051

..... Respondent No. 5

6. BLU SMART PREMIUM FLEET PRIVATE LIMITED

15th FLOOR A BLOCK, WESTGATE BUSINESS BAY,

SG ROAD, AHMEDABAD CITY,

GUJRAT, INDIA -388051

..... Respondent No. 6

7. GENSOL ELECTRIC VEHICLE PRIVATE LIMITED

GAT NO. 877, NEXT TO MAHINDRA TOWERS KHED,

NIGHOJE, CHAKAN, PUNE, PUNE, MAHARASHTRA, INDIA, 410501

..... Respondent No. 7

8. GENSOL EV LEASE LIMITED

WESTGATE BUSINESS BAY, FLOOR 15,

A BLOCK MAKARBA,

Jodhpur Char Rasta, Ahmedabad,

Ahmadabad City, Gujarat, India, 380015

..... Respondent No. 8

9. GO AUTO PRIVATE LIMITED

A-231, OKHLA INDUSTRIAL AREA PHASE -1,

South Delhi, NEW DELHI, Delhi, India, 110020

..... Respondent No. 9

10. CAPBRIDGE VENTURES LLP

15TH FLOOR A BLOCK, WESTGATE BUSINESS BAY,

SG ROAD, AHMEDABAD CITY,

GUJRAT, INDIA -388051

..... Respondent No. 10

11. WELLRAY SOLAR INDUSTRIES PRIVATE LIMITED

(ULTRAVERA INDUSTRIES PRIVATE LIMITED)

C-205, SIDDHIVINAYAK BUSINESS TOWER,

NEAR KATARIA ARCADE,

B/H DCP OFFICE, MAKARBA S.G. HIGHWAY,

AHEMEDABAD, GUJRAT- 380051

..... Respondent No. 11

12. MATRIX GAS And RENEWABLE LIMITED

(earlier known as Gensol Renewables Pvt. Ltd.)

15th FLOOR A BLOCK, WESTGATE BUSINESS BAY,

SG ROAD, AHMEDABAD CITY,

GUJRAT, INDIA -388051

..... Respondent No. 12

13. SCORPIUS TRACKERS PRIVATE LIMITED

PLOT NO. 34 J AND 34K, GUT NO - 729,

JAYWANT ESTATE, VELU, TALULA BHOR,

DISTRICT PUNE 412205 MAHARASHTRA, INDIA,

VELU, PUNE, HAVELI, MAHARASHTRA, INDIA, 412205

..... Respondent No. 13

14. PARAM RENEWABLE ENERGY PRIVATE LIMITED

15th FLOOR A BLOCK, WESTGATE BUSINESS BAY,

SG ROAD, AHMEDABAD CITY,

GUJARAT,, INDIA -388051

..... Respondent No. 14

15. GENSOL UTILITIES PRIVATE LIMITED

15th FLOOR A BLOCK, WESTGATE BUSINESS BAY,

SG ROAD, AHMEDABAD CITY,

GUJARAT, INDIA -388051

..... Respondent No. 15

16. GoSOLAR VENTURES PRIVATE LIMITED

C-204, SIDDHIVINAYAK TOWER-C, B/H. DCP OFFICE,

OFF. S G HIGHWAY, MAKARBA, JIVRAJ PARK,

AHMEDABAD, AHMADABAD CITY,

GUJARAT, INDIA, 380051

..... Respondent No. 16

17. GENSOL CONSULTANTS PRIVATE LIMITED

PLOT NO. 90 B, SECTOR -18, GURGAON,

HARYANA- 122008

..... Respondent No. 17

18. Ms. JASMINDER KAUR

R/o. B- 1203, SORREL TOWERS

APPLE WOODS TOWNSHIP, SP ROAD,

SANATHAL, AHMEDABAD, GUJRAT- 380058

..... Respondent No. 18

19. SHRI ANMOL SINGH JAGGI,

R/o. B- 1203, SORREL TOWERS

APPLE WOODS TOWNSHIP, SP ROAD,

SANATHAL, AHMEDABAD, GUJRAT- 380058

..... Respondent No. 19

20. SHRI PUNEET SINGH JAGGI

R/o. B- 1203, SORREL TOWERS

APPLE WOODS TOWNSHIP, SP ROAD,

SANATHAL, AHMEDABAD, GUJRAT- 380058

..... Respondent No. 20

21. SHRI KULJIT SINGH POPLI

R/o. 11/1, NEHRU ENCLAVE,

KALKAJI EXTENSION,

NEW DELHI- 110019

..... Respondent No. 21

22. SHRI RAJESH KANTILAL PARMAR

(COMPANY SECRETARY)

BUNGLOW NO.1/A, RUDRABAG

CO.OP.HOU.SOCIETY, NEAR

MADHUR-LAXM,I SOCIETY,

OPP.VENUS PARKLAND, VEJALPUR,

AHMEDABAD CITY, 380051, GUJARAT, INDIA

..... Respondent No. 22

23. JABIR MAHENDI M AGA, CFO

45N, FUZAIL PARK, BEHIND CANAL,

OPP AMBER TOWER, SARKHEJ

JUHAPURA ROAD,

AHMEDABAD, 380055,

Gujarat, India .....Respondent No. 23

24. SHRI KAMLESH KUMAR P. PARMAR

1 SANGAM PARK SOCIETY,

PADAMALA, VADODARA,

391350, GUJARAT, INDIA ..... Respondent No. 24

25. SHRI RAJESH JAIN

48, SECTOR 15,

PART 1SADAR BAZAR,122001,

HARYANA,INDIA ..... Respondent No. 25

26. SHRI ALI IMRAN NAQVI

R/o. 44 N (MEHDI MANZIL),

FUZAIL PARK,

ADJACENT TO AYESHA MASJID

BEHIND FATEH WADI CANAL,

100 FEET ROAD, OPP. AMBAR TOWER

AHMEDABAD- 380055

..... Respondent No. 26

27. SHRI ARUN MENON

R/o. 304, BLOCK B,

PURVA WHITE HALL, SARJAPUR ROAD,

BANGALORE- 560035

KARNATAKA

..... Respondent No. 27

28. Ms. VIBHUTI PATEL

TOWER 1516 B, THE MAGNOLIAS

DLF CITY GOLF LINKS,

SECTOR- 42 VTC, GALLERIA

DLF-IV, 122009, HARYANA

..... Respondent No. 28

29. SHRI HARSH SINGH

R/o. 214-A, SRI KRISHNA PURI,

SAHDEO MAHTO MARG,

PATNA GPO, PHILWARI- 800001,BIHAR

..... Respondent No. 29

30. SHRI GAURAV KHARBANDA

HOUSE NO. 2218, 2ND FLOOR,

E BLOCK , PALAM VIHAR,

GURGAONPALAM VIHAR,122017,

HARYANA,

..... Respondent No. 30

31. SHRI CHINTAN M. DOSHI

K.C. PARIKH AND ASSOCIATES

CHARTERED ACCOUNTANTS (AUDITORS)

AT 907,COLONNADE LI, NEAR CHEERS RESTAURANT

OPP. MUNICIPAL PARKING PLOT, BODAKDEV,

AHMEDABAD, GUJRAT-3880054

..... Respondent No. 31

32. CS JATIN H. KAPADIA

K JATIN & CO (SECRETARIAL AUDITOR)

AT 307, ABHIJYOT SQUARE, B/H. DIVYA BHASKAR,

S.G. HIGHWAY, AHMEDABAD- 380051

..... Respondent No. 32

33. TALATI AND TALATI LLP

CHARTERED ACCOUNTNTS (INTERNAL AUDITOR)

AT AMBICA CHAMBERS, OLD HIGH CT RD,

NR. OLD HIGH COURT, SHREYAS COLONY,

NAVRANGPURA, AHMEDABAD, GUJARAT 380009

..... Respondent No. 33

34. ANKIT JAIN CFO(KMP)

HOUSE NO. 302, TOWER C,

FREEDOM PARK LIFESECTOR - 57,

SHAMSHPUR (92)GURGAON,

122003, HARYANA, INDIA

..... Respondent No. 34

35. MS. SHALMALI KAUR JAGGI,

304 SAMARTHYA HIGHTS, 100 FEET ROAD, SATELLITE,

AHMEDABAD,380015, GUJARAT,INDIA

..... Respondent No. 35

36. MS. MUGDHA KAUR JAGGI,

W/o ANMOL SINGH JAGGI

R/o. B- 1203, SORREL TOWERS

APPLE WOODS TOWNSHIP, SP ROAD,

SANATHAL, AHMEDABAD, GUJRAT- 380058

..... Respondent No. 36

37. MS. SHREYA SOOD

PAN: DWUPS1162N

..... Respondent No. 37

O/o Regional Director (North-Western Region),

ROC Bhavan, Opp. Rupal Park Society, Behind

Ankur Bus Stand, Naranpura, Ahmedabad-380013,

Gujarat

अनिता क्लेर / Anita Klair, I.C.L.S.
संयुक्त निदेशक / Joint Director
कारपोरेट कार्य मंत्रालय / Ministry of Corporate Affairs
भारत सरकार / Govt. of India
प्रादेशिक निदेशक कार्यालय (उ.प.क्षे.)
O/o. Regional Director (N.W.R.)
अहमदाबाद / Ahmedabad.

Date: 26-05-2025

Place: Ahmedabad

NOTARY
SURESH K. CHAVDA
AHMEDABAD
GUJARAT STATE
Reg.No. 3022
Expiry Date
19-7-2025
GOVT. OF INDIA

FORM NO. NCLT - 1

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

AHMEDABAD

COMPANY PETITION NO. _____ of 2025

IN THE MATTER OF

Petition Under Section 241, 242, 246 r/w. 339 of the Companies Act, 2013

Union of India, Ministry of Corporate Affairs,

Through Regional Director (North Western Region),

ROC Bhavan, Opp. Rupal Park Society,

Behind Ankur Bus Stand, Naranpura,

Ahmedabad-380013, Gujrat

... Petitioner

VERSUS

GENSOL ENGINEERING LIMITED & ORS.

NOTARY SURESH K. CHAVDA AHMEDABAD GUJARAT STATE Reg.No. 3022 Expiry Date 19-7-2025 GOVT. OF INDIA

MOST RESPECTFULLY SHOWETH

DETAILS OF THE PETITIONER & RESPONDENTS

1. That the Petitioner is Union of India, Ministry of Corporate Affairs and is filing this Petition through Regional Director (North-Western Region), Ministry of Corporate Affairs, having office at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stand, Naranpura, Ahmedabad-380013, Gujrat and is duly authorized by the Central Government to file this present Petition and accompanied application, vide Ministry letter no. CL-II-03/120/2025-O/o DGCoA dated 23/05/2025.

Copy of the Ministry letter dated 23/05/2025 is annexed herewith as Annexure-A1.

2. That the Respondent No. 1 is Gensol Engineering Limited incorporated on 25.12.2012 vide Certificate of Incorporation issued by Registrar of Companies, Ahmedabad. The CIN of the Company is L74210GJ2012PLC129176 and the Registered Office of the company is situated at 15th Floor, A Block, Westgate Business Bay, S G Road, Ahmadabad City, Gujarat, India - 380051. The Equity Shares of the Company are registered with National Stock Exchange Limited and Bombay Stock Exchange Limited w.e.f. 03.07.2023. As per the object clause of the Memorandum of Association filed, this company is having main objects of , inter alia to engage in engineering, consultation and execution of all electric power and all other forms of energy in all aspects and to plan, promote, develop, establish distribution networks or systems, trading platforms and to acquire, in any manner, these networks or systems or trading platforms from power generating companies, central or state government undertakings, local authorities or statutory bodies or other persons within India or abroad.

Further, as per the records the authorized and paid up share capital of the company is Rs. 50,00,00,000 and Rs. 38,44,63,680 respectively and has filed last Annual Returns and Financial Statements upto Financial Year 31.03.2024.

Also, Respondent No 2 to 06 are the Companies Ordered for Investigation along with Respondent No.1 under the provisions of Section 210 of the Companies Act, 2013 by the Central Government. Respondent No. 07-17 are the Companies Ordered for Investigation under the provisions of Section 219 the Companies Act, 2013 as solicited by the Inspector's appointed under Section 210 of the Companies Act, 2013 and Respondent No. 18-37 are the present or erstwhile Director's as well as Key Managerial Personnel, Chartered Accountant , Company Secretary, and other relevant concerned of the Respondent No. 1 i.e. Gensol Engineering Limited.

Ministry has ordered for investigation under Section 210 & 219 of the Companies Act, 2013 vide order No. CL-II-03-120/2025-O/o DGCoA-MCA dated 28.04.2025 for Respondent No. 1 to 6 and vide order No. CL-II-03-120/2025-O/o DGCoA-MCA dated 15.05.2025 for Respondent No. 7 to 17. A copy of both orders dated 28.04.2025 & 15.05.2025 is annexed as **Annexure- A3 (colly).**

3. That the shareholding pattern of the company as on 31.03.2025 is as follows:

Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	Total no. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Shares UnderlyingOutstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)As a % of (A+B+C2)	No. of Shares pledged or otherwise encumbered	
									No.(a)	As a % of total Shares held(b)
(A) Promoter & Promoter Group	4	1,37,92,293	1,37,92,293	35.87	1,37,92,293	35.87	10,81,066	33.76	1,31,17,099	95.10

(B) Public	1,07,443	2,46,54,075	2,46,54,075	64.13	2,46,54,075	64.13	45,29,198	66.24		0.00
(C1) Shares underlying DRs				0.00		0.00		0.00		0.00
(C2) Shares held by Employee Trust				0.00		0.00		0.00		0.00
(C) Non Promoter-Non Public				0.00		0.00		0.00		0.00
Grand Total	1,07,447	3,84,46,368	3,84,46,368	100.00	3,84,46,368	100.00	56,10,264	100.00	1,31,17,099	34.12

Source:- Bombay Stock Exchange Website

and Shareholding Pattern of Promoters Group during the Financial Year 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25 is as follows:-

S. No.	Name of the Promoter	Financial Year	% of Shareholding
1.	(a) Anmol Singh Jaggi (b) Puneet Singh Jaggi (c) Gensol Venture Private Limited	2020-21	23.94 21.00 25.78
	Total		70.72
2.	(a) Anmol Singh Jaggi (b) Puneet Singh Jaggi (c) Gensol Venture Private Limited	2021-22	23.94 21.00 25.78

	Total		70.72
3.	(a) Anmol Singh Jaggi (b) Puneet Singh Jaggi (c) Gensol Venture Private Limited	2022-23	21.73 19.07 23.87
	Total		64.67
4.	(a) Anmol Singh Jaggi (b) Puneet Singh Jaggi (c) Gensol Venture Private Limited	2023-24	21.03 18.46 23.14
	Total		62.63
5.	(a) Anmol Singh Jaggi (b) Puneet Singh Jaggi (c) Gensol Venture Private Limited	2024-25	12.32 10.47 11.94 **(Promoter Group offloaded almost 50 % holding in the market for unlawful gain.)**
	Total		34.73

4. The following persons are/were directors of the Respondent No. 1 company during the period 2021-2022 to 2023-2024:-

S. No.	Name of the Director(s)	Designation	Remarks
1.	Mr. Anmol Singh Jaggi	Managing Director	Ex-Director (Resigned w.e.f. 02.05.2025 in compliance with the directions issued by the

			SEBI in its Interim Order dated 15.04.2025)
2.	Mr. Puneet Singh Jaggi	Whole-Time Director	Ex- Director (Resigned w.e.f. 02.05.2025 in compliance with the directions issued by the SEBI in its Interim Order dated 15.04.2025)
3.	Ms. Vibhuti Patel	Non-Executive Woman Independent Director (Appointed w.e.f. July 07, 2023)	**Current Director**
5.	Mr. Arun Menon	Non-Executive Independent Director (Appointed w.e.f. April 19,2022)	**Current Director**
6.	Mr Harsh Singh	Non-Executive Independent Director (Appointed w.e.f. October 19, 2023)	**Current Director**
9.	Ms. Jasminder Kaur	Resigned w.e.f. July, 11,2023	Ex- Director
10.	Shri Kamleshkumar P. Parmar	Non-Executive Independent Director (Resigned w.e.f. October,19,2023)	Ex -Director

11.	Shri Gaurav Kharbanda	Non-Executive Independent Director	Ex -Director
12.	Shri Kuljit Singh Popli	Non-Executive Independent Director	Current Director
13.	Shri Ali Imran Naqvi	Executive Director	Current Director

5. The latest financial position of the company during the financial year 2024-2025 are as under:

(Rs in Crores)

Income Statement	24-Dec	Sep-24	24-Jun	24-Mar	23-Dec	F.Y 2023-24
Revenue	293.63	299.05	275.04	362.9	201.04	904.01
Other Income	1.36	0.55	0.29	14.92	8.21	40.4
Total Income	294.99	299.6	275.33	377.82	209.25	944.41
Expenditure	-274.57	-246.5	-207.83	-308.22	-166.09	-763.95
Interest	-22	-60.22	-22.45	-32.78	-30.73	-100.6
PBDT	20.42	53.1	67.5	69.6	43.16	180.46
Depreciation	-2.08	-2.37	-24.68	-23.1	-19.73	-72.44
PBT	18.34	50.73	42.82	46.5	23.43	108.02
Tax	-3.33	-4.44	-10.3	-11.68	-5.89	-27.54
Net Profit	15.01	46.29	32.52	34.82	17.54	80.48
Equity	38	38	37.87	37.87	37.87	37.87
EPS	3.96	12.21	8.59	9.24	4.66	21.35

Source:- BSE India Website

6. Further the Financial Statements of the Company for the Year 2019-2020-2023-2024 are furnished as follows:-

7. **Annual results in brief**

8. (Rs crore)

	Mar ' 24	Mar ' 23	Mar ' 22	Mar ' 21	Mar ' 20
Sales	1,151.98	365.69	153.51	60.11	76.55
Operating profit	209.03	54.83	17.29	4.80	2.28
Interest	65.74	15.30	4.72	1.32	1.47
Gross profit	147.01	46.98	14.91	4.20	3.64
EPS (Rs)	27.79	21.80	10.08	3.81	2.63

9. **Annual results in details**

	Mar ' 24	Mar ' 23	Mar ' 22	Mar ' 21	Mar ' 20
Other income	3.72	7.45	2.34	0.72	2.83
Stock adjustment	1.19	36.46	-35.97	-3.69	-
Raw material	374.49	37.47	19.82	9.35	30.02
Power and fuel	-	-	-	-	-
Employee expenses	26.63	13.49	9.74	9.70	13.02
Excise	-	-	-	-	-
Admin and selling expenses	-	-	-	-	-
Research and development expenses	-	-	-	-	-
Expenses capitalised	-	-	-	-	-
Other expenses	540.64	223.44	142.63	39.95	31.23
Provisions made	-	-	-	-	-
Depreciation	3.97	11.00	0.58	0.58	0.51
Taxation	37.80	9.34	3.30	0.50	0.98
Net profit / loss	105.24	26.64	11.02	3.12	2.16

	Mar ' 24	Mar ' 23	Mar ' 22	Mar ' 21	Mar ' 20
Extra ordinary item	-	-	-	-	-
Prior year adjustments	-	-	-	-	-
Equity capital	37.87	12.22	10.94	8.20	8.20

The Balance sheet w.e.f Financial Year 2019-20 till 2023-24.

(Rs crore)

	Mar ' 24	Mar ' 23	Mar ' 22	Mar ' 21	Mar ' 20
Sources of funds					
Owner's fund					
Equity share capital	37.87	12.22	10.94	8.20	8.20
Share application money	-	-	-	-	-
Preference share capital	-	-	-	-	-
Reserves & surplus	306.23	193.57	34.85	26.57	23.44
Loan funds					
Secured loans	1,178.47	519.80	78.37	2.08	4.19
Unsecured loans	-	-	-	-	-
Total	1,522.57	725.59	124.16	36.85	35.83
Uses of funds					
Fixed assets					
Gross block	626.46	219.44	51.84	2.24	2.16
Less : revaluation reserve	-	-	-	-	-

	Mar ' 24	Mar ' 23	Mar ' 22	Mar ' 21	Mar ' 20
Less : accumulated depreciation	55.20	11.97	1.70	1.47	0.95
Net block	571.26	207.47	50.14	0.77	1.21
Capital work-in-progress	1.93	6.84	-	-	-
Investments	124.18	13.96	3.80	4.59	2.43
Net current assets					
Current assets, loans & advances	1,330.24	727.42	146.02	56.03	60.76
Less : current liabilities & provisions	505.04	230.10	75.80	24.54	28.57
Total net current assets	825.20	497.32	70.22	31.48	32.19
Miscellaneous expenses not written	-	-	-	-	-
Total	1,522.57	725.59	124.16	36.85	35.83
Notes:					
Book value of unquoted investments	124.18	13.96	3.80	4.59	2.43
Market value of quoted investments	-	-	-	-	-
Contingent liabilities	795.53	46.51	11.46	6.86	5.87

	Mar ' 24	Mar ' 23	Mar ' 22	Mar ' 21	Mar ' 20
Number of equity sharesoutstanding (Lacs)	378.73	122.19	109.37	82.03	82.03

The Profit and Loss w.e.f Financial Year 2019-20 till 2023-24.

(Rs crore)

	Mar ' 24	Mar ' 23	Mar ' 22	Mar ' 21	Mar ' 20
Income					
Operating income	904.01	365.69	153.51	60.11	75.14
Expenses					
Material consumed	505.62	238.11	99.51	30.42	19.20
Manufacturing expenses	93.09	37.47	19.82	9.35	30.02
Personnel expenses	26.63	13.49	9.74	9.70	13.02
Selling expenses	0.85	0.31	0.09	0.01	0.41
Adminstrative expenses	37.16	21.48	7.07	5.83	10.22
Expenses capitalised	-	-	-	-	-
Cost of sales	663.35	310.86	136.23	55.31	72.86
Operating profit	240.66	54.83	17.28	4.80	2.28
Other recurring income	40.40	7.45	2.34	0.72	2.83

	Mar ' 24	Mar ' 23	Mar ' 22	Mar ' 21	Mar ' 20
Adjusted PBDIT	281.06	62.28	19.62	5.52	5.11
Financial expenses	100.60	15.30	4.72	1.32	1.47
Depreciation	72.44	11.00	0.58	0.58	0.51
Other write offs	-	-	-	-	-
Adjusted PBT	108.02	35.98	14.32	3.62	3.14
Tax charges	27.54	9.34	3.30	0.50	0.98
Adjusted PAT	80.48	26.64	11.02	3.12	2.16
Non recurring items	-	-	-	-	-
Other non cash adjustments	-	-	-	-	-
Reported net profit	80.48	26.64	11.02	3.12	2.16
Earnigs before appropriation	127.23	48.98	21.82	10.80	7.68
Equity dividend	-	-	-	-	-
Preference dividend	-	-	-	-	-
Dividend tax	-	-	-	-	-
Retained earnings	127.23	48.98	21.82	10.80	7.68

As on 31.03.2024 the following are the subsidiary companies of Gensol Engineering Limited :-

<u>There are 08 Subsidiaries</u> i.e.:-

a. Gensun Renewable Private Limited

b. Gensol Utilities Private Limited

c. Gensol Electric Vehicle Private Limited (GEVPL)

d. Gensol EV Lease Private Limited

e. Scorpius Tracker Private Limited

f. Green Energy Trading LLC – FZ.

g. Gensol Green Energy Private Limited

h. Gensol Clean Energy Private Limited

i. Gensol Components Private Limited (99.99% held by GEVPL)

10. **That SEBI while conducting investigation in respect of respondent No 1 has also passed an interim order dated 15.04.2025 under sections 11(1), 11(4) and 11B of the Securities and Exchange Board of India Act, 1992.** A Copy of SEBI interim order dated **15.04.2025 (Annexure A-2).**

In brief the order of the SEBI highlight as under:-

(A) That Respondent No 1 was initially listed on the BSE SME Platform on October 15, 2019 and subsequently, it got listed on the main board of BSE and NSE on July 03, 2023. During short span it grew impressively over the past few years, the sales of the company have grown from Rs. 61 Crore in FY 2017 to Rs. 1,152 Crore in FY 2024. The trailing 12-month data shows that its sales went up to Rs. 1,297 Crore. During the same period, operating profit went up from Rs. 2 Crore to Rs. 209 Crore and net profit from Rs. 2 Crore to Rs. 80 Crore. Similarly, for the corresponding period (FY 2017 to H1 of FY 2025), the balance sheet of the Company recorded an equally impressive growth. The total liabilities/balance sheet size expanded from Rs. 10 Crore in FY 2017 to Rs. 2,202 Crore in the first half of FY 2025. During this period,Respondent no1's borrowings increased from Nil in FY 2017 to Rs. 1,045 Crore in the first half of FY 2025, after touching Rs. 1,260 Crore in FY 2024.

(B) That the share price of the Company touched a high of Rs. 1,126 per share with a market capitalization of around Rs. 4,300 Crore at that price. On April 11, 2025, the share of Gensol traded at Rs. 133 per share with market capitalization of Rs. 506 Crore.

(C)That the interim order also mentions that SEBI was in receipt of a complaint in June 2024, relating to manipulation of share price and diversion of funds from respondent No1. **That the credit Rating** Agencies, CARE Rating Limited (CARE) and ICRA Limited (ICRA) on March 03, 2025, and March 04, 2025, respectively, downgraded the ratings assigned by them for fund-based and non-

fund based credit facilities availed by the respondent No 1, to "D" on account of delays in servicing debt obligations. Further the rationale for the downgrading as per the press release issued by ICRA is extracted below:

> *"The ratings for the bank facilities of Gensol Engineering Limited (GEL) have been downgraded to [ICRA]D following* ***feedback received by ICRA from the company's lenders about the ongoing delays in debt servicing****. GEL, in its latest public disclosures as well as in its recent communications with ICRA, had highlighted sizeable available liquidity to support its operations during its ongoing growth phase."*

Similarly, ICRA, in its statement also disclosed that "certain documents shared by GEL with ICRA, on its debt servicing track record, were apparently falsified, which raises concerns on its corporate governance practices, including its liquidity position." That as per submissions of CRAs, respondent no1 responded to CRA queries by stating that it was regular in its debt servicing and that the default by Blu-Smart had no impact on the Company. The CRAs further submitted that when they sought term loan statements, respondent no 1 provided the statements of all lenders except those of Indian Renewable Energy Development Agency Ltd. (IREDA) and Power Finance Corporation (PFC). In respect of these two lenders (PFC and IREDA), respondent no 1 shared Conduct Letters purportedly issued by IREDA and PFC, which stated that respondent no 1 was regular in its debt servicing. That CARE also submitted that respondent no 1 requested for withdrawal of the ratings assigned to it and, in support of this request, submitted a No Objection Certificate (NOC) purportedly issued by its (Gensol) lenders. However, upon seeking confirmation from IREDA and PFC regarding the issuance of the Conduct Letters and NOCs, both the lenders categorically denied having issued such letters. Images of the conduct letters purportedly issued by IREDA and PFC and submitted by Respondent no 1 to the CRAs are provided below:

[illegible]

[illegible] Agency Limited

[illegible]

[illegible]

[illegible]

With reference to Gensol Engineering Limited ("Company"), we confirm that there are No Overdues, Unpaid Installments or Delays in the Term Loans and the conduct of the account is and has remained Standard and Regular.

This letter has been issued at the specific request of the Company.

For IREDA

Name: Abhi[illegible]

Designation: SR. Manager

Signature with stamp

INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LTD
IREDA
Core-4A, East Court, 1st Floor, India Habitat Center, Lodhi Road, New Delhi-110003

भारत सरकार उपक्रम वित्त
POWER FINANCE CORPORATION LTD

[illegible]

Date: [illegible] February 2025

Kind Attn: WHOMSOEVER IT MAY CONCERN

Sub: Conduct Letter

With reference to Gensol Engineering Limited ("Company"), we confirm that there are No Overdues, Unpaid Installments or Delays in the Term Loans and the conduct of the account is and remained Standard and Regular.

This letter has been issued at the specific request of the Company.

For PFC

Name: Ankur Dhawan

Designation: Deputy General Manager

Signature with stamp

[illegible]

(D) That the interim order indicate that SEBI subsequently called for detailed information from IREDA and PFC regarding the debt servicing status of loans sanctioned to Respondent No. 1 along with the loan sanction letters and account statements. On reviewing the information submitted by the aforesaid lenders, multiple instances of default by the Company in servicing their loans were observed, the details of which as mentioned in the order are as under:-

Sl. No.	Lender	Due Amount (Rs. in Crores)	Due Date for Payment	Actual Date of Payment
1.	IREDA (Project 2583)	2.03 (Int)	31-12-2024	29-01-2025
2.	IREDA (Project 2666)	0.35 (Int)	31-12-2024	04-01-2025
3.	IREDA (Project 2583)	2.04 (Int)	31-01-2025	Unpaid
4.	IREDA (Project 2791)	48.22 (Pri)	31-01-2025	Unpaid
5.	PFC	6.99 (Pri +Int)	01-02-2025	05-02-2025
6.	IREDA (Project 2740)	0.73 (Int)	15-02-2025	Unpaid
7.	IREDA (Project 2791)	0.97 (Int)	15-02-2025	Unpaid
8.	IREDA (Project 2583)	1.74 (Int)	28-02-2025	Unpaid
9.	IREDA (Project 2666)	0.29 (Int)	28-02-2025	Unpaid
10.	PFC	6.68 (Pri + Int)	01-03-2025	19-03-2025
11.	IREDA (Project 2740)	0.67(Int)	15-03-2025	Unpaid
12.	IREDA (Project 2791)	0.90(Int)	15-03-2025	Unpaid

(E) That it has been recorded in the SEBI interim order that the first instance of default occurred on December 31, 2024. The Company however continued to submit statements to the CRAs certifying there was no delay or default in servicing any loans (No Default Statements). The statements for December 2024, January 2025 and February 2025 were submitted on January 6, 2025, February 10, 2025 and March 3, 2025, respectively. The text of the No Default Statement submitted for the month of February 2025 was as under :-

"We hereby confirm that as on date and in the month ended [Feb – 2025] there are no over dues or default on payment of interest/ instalment obligations on loans from banks/ financial institutions."

Para 4.1 of Section V-B of the SEBI Master Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 provides that *"Listed entities shall make disclosure of any default*

on loans, including revolving facilities like cash credit, from banks / financial institutions which continues beyond 30 days. Such disclosure shall be made promptly, but not later than 24 hours from the 30th day of such default."

That the order records details of the term loans availed by respondent no 1 from IREDA and PFC during the period FY 22 to FY24 are tabulated below

Sl. No.	FY	Lender Name	Amount as per Annual Report (Rs. In Crores)	Purpose of loan
1.	2021-22	IREDA	35.70	Procurement of EVs
2.	2022-23	IREDA	35.70	
3.	2022-23	IREDA	71.41	
4.	2022-23	IREDA	71.41	
5.	2022-23	IREDA	53.56	
6.	2022-23	IREDA	43.69	
7.	2022-23	PFC	117.47	
8.	2023-24	PFC	117.47	
9.	2023-24	PFC	117.47	
10.	2023-24	IREDA	192.87	For carrying out EPC works
11.	2023-24	IREDA	121.00	
Total			977.75	

(F) That SEBI noted that out of Rs. 977.75 Crore availed by the Company from IREDA and PFC as term loans, Rs. 663.89 Crore was for purchasing 6,400 Electric Vehicles. As per the submissions made by respondent no 1, EVs were procured by the Company and subsequently leased to BluSmart, a related party. That respondent no 1 vide its letter dated February 14, 2025, acknowledged that it had procured only 4,704 electric vehicles (EVs) till date, as against the 6,400 EVs for which it had secured funding. This position is corroborated by Go-Auto Private Limited (Go-Auto), the stated supplier of the EVs, which confirmed that it sold 4,704 EVs to the Company for a total consideration of Rs. 567.73 Crore. However, records show that the respondent no 1 received loans aggregating Rs.663.89 Crore for the stated purpose from IREDA and PFC. Respondent no 1 was to provide an additional equity (margin) contribution of 20%, bringing the total expected deployment of approximately Rs. 829.86 Crore for the purchase of 6,400 Electric Vehicles. Based on these figures, an amount of Rs. 262.13 Crore (Rs. 829.86 Crore – Rs. 567.73 Crore) remains unaccounted, even though more than a year has passed since the Company availed the last tranche of the above mentioned financing. That the analysis of it showed that once the funds were transferred from respondent no 1 to Go-Auto, ostensibly for the purchase of EVs, they were, in most of the instances, either transferred back to the Company itself or routed to entities that were directly or indirectly related to Anmol Singh Jaggi and Puneet Singh Jaggi, promoters and directors of respondent no 1. The order of SEBI further records that Some of these funds were then used for purposes unrelated to the purpose/objective of the sanctioned term loans, which included (i) personal expenses of the promoter, including purchase of high-end real estate; (ii) benefit to the private promoter entities / transfer of funds to promoters' close relatives; etc.

(G) That it is noticed from the order that on September 30, 2022, respondent no 1 received a disbursement of Rs. 71.39 Crore from IREDA in its "GEL Trust and Retention Account IREDA Limited" (Bank A/c No. 922020025290861) maintained with Axis Bank. On the same day, the Company transferred promoter contribution of Rs. 26.06 Crore from another internal account into the above Trust and Retention Account. The total funds credited in the said account amounted to Rs. 97.46 Crore. Similarly, on October 03, 2022, Rs. 93.88 Crore was transferred from the Trust and Retention Account to Go-Auto (Bank A/c No. 06792000003065 with HDFC Bank). Prior to this transfer, the balance in the said account of Go-Auto was Rs.0.79 Crore. It was noted that immediately upon receipt of the said amount, Go- Auto, on the same day, transferred Rs. 50 Crore to Capbridge (Bank A/c No. 920020064107731 with Axis Bank), a disclosed related party. The Capbridge account had a balance of Rs. 0.15 Crore prior to this transaction. On October 06, 2022, it was noted that Capbridge transferred Rs. 42.94 Crore to DLF Limited (DLF). As per information provided by DLF (email dated December 17, 2024), the above payment was made towards consideration for the purchase of an apartment in the project The Camellias. The submissions made by DLF Ltd. are summarised below:

(a) On September 29, 2022, a sum of Rs. 5 Crore was paid to DLF by Jasminder Kaur, as advance, for booking an apartment in the project *The Camellias.*

(b) On October 06, 2022, Capbridge paid Rs. 42.94 Crore to DLF as part of the consideration for the above apartment booked by Jasminder Kaur.

(c) On October 20, 2022, the allotment was formally made to Jasminder Kaur.

(d) Thereafter, on request, the allotment was substituted in favour of Capbridge.

(e) The advance of Rs. 5 Crore was returned to Jasminder Kaur by DLF on November 21, 2022.

(G) Accordingly, in the interim order SEBI concluded that that funds availed by respondent no 1 as loans for procuring EVs were, through layered transactions, partly utilised for buying a high-end apartment in **The Camellias**, *DLF Gurgoan, in the name of a firm where the MD of respondent no 1 and his brother are designated partners. Further, It was separately noted that the Rs. 5 Crore which was initially paid as booking advance by Jasminder Kaur, mother of Anmol Singh Jaggi, was also sourced from respondent no 1. It was also noted by SEBI that once DLF returned the advance to Jasminder Kaur, the funds did not go back to the Company but were instead credited to another related party of respondent no 1 viz. Matrix Gas and Renewables Ltd. (Matrix).*

(H) That based on the fund trail and account balances, the SEBI order records that it is prima facie observed that Rs. 96.69 Crore was diverted to promoter and promoter-linked entities, bypassing the stated end-use of the PFC loan. Further, it was noted that Capbridge had transferred funds back to Go-Auto, through circular movement of funds which originated from Go-Auto, itself. It was noted that an amount of Rs. 10 Crore was circulated four times by Go-Auto itself through Gensol EV Lease Pvt. Ltd. and Go-Solar Venture Private Limited on 04/01/2024. Details are given below:

Date	From party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)
04/01/2024	Go Auto 06792000003065	10	Gensol EV Lease 058605005018	10	Gosolar Venture 058605500461	10	Capbridge Ventures 92002006410773 1	10	Go Auto 103705000861	10
04/01/202	Go Auto 103705000861	10		10		10		10		10
04/01/202		10		10		10		10		10
04/01/2024		10		10		10		10		10

Capbridge transferred back additional Rs. 10 Crore using funds which it had received, from Gensol EV Lease / Blu-Smart. The movement of funds is given below:

Date	From party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)
27/12/2023	BLU SMART MOBILITY	23.75	Gensol Consultant 9210200 36427118	23.75	Gensol Consultant 9210200 36427118	23.75	Capbridge Ventures 92002006 4107731	30	Go Auto 0679200 0003065	10
28/12/2023	Gensol EV Lease 058605 005018	10	Gensol Consultant 058605 500351	10		10				

(1) Further, it was noted that Gensol Consultant transferred back funds amounting to Rs.46.65 Crore to Go-Auto, using the funds taken from Gensol EV Lease. The amount transferred by Gensol EV Lease was out of a loan received by it from IREDA (IREDA sanctioned two loans to Gensol EV Lease in FY 2024). Details of the above transfers are given below:

Date Party Name and Amount	To party	Date	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)
22.12.2023 IREDA 171.30	GENSOL EV LEASE TRUST AND RETENTION A/C IREDA LIMITED	27/12/2023	Go Auto 0679200 0003065	95.3	Gensol EV Lease 058605 005018	72.5	Gosolar Venture 058605 500461	37.5	Anmol Singh Jaggi	37.5
		27/12/2023	Jubilant Motor Works Pvt Ltd	33.02		24.98	Gensol Consultant 058605 500351	50	Go Auto 0679200 0003065	46.64

From the above, it is prima facie observed that funds amounting to Rs. 96.69 Crore (Rs. 46.65 Crore + Rs. 50.04 Crore) were diverted from the listed company and ultimately reached the private promoter related entities of respondent no 1. Further, it can be seen that Rs. 37.5 Crore out of the loan amount of Rs.171.30 Crore taken by Gensol EV Lease Pvt. Ltd., (a subsidiary of Gensol), from IREDA was ultimately transferred to Anmol Singh Jaggi.

(J) That SEBI in its interim order has recorded that on analysis of the utilization of funds (loans) received by respondent no 1 from IREDA and PFC, it prima-facie appears that the Company grossly mis-utilized funds and also diverted certain funds to the promoter/promoter-related entities. While the Company was to spent an amount of Rs. 829.86 Crore (including promoter contribution) for buying EVs, bank statement analysis showed that it had transferred Rs. 775 Crore to Go-Auto against which it has obtained delivery of 4,704 EVs costing Rs. 567.73 Crore.

(K) The break-up of the funds paid to related parties and connected entities of Gensol by Wellray in FY 23 and FY 24 is given in the Table below:

(Rs. In Crores)

Name of the Party	Funds transferred during FY 2022-23	Funds transferred during FY 2023-24	Total amount paid during FY 2022-23 to FY 2023-24	Relationship with Gensol
Anmol Singh Jaggi	19.48	6.28	25.76	Promoter of Gensol
Puneet Singh Jaggi	10.66	2.90	13.55	Promoter of Gensol
Gensol Ventures Pvt. Ltd.	-	16.00	16.00	Promoter of Gensol
Capbridge Venture LLP	5.00	6.00	11.00	Designated Partners are Anmol Singh Jaggi and Puneet Singh Jaggi
Matrix Gas and Renewable Ltd.	40.20	23.70	63.90	Disclosed Related Party
Gosolar Ventures Pvt. Ltd.	19.80	48.20	68.00	Disclosed Related Party
Gensol Consultants Pvt. Ltd.	11.50	10.10	21.60	Disclosed Related Party
Blu-Smart Fleet Pvt. Ltd.	10.00	-	10.00	Disclosed Related Party
Prescinto Technologies Pvt. Ltd.	3.84	5.42	9.26	Disclosed Related Party
Param Renewable Energy Pvt. Ltd.	7.00		7.00	Disclosed Related Party
Total	127.47	118.60	246.07	

(L) *That order of SEBI also states that Wellray has transferred funds amounting to Rs. 39.31 Crore to Anmol Singh Jaggi and Puneet Singh Jaggi, promoters of Gensol. From the analysis of the bank statements of Anmol Singh Jaggi, it is* prima-facie *observed that* <u>*majority of the funds*</u> *(Rs. 25.76 Crore) were transferred to other related parties, family members or utilized for personal expenses. The details of*

further utilisation of funds received from Wellray by Anmol Singh Jaggi are given in the Table below:

Name of The Party	Amount (Rs.)	Remarks
Gensol Ventures Pvt. Ltd.	10,63,91,890	Promoter of Gensol
Jasminder Kaur	6,20,22,500	Mother of Anmol Singh Jaggi
Mugdha Kaur Jaggi	2,98,50,000	Spouse of Anmol Singh Jaggi
Foreign Currency Purchased - AED	1,86,35,600	Appears to be for personal use

Name of The Party	Amount (Rs.)	Remarks
Batx Energies Private Limited	1,35,19,600	Anmol Singh Jaggi is a shareholder in Batx Energies Private Limited (holding 681 shares as of 31-03-2024)
Third Unicorn Private Limited	50,00,000	Anmol Singh Jaggi is a shareholder in Third Unicorn Private Limited (holding 2000 shares as of 31-03-2024).
TaylorMade	26,00,000	Appears to be related to purchase of golf set
Capbridge Venture LLP	25,00,000	Designated Partners are Anmol Singh Jaggi and Puneet Singh Jaggi
ICICI Securities	23,00,000	Appears to be for personal use
Jabir Mahendi M	20,00,000	Jabir Mahendi M worked as CFO of GEL from 2019- to 2024
Titan Company	17,28,350	Appears to be for personal use
DLF Homes	11,75,000	Appears to be for personal use
Kamco Chew Food Pvt Ltd Spa	10,36,860	Appears to be for personal use
ICICI Bank Credit Card	9,95,266	Credit Card payment. Appears to be for personal use.
Mayo Design	8,00,000	Appears to be for personal use

Shalmali Kaur Jaggi	6,00,000	Former Director of GEL and Gensol Consultants Private Limited and current director of Param Seva Foundation (disclosed related party by GEL).
Make my trip	3,00,000	Appears to be for personal use
Ali Imran Naqvi	1,50,000	Executive Director at GEL
Total	**25,16,05,066**	

That order analysis the bank statements of Puneet Singh Jaggi *prima facie* revealed that majority of the funds (Rs. 13.55 Crore) received from Wellray were transferred to other related parties, family members or utilized personal expenses, the details of which are given in the Table below:

Name of The Party	Amount (Rs.)	Remarks
Gensol Ventures Pvt. Ltd.	10,03,31,624	Promoter of Gensol
Shalmali Kaur Jaggi	1,13,00,000	Spouse of Puneet Singh Jaggi.
Jasminder Kaur	87,52,500	Mother of Puneet Singh Jaggi
Foreign Currency Purchase – AED	66,35,599	Appears to be for personal use
Amercian Express Card	36,00,000	Appears to be for personal use
Amex Card	13,00,000	Appears to be for personal use
BIL/INFT/000671661789/PSJCC/Self	11,40,000	Appears to be for personal use
Psjcc1008/Self	4,00,000	Appears to be for personal use
Lease Deed Regi	3,00,000	Appears to be for personal use
Mugdha Kaur Jaggi	3,00,000	Spouse of Anmol Singh Jaggi
Ali Imran Naqvi	2,61,843	Executive Director at Gensol
Total	**13,43,21,567**	

(M) Accordingly, SEBI held in its order that the *prima facie* findings have shown mis-utilization and diversion of funds of the Company in a fraudulent manner by its promoter directors, Anmol Singh Jaggi and Puneet Singh Jaggi, who are also the direct beneficiaries of the diverted funds. The Company has attempted to mislead SEBI, the CRAs, the

lenders and the investors by submitting forged Conduct Letters purportedly issued by its lenders. In view of these *prima facie* findings, it has passed several interim directions.

11. That a MRAU report dated 22.04.2025 is prepared by the Serious Fraud Investigation Office indicating that as per the master data available on MCA Portal, presently the company is having Open Charges amounting to Rs. 2,365 Crores. The details of the said Charges is as furnished below:-

(Rs. In Crore)

S. No.	Name of the Entity/Bank	Amount
1.	Axis Bank Limited	20.15
2.	Bandhan Bank Limited	40.00
3.	Bank of India	18.40
4.	Canara Bank	30.00
5.	Capup Financial Services Private Limited	10.00
6.	Catalyst Trusteeship Limited	633.10
7.	Clime Finance Private Limited	2.18
8.	HDFC Bank Limited	78.88
9.	ICICI Bank Limited	35.68
10.	Indian Renewable Energy Development Agency Limited	1389.04
11.	RBL Bank Limited	60.00
12.	STCI Finance Limited	15.00
13.	Sundaram Finance Limited	7.57

14.	Tata Motors Finance Limited	25.00
	Grand Total	**2,365.00**

Further the said MRAU Report also states the following facts :-

Shareholding of promoters was down from 70.72% in March 2020 to 35.13% as per latest shareholding pattern made available to SEBI by the RTA.

Based on default by Blusmart Mobilty Private Limited credit rating of GEL was downgraded by ICRA from ICRA BBB/A3 to ICRA D and by Care from Care BB+ Stable/A4 to CARE D vide its press release dated 04.03.2025 and 03.03.2025 respectively.

GEL availed term loan of Rs. 977.75 Crore from IREDA & PFC for purchase of 6,400 Electric Vehicles from Go Auto Pvt Limited for leasing to Blu Smart a related party, however on confirmation from GAPL it informed that only 4704 EVs were purchased for consideration of Rs. 567.73 Crore against total fund of Rs. 829.86 Crore (Loan fund of Rs. 663.89 Crore Plus margin contributed i.e. Rs. 262.13 Crore). The funds transferred between GEL and one of the related parties viz Wellray Solar Industries Pvt Ltd. Did not correspond to the quantum of underlying commercial transactions between them.

The Copy of the MRAU Report of SFIO is enclosed herewith as **Annexure- A-4.**

12. The Central Government by virtue of powers conferred u/s 210(3) of the Companies Act, 2013 the extract of which is reproduced herein below for ready reference :-

"*210. Investigation into affairs of company*

1) Where the Central Government is of the opinion, that it is necessary to investigate into the affairs of a company ,—

(a) on the receipt of a report of the Registrar or inspector under section 208;

(b) on intimation of a special resolution passed by a company that the affairs of the company ought to be investigated; or

(c) in public interest, it may order an investigation into the affairs of the company.

(2) Where an order is passed by a court or the Tribunal in any proceedings before it that the affairs of a company ought to be investigated, the Central Government shall order an investigation into the affairs of that company.

(3) For the purposes of this section, the Central Government may appoint one or more persons as inspectors to investigate into the affairs of the company and to report thereon in such manner as the Central Government may direct."

The Ministry ordered Investigation under section 210 (1) (c) of the Act vide its Order F. No. CL-II-03/120/2025-O/o DGCoA-MCA dated 28.04.2025, based on the observations of the Interim Order dated 15.04.2025 of the Securities And Exchange Board of India recording that there are found to be prima facie evidence of blatant violation of corporate governance is writ large over the workings of the company. The diversion of funds of the Company by promoter entities reflecting a culture of weak internal control, where even ring-fenced borrowings from Institutional Creditors were rerouted at the total discretion of the promoters. Further, it was also recorded in the said Interim Order that the internal controls at Gensol appear to be loose and through the quick layering of transactions, funds have seamlessly flowed to multiple related entities/individuals etc. Further, as per the SEBI's Order the Credit Rating Agencies downgraded the ratings assigned by them for fund based

and non fund based credit facilities availed by the Company to "D" due to delays in servicing debt obligation. Also observing that the documents shared by the Gensol with ICRA on its debt servicing track record were apparently falsified which raises concern on its corporate governance practices including liquidity position. Gensol also submitted that it was regular in its debt servicing and that the default by Blu Smart had no impact on the company and also submitted forged No Objection Certificates on behalf of IREDA and PFC. Further multiple instances of default by the Gensol in servicing their loans were observed. The Regional Director (NWR) accordingly. vide order No. (NWR)/Invest./210/15/06 Comp./2025/ 570 dated 07.05.2025,Shri Keerthi Thej N., ROC Gujarat, Shri Atma Sah, ROC- Cum-OL, Rajasthan and Ms. Sayali Gaikwad, Assistant ROC, Gujarat, were appointed as inspector(s) to carry out Investigation into the affairs of Gensol Engineering Limited and Five other companies namely Blu Smart Charge Private Limited, Blu Smart Fleet Private Limited, Blu Smart Mobility Limited, Blu Smart Mobility Tech Private Limited, and Blu Smart Premium Fleet Private Limited.

13. The Investigation Officer(s) in their status report dated 13.05.2025 have pointed out various violations into the management of affairs of the company including fraudulent conduct of the respondent no 1. As per the status report the following observations and violations have been reported by the Inspector(s):

(a) The Company (Respondent No 1) had brought out an IPO of 21,60,000 equity shares of face value of Rs 10 each vide RHP dated 19.09.2019 filed in GNL-2 vide H91444026 dated 20.09.2019 with ROC, Chandigarh. Prospectus was filed by the company on 09.10.2019.

(b) The Company (Respondent No 1) has shown unusual growth over the past few years as per the information available. On a standalone basis, the Sales

of the company have grown from Rs. 61 Crore in FY 2017 to Rs. 1,152 Crore in FY 2024. The trailing 12-month data shows that its Sales went up to Rs. 1,297 Crore. During the same period, operating profit went up from Rs. 2 Crore to Rs. 209 Crore and net profit from Rs. 2 Crore to Rs. 80 Crore. For the corresponding period (FY 2017 to FY 2025), the balance sheet of the Company recorded an equally stupendous growth.

(c) The total liabilities/balance sheet size expanded from Rs. 10 Crore in FY 2017 to Rs. 2,202 Crore in the first half of FY 2025. During this period, Gensol's (Respondent No 1) borrowings increased from Nil in FY 2017 to Rs. 1,045 Crore in the first half of FY 2025, after touching Rs. 1,260 Crore in FY 2024.

(d) Fund Diversion via Related Parties (Rs 205+ Cr)

The company (Respondent No 1) diverted Rs. 205 crores out of Rs 978 crores borrowed ostensibly to procure electric vehicles (EVs). Funds were routed through Go Auto Pvt. Ltd., a related intermediary, which delivered only 567 crores worth of EVs. The balance was funneled into entities controlled by the promoters, such as Capbridge Ventures LLP, used to buy a Rs. 43 crores flat, and other non-business payments. However, no proper disclosures were made in related party notes or board approvals obtained. This constitutes a violation of Ind AS-24, read with Sections 185 and 188 of Companies Act 2013.

(e) Misstatement of Revenue (Rs 963 Cr in FY24; Rs134 Cr from EV Leasing

Gensol (Respondent No 1) reported Rs. 963 Cr consolidated revenue in FY2023-24, including Rs.134 Cr from EV leasing to BluSmart, without

disclosing that, nearly all of this segment's revenue came from a single customer. Non-binding MoUs (e.g., with Refex) were falsely presented as confirmed orders. This risks premature or fictitious revenue recognition under Ind AS 115. Failure to disclose major customer risk violates Ind AS 108 read with section 129 of Companies Act, 2013.

(f) Improper Capitalization (Rs125 Cr EV Plant, Rs568 Cr EV Fleet)

Gensol (Respondent No 1) capitalized interest and overheads on non-qualifying assets like ready-for-use EVs and idle EV plant under construction. Ind AS 23 prohibits capitalization when development is suspended. Rs. 125 Cr spent on EV plant by Feb 2024, which was largely inactive for a year. Finance costs were under-reported; depreciation expense was inflated to spread the misstatement. No impairment testing or expense reclassification was done.

(g) Omission of Defaults and Misreporting of Liabilities (1,510 Cr borrowings by FY24)

Gensol (Respondent No 1) failed to report defaults starting Dec 2024 and continued to show healthy loan repayment status despite downgrades by rating agencies. SEBI's probe revealed fake no- default letters were submitted. As of FY24, the company carried (1510 Cr in debt without proper stress disclosure. Such concealment violates Ind AS 1 read with section 129 of companies act, 2013.

(h) Overstatement of Assets and Non-Impairment (Rs. 205 Cr advances not written off

Rs. 205 Cr in advances (not delivered as EVs) remained on books despite clear evidence of non-recovery. No provision or impairment recorded under Ind As 109 and Ind AS 36. Fixed assets included potentially over-invoiced EVs bought

via Go Auto, further inflating assets and enabling fraud. Assets were overstated and profits maintained artificially.

Contingent liabilities for EV lease defaults, loan covenants breaches, or personal guarantees (e-g. Wellray transactions) were not disclosed. Rs. 15 Cr DSRA lien-marked by lenders was not identified as restricted cash. No disclosure was made, thus violating Ind AS 37 and Ind AS 10.

(i) Entities through Which Funds Were Diverted/Need Further Investigation:

Go Auto Pvt. Ltd. - Received Rs. 775 Cr, delivered only Rs. 567 Cr in EVs; intermediary for fund diversion. CIN: U34300DL2008PTC182562 - Delhi

Capbridge Ventures LLP - Used for purchasing Rs. 43 Cr flat in Gurgaon; owned by promoters. LLPIN: AAT-2035 - Ahmedabad

Gensol Ventures Pvt. Ltd. - Promoter-owned; received diverted funds. U74999GJ2017PTC096539

Matrix Gas and Renewables Ltd. - Received inflows from Capbridge; appears in fund trail. U74999GJ2018PLC101075

Wellray Solar Pvt. Ltd. (Now Renamed as ULTRAVERA INDUSTRIES PRIVATE LIMITED)- Used for propping Gensol's share price using Rs. 137 Cr in diverted funds. (CIN: U74110GJ2017PTC098221)

BluSmart Mobility - EV lease customer funded indirectly by Gensol; indirect exposure risk. BLUESMART MOBILITY PRIVATE LIMITED

U74999G]2018PTC104895 BLU-SMART MOBILITY TECH PRIVATE LIMITED U63030GJ2019PTC105970.

(j) **Investors Value Protection Risk:** It is observed from the various media reports as well as filing reports that the company and Promoters have secured Equity deals at larger valuations and subsequent fund diversions thereby placing themselves (the few individual shareholders holding majority proposition) at a greater risk by removing the guardrails of credit risk assessment and management.

The company has a loan of around Rs. 2,335 crores, part of which was allocated for specific predetermined purposes, including approximately Rs. 623 crores borrowed from IREDA and PFC, which was utilized for personal expenditures.

(K) Further the Inspector(s) have also reported the following observations under the provisions of the Companies Act, 2013:-

The I/O(s) in their status report had indicated that Gensol's financial statements failed to present a true and fair view by not disclosing material fund diversion, overstated asset, and undisclosed liabilities of Rs. 205 crores of diverted funds were not impaired or written off. The directors declared that proper accounting policies and internal control were followed, which was false. Internal control failed to prevent fund siphoning, and key events like defaults were omitted from reports. Thereby indicating that the directors including Audit Committee have failed to comply with the fiduciary as well as Statutary Duties casted upon the Board of Directors of a company. There are glaring irrgularities indicating undue gain to the members of the Board/KMPs or their relatives, partners, or associates. The investigation into the affaiars of respondent no 1 and other entities

is underway therefore such persons responsible for the fraudulent conduct of business shall be personally liable for the fraud to the victims of fraud.. Further, it is also reported that Diverted company funds were indirectly routed to LLPs (e.g. Capbridge Venture LLP) owned by directors for personal asset acquisition, violating restrictions on direct /indirect loans to directors or entities in which they are interested. High value transactions with Go Auto Pvt. Ltd and Capbridge Ventures were not disclosed or approved by the Board or shareholders, were found to be in breach of disclosure and governance requirement for related party transactions.

Also as per the report of the I/Os the funds were routed via Wellray solar Pvt. Ltd (Former promoter- controlled entity) to manipulate Gensol's share price, effectively using company as a vehicle to buy its own shares, a clear contravention of the provisions of the Companies Act, 2013.

The above all facts taken together indicate systamatically funds have been diverted in illegal manner for personal benefit at the cost of stakeholders with an intension to dupe them. That Investigation Report is still awaited in the matter but prima facie findings of the status report indicated serious irregularities in the functioning of the company Gensol Engineering Limited and its other related or connected entities.

Further, it has been reported by the I/o (s) in the status report that during investigation U/s 210 of Companies Act, 2013, it was noticed that Mr. Anmol Singh Jaggi, Mr. Puneet Singh Jaggi, Mr. Ankit Jain, Mr. Jabirmahendi Mohammedraza Aga, Mr. Inderpreet Singh Wadhwa and Mr. Umakant Panwar as Directors/Promotors of Gensol Group companies and other group concerns had availed various credit facilities from different financial institutions including

IREDA & PFC. As per the Index of charge available on MCA 21 portal, the company Gensol itself has credit facilities of Rs. 2385 Cr. The IO has also noticed that in every likelyhood there is fleeing risk thus recommended for issuance of Lookout Circulars who have availed loans and willfully defaulted and possibly laundered money. They present an imminent risk of escaping to foreign jurisdiction which will be detrimental to for investigation and image and economic interests of lenders and other stakeholders Mr. Anmol Singh Jaggi, Mr. Puneet Singh Jaggi, Mr. Ankit Jain, Mr. Jabirmahendi Mohammedraza Aga, Mr. Inderpreet Singh Wadhwa and Mr. Umakant Panwar are directly involved and hold considerable equity stake in Gensol Engineering Limited. It involves a huge amount of approximately Rs. 2335 crores which requires serious explanation from the Directors coming on the back of allegations that the money utilized funds/ sources for their self-serving interests. The aforesaid transactions are an important part of the entire scheme of fraud perpetuated involving significant amounts. The company was sanctioned credit facilities from 13 financial institutions including IREDA & PFC having exposure of Rs 2335 crore.

The inspector(s) in their Status Report dated 13.05.2025 have also reported that the Public interest has been adversely affected, and stakeholders have incurred financial losses after investing their hard-earned money in the company whose market capitalization has shrunk from 4300 crores (at its peak) to 506 crores as on April 11th, 2025.

Accordingly, the Central Government has formed an opinion to file the present petition u/s 241, 242, 246 r/w 339 of the Companies Act, 2013 before Hon'ble NCLT seeking interim order of freezer of assets of the Respondents as an Interim Relief besides seeking returning the money back to the rightful owners after who are victims of fraud

The copy of status report dated 13.05.2025 is annexed as **Annexure- A5.**

14. **JURISDICTION OF THE BENCH**

That it is most respectfully submitted that the Companies Act, 2013 confers powers on the National Company Law Tribunal under Section 241, 242, 246 r/w 339 of the Companies Act, 2013. Since the Respondent Companies are either under the Jurisdiction of this Tribunal or the parties being arrayed as Respondent before this Hon'ble Tribunal are included pursuant to the same course of action in the instant petition therefore this Hon'ble Tribunal has jurisdiction to entertain the present petition.

15. **RELIEFS BEING SOUGHT UNDER RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013.**

That the provisions of Section 241, 242, 246 r/w 339 of the Companies Act, 2013 allow the filing of application before the National Company Law Tribunal (NCLT). for seeking relief as enumerated in the section as follows: -

> **Section 241 Application to Tribunal for relief in cases of operation, etc.**
>
> *"1) Any member of a company who complains that—*
>
> *(a) the affairs of the company have been or are being conducted in a manner prejudicial to public interest or in a manner prejudicial or oppressive to him or any other member or members or in a manner prejudicial to the interests of the company; or*

(b) the material change, not being a change brought about by, or in the interests of, any creditors, including debenture holders or any class of shareholders of the company, has taken place in the management or control of the company, whether by an alteration in the Board of Directors , or manager, or in the ownership of the company's shares , or if it has no share capital, in its membership, or in any other manner whatsoever, and that by reason of such change, it is likely that the affairs of the company will be conducted in a manner prejudicial to its interests or its members or any class of members, may apply to the Tribunal , provided such member has a right to apply under section 244, for an order under this Chapter.

(2) The Central Government, if it is of the opinion that the affairs of the company are being conducted in a manner prejudicial to public interest, it may itself apply to the Tribunal for an order under this Chapter.

Provided that the applications under this sub-section, in respect of such company or class of companies, as may be prescribed, shall be made before the Principal Bench of the Tribunal which shall be dealt with by such Bench.

(3) Where in the opinion of the Central Government there exist circumstances suggesting that—

(a) any person concerned in the conduct and management of the affairs of a company is or has been in connection therewith guilty of fraud, misfeasance, persistent negligence or default in

carrying out his obligations and functions under the law or of breach of trust;

(b) the business of a company is not or has not been conducted and managed by such person in accordance with sound business principles or prudent commercial practices;

(c) a company is or has been conducted and managed by such person in a manner which is likely to cause, or has caused, serious injury or damage to the interest of the trade, industry or business to which such company pertains; or

(d) the business of a company is or has been conducted and managed by such person with intent to defraud its creditors, members or any other person or otherwise for a fraudulent or unlawful purpose or in a manner prejudicial to public interest, the Central Government may initiate a case against such person and refer the same to the Tribunal with a request that the Tribunal may inquire into the case and record a decision as to whether or not such person is a fit and proper person to hold the office of director or any other office connected with the conduct and management of any company.

(4) The person against whom a case is referred to the Tribunal under sub-section (3), shall be joined as a respondent to the application.

(5) Every application under sub-section (3)—

(a) shall contain a concise statement of such circumstances and materials as the Central Government may consider necessary for the purposes of the inquiry; and

(b) shall be signed and verified in the manner laid down in the Code of Civil Procedure, 1908, for the signature and verification of a plaint in a suit by the Central Government."

Section 242. Powers of Tribunal.

"(1) If, on any application made under section 241 & 242, the Tribunal is of the opinion--

(a) that the company's affairs have been or are being conducted in a manner prejudicial or oppressive to any member or members or prejudicial to public interest or in a manner prejudicial to the interests of the company; and

(b) that to wind up the company would unfairly prejudice such member or members, but that otherwise the facts would justify the making of a winding-up order on the ground that it was just and equitable that the company should be wound up, the Tribunal may, with a view to bringing to an end the matters complained of, make such order as it thinks fit.

(2) Without prejudice to the generality of the powers under sub-section (1), an order under that subsection may provide for--

(a) the regulation of conduct of affairs of the company in future;

(b) the purchase of shares or interests of any members of the company by other members thereof or by the company;

(c) in the case of a purchase of its shares by the company as aforesaid, the consequent reduction of its share capital;

(d) restrictions on the transfer or allotment of the shares of the company;

(e) the termination, setting aside or modification, of any agreement, howsoever arrived at, between the company and the managing director, any other director or manager, upon such terms and conditions as may, in the opinion of the Tribunal, be just and equitable in the circumstances of the case;

(f) the termination, setting aside or modification of any agreement between the company and any person other than those referred to in clause (e):

Provided that no such agreement shall be terminated, set aside or modified except after due notice and after obtaining the consent of the party concerned;

(g) the setting aside of any transfer, delivery of goods, payment, execution or other act relating to property made or done by or against the company within three months before the date of the application under this section, which would, if made or done by or against an individual, be deemed in his insolvency to be a fraudulent preference;

(h) removal of the managing director, manager or any of the directors of the company;

(i) recovery of undue gains made by any managing director, manager or director during the period of his appointment as such and the manner of utilisation of the recovery including transfer to Investor Education and Protection Fund or repayment to identifiable victims;

(j) the manner in which the managing director or manager of the company may be appointed subsequent to an order removing the

existing managing director or manager of the company made under clause (h);

(k) appointment of such number of persons as directors, who may be required by the Tribunal to report to the Tribunal on such matters as the Tribunal may direct;

(l) imposition of costs as may be deemed fit by the Tribunal;

(m) any other matter for which, in the opinion of the Tribunal, it is just and equitable that provision should be made.

(3) A certified copy of the order of the Tribunal under sub-section (1) shall be filed by the company with the Registrar within thirty days of the order of the Tribunal.

(4) The Tribunal may, on the application of any party to the proceeding, make any interim order which it thinks fit for regulating the conduct of the company's affairs upon such terms and conditions as appear to it to be just and equitable.

(4A) At the conclusion of the hearing of the case in respect of sub-section (3) of section 241 & 242, the Tribunal shall record its decision stating therein specifically as to whether or not respondent is a fit and proper person to hold the officer of director or any other officer connected with the conduct and management of any company.

(5) Where an order of the Tribunal under sub-section (1) makes any alteration in the memorandum or articles of a company, then, notwithstanding any other provision of this Act, the company shall not have power, except to the extent, if any, permitted in the order, to make, without the leave of the Tribunal, any alteration

whatsoever which is inconsistent with the order, either in the memorandum or in the articles.

(6) Subject to the provisions of sub-section (1), the alterations made by the order in the memorandum or articles of a company shall, in all respects, have the same effect as if they had been duly made by the company in accordance with the provisions of this Act and the said provisions shall apply accordingly to the memorandum or articles so altered.

(7) A certified copy of every order altering, or giving leave to alter, a company's memorandum or articles, shall within thirty days after the making thereof, be filed by the company with the Registrar who shall register the same.

(8) If a company contravenes the provisions of sub-section (5), the company shall be punishable with fine which shall not be less than one lakh rupees but which may extend to twenty-five lakh rupees and every officer of the company who is in default shall be punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to one lakh rupees."

Section 246. Application of certain provisions to proceedings under section 241 and section 245.

"The provisions of sections 337 to 341 (both inclusive) shall apply mutatis mutandis, in relation to an application made to the Tribunal under section 241 or section 245."

Section 339. Liability for fraudulent conduct of business.

"(1) If in the course of the winding up of a company, it appears that any business of the company has been carried on with intent to defraud creditors of the company or any other persons or for any fraudulent purpose, the Tribunal, on the application of the Official Liquidator, or the Company Liquidator or any creditor or contributory of the company, may, if it thinks it proper so to do, declare that any person, who is or has been a director, manager, or officer of the company or any persons who were knowingly parties to the carrying on of the business in the manner aforesaid shall be personally responsible, without any limitation of liability, for all or any of the debts or other liabilities of the company as the Tribunal may direct:

Provided that on the hearing of an application under this sub-section, the Official Liquidator or the Company Liquidator, as the case may be, may himself give evidence or call witnesses.

(2) Where the Tribunal makes any such declaration, it may give such further directions as it thinks proper for the purpose of giving effect to that declaration and, in particular,—

(a) make provision for making the liability of any such person under the declaration a charge on any debt or obligation due from the company to him, or on any mortgage or charge or any interest in any mortgage or charge on any assets of the company held by or vested in him, or any person on his behalf, or any person claiming as assignee from or through the person liable or any person acting on his behalf;—

(b) make such further order as may be necessary for the purpose of enforcing any charge imposed under this sub-section.

(3) Where any business of a company is carried on with such intent or for such purpose as is mentioned in sub-section (1), every person who was knowingly a party to the carrying on of the business in the manner aforesaid, shall be liable for action under section 447.

(4) This section shall apply, notwithstanding that the person concerned may be punishable under any other law for the time being in force in respect of the matters on the ground of which the declaration is to be made.

Explanation.—For the purposes of this section,—

(a) the expression —assignee‖ includes any person to whom or in whose favour, by the directions of the person liable, the debt, obligation, mortgage or charge was created, issued or transferred or the interest was created, but does not include an assignee for valuable consideration, not including consideration by way of marriage, given in good faith and without notice of any of the matters on the ground of which the declaration is made;

(b) the expression —officer‖ includes any person in accordance with whose directions or instructions the directors of the company have been accustomed to act.

16. It is submitted that prima facie on a consideration of the facts and circumstances set out above and the documents underlying the present petition, it is clear that the Respondents No. 1 to 37 have either carried on the business with intent to defraud creditors of the Company or were knowingly parties to the carrying on of the

business in such manner or were the persons who were made to be benefitted by the persons liable for such fraudulent acts and are thus liable to the creditors of Respondent No. 1 company. Under the circumstances, to ensure that till the adjudication of the present petition, Respondent No. 1 to 37 do not fritter away their assets to make the present Petition and any orders passed by this Hon'ble Tribunal inexecutable, it is just, equitable and in the interest of justice and the victims of fraud that this Hon'ble Tribunal, pending hearing and final disposal of the present petition pass interim orders as sought in this petition.

17. The Petitioner craves leave of the Hon'ble Tribunal to file documents/records or any other papers that may be relevant for the purpose of the present petition as per the NCLT Rules at any future appropriate time.

18. **Matter not pending with any other Tribunal etc:**

The petitioner further declares that the matter regarding this petition has been made and is not pending before any Tribunal of law or any other authority or any other Tribunal.

19. **Particulars in respect of the fee paid:** The Petitioner /Applicant being Central Government, Ministry of Corporate Affairs, through its Regional Director (Northern Region) no fees shall be payable as per rules on this petition /application.

20. **Details of Index:** An index containing the details of the documents to be relied upon is enclosed.

21. **List of enclosures:**

List of enclosures is as stated in the Index of this petition.

22. In light of the factual position detailed above, it is prayed that the Hon'ble Tribunal may be pleased to pass the following ad-interim orders during the pendency of the petition:

Interim Reliefs

(a) That the Petitioner be permitted to serve the Respondents through post, publication in newspapers, email, WhatsApp messaging, wherever required, in order to ensure due service of notice to all Respondents, present in India or overseas.

(b) That the Respondents be directed to disclose their moveable and immovable properties/assets, including bank accounts, owned by them in India or anywhere in the world.

(c) Respondents may be further restrained from mortgaging or creating charge or lien or third-party interest or in any way alienating their movable and immovable properties including Bank Accounts and also the securities issued by the said Respondents.

(d) That the Respondents be restrained from mortgaging or creating charge or lien or third-party interest or in any way alienating, the movable or immovable properties, lockers and securities owned by them. Petitioner be allowed to execute such orders through the Indian Missions, stationed overseas, for the immoveable and moveable properties in existence abroad.

(e) That the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) be directed to restrain the trading of securities held by the Respondents.

(f) That Central Depository Services Ltd. (CDSL) and National Securities Depository Ltd. (NSDL) be directed that securities owned/held by the respondents in their demat account be freezed and details thereof be shared with the Petitioner.

(g) That the Central Board of Direct Taxes (CBDT) may be directed to disclose information about all assets of the Respondents, in their knowledge or possession, for the purpose of attachment and restraint on alienation of such assets.

(h) That the Reserve Bank of India (RBI) and the Indian Banks Association (IBA) be directed to freeze bank accounts, lockers owned by the Respondents and attach the same on behalf of the Petitioner.

(i) That the State Governments and Administrators of Union Territories be directed to identify and disclose all details of immoveable properties owned/held by the Respondents and the said details be shared with the Petitioner herein. Further no transfer of property be effected/held in the name of the of the aforesaid respondents.

(j) The Petitioner seeks the leave of the Hon'ble Tribunal to enlarge the scope of the reliefs sought and prayers made in this petition by filing any other documents or applications in view of the extraordinary nature of the circumstances pertaining to the present petition including bring copy of investigation report on record on its conclusion

Main Reliefs

(k) To repay the amount realized through freezer to the victims of the fraud perpetrated.

(l) Pass any other order(s) as deemed fit and proper under the circumstances by the Hon'ble Tribunal.

(m) Further, the Petitioner also craves leave of the Hon'ble Tribunal to file any documents in order to supplement/enlarge/amend/modify the present petition, including addition to the array of Respondents, as per the NCLT Rules.

And for this act of kindness the petitioner shall as in duty bound ever pray.

DEPONENT

Date: 26.5.2025

Place: Ahmedabad

NOTARY SURESH K. CHAVDA AHMEDABAD GUJARAT STATE Reg.No.3022 Expiry Date 19-7-2025 GOVT. OF INDIA

SIGNED BEFOR ME

SURESH K. CHAVDA NOTARY GOVT. OF INDIA

26 MAY 2025

VERIFICATION

Verified that the contents of this Petition are true and correct to the best of my knowledge as derived from official records and nothing material has been concealed therefrom.

Verified at Ahmedabad on this the 26th day of May, 2025.

DEPONENT

NOTARY
SURESH
K. CHAVDA
AHMEDABAD
GUJARAT STATE
Reg.No. 3022
Expiry Date
19-7-2025
GOVT. OF INDIA

SIGNED
BEFOR ME
SURESH K. CHAVDA
NOTARY
GOVT. OF INDIA
26 MAY 2025

FORM NO. NCLT-6

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

AHMEDABAD

COMPANY PETITION NO. _____ of 2025

IN THE MATTER OF:

(PETITION UNDER SECTION 241, 242, 246 r/w 339 OF THE

COMPANIES ACT, 2013)

UNION OF INDIA, MINISTRY OF CORPORATE AFFAIRS

Through Regional Director (North-Western Region)

VERSUS

Sr.No.....5.../2025 GENSOL ENGINEERING LIMITED & ORS.

SURESH K. CHAVDA
NOTARY
GOVT. OF INDIA
26 MAY 2025

NOTARY SURESH K. CHAVDA AHMEDABAD GUJARAT STATE Reg.No.3022 Expiry Date 19-7-2025 GOVT. OF INDIA

AFFIDAVIT VERIFYING THE PETITION

I, do hereby solemnly affirm and declare as under:

1. That I am Anita Klair, working as Joint Director, O/o Regional Director (NWR), Ministry of Corporate Affairs, having office at ROC Bhavan 1st Floor, Opp. Rupal Park Society, Near Ankur Cross Road, Naranpura - 380013, Ahmedabad and I am duly authorized and competent to swear this affidavit.

2. That I am conversant with the facts of the petition and have also examined all relevant documents and records in relation thereto.

3. That I say that the statements made in the Petition are true and correct to the best of my knowledge, as derived from official records

4. That I say that there is no false statement or concealment of any material fact, document or record and I have included information that is according to me, relevant for the present petition.

5. That I say that the above mentioned pleadings comprising of a total of ___ number of pages.

6. That I state that the annexures hereto are true copies of the documents referred to and relied upon by me.

DEPONENT

Place: Ahmedabad

Date: 26.5.2025

SOLEMNLY AFFIRMED BEFORE ME

SURESH K. CHAVDA
NOTARY
GOVT. OF INDIA

26 MAY 2025

NOTARIAL NOTARIAL NOTARIAL NOTARIAL NOTARIAL

NOTARY SURESH K. CHAVDA AHMEDABAD GUJARAT STATE Reg.No.3022 Expiry Date 19-7-2025

NOTARY SURESH CHAVDA AHMEDABAD GUJARAT STATE Reg.No.3022 Expiry Date 19-7-2025

NOTARIAL NOTARIAL NOTARIAL NOTARIAL NOTARIAL

VERIFICATION:

Verified that statements made above are true to my knowledge.

Verified at Ahmedabad on this 26th day of May, 2025.

DEPONENT

Place:

Date:

SIGNED BEFOR ME

SURESH K. CHAVDA
NOTARY
GOVT. OF INDIA

26 MAY 2025

NOTARY
SURESH K. CHAVDA
AHMEDABAD
GUJARAT STATE
Reg.No.3022
Expiry Date 19-7-2025
GOVT. OF INDIA

FORM NO. NCLT-2

NOTICE OF ADMISSION

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

BENCH AT AHMEDABAD

Date:

From: Union of India, Ministry of Corporate Affairs, Through Regional Director (North Western Region) Ahmedabad

To: The Registrar

NCLT Ahmedabad Bench

UNION OF INDIA, MINISTRY OF CORPORATE AFFAIRS

VERSUS

GENSOL ENGINEERING LIMITED & ORS.

1. The Party named above requests that the Tribunal grant the following reliefs:

   (a) That the Petitioner be permitted to serve the Respondents through post, publication in newspapers, email, WhatsApp messaging, wherever required, in order to ensure due service of notice to all Respondents, present in India or overseas.

   (b) That the Respondents be directed to disclose their moveable and immovable properties/assets, including bank accounts, owned by them in India or anywhere in the world.

NOTARY SURESH K. CHAVDA AHMEDABAD GUJARAT STATE Reg No. 3022 Expiry Date 19-7-2025

(c) Respondents may be further restrained from mortgaging or creating charge or lien or third-party interest or in any way alienating their movable and immovable properties including Bank Accounts and also the securities issued by the said Respondents.

(d) That the Respondents be restrained from mortgaging or creating charge or lien or third-party interest or in any way alienating, the movable or immovable properties, lockers and securities owned by them. Petitioner be allowed to execute such orders through the Indian Missions, stationed overseas, for the immoveable and moveable properties in existence abroad.

(e) That the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) be directed to restrain the trading of securities held by the Respondents.

(f) That Central Depository Services Ltd. (CDSL) and National Securities Depository Ltd. (NSDL) be directed that securities owned/held by the respondents in their demat account be freezed and details thereof be shared with the Petitioner.

(g) That the Central Board of Direct Taxes (CBDT) may be directed to disclose information about all assets of the Respondents, in their knowledge or possession, for the

purpose of attachment and restraint on alienation of such assets.

(h) That the Reserve Bank of India (RBI) and the Indian Banks Association (IBA) be directed to freeze bank accounts, lockers owned by the Respondents and attach the same on behalf of the Petitioner.

(i) That the State Governments and Administrators of Union Territories be directed to identify and disclose all details of immoveable properties owned/held by the Respondents and the said details be shared with the Petitioner herein. Further no transfer of property be effected/held in the name of the of the aforesaid respondents.

(j) The Petitioner seeks the leave of the Hon'ble Tribunal to enlarge the scope of the reliefs sought and prayers made in this petition by filing any other documents or applications in view of the extraordinary nature of the circumstances pertaining to the present petition including bring copy of investigation report on record on its conclusion.

Main Reliefs

(k) To repay the amount realized through freezer to the victims of the fraud perpetrated.

(l) Pass any other order(s) as deemed fit and proper under the circumstances by the Hon'ble Tribunal.

(m) Further, the Petitioner also craves leave of the Hon'ble Tribunal to file any documents in order to supplement/enlarge/amend/modify the present petition, including addition to the array of Respondents, as per the NCLT Rules.

And for this act of kindness the petitioner shall as in duty bound ever pray.

The aforementioned reliefs are being requested in terms of Section 241, 242, 246 r/w 339 of the Companies Act, 2013 and Rule made thereunder.

In support of this, the Petitioner has attached the Petition as per Form No. NCLT-1 and affidavit as per Form No. NCLT-6, setting out the facts on which the Petitioner relies.

Through

O/o Regional Director (North Western Region),
Ministry of Corporate Affairs,
Government of India,
ROC Bhavan, Opp. Rupal Park Society,
Behind Ankur Bus Stand, Naranpura,
Ahmedabad-380013, Gujrat
Email: rd.northwest@mca.gov.in

अनिता क्लेर / Anita Klair, I.C.L.S.
संयुक्त निदेशक / Joint Director
कॉर्पोरेट कार्य मंत्रालय / Ministry of Corporate Affairs
भारत सरकार / Govt. of India
प्रादेशिक निदेशक कार्यालय (उ.प.क्षे.)
O/o. Regional Director (N.W.R.)
Ahmedabad

This form is prescribed under Rule 34 under NCLT Rules, 2016.

Company Petition No.: _____, 2025

NOTARY SURESH K. CHAVDA AHMEDABAD GUJARAT STATE Reg.No. 3022 Expiry Date 19-7-2025 GOVT. OF INDIA

BEFORE THE NATIONAL

COMPANY LAW TRIBUNAL

BENCH AT AHMEDABAD

COMPANY PETITION NO.

_____ of 2025

IN THE MATTER OF:

Petition Under Section 241, 242,

246 r/w 339 of the Companies

Act, 2013

AND

IN THE MATTER OF:

UNION OF INDIA, MINISTRY

OF CORPORATE AFFAIRS

VERSUS

GENSOL ENGINEERING & ORS.

FILED ON _____ 2025

Next Hearing Date _____

Order:

Further Hearing Dates:

Applicant: UNION OF INDIA,

MINISTRY OF CORPORATE

AFFAIRS, Through Regional

Director (North Western Region)

A-1

ANNEXURE- A-1

By Speed Post

भारत सरकार / Government of India
कॉर्पोरेट कार्य मंत्रालय / Ministry of Corporate Affairs
महानिदेशक कॉर्पोरेट कार्य मंत्रालय
Office of Director General of Corporate Affairs
कोटा हाउस एनेक्सी/Kota House Annexe,
1, शाहजहाँ रोड/1 Shahjahan Road,
नई दिल्ली – 110011/New Delhi-110011

File No. CL-II-03/120/2025-O/o DGCoA-MCA Dated : 23/05/2025.

To
The Regional Director,
Northwest Region,
Ministry of Corporate Affairs,
Ahmedabad, Gujarat.

Sub: Application under section 241, 242, 246 r/w 339 of the Companies Act, 2013 in the matter of Gensol Engineering Limited and others– regarding.

*****

Respected Sir,

With reference to the above cited subject, I am directed to refer to your status report dated 13.05.2025 and to convey the approval of Central Government for filing the application u/s 241, 242, 246 read with 339 of the Companies Act, 2013 for interim freezer of assets, and hereby authorise Regional Director (Northwestern Region) for filing the petition and to take all further necessary action in this regard.

This issues with the approval of the Competent Authority.

C/C

(अर्जुन सी. आई.सी.एल.एस/Arjun C., I.C.L.S)
उप निदेशक /Deputy Director

Copy to,

1. ROC, Ahmedabad.
2. Shri Keerthi Thej N., RoC, Ahmedabad
3. Shri Atma Sah, RoC, Jaipur
4. Ms. Sayali Gaikwad, Assistant ROC, O/o. ROC, Ahmedabad
5. Guard File.

DISPATCHED
CL-II/ DGCOA
DATE 23/5/2023

H-2

ANNEXURE- A-2

WTM/AB/CFID/CFID-SEC1/31379/2025-26

SECURITIES AND EXCHANGE BOARD OF INDIA

INTERIM ORDER

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

In respect of:

Noticee No.	Name of Noticee	PAN
1.	Gensol Engineering Limited	AAECG9092M
2.	Anmol Singh Jaggi	AGNPJ4504B
3.	Puneet Singh Jaggi	AHRPJ5583B

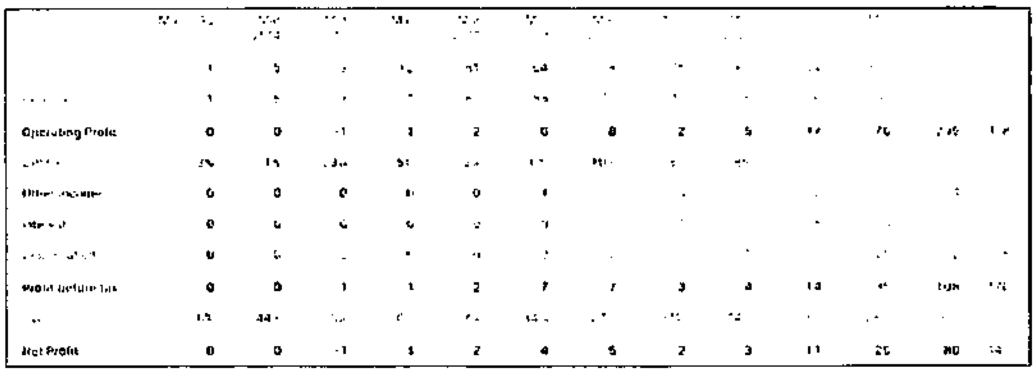
In the matter of Gensol Engineering Limited

Background

1. Gensol Engineering Limited (Gensol/GEL/Company), a company having its registered office at 15th Floor, A Block, Westgate Business Bay, S G Road, Ahmedabad – 380 051, is engaged in providing solar consulting services, Engineering, Procurement and Construction (EPC) services, leasing of electric vehicles, etc.

2. Gensol was initially listed on the BSE SME Platform on October 15, 2019 and subsequently, it got listed on the main board of BSE and NSE on July 03, 2023.

3. The Company has grown impressively over the past few years as per the information available on Screener.in. On a standalone basis, the sales of the company have grown from Rs. 61 Crore in FY 2017 to Rs. 1,152 Crore in FY 2024. The trailing 12-month data shows that its sales went up to Rs. 1,297 Crore. During the same period, operating profit went up from Rs. 2 Crore to Rs. 209 Crore and net profit from Rs. 2 Crore to Rs. 80 Crore. The same is depicted in the table below:

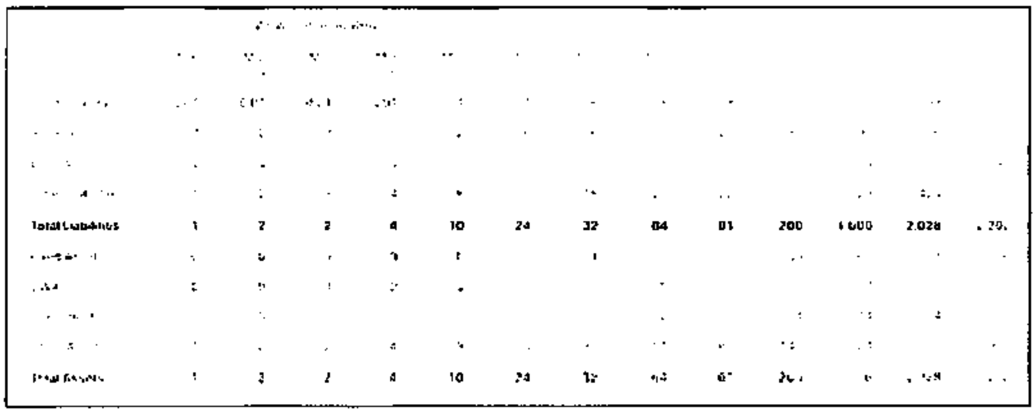


Operating Profit	0	0	-1	1	2	6	8	2	5	[illegible]	76	[illegible]	[illegible]
Profit before tax	0	0	1	1	2	7	7	3	4	14	[illegible]	[illegible]	[illegible]
Net Profit	0	0	-1	1	2	4	5	2	3	11	25	80	[illegible]

Source: Screener.in

4. For the corresponding period (FY 2017 to H1 of FY 2025), the balance sheet of the Company recorded an equally impressive growth. The total liabilities/balance sheet size expanded from Rs. 10 Crore in FY 2017 to Rs. 2,202 Crore in the first half of FY 2025. During this period, Gensol's borrowings increased from Nil in FY 2017 to Rs. 1,045 Crore in the first half of FY 2025, after touching Rs. 1,260 Crore in FY 2024.

5. The expansion in the balance sheet size of Gensol between FY 2017 and H1 of FY 2025 is shown below (*Source: Screener.in*):



Total Liabilities	1	2	2	4	10	24	32	[illegible]	[illegible]	200	[illegible]	2,028	[illegible]
Total Assets	1	3	2	4	10	24	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

6. As per publicly information available on Screener.in and the latest data on shareholding pattern of Gensol obtained from Registrar & Transfer Agent (RTA) of the company, the number of shareholders increased from a mere 155 in FY 2020 (the year in which the company was listed on the BSE SME Platform) to 1,09,872 as of March 31, 2025. During this period, promoter holding in Gensol came down from 70.72% in FY 2020 to 35% as on March 31, 2025. The

shareholding pattern of Gensol from the time of its listing till December 2024 is given below (*Source: Screener.in*):

Shareholding Pattern

[illegible]	[illegible]	70.225%	71.17%	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	24.83%	[illegible]	[illegible]	[illegible]

7. The latest shareholding pattern as obtained from RTA, is given below:

Category	No. of Shareholders	No. of Shares	percentage of total shares held)
Promoter	3	1,33,48,359	35.1250
Public	109869	2,46,54,075	64.8750
Total	109872	3,80,02,434	100.0000

8. The healthy numbers shown in the operating performance of the company as shown in para 3 above and the expansion in the balance sheet size of Gensol as shown in para 4 above, reflected in the performance of the shares of Gensol that traded on the exchanges.

9. During the past year, the share price of the Company touched a high of Rs. 1,126 per share with a market capitalization of around Rs. 4,300 Crore at that price. On April 11, 2025, the share of Gensol traded at Rs. 133 per share with market capitalization of Rs. 506 Crore. The movement of the share price of Gensol since its listing is graphically shown below (*source: Screener.in*):

10. SEBI received a complaint in June 2024, relating to manipulation of share price and diversion of funds from GEL and thereafter, started examining the matter.

Recent Developments

11. Credit Rating Agencies, CARE Rating Limited (CARE) and ICRA Limited (ICRA) on March 03, 2025, and March 04, 2025, respectively, downgraded the ratings assigned by them for fund-based and non-fund based credit facilities availed by the Company, to "D" as delays in servicing debt obligations.

12. The rationale for the downgrade as per the press release issued by ICRA is extracted below:

"The ratings for the bank facilities of Gensol Engineering Limited (GEL) have been downgraded to [ICRA]D following feedback received by ICRA from the company's lenders about the ongoing delays in debt servicing. GEL, in its latest public disclosures as well as in its recent communications with ICRA, had highlighted sizeable available liquidity to support its operations during its ongoing growth phase."

13. ICRA, in its statement also disclosed that "*certain documents shared by GEL with ICRA, on its debt servicing track record, were apparently falsified, which raises concerns on its corporate governance practices, including its liquidity position.*"

14. On March 05, 2024, Gensol issued an investor release through the stock exchange platform, signed by its CEO, Anmol Singh Jaggi, wherein the Company categorically denied "*any involvement in falsification claims*" made by the rating agency.

15. SEBI called for information from the CRAs regarding the downgrade of the ratings assigned to Gensol. The CRAs submitted that pursuant to news reports concerning default by BluSmart Mobility Private Limited (BluSmart), a related party of Gensol, on February 24, 2025, the CRAs initiated a review of the ratings assigned to the instruments of Gensol.

16. As per submissions of CRAs, Gensol responded to CRA queries by stating that it was regular in its debt servicing and that the default by BluSmart had no impact on the Company.

17. The CRAs further submitted that when they sought term loan statements, Gensol provided the statements of all lenders except those of Indian Renewable Energy Development Agency Ltd. (IREDA) and Power Finance Corporation (PFC). In respect of these two lenders (PFC and IREDA), Gensol shared Conduct Letters purportedly issued by IREDA and PFC, which stated that Gensol was regular in its debt servicing.

18. CARE also submitted that Gensol requested withdrawal of the ratings assigned to it and, in support of this request, submitted a No Objection Certificate (NOC) purportedly issued by its (Gensol) lenders.

19. However, upon seeking confirmation from IREDA and PFC regarding the issuance of the Conduct Letters and NOCs, **both the lenders categorically denied having issued such letters**. Images of the conduct letters purportedly issued by IREDA and PFC and submitted by Gensol to the CRAs are provided below:

भारतीय अक्षय ऊर्जा विकास संस्था लिमिटेड
(भारत सरकार का उपक्रम)
Indian Renewable Energy Development Agency Limited
(A Government of India Enterprise)
Corporate Office: 3rd Floor, August Kranti Bhawan, Bhikaiji Cama Place, New Delhi-110066
Tel.: +91-11-26717400-12 Fax: +91-11-26717416 E-mail: cmd@irenda.in
Website: www.irenda.in CIN: U65191DL1987GOI027265

ISO 9001:2015 Certified
ISO 27001:2013 Certified

Date: 17th February 2025

Kind Attn: WHOMSOEVER IT MAY CONCERN

Sub: Conduct Letter

With reference to **Gensol Engineering Limited** ("Company"), we confirm that there are No Overdues, Unpaid Installments or Delays in the Term Loans and the conduct of the account is and has remained Standard and Regular.

This letter has been issued at the specific request of the Company.

For IREDA

Name: Abhi

Designation: SR. Manager

Signature with stamp:

INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LTD.
Core-4A, East Court, 1st Floor, India Habitat Center, Lodhi Road, New Delhi-110003

पावर फाइनेंस कॉर्पोरेशन लिमिटेड
POWER FINANCE CORPORATION LTD.
(A Govt. of India Undertaking)
(ISO 45001:2018 Certified)

Date: 27th February 2025

Kind Attn: WHOMSOEVER IT MAY CONCERN

Sub: Conduct Letter

With reference to **Gensol Engineering Limited** ("Company"), we confirm that there are No Overdues, Unpaid Installments or Delays in the Term Loans and the conduct of the account is and remained Standard and Regular.

This letter has been issued at the specific request of the Company.

For PFC

Name: Ankur Hazarika

Designation: Deputy General Manager

Signature with stamp:

Regd. Office: "Urjanidhi", 1, Barakhamba Lane, Connaught Place, New Delhi-110001 Phone: 011-23456000 Fax: 011-23412545
Website: www.pfcindia.com CIN: L65910DL1986GOI024865

20. SEBI subsequently called for detailed information from IREDA and PFC regarding the debt servicing status of loans sanctioned to Gensol along with the loan sanction letters and account statements. On reviewing the information submitted by the aforesaid lenders, multiple instances of default by the Company in servicing their loans were observed, the details of which are given in the table below:

Sl. No.	Lender	Due Amount (Rs. in Crores)	Due Date for Payment	Actual Date of Payment
1.	IREDA (Project 2583)	2.03 (Int)	31-12-2024	29-01-2025
2.	IREDA (Project 2666)	0.35 (Int)	31-12-2024	04-01-2025
3.	IREDA (Project 2583)	2.04 (Int)	31-01-2025	Unpaid
4.	IREDA (Project 2791)	48.22 (Pri)	31-01-2025	Unpaid
5.	PFC	6.99 (Pri +Int)	01-02-2025	05-02-2025
6.	IREDA (Project 2740)	0.73 (Int)	15-02-2025	Unpaid
7.	IREDA (Project 2791)	0.97 (Int)	15-02-2025	Unpaid
8.	IREDA (Project 2583)	1.74 (Int)	28-02-2025	Unpaid
9.	IREDA (Project 2666)	0.29 (Int)	28-02-2025	Unpaid
10.	PFC	6.68 (Pri + Int)	01-03-2025	19-03-2025
11.	IREDA (Project 2740)	0.67(Int)	15-03-2025	Unpaid
12.	IREDA (Project 2791)	0.90(Int)	15-03-2025	Unpaid

21. It can be noted from the above table, that the first instance of default occurred on December 31, 2024. The Company however continued to submit statements to the CRAs certifying there was no delay or default in servicing any loans (No Default Statements). The statements for December 2024, January 2025 and February 2025 were submitted on January 6, 2025, February 10, 2025 and March 3, 2025, respectively. The text of the No Default Statement submitted for the month of February 2025 is reproduced below:

"We hereby confirm that as on date and in the month ended [Feb – 2025] there are no over dues or default on payment of interest/ instalment obligations on loans from banks/ financial institutions."

22. Para 4.1 of Section V-B of the SEBI Master Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 provides that *"Listed entities shall make disclosure of any default on loans, including revolving facilities like cash credit, from banks / financial institutions which continues beyond 30 days. Such disclosure shall be made promptly, but not later than 24 hours from the 30th day of such default."*

23. Accordingly, the defaults mentioned at Sl. Nos. 3, 4, 6, 7, 8 and 9 of the Table under paragraph 20 were required to be made as per the SEBI Master Circular SEBI/HO/CFD/PoD2/CIR/P/0155 since the defaults on the loans continued for 30 days or more as of February 28, 2025 and March 31, 2025.

24. The details of the term loans availed by Gensol from IREDA and PFC during the period FY 22 to FY24 were looked into. The details of the individual term loans sanctioned by the two lenders are given in the Table below:

Sl. No.	FY	Lender Name	Amount as per Annual Report (Rs. In Crores)	Purpose of loan
1.	2021-22	IREDA	35.70	Procurement of EVs
2.	2022-23	IREDA	35.70	
3.	2022-23	IREDA	71.41	
4.	2022-23	IREDA	71.41	
5.	2022-23	IREDA	53.56	
6.	2022-23	IREDA	43.69	
7.	2022-23	PFC	117.47	
8.	2023-24	PFC	117.47	
9.	2023-24	PFC	117.47	
10.	2023-24	IREDA	192.87	For carrying out EPC works
11.	2023-24	IREDA	121.00	
Total			977.75	

25. It was noted that out of Rs. 977.75 Crore availed by the Company from IREDA and PFC as term loans, Rs. 663.89 Crore was for purchasing 6,400 Electric Vehicles. As per the submissions made by Gensol, EVs were procured by the Company and subsequently leased to BluSmart, a related party.

26. Gensol, vide its response dated February 14, 2025, acknowledged that it had procured only 4,704 electric vehicles (EVs) till date, as against the 6,400 EVs for which it had secured funding. This position is corroborated by Go-Auto Private Limited (Go-Auto), the stated supplier of the EVs, which confirmed that it sold 4,704 EVs to the Company for a total consideration of Rs. 567.73 Crore.

27. However, records show that the company received loans aggregating Rs. 663.89 Crore for the stated purpose from IREDA and PFC. Gensol was to provide an additional equity (margin) contribution of 20%, bringing the total expected deployment of approximately Rs. 829.86 Crore for the purchase of 6,400 Electric Vehicles. Based on these figures, an amount of Rs. 262.13 Crore (Rs. 829.86 Crore – Rs. 567.73 Crore) remains unaccounted, even though more than a year has passed since the Company availed the last tranche of the above mentioned financing.

28. Given the above, to understand the end-use of funds, bank statements of both the Company and the dealer, Go-Auto, were examined. The analysis showed that once the funds were transferred from Gensol to Go-Auto, ostensibly for the purchase of EVs, they were, in most of the instances, either transferred back to the Company itself or routed to entities that were directly or indirectly related to Anmol Singh Jaggi and Puneet Singh Jaggi, promoters and directors of Gensol.

29. Some of these funds were then used for purposes unrelated to the purpose/objective of the sanctioned term loans, which included (i) personal expenses of the promoter, including purchase of high-end real estate; (ii) benefit to the private promoter entities / transfer of funds to promoters' close relatives; etc. In order to demonstrate the nature and structure of these diversions/misutilization, the flow of funds from Gensol to Go-Auto and thereafter to entities connected to promoters of Gensol in the case of three of

the above mentioned loans (viz. loans mentioned at serial numbers 3, 6 and 8 in the Table under Para 24), on sample basis, is discussed below.

30. For ease of reference, the details of the related parties to which fund transfers were observed from Go-Auto are detailed in the Table below, before explaining the nature of transactions entered with these entities.

Sl. No	Related or Connected entities	Relationship	Disclosed by the Company as Related party
1	Capbridge Ventures LLP (Capbridge)	Anmol Singh Jaggi and Puneet Singh Jaggi are designated partners of Capbridge.	Yes
2	Matrix Gas and Renewable Ltd. (Matrix)	Anmol Singh Jaggi is a promoter Director. Paneet Singh Jaggi is an Ex-Director.	Yes
3.	Param Care Private Limited (Param)	Anmol Singh Jaggi and Puneet Singh Jaggi are Directors .	Yes
4.	Wellray Solar Industries Private Limited (Wellray)	Company was owned by Gensol Ventures Pvt. Ltd. and Puneet Singh Jaggi till March 2020. Lalit Solanki, a former employee of Gensol, is now the majority shareholder.	No
5.	Prescinto Technologies Private Limited (Prescinto)	Disclosed as related party of Gensol under the category "Under significant influence by KMP or their relative."	Yes
6.	Gensol Consultant Private Limited (Gensol Consultant)	Anmol Singh Jaggi and Puneet Singh Jaggi are promoter Directors.	Yes
7.	GoSolar Ventures Private Limited (GoSolar)	Anmol Singh Jaggi and Puneet Singh Jaggi are / were promoter Directors.	Yes
8.	Gensol Ventures Private Limited	Part of the promoter group of Gensol	Yes
9.	Gensol EV Lease Private Limited	Subsidiary(Gensol held 88.21% of the company)	Yes

Loan for Rs. 71.41 Crore from IREDA (Serial No. 3 in the Table under Para 24)

31. The disclosure made by Gensol in its annual report for FY 2023, in respect of this loan is given below:

(g)	Indian Renewable Energy Development Agency Limited (IREDA) Rupee term loan of Rs.71,41,00,000/- carries interest @ 9.95% p.a. The Loan is repayable in 20 quarterly installments plus interest thereon and repayment starting form June 1, 2023 of Rs 1,78,52,500/- each for first 4 installment, 3,57,05,000/- each for next "5 - 12" installment and 4,46,31,250/-each for "13-20" installmunt. The above loan is secured against hypothecation of 400 EV cars	7,141

32. On September 30, 2022, Gensol received a disbursement of Rs. 71.39 Crore from IREDA in its "*GEL Trust and Retention Account IREDA Limited*" (Bank A/c No 922020025290861) maintained with Axis Bank. On the same day, the Company transferred promoter contribution of Rs. 26.06 Crore from another internal account into the above Trust and Retention Account. The total funds credited in the said account amounted to Rs. 97.46 Crore.

33. On October 03, 2022, Rs. 93.88 Crore was transferred from the Trust and Retention Account to Go-Auto (Bank A/c No. 06792000003065 with HDFC Bank). Prior to this transfer, the balance in the said account of Go-Auto was Rs. 0.79 Crore. It was noted that immediately upon receipt of the said amount, Go-Auto, on the same day, transferred Rs. 50 Crore to *Capbridge* (Bank A/c No. 920020064107731 with Axis Bank), a disclosed related party of Gensol. The Capbridge account had a balance of Rs. 0.15 Crore prior to this transaction.

34. On October 06, 2022, it was noted that Capbridge transferred Rs. 42.94 Crore to DLF Limited (DLF). As per information provided by DLF (email dated December 17, 2024), the above payment was made towards consideration for the purchase of an apartment in the project *The Camellias*. The submissions made by DLF Ltd. are summarised below:

(a) On September 29, 2022, a sum of Rs. 5 Crore was paid to DLF by Jasminder Kaur, as advance, for booking an apartment in the project *The Camellias*.

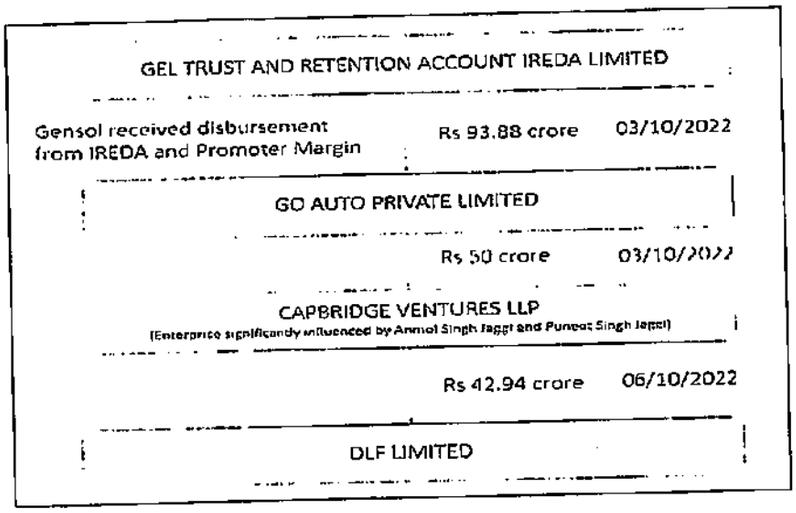
(b) On October 06, 2022, Capbridge paid Rs. 42.94 Crore to DLF as part of the consideration for the above apartment booked by Jasminder Kaur.

(c) On October 20, 2022, the allotment was formally made to Jasminder Kaur.

(d) Thereafter, on request, the allotment was substituted in favour of Capbridge.

(e) The advance of Rs. 5 Crore was returned to Jasminder Kaur by DLF on November 21, 2022.

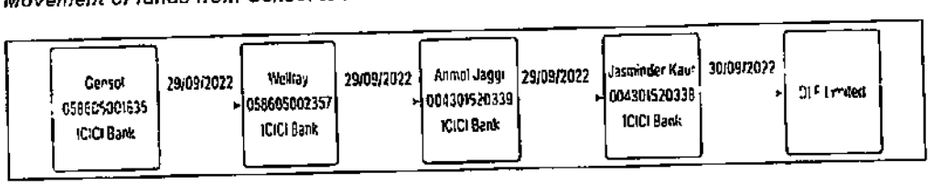
35. A pictorial representation of the above movement of funds is given below:



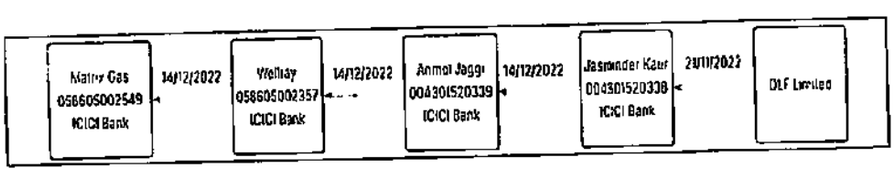
36. It can be noted from the above that funds availed by Gensol as loans for procuring EVs were, through layered transactions, partly utilised for buying a high-end apartment in *The Camellias*, DLF Gurgoan, in the name of a firm where the MD of Gensol and his brother are designated partners.

37. It was separately noted that the Rs. 5 Crore which was initially paid as booking advance by Jasminder Kaur, mother of Anmol Singh Jaggi, was also sourced from Gensol. Further, it was noted that once DLF returned the advance to Jasminder Kaur, the funds did not go back to the Company but were instead credited to another related party of Gensol viz. Matrix Gas and Renewables Ltd. (Matrix). The fund flow, as per the bank statements, is shown below:

Movement of funds from Gensol to DLF Limited while booking apartment



Movement of funds, after DLF returned the funds to Ms. Jasminder Kaur



38. Bank statements of Capbridge Ventures LLP further showed that it received Rs. 70 Crore in FY 2023 from Go-Auto: Rs. 50 Crore on October 03, 2022 which was partly utilized for acquiring the apartment in *The Camellias*, DLF; and another Rs. 20 Crore on December 31, 2022, which *prima facie* appears to be diverted from the funds transferred to Go-Auto from the proceeds of Loan amounting to Rs. 71.41 Crore availed by Gensol from IREDA (*Loan at Sl. No. 4 in the Table under Para 24*). This amount (Rs.20 Crore) was also noted to have been routed through Go-Auto. Capbridge repaid Rs. 47.50 Crore to Go-Auto on March 31, 2023.

39. Upon tracing the source of this Rs. 47.50 Crore which Capbridge repaid to Go-Auto, it was observed that this amount was funded by M/s Param Care Pvt. Ltd. (a disclosed related party of Gensol), from its Overdraft Account No. 68230000001652 with Bandhan Bank. Bandhan Bank vide email dated February 12, 2025, has submitted that Overdraft facility to Param Care Pvt. Ltd. was provided on the basis of an FD of Rs. 50 Crore subscribed by Blu-Smart Mobility Pvt. Ltd. (Blu-Smart") from its Bank Account No. 68230000001712 with Bandhan Bank. The source of these funds and transactions need further examination.

Loan for Rs. 43.69 Crore from IREDA (Serial No. 6 in the Table under Para 24)

40. The disclosure made by Gensol in its annual report for FY 2022-23, w.r.t. this loan is given below:

(i)	Indian Renewable Energy Development Agency Limited [IREDA] Rupee term loan of Rs.43,69,00,000/- carries interest @ 9.95% p.a. The Loan is repayable in 20 quarterly instalments plus interest thereon and repayment starting form September 1, 2023 of Rs. 1,09,22,500/- each for first 4 installment, 2,18,45,000/- each for next "5 - 12" installment and 2,73,06,250/-each for "13-20" installment. The above loan is secured against hypothecation of 400 EV cars.	4.16%

41. On February 01, 2023, Gensol received disbursement of Rs. 43.68 Crore in respect of the above loan from IREDA which was credited to "GEL Trust and Retention Account IREDA Limited" (Bank A/c No. 923020004443250 with Axis Bank). On the same day, the Company transferred Rs. 13.13 Crore to the said account resulting in a total fund availability of Rs. 56.82 Crore.

42. Subsequently, on the same day (February 01, 2023) Rs. 54.62 Crore was transferred to Go-Auto (Bank A/c No. 06792000003065 with HDFC Bank). Before this transaction, Go-Auto's account had a balance of Rs. 4.86 Crore. On the very next day (February 02, 2023), Go-Auto transferred Rs. 40 Crore to the Bank Account of Wellray (A/c No. 058605002357 with ICICI Bank), which had a balance of Rs. 4.93 Lakh before the receipt. Thereafter, on the same day, Wellray made the following outward transfers, totaling Rs. 39.50 Crore:

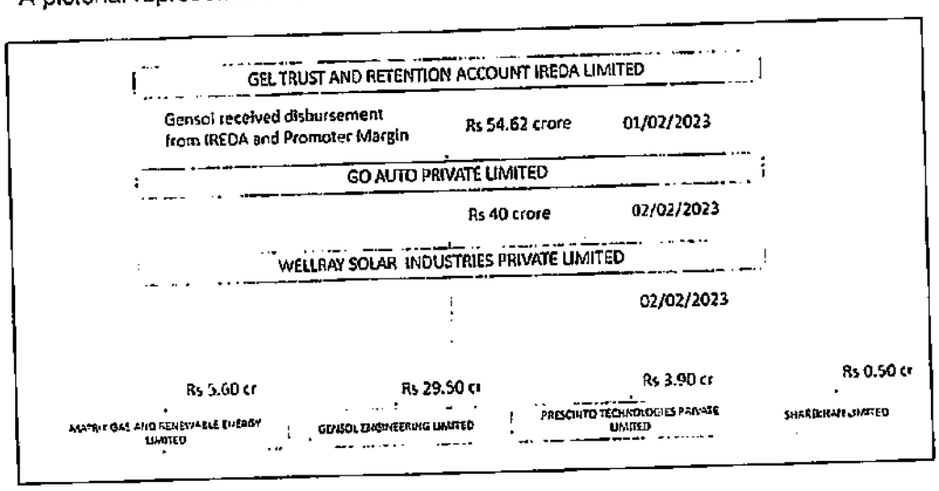
(a) Rs. 5.60 Crore was transferred to *Matrix* (Bank A/c No. 058605002549 with ICICI Bank), which it prima facie appears to have been utilized for meeting operational expenses.

(b) Rs. 29.50 Crore was transferred back to *Gensol Engineering Limited* (Bank A/c No. 058605001635 with ICICI Bank). This amount appears to have been deployed for meeting operational expenses.

(c) Rs. 3.90 Crore was transferred to *Prescinto* (Bank A/c No. 058605002184 with ICICI Bank) and the funds were similarly utilized for operational needs of Prescinto.

(d) Wellray transferred Rs. 50 Lakh to stock broker Sharekhan Limited (Sharekhan). These funds were subsequently deployed to trade in the scrip of Gensol Engineering Limited. (This aspect is also addressed separately in subsequent paragraphs of this Order.)

43. A pictorial representation of the above movement of funds is given below:



44. Further, it was noted that Wellray had transferred funds back to Go-Auto through circular movement of funds which originated from Go-Auto itself. It was noted that an amount of ≥ Rs. 8.5 Crore was circulated four times by Go-Auto, itself through Gensol on 28/11/2023 and 29/11/2023. Details are given below:

Date	From party	Amount (Rs. in Crores)	To party	Amount (Rs. in Crores)	To party	Amount (Rs. in Crores)	To party	Amount (Rs. in Crores)
28/11/2023	Go Auto	8.5	GEL	8.5	Wellray Solar	8.5	Go Auto	8.5
28/11/2023	103705 000861	8.5	058605 001635	8.5	058605 002357	8.5	103705 000861	8.5
28/11/2023		8.5		8.5		8.5		8.5
29/11/2023		8.65		8.65		8.65		8.65
		34.15		34.15		34.15		34.15

Loan for Rs. 117.47 Crore from PFC (Serial No. 8 in the Table under Para 24)

45. The disclosure made by Gensol in its annual report for FY 2023-24, in respect of this loan is given below:

91.98

46. On September 27, 2023, Gensol was disbursed a loan of Rs. 117.47 Crore from PFC into its designated "Gensol Engineering Limited–PFC–Construction Fund Account" (Bank A/c No. 058605004913 with ICICI Bank). This was supplemented by Rs. 29.37 Crore transferred from another internal account of the Company. The total funds credited in the account stood at Rs 146.84 Crore.

47. On September 29, 2023, the Company transferred Rs. 134.14 Crore from the above ICICI Bank Account to another bank account of Gensol viz. Gensol Engineering Limited–PFC–Construction Contract Expense Account having Account No. 058605004917 with ICICI Bank. On the same day, Gensol from the said bank account transferred funds of Rs. 134.14 Crore to Go-Auto (ICICI Bank A/c No. 103705000861). The balance in Go-Auto's account prior to this transaction was Rs. 0.19 Crore. Immediately upon receipt of these funds

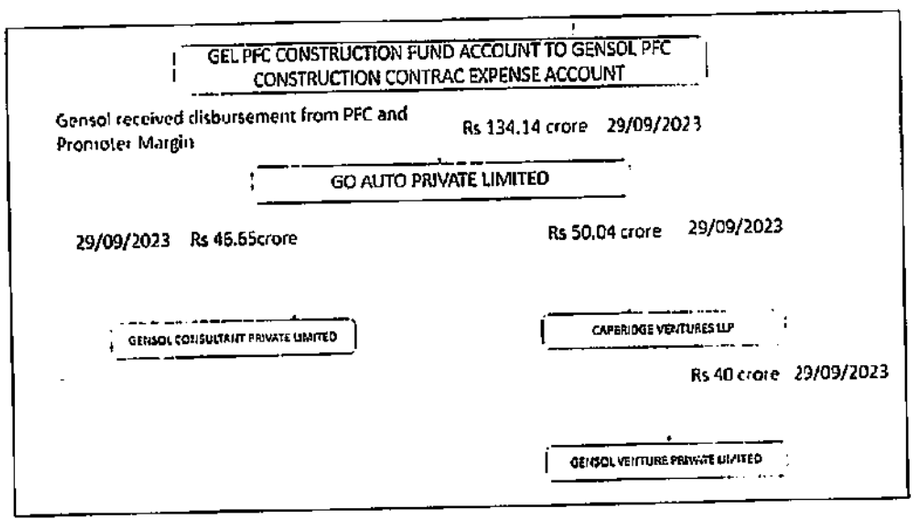
(September 29, 2023), Go-Auto transferred Rs. 96.69 Crore to the following entities:

(a) Rs. 46.65 Crore was transferred to Gensol Consultant Pvt. Ltd. (Axis bank A/c No. 921020036427118), which had a prior balance of Rs. 5.07 Lakh

(b) Rs. 50.04 Crore was transferred to Capbridge Ventures LLP (A/c No. 920020064107731 with Axis Bank), which had a balance of Rs. 97,209 before the transaction. On the same date, Capbridge transferred Rs. 40 Crore to Gensol Ventures Pvt. Ltd. (A/c No. 058605500770 with ICICI Bank), which had a debit balance of Rs. 38.12 Crore prior to this transaction.

48. Based on the fund trail and account balances, it is prima facie observed that Rs. 96.69 Crore was diverted to promoter and promoter-linked entities, bypassing the stated end-use of the PFC loan.

49. A pictorial representation of the above movement of funds is given below:



50. Further, it was noted that Capbridge had transferred funds back to Go-Auto, through circular movement of funds which originated from Go-Auto, itself. It was noted that an amount of Rs. 10 Crore was circulated four times by Go-Auto itself through Gensol EV Lease Pvt. Ltd. and Go-Solar Venture Private Limited on 04/01/2024. Details are given below:

Date	From party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)
04/01/2024	Go Auto 0679200 0003065	10	Gensol EV Lease 058605 005018	10	Gosolar Venture 058605 500461	10	Capbridge Ventures 9200200 64107731	10	Go Auto 103705 000861	10
04/01/2024	Go Auto 103705 000861	10		10		10		10		10
04/01/2024		10		10		10		10		10
04/01/2024		10		10		10		10		10

51. Capbridge transferred back additional Rs. 10 Crore using funds which it had received, from Gensol EV Lease / Blu-Smart. The movement of funds is given below:

Date	From party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)
27/12/2023	BLU SMART MOBILITY	23.75	Gensol Consultant 9210200 36427118	23.75	Gensol Consultant 9210200 36427118	23 75	Capbridge Ventures 92002005 4107731	30	Go Auto 0679200 0003065	10
28/12/2023	Gensol EV Lease 058605 005018	10	Gensol Consultant 058605 500351	10		10				

52. Further, it was noted that Gensol Consultant transferred back funds amounting to Rs.46.65 Crore to Go-Auto, using the funds taken from Gensol EV Lease. The amount transferred by Gensol EV Lease was out of a loan received by it from IREDA (IREDA sanctioned two loans to Gensol EV Lease in FY 2024). Details of the above transfers are given below:

Date Party Name and Amount	To party	Date	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)	To party	Amount (Rs. In Crores)
22/12/2023 IREDA 171.30	GENSOL EV LEASE TRUST AND RETENTION A/C IREDA LIMITED	27/12/2023	Go Auto 0679200 0003065	95.3	Gensol EV Lease 058605 005018	72 5	Gosolar Venture 058605 500461	37.5	Anmol Singh Jaggi	37 5
		27/12/2023	Jubilant Motor Works Pvt Ltd	33.02		24.98	Gensol Consultant 058605 500351	50	Go Auto 0679200 0003065	46.64

53. From the above, it is prima facie observed that funds amounting to Rs. 96.69 Crore (Rs. 46.65 Crore + Rs. 50.04 Crore), as mentioned at para 48 above, were diverted from the listed company and ultimately reached the private promoter related entities of Gensol. Further, it can be seen that Rs. 37.5 Crore out of the loan amount of Rs.171.30 Crore taken by Gensol EV Lease Pvt. Ltd., (a subsidiary of Gensol), from IREDA was ultimately transferred to Anmol Singh Jaggi. This aspect need further examination.

54 From the above analysis of the utilization of funds (loans) received by Gensol from IREDA and PFC, it prima-facie appears that the Company grossly mis-utilized funds and also diverted certain funds to the promoter/promoter-related entities. While the Company was to have spent an amount of Rs. 829.86 Crore (including promoter contribution) for buying EVs, bank statement analysis showed that it had transferred Rs. 775 Crore to Go-Auto against which it has obtained delivery of 4,704 EVs costing Rs. 567.73 Crore.

55. Ajay Agarwal, Managing Director of Go-Auto, in his statement recorded before SEBI on March 24, 2025, deposed that an amount of around Rs. 50 Crore was due from Gensol and therefore, Go-Auto would not be delivering anymore EVs to Gensol.

56. In this regard, Gensol has now submitted to SEBI in its communication dated April 05, 2025 that Go-Auto owes the Company an amount of Rs. 21.25 Crore as interest for which it has raised a debit note on the dealer. Interestingly, in the same letter, Gensol has noted that, on a *consolidated basis*, Gensol has a payable of Rs. 5.37 Crore to Go-Auto.

57. From the examination done by SEBI so far, it can be noted *prima-facie* that even after transferring Rs. 207.27 Crore (Rs. 775 Crore – Rs. 567.73 Crore) over and above the cost price of the 4,704 EVs that have been delivered to Gensol, the Company still had a payable of about Rs. 50 Crore to Go-Auto, as per the claim of MD of Go-Auto submitted under oath. This shortfall prima facie appears to be diversion of funds by Gensol to connected entities using Go-Auto as a conduit, which needs detailed investigation.

Diversion of funds through a connected entity, Wellray Solar Industries Pvt. Ltd.

58. As stated above, Wellray was also one of the recipients of funds out of money borrowed by Gensol from IREDA and PFC, which was routed through Go-Auto. It was further noted during the examination that Anmol Singh Jaggi and Puneet Singh Jaggi—current promoters and directors of Gensol—were also directors in Wellray until April 15, 2020. Further, up to the financial year 2019–20, the entire shareholding in Wellray was held by Puneet Singh Jaggi and Gensol Ventures Private Limited –both promoters of Gensol.

59. Presently, almost the entire shareholding (99%) of Wellray is held by Lalit Solanki, who was employed as Regulatory Affairs Manager at the Gensol Group until December 2018, as per information available on LinkedIn. Given the same, it is *prima facie* observed that Wellray is connected to Gensol, both through historical promoter positions and current key managerial associations.

60. When the ledgers of Wellray in the books of Gensol were examined, it was noted that significant sales and purchases were recorded between both companies in FY 23 and FY24, the details of which are given in the Table below:

Particulars	FY 23 (Rs. In Crores)	FY 24 (Rs. In Crores)
Total Purchases and Expenses booked by Gensol against Wellray	66.98	71.55
Total Sales and Income booked by Gensol against Wellray	6.03	6.10

61. It was also noted that Wellray had made an investment in Gensol and was a disclosed public shareholder of Gensol. A snapshot of the financial position of Wellray is also given below:

Particulars	FY20 (Rs. In Crores)	FY 21 (Rs. In Crores)	FY 22 (Rs. In Crores)	FY 23 (Rs. In Crores)
Profit & Loss Statement				
Revenue from operations	9.53	17.75	23.65	65.25
Cost of Goods Sold	9.11	25.37	29.73	72.22
Profit after tax	0.00	-7.71	-5.42	-5.80
Balance Sheet				
Investments in Gensol	-	-	-	14.18

62. Thus, it is observed that most of the revenue of Wellray was booked through Gensol. Details are given below:

Particulars	FY 22 (Rs. In Crores)	FY 23 (Rs. In Crores)
Sales to Gensol by Wellray	13.07	59.46
Total Sales of Wellray	23.65	65.25
% of total Sales of Wellray	55%	91%

*Financials for FY 2023-24 have not been filed till the date of this Order

63. An analysis of bank statements of Gensol and Wellray revealed that that the actual transactions (payments and receipts) between Gensol and Wellray were much higher that the figures recorded in the ledgers of Wellray in the books of Gensol, the details of which are given in the Table below:

Payments and Receipts reflected in the bank statement of Gensol

Particulars	FY23 (Rs. In Crores)	FY24 (Rs. In Crores)	Total (Rs. In Crores)
Funds transferred by Gensol to Wellray Solar	215.89	208.25	424.14
Funds received back by Gensol from Wellray	166.94	143.25	310.19

64. Considering that a substantial portion of funds transferred between Gensol and Wellray did not correspond to the quantum of underlying commercial transactions, a detailed analysis was undertaken to examine the utilization of funds by Wellray. The prima facie findings is the said examination is detailed below:

65. Upon review of the bank statements of Wellray's account (A/c No. 058605002357 with ICICI Bank), it was observed that out of the amount of Rs. 424.14 Crore received from Gensol, as mentioned in para 63 above, Rs. 382.84 Crore was transferred by Wellray to various other entities. These transfers may be broadly categorized as follows:

Name of the Party	Amount paid during FY23 and FY24 (Rs.)
Related/Linked parties of Gensol	246.07 Crore
Sharekhan Limited	40.70 Crore
Public Shareholders of Gensol	5.17 Crore
Others	90.90 Crore
Total	382.84 Crore

66. The break-up of the funds paid to related parties and connected entities of Gensol by Wellray in FY 23 and FY 24 is given in the Table below:

Rs. In Crores

Name of the Party	Funds transferred during FY 2022-23	Funds transferred during FY 2023-24	Total amount paid during FY 2022-23 to FY 2023-24	Relationship with Gensol
Anmol Singh Jaggi	19.48	6.28	25.76	Promoter of Gensol
Puneet Singh Jaggi	10.66	2.90	13.55	Promoter of Gensol
Gensol Ventures Pvt. Ltd.	-	16.00	16.00	Promoter of Gensol
Capbridge Venture LLP	5.00	6.00	11.00	Designated Partners are Anmol Singh Jaggi and Puneet Singh Jaggi
Matrix Gas and Renewable Ltd	40.20	23.70	63.90	Disclosed Related Party
Gosolar Ventures Pvt. Ltd.	19.80	48.20	68.00	Disclosed Related Party
Gensol Consultants Pvt. Ltd.	11.50	10.10	21.60	Disclosed Related Party
Blu-Smart Fleet Pvt. Ltd.	10.00	-	10.00	Disclosed Related Party
Prescinto Technologies Pvt. Ltd.	3.84	5.42	9.26	Disclosed Related Party
Param Renewable Energy Pvt. Ltd.	7.00		7.00	Disclosed Related Party
Total	127.47	118.60	246.07	

67. As brought out in the Table above, Wellray has transferred funds amounting to Rs. 39.31 Crore to Anmol Singh Jaggi and Puneet Singh Jaggi, promoters of Gensol. The details of the analysis of the further utilization of funds by the said promotors are given below:

Utilization of funds by Anmol Singh Jaggi

68. From the analysis of the bank statements of Anmol Singh Jaggi, it is *prima-facie* observed that majority of the funds (Rs. 25.76 Crore) as mentioned above, were transferred to other related parties, family members or utilized for personal expenses. The details of further utilisation of funds received from Wellray by Anmol Singh Jaggi are given in the Table below:

Name of The Party	Amount (Rs.)	Remarks
Gensol Ventures Pvt. Ltd.	10,63,91,890	Promoter of Gensol
Jasminder Kaur	6,20,22,500	Mother of Anmol Singh Jaggi
Mugdha Kaur Jaggi	2,98,50,000	Spouse of Anmol Singh Jaggi
Foreign Currency Purchased - AED	1,86,35,600	Appears to be for personal use

Name of The Party	Amount (Rs.)	Remarks
Batx Energies Private Limited	1,35,19,600	Anmol Singh Jaggi is a shareholder in Batx Energies Private Limited (holding 681 shares as of 31-03-2024)
Third Unicorn Private Limited	50,00,000	Anmol Singh Jaggi is a shareholder in Third Unicorn Private Limited (holding 2000 shares as of 31-03-2024).
TaylorMade	26,00,000	Appears to be related to purchase of golf set
Capbridge Venture LLP	25,00,000	Designated Partners are Anmol Singh Jaggi and Puneet Singh Jaggi
ICICI Securities	23,00,000	Appears to be for personal use
Jabir Mahendi M	20,00,000	Jabir Mahendi M worked as CFO of GEL from 2019- to 2024
Titan Company	17,28,350	Appears to be for personal use
DLF Homes	11,75,000	Appears to be for personal use
Kamco Chew Food Pvt Ltd Spa	10,36,860	Appears to be for personal use
ICICI Bank Credit Card	9,95,266	Credit Card payment. Appears to be for personal use.
Mayo Design	8,00,000	Appears to be for personal use
Shalmali Kaur Jaggi	6,00,000	Former Director of GEL and Gensol Consultants Private Limited and current director of Param Seva Foundation (disclosed related party by GEL).
Make my trip	3,00,000	Appears to be for personal use
Ali Imran Naqvi	1,50,000	Executive Director at GEL
Total	25,16,05,056	

Utilization of funds by Puneet Singh Jaggi

69. Analysis of the bank statements of Puneet Singh Jaggi *prima facie* revealed that majority of the funds (Rs. 13.55 Crore) as mentioned above, received from Wellray were transferred to other related parties, family members or utilized personal expenses, the details of which are given in the Table below:

Name of The Party	Amount (Rs.)	Remarks
Gensol Ventures Pvt. Ltd.	10,03,31,624	Promoter of Gensol
Shalmali Kaur Jaggi	1,13,00,000	Spouse of Puneet Singh Jaggi.
Jasminder Kaur	87,52,500	Mother of Puneet Singh Jaggi
Foreign Currency Purchase - AED	66,35,599	Appears to be for personal use
Amercian Express Card	36,00,000	Appears to be for personal use
Amex Card	13,00,000	Appears to be for personal use
BIL/INFT/000671661789/PSJCC/Self	11,40,000	Appears to be for personal use
Psjcc1008/Self	4,00,000	Appears to be for personal use
Lease Deed Regi	3,00,000	Appears to be for personal use
Mugdha Kaur Jaggi	3,00,000	Spouse of Anmol Singh Jaggi
Ali Imran Naqvi	2,61,843	Executive Director at Gensol
Total	13,43,21,567	

Preferential Issue by Gensol Engineering Limited

70. In September 2022, Gensol made a preferential issue of 12,81,993 equity shares at a price of Rs. 1,036.25/- per share to investors which included promoter group entities, details of which are given in the Table below:

Particulars	Number of shares	Amount in Crores (Rs.)
Promoter/Promoter Group	97,445	10.09
Others	11,84,548	122.75
Total	12,81,993	132.84

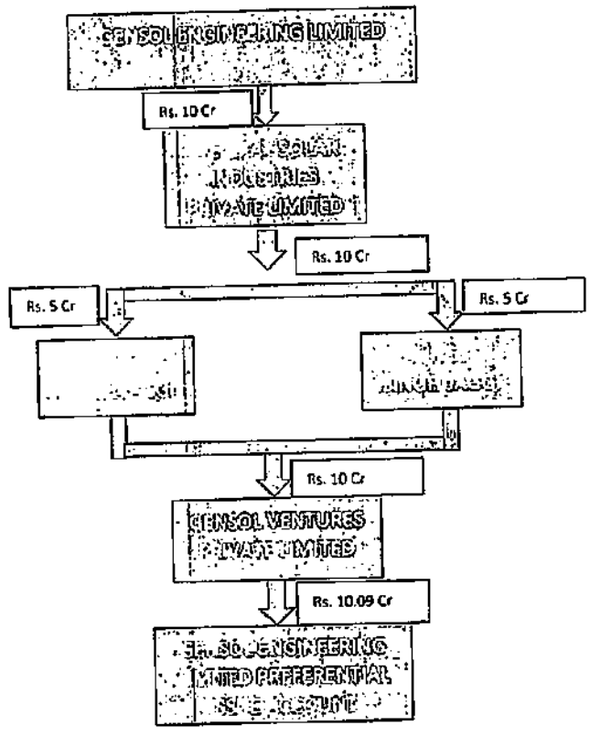
71. Under the promoter/promoter group category, 'Gensol Ventures Private Limited invested Rs. 10.09 Crore in the above preferential allotment on September 26, 2022, from its Account No. 058605500770 with ICICI Bank.

72. Upon tracing the source of funds, it was noted that Anmol Singh Jaggi and Puneet Singh Jaggi had transferred Rs. 10.07 Crore to Gensol Ventures Private Limited on September 26, 2022. Anmol Singh Jaggi and Puneet Singh Jaggi, had, prior to the said transfer, received funds from Wellray in the following manner:

Entity Name	Account No.	Balance before receipt of funds from Wellray (Rs.)	Amount received from Wellray (Rs.)
Anmol Singh Jaggi	004301520339 ICICI Bank	65.45 Lakh	5 Crore
Puneet Singh Jaggi	004301532231 (ICICI Bank)	3.06 Lakh	5 Crore

73. Further, on the same day, Wellray received funds amounting to Rs. 10 Crore from Gensol in A/c. No. 058605002357 with ICICI Bank. The balance in the said bank account of Wellray prior to this transfer was Rs. 8,81,783/-.

74. A pictorial representation of the above movement of funds is given below:



75. Based on the above, it is *prima facie* observed that Gensol had provided funds, through layered transactions, to Gensol Ventures Private Limited (promoter of Gensol) for subscribing to 97,445 equity shares of Gensol.

Trading in the scrip of Gensol Engineering Limited by Wellray

76. As stated in the earlier part of this Order, Wellray had utilised funds received from Gensol for trading in the Company's scrip. The details of the trades executed by Wellray for the period April 2022 to December 2024 were obtained from BSE and NSE and given in the Table below:

Period	Scrip Name	Amount in Rs.	
		Buy Value	Sale Value
April 2022 to December 2024	Reliance Infrastructure Limited	17,791	-
	Shyam Metallic & Energy Limited	4,628	-
	Tata Chemicals Limited	9,650	-
	Tata Motors Limited	25,306	-
	Mufin Green Finance Limited	71,23,530	15,22,963
	Gensol Engineering Limited	160,51,05325	178,44,28,644
Total		161,22,86,230	178,59,51,607

77. From the above, it is noted that Wellray predominately traded in the scrip of Gensol Engineering Limited (99% of total trade value) during the period April 2022 to December 2024. The month wise breakup of the value of trades executed in the scrip of Gensol by Wellray is given in the Table below:

Year	Month	GENSOL ENGINEERING LIMITED	
		BUY VALUE (Rs.)	SELL VALUE (Rs.)
2022	Nov	2,21,56,090	-
	Dec	98,37,733	-
2023	Jan	2,32,55,449	-
	Feb	3,20,02,357	-
	Mar	9,27,69,605	2,56,72,230
	Apr	14,23,72,696	-
	May	7,78,22,780	-
	Jun	4,82,72,008	30,76,176
	Jul	1,97,70,884	48,89,70,887
	Aug	-	9,96,60,761
	Nov	14,95,44,688	-
	Dec	48,60,180	11,78,96,384
2024	Jan	1,49,32,076	-
	Feb	3,84,62,148	5,63,63,679
	Mar	4,60,31,549	3,57,94,628
	Apr	8,66,53,854	3,88,85,000
	May	6,11,02,180	-
	Jun	20,95,86,297	14,23,00,844
	Jul	7,91,53,950	36,82,94,973
	Aug	10,09,789	35,93,48,082
	Oct	4,55,09,012	-
	Nov	-	4,81,85,000
	Total	1,60,51,05,325	1,78,44,28,644

78. It was noted from the analysis of the bank statements of Wellray that out of the Rs. 137.57 Crore cumulatively transferred by Wellray to the stockbroker Sharekhan till March 2024, Rs. 101.35 Crore was received from Gensol and its related parties. A party-wise breakup of these inflows is provided below:

Rs. In Crores

Source of Funds for Wellray	FY 2022-23	FY 2023-24	Grand Total
Gensol Engineering Limited	3.75	36.95	40.70
Matrix Gas and Renewable Limited	7.10	38.90	46.00
Go-solar Ventures Private Limited	1.80	3.85	5.65
Anmol Singh Jaggi	-	3.10	3.10
Capbridge Ventures LLP	-	2.10	2.10
Gensol Consultants Private Limited	0.50	1.10	1.60

Source of Funds for Wellray	FY 2022-23	FY 2023-24	Grand Total
Param Care Private Limited	0.40	0.40	0.80
Go Auto Private Limited	0.50	-	0.50
Gensol Ventures Private Limited	-	0.60	0.60
Prescinto Technologies Pvt. Ltd.	0.20	-	0.20
Puneet Singh Jaggi	-	0.10	0.10
Total	14.25	87.10	101.35

79. In view of the above, it is *prima facie* observed that Gensol and its promoters/promoter related entities have funded Wellray for trading in the scrip of Gensol which is a violation of the restrictions contained in section 67 of the Companies Act, 2013. As is also apparent from the trading in the shares of Gensol by Wellray, the latter made handsome gains from the transactions.

Disclosures made by the Company

80. It was noted that the Company had made a disclosure dated January 28, 2025, to the exchanges that it had received pre-orders for 30,000 of its newly launched electric vehicles unveiled at the Bharat Mobility Global Expo 2025. However, when relevant documents were called for from the Company and examined it was noted that the Orders in question were Memorandum of Understandings (MOUs) entered with 9 entities for 29,000 cars. The MOUs were in the nature of an expression of willingness with no reference to the price of the vehicle or delivery schedules. Therefore, it prima facie appeared that the Company was making misleading disclosures to investors.

81. In this regard, representative of NSE visited the plant site of Gensol Electric Vehicle Private Limited located at Gat No. 877, Next to Mahindra Towers, Khed, Nighoje, Chakan, Pune – 410501 on April 09, 2025.

82. It was found during the visit that there was no manufacturing activity at the plant with only 2-3 labourers present there. The NSE official called for details of electricity bills of the unit and it was observed that the maximum amount billed by Mahavitaran during last 12 months was Rs. 1,57,037.01 for the month of December 2024. Hence, it can be inferred that there has been no manufacturing activity at the plant site which is on a leased property.

83. In another disclosure dated January 16, 2025, Gensol had informed Exchanges that Gensol and Refex Green Mobility Limited (Refex) were *"pleased to announce a strategic tie-up for the transfer of 2,997 electric four-wheelers (e4Ws)"* to Refex. As per the said disclosure, Refex would in turn, assume Gensol's existing loan facility amounting to Rs.315 Crore. However, in a disclosure dated March 28, 2025, the proposed takeover by Refex was withdrawn.

84. Further, vide a disclosure dated February 25, 2025, Gensol informed Exchanges that Gensol had signed a non-binding term sheet for an amount of Rs. 350 Crore for a strategic transaction involving the sale of Gensol's US Subsidiary, viz., Scorpius Trackers Inc. It was noted that the said US Subsidiary was incorporated on July 22, 2024. When probed by SEBI regarding the basis of such valuation of Rs.350 Crore, Gensol has failed to submit any explanation / rationale.

Pledge of Shares made by Promoters to IREDA

85. As mentioned in para 6 above, the shareholding of the promoters of Gensol had come down to 35.125% as of March 31, 2025. The promoters now hold 1,33,48,359 shares in the Company.

86. We have been informed by IREDA vide email dated April 11, 2025 that promoters have created pledges for 75.74 Lakh shares of Gensol. Further, the latest pledge invocation data available on the BSE website, indicates that more pledges have been invoked during this month. This would lead to the possible conclusion that promoter shareholding in Gensol would become even lower, may be negligible, if IREDA were to invoke the pledge created by Anmol Singh Jaggi and Puneet Singh Jaggi.

***Prima facie* violations found against the Noticees**

87. In the above paragraphs, the *prima facie* findings have shown mis-utilization and diversion of funds of the Company in a fraudulent manner by its promoter directors, Anmol Singh Jaggi and Puneet Singh Jaggi, who are also the direct beneficiaries of the diverted funds, as has been detailed above. The Company

has attempted to mislead SEBI, the CRAs, the lenders and the investors by submitting forged Conduct Letters purportedly issued by its lenders. In view of these *prima facie* findings, the Noticees 1, 2 and 3 are alleged to have violated the provisions of Section 12A(a), (b) and (c) of the SEBI Act, 1992 and Regulations 3(b), (c) and (d), 4(1) and 4(2)(f), (k) & (r) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003.

88. Further, the above paragraphs in this Order have also shown how the promoters and their related parties / relatives benefitted from the funds of Gensol, a listed company, through layered transactions, such transactions qualified to be related party transactions in terms of Regulation 2(zc) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations, 2015). Accordingly, such transactions were required to be disclosed as per the provisions of Regulation 4 and 48 of the LODR Regulations, 2015 read with applicable accounting standards, which Gensol has allegedly failed to do.

Need for Interim Directions

89. What has been witnessed in the present matter is a complete breakdown of internal controls and corporate governance norms in Gensol, a listed company. The promoters were running a listed public company as if it were a propriety firm. The Company's funds were routed to related parties and used for unconnected expenses, as if the Company's funds were promoters' piggybank. The result of these transactions would mean that the diversions mentioned above would, at some time, need to be written off from the Company's books, ultimately resulting in losses to the investors of the Company.

90. While the fund diversion primarily occurred in the context of electric vehicle (EV) purchases intended for leasing to a related party, the risk it creates is neither isolated nor contained. The company has a substantial order book, comprising critical infrastructure contracts awarded by government and public sector entities in the renewable EPC space. These contracts are not just capital-

intensive - they also require strict financial discipline, timely execution, and reputational credibility to retain project flow and institutional trust.

91. In the instant case, *prima facie* evidence of blatant violation of rules of corporate governance is writ large over the workings of the Company. The diversion of funds of the Company by promoter entities reflects a culture of weak internal control, where even ring-fenced borrowings from institutional creditors were rerouted at the total discretion of the promoters. The internal controls at Gensol appear to be loose and through the quick layering of transactions, funds have seamlessly flowed to multiple related entities/individuals.

92. The promoter holding in the Company has already come down substantially and there is a risk of the promoters (Noticees 2 and 3) further off-loading the shares on gullible investors. Thus, investors need to be made aware of the alleged wrongdoings detailed above through regulatory action. At the same time, allowing Noticees 2 and 3 to remain at the helm of affairs as directors or KMPs in the Company is likely to do further damage to the interests of the Company.

93. It must be mentioned that Gensol recently announced stock split of its shares in the ratio of 1:10, which is likely to attract more retail investors to the scrip. At this stage, allowing this Corporate Action may not be in the interest of the investors.

94. In view of the above, pending detailed investigation, I deem it fit to issue immediate interim directions to safeguard the interests of the investors and preserve market integrity.

95. At the same time, I deem it fit to caution the investors, as done on previous occasions, to be careful while investing their savings in the capital markets.

Directions

96. Keeping in view the foregoing, I, in exercise of the powers conferred upon me under Sections 11, 11(4) and 11B (1) read with Section 19 of the SEBI Act, 1992, hereby issue by way of this interim order the following directions, which shall be in force until further orders: -

(a) Noticees 2 and 3 are restrained from holding the position of a director or a Key Managerial Personnel in Gensol, until further orders.

(b) Noticees 1, 2 and 3 are restrained from buying, selling or dealing in securities, either directly or indirectly, in any manner whatsoever until further orders. If the said Noticees have any open position in any exchange-traded derivative contracts, as on the date of the Order, they can close out /square off such open positions within 7 days from the date of the Order or at the expiry of such contracts, whichever is earlier. The Noticees are permitted to settle the pay-in and pay-out obligations in respect of transactions, if any, which have taken place before the close of trading on the date of this Order.

(c) Noticee 1 is directed to put on hold the stock split announced by it.

(d) SEBI shall appoint a forensic auditor to examine the books of accounts of Gensol and its related parties.

97. The forensic auditor/ audit firm so appointed as per this Order shall submit a Report to SEBI within six months from the date of appointment.

98. The foregoing *prima facie* observations contained in this Order are made on the basis of the material available on record. The concerned Noticees may, within 21 days from the date of receipt of this Order, file their reply/objections, if any, to this Order and may also indicate whether they desire to avail an opportunity of personal hearing on a date and time to be fixed in that regard.

99. The above directions shall take effect immediately and shall be in force until further orders.

100. A copy of this Order shall be served upon Entities, Stock Exchanges, RTAs and Depositories for necessary action and compliance with the above directions.

DATE: APRIL 15, 2025
PLACE: MUMBAI

ASHWANI BHATIA
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA

ANNEXURE- A3
(Copy.)

भारत सरकार / Government of India
कॉर्पोरेट कार्य मंत्रालय / Ministry of Corporate Affairs
महानिदेशक कॉर्पोरेट कार्य मंत्रालय / Office of Director General (Corporate Affairs)
Kota House Annexe, 1, Shahjahan Road, New Delhi-110011

File No. CL-II-03/120/2025-O/o DGCoA-MCA Dated: 28/04/2025

ORDER

Subject: Investigation under section 210(1)(c) of the Companies Act, 2013 Gensol Engineering Limited (L74210GJ2012PLC129176), Blu Smart Charge Private Limited (U63090GJ2019PTC106065), Blu Smart Fleet Private Limited (U63090GJ2019PTC106075), Blu Smart Mobility Limited(U74999GJ2018PTC104895), Blu Smart Mobility Tech Private Limited(U63030GJ2019PTC105970) and Blu Smrt Premium Fleet Private Limited(U49224GJ2024PTC153139) - regarding.

1. Whereas the Central Government is empowered under Section 210 (1) (c) of the Companies Act, 2013, to order an Investigation into the affairs of a company in public interest and to appoint one or more persons as Inspectors to investigate into the affairs of the company.
2. And whereas it has come to the notice of the Central Government that SEBI has passed an Interim Order dated 15.04.2025 prima- facie pointing out diversion of loans for personal use and issues in corporate governance in the subject company. Further, rest of the above companies are connected having common directorship with directors of Gensol Engineering Limited. Accordingly, the Central Government is of the opinion that an investigation into the affairs of captioned companies is necessary, in public interest.
3. Now therefore the Central Government in exercise of powers confirmed under section 210(1) (c) of Act, 2013, hereby orders the Investigation of affairs of Gensol Engineering Limited (L74210GJ2012PLC129176) along with 5 captioned companies mentioned above, to be carried out by the Inspecior(s) appointed by the Regional Director (Northwestern Region).
4. Further, the scope of investigation shall be to examine the following:

a. To examine the diversion of loans taken by the subject company and siphoning off of funds/fraud therein.
b. To examine violations of provisions of the Companies Act, 2013, including related party transactions, financial statements, corporate governance etc.
c. Other issues that IO may come across during the investigation.

5. That The Inspectors shall examine the fleeing risk of the promoters, directors and KMPs and shall take steps in that direction immediately

6. That the Inspector (s) so appointed shall exercise all the powers available to them under section 217 of the Companies Act, 2013 including powers conferred under section 219 of the Companies Act, 2013 after seeking prior approval of Central Government, wherever required.

7. The inspector/s shall complete the investigation on priority and submit the report to the Central Government within 06 months.

8. This order issued for and on behalf of the Central Government.

Yours faithfully,

(अर्जुन सी, आई.सी.एल. एस. / Arjun C, I.C.L.S.)

उप निदेशक / Deputy Director

Copy to: -1. RD(NWR)

2. ROC Ahmedabad for information.

3. Guard File.

ANNEXURE- A3 (colly)

By Speed Post

भारत सरकार / Government of India
कॉर्पोरेट कार्य मंत्रालय / Ministry of Corporate Affairs
महानिदेशक कॉर्पोरेट कार्य मंत्रालय
Office of Director General of Corporate Affairs
कोटा हाउस एनेक्सी/Kota House Annexe,
1, शाहजहाँ रोड/1 Shahjahan Road,
नई दिल्ली – 110011/New Delhi-110011

File No. CL-II-03/120/2025-O/o DGCoA-MCA Dated : 15/05/2025

ORDER

Whereas the Central Government has issued order of Investigation under section 210(1)(c) of the Companies Act, 2013 into affairs of Gensol Engineering Limited and 5 other Companies namely M/s Blu Smart Charge Private Limited, Blu Smart Fleet Private Limited, Blu Smart Mobility Limited, Blu Smart Mobility Tech Private Limited and Blu Smrt Premium Fleet Private Limited with direction to complete the investigation and submission of the Investigation report within 6 months.

2. And whereas IOs have furnished a status report dated 13.05.2025 and sought approval of Central Government under section 219 of the Companies Act, 2013 for addition of more companies, as their investigation is relevant to the investigation into the affairs of the Gensol Engineering Limited and other Companies.

3. Now therefore, in exercise of powers conferred under section 219 of the Companies Act, 2013 the Central Government has formed an opinion that the affairs of the 12 companies mentioned in Annexure-A need to be investigated and hereby grants approval under section 219 of the Companies Act, 2013 for investigation into the affairs of the 12 companies mentioned in Annexure-A.

4. This order is issued for and on behalf of the Central Government.

(अर्जुन सी. आइ.सी.एल.एस/Arjun C., I.C.L.S)
उप निदेशक /Deputy Director

Copy to:

1. RD (NWR), Ahmedabad
2. Shri Keerthi Thej N., RoC, Ahmedabad
3. Shri Atma Sah, RoC, Jaipur
4. Ms. Sayali Gaikwad, Assistant ROC, O/o. ROC, Ahmedabad
5. Guard File.

Annexure-A

Sl. No.	Name of the Companies
1.	Blu-Smart Mobility Private Limited
2.	Gensol Electric Vehicle Private Limited
3.	Gensol EV Lease Pvt Ltd
4.	Go Auto Pvt. Ltd
5.	Capbridge Ventures LLP
6.	Wellray Solar Pvt. Ltd
7.	Matrix Gas and Renewables Private Limited
8.	Scorpius Trackers Pvt Ltd
9.	Param Renewable Energy Private Limited
10.	Gensol Utilities Private Limited
11.	Go-solar Venture Private Limited
12.	Gensol consultants private limited

2883192/2025/DGCoA-MCA

गंभीर कपट अन्वेषण कार्यालय
भारत सरकार
Serious Fraud Investigation Office
Government of India

ANNEXURE- A-4

SFIO

F. No. SFIO/MRAU/009/2024/30819/2025
Confidential

22.04.2025
O/o DGCoA
Ministry of Corporate Affairs
Dy. No. 1410
Date 23/4/2025

The Director General of Corporate Affairs,
Kota House, Annexe -1,
Shahjahan Road,
New Delhi-110001

MRAU Research Report: Gensol Engineering Limited.

Sir,

It is learnt that capital market regulator SEBI vide interim order dated 15.04.2025 has barred Gensol Engineering Limited (GEL) and its promoters Anmol Singh Jaggi and Puneet Singh Jaggi from the securities market due to mis-utilization and fund diversion from the company.

Gensol Engineering Limited is engaged in providing solar consulting services, Engineering, Procurement and Construction (EPC) services, leasing of electric vehicles, etc.

In this regard, Market Research & Analysis Unit (MRAU) of SFIO has prepared a Research Report on Gensol Engineering Limited as per information available in public domain i.e. SEBI Order, MCA-21, Annual reports, Media reports etc.

The Research Report is enclosed herewith for your perusal and while keeping in view urgency in the matter, it is hereby recommended that the investigation into the affairs of Gensol Engineering Limited may be assigned to SFIO.

This issues with the approval of the Director. SFIO.

Yours faithfully,

Munish Garg
(Sr. Asstt. Director)

Enclosure: A/a

Tel. No: - 011-24369242,
011- 24369244/45-46
Fax: 011-24365809

द्वितीय तल, पंडित दीनदयाल अंत्योदय भवन, केन्द्रीय कार्यालय परिसर,
लोधी रोड, नई दिल्ली -११०००३
2nd Floor, Pt. Deendayal Antyodya Bhawan, C.G.O Complex,
Lodhi Road, New Delhi-110003

GENSOL ENGINEERING LIMITED

(Based on the information available in public domain)

1. **Background: -**

It is learnt that in a matter of Gensol Engineering Limited (GEL), SEBI has passed an interim order dated 15.04.2025 wherein it has listed out various irregularities, falsification of documents, misappropriation and diversion of public funds by the promoters. SEBI has also barred the company and its promoters-directors from trading in securities market.

2. **Brief of Company & Master Data**

a) **Brief of company: -**
Gensol Engineering Limited incorporated in 2012 based at Ahmedabad, engaged in renewable energy sector, EPC Services, Solar consulting services and leasing of electric vehicles etc.

b) **Master Data: -**

CIN	L74210GJ2012PLC129176
Company Name	GENSOL ENGINEERING LIMITED
ROC Name	ROC Ahmedabad
Registration Number	129176
Date of Incorporation	25/09/2012
Email Id	CS@GENSOL.IN
Registered Address Address at which the books of account are to be maintained	15th Floor, A Block, Westgate Business Bay, S G Road, Jivraj Park, Ahmedabad
Listed in Stock Exchange(s) (Y/N)	Yes
Category of Company	Company limited by shares
Subcategory of the Company	Non-government company
Class of Company	Public
ACTIVE compliance	ACTIVE Compliant
Authorised Capital (Rs)	Rs. 50.00 crore
Paid up Capital (Rs)	Rs. 38.44 crore
Date of last AGM	30/09/2024
Date of Balance Sheet	31/03/2024
Company Status	Active

CONFIDENTIAL

3. **Charges Registered: -**

Company is having 44 open charges amounting Rs. 2,365 crores. The details are as under: -

(Rs. in crore)

SN	Name of Entity/Bank	Amount
1	Axis Bank Limited	20.15
2	Bandhan Bank Limited	40.00
3	Bank of India	18.40
4	Canara Bank	30.00
5	Capup Financial Services Private Limited	10.00
6	Catalyst Trusteeship Limited	633.10
7	Clime Finance Private Limited	2.18
8	HDFC Bank Limited	78.88
9	ICICI Bank Limited	35.68
10	Indian Renewable Energy Development Agency Limited	1,389.04
11	RBL Bank Limited	60.00
12	STCI Finance Limited	15.00
13	Sundaram Finance Limited	7.57
14	Tata Motors Finance Limited	25.00
	Grand Total	**2,365.00**

4. **Present Director Details**

DIN	Name of Director	Present Residential Address	Begin Date
1293305	Anmol Singh Jaggi	B-1203, Sorrel Towers Apple Woods Township, S P Road, Sanathal, Ahmedabad- Gujarat- 380058	27.02.2019
1441131	Jasminder Kaur	B-1203, Sorrel Towers Apple Woods Township, S P Road, Sanathal, Ahmedabad- Gujarat- 380058	29.09.2016
1976135	Kuljit Singh Popli	11/1, Nehru Enclave, Kalkaji Extension, New Delhi, 110019	30.09.2024
2479868	Puneet Singh Jaggi	B-1203, Sorrel Towers Apple Woods Township, S P Road, Sanathal, Ahmedabad ,Gujarat- 380058	27.02.2019
7088892	Ali Imran Naqvi	44 N (Mehdi Manzil), Fuzail Park, Adjacent To Ayesha Masjid Behind Fateh Wadi Canal, 100feet Road, Opp., Ambar Towe Ahmedabad- 380055	30.09.2024
7777308	Arun Menon	304, Block B, Purva White Hall Sarjapur Road Bangalore- 560035, Karnataka	15.09.2022
10214165	Vibhuti Patel	Tower 1516 B, The Magnolias DLF City Golf Links, Sector 42 VTC, Gallerla DLF-IV, 122009- Haryana	29.09.2023
10362879	Harsh Singh	214-A,Sri Krishna Puri, Sahdeo Mahto Marg, Patna GPO Phulwari- 800001, Bihar	25.12.2023

5. **Personal Information of Present Directors**

DIN	Name	PAN	DOB	Fathers Name
1293305	Anmol Singh Jaggi	AGNPJ4504B	18.10.1985	Parminder Singh Jaggi
1441131	Jasminder Kaur	AIHPK9761H	23.01.1984	Rajinder Singh
1976135	Kuljit Singh Popli		16.06.1960	Amar Singh Popli
2479868	Puneet Singh Jaggi	AHRPJ5583B	30.05.1987	Parminder Singh Jaggi
7088892	Ali Imran Naqvi		18.05.1984	Vigar Ahmad
7777308	Arun Menon	ADKPA0757D	01.08.1973	Kanhirampara Krishnan Kutty Kunnath
10214165	Vibhuti Patel	HGNPS3927L	16.09.1995	Manishbhai Sapariya
10362879	Harsh Singh	CDSPS3591R	23.12.1983	Samarendra Pratap Singh

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6. Past Director Details

Din No.	Name	Address	Begin Date	End Date
1144344	Ashish Swarup	E-901, Marvel Diva, Magarpatta Road, Hadapsar Pune City-411013	27.02.2019	07.08.2019
2092897	Navneet Singh Gosal	3821 Cathedral Ave Nwwashington DC, 20016 USA	25.09.2012	01.09.2014
7535269	Pranay Brijratan Mundra	A-903 Laxmi Vilas, Mukund Nagar Near Maharastra Mandal School Pune- 411037, Maharashtra	07.05.2018	21.09.2018
7974323	Shalmali Kaur Jaggi	304 Samarthya Hights100 Feet Road, Satellite, Ahmedabad-380015, Gujarat	07.05.2018	11.06.2018
8191765	Harish Kaushik	Flat:- 1904, Floor - 19, Sapphire Regency Tower Ghod Bunder Road, Anand Nagar Nr Saraswa, Tl School Thane West- 400607 Maharashtra	27.02.2019	31.10.2020
8440746	Gaurav Kharbanda	House No. 2218, 2nd Floor, E Block , Palam Vihar, Gurgaon Palam Vihar 122017- Haryana	07.08.2019	08.05.2024
8958788	Kamleshkumar Pratapsinh Parmar	1 Sangam Park Society, Padamala, Vadodara, 391350, Gujarat	14.11.2020	19.10.2023
10619014	Rajesh Jain	48, Sector Sector 15, Part 1sadar Bazar, 122001, Haryana India	08.05.2024	13.03.2025

7. Personal Information of Past Directors:-

DIN	Name	PAN	DOB	Father's Name
1144344	Ashish Swarup	BDEPS7608Q	10.10.1968	Shashi Kumar Agarwal
2092897	Navneet Singh Gosal		12.08.1972	Harminder Singh
7535269	Pranay Brijratan Mundra	AHDPM3717G	09.07.1974	Brijratan Sheoratan Mundra
7974323	Shalmali Kaur Jaggi	BCZPR5189R	25.10.1989	Satish Ranade Mukund
8191765	Harish Kaushik	AEGPK8642A	20.07.1960	Suraj Bhan Sharma
8440746	Gaurav Kharbanda	ARUPK4605J	18.02.1982	Satpal Kharbanda
8958788	Kamleshkumar Pratapsinh Parmar	BBZPP7560B	31.03.1987	Pratapsinh Parmar
10619014	Rajesh Jain		13.02.1955	Rattan Sagar Jain

8. Financial Statements

a) Balance Sheet :

(Rs. In crore)

Particulars	FY 2024	FY 2023	FY 2022	FY 2021
Share Capital	37.87	12.22	10.94	8.20
Reserves and Surplus	306.23	193.57	34.85	26.57
Total Shareholders' Funds	344.10	205.79	45.79	34.77
Long Term Borrowings	669.14	443.79	35.90	0.06
Other Long-Term Liabilities	198.40	156.45	44.92	2.40
Short Term Borrowings	509.33	76.01	42.47	2.02
Trade Payables	78.44	32.93	11.71	6.23
Other Current Liabilities	11.56	28.59	15.87	14.56
Assets				
Tangible Assets	487.71	207.36	50.11	0.71
Long Term Loans and Advances	402.29	170.21	0.81	0.90
Other Non-Current Assets	0.08	110.93	8.33	0.08
Trade Receivables	216.56	68.68	29.24	16.58
Cash and Cash Equivalents	324.22	285.25	10.78	9.12
Short Term Loans and Advances	138.69	34.02	11.02	15.82

b) Profit & Loss:

(Rs. in crore)

Particulars	2024	2023	2022	2021
Total Income	944.41	373.13	373.13	60.82
Expenses				
Cost of Materials	93.07	37.47	19.82	9.34
Purchase of stock in trade	504.43	201.65	135.48	34.11
Finance Cost	100.60	15.30	4.72	1.32
Depreciation	72.44	11.00	0.58	0.58
PBT	108.02	35.98	14.32	3.62
Tax Expenses	27.54	9.34	3.30	0.50
PAT	80.48	26.64	11.02	3.12

9. Credit Rating, if required

	Agency	Date	Facilities Rated	Copy of rating
1	ICRA	04.03.2025	Long term- fund based term Loan: ICRA-D downgraded from ICRA BBB- Long term- fund based cash credit: ICRA-D downgraded from ICRA BBB- Long term and short term – BG: ICRA-D downgraded from ICRA – BBB Long term and Short Term -BG (Sub limit of CC Limit): ICRA-D downgraded from ICRA – BBB	ICRA Limited_04.03.2025.p
2	ICRA	28.11.2024	Long term- fund based term Loan: [ICRA]BBB- (Stable); Reaffirmed and assigned for enhanced amount Long term- fund based cash credit: [ICRA]BBB- (Stable); Reaffirmed Long term and short term – BG: [ICRA]BBB- (Stable)/[ICRA]A3; Reaffirmed Long term and Short Term -BG (Sub limit of CC Limit): [ICRA]BBB- (Stable)/[ICRA]A3; Reaffirmed	ICRA Limited_28.11.2024.p
3	ICRA	18.11.2024	Long term - Fund based term loan : [ICRA]BBB- (Stable); assigned Long term - Fund based cash credit : [ICRA]BBB- (Stable); reaffirmed and assigned for enhanced amount Long term and short term - Non fund based – BG : [ICRA]BBB- (Stable)/ [ICRA]A3; assigned Long term and short term - BG (Sub-limit of CC limit) : [ICRA]BBB- (Stable)/ [ICRA]A3; reaffirmed and assigned for enhanced amount	ICRA Limited_18.11.2024.p
4	CareEdge	05.04.2024	Long Term Bank Facilities: CARE BB+; Stable Long Term Bank Facilities: CARE BB+; Stable Long Term / Short Term Bank Facilities: CARE BB+; Stable / CARE A4+	CARE_05.04.2024.pdf

Sr. No.	Agency	Date	Facilities Rated	Copy of rating
			Long Term / Short Term Bank Facilities: CARE BB+; Stable / CARE A4+	
5		03.03.2025	Long Term Bank Facilities - Downgraded from CARE BB+; Stable to CARE D	Care Rating 03-03-2025.pdf
			Long Term / Short Term Bank Facilities - Downgraded from CARE BB+; Stable / CARE A4+ to CARE D	

10. Media Reports: -

The media reports pertaining to Gensol Engineering Limited is mentioned below:

1. **Gensol, BluSmart on corporate ministry radar for lapses after Sebi action for 'misutilisation' of funds**
   Dated: 20.04.2025 **Source: Economic Times**

   https://economictimes.indiatimes.com/news/company/corporate-trends/gensol-blusmart-on-corporate-ministry-radar-for-lapses-after-sebi-action-for-misutilisation-of-funds/articleshow/120440949.cms?from=mdr
   The corporate affairs ministry is considering investigating Gensol Engineering and BluSmart for potential corporate governance violations, following a Sebi ban on Gensol's promoters for alleged fund diversion. The ministry will assess public information and received data to determine if an inquiry or investigation is warranted, focusing on potential misuse of funds for personal expenses and related party transactions.

2. **Gensol Misled Investors, No Manufacturing At Pune EV Plant: SEBI**
   Dated:20.04.2025 **Source: NDTV**

   https://www.ndtv.com/india-news/gensol-mislead-investors-no-manufacturing-at-pune-ev-plant-sebi-on-anmol-singh-jaggi-puneet-singh-jaggi-8210737
   Markets regulator Sebi has said it found "no manufacturing activity" at Gensol Engineering's electric vehicle (EV) plant in Pune, with only 2-3 labourers present when a National Stock Exchange (NSE) official visited the site.

   These revelations were part of the market's regulator Sebi's interim order issued on April 15 following a complaint received in June 2024 alleging manipulation of Gensol's share price and misappropriation of funds. In its order, the Securities and Exchange Board of India (Sebi) found discrepancies as well as misleading disclosures to investors by Gensol Engineering, a company promoted by brothers Anmol Singh Jaggi and Puneet Singh Jaggi.

3. **PFC, IREDA mull legal measures against Gensol to safeguard their loan exposure**
Dated:19.04.2025 **Source: Economic Times**

https://legal.economictimes.indiatimes.com/news/litigation/pfc-ireda-mull-legal-measures-against-gensol-to-safeguard-their-loan-exposure/120423401#:~:text=Power%20Finance%20Corp%20and%20IREDA,cause%20notices%20from%20the%20lenders.
Power Finance Corp (PFC) and Indian Renewable Energy Development Agency (IREDA) are pursuing legal remedies to safeguard their loan exposure to Gensol Engineering. The two public sector enterprises loaned Rs 977 crore to Gensol between FY22 and FY24, as per Sebi's preliminary findings. Of this, Rs. 663 Crore was meant for the purchase of electric vehicles that were to be leased by Gensol to BluSmart. About5,500 vehicles have been leased to BluSmart.

4. **Top auditors divided on their responsibility to detect Gensol-type frauds; ICAI yet to order probe**
Dated:19.04.2025 **Source: Financial Express**

https://www.financialexpress.com/business/industry-top-auditors-divided-on-their-responsibility-to-detect-gensol-type-frauds-icai-yet-to-order-probe-3814366/
Top auditors differ on whether Gensol fraud signals audit failure, as SEBI orders forensic audit. ICAI yet to begin probe. Experts highlight gaps in fund use checks, RPT scrutiny, and call for stricter auditing standards like ISA 600 for better fraud detection. Even SEBI has ordered a forensic audit against Gensol Engineering on alleged fund diversions by promoters, top auditors are divided on whether this is a case of "serious auditing lapse".

Following the SEBI's interim report, the internal audit committee of Gensol and its statutory auditors came under fire, as some investors believed that they were not able to detect alleged discrepancies in Gensol's books, particularly related to fund diversion and loan misappropriation.

5. **₹50 crore DLF Camellias Gurgaon flat: Here's how Anmol Singh Jaggi used Gensol funds.**
Dated:16.04.2025 **Source: Mint**

https://www.livemint.com/companies/rs-50-crore-dlf-camellias-gurgaon-flat-heres-how-anmol-singh-jaggi-used-gensol-funds-11744775479583.html
The Securities and Exchange Board of India (Sebi) issued an interim order on Tuesday against Gensol Engineering and its promoters, Anmol Singh Jaggi and Puneet Singh Jaggi. The order pointed out several governance issues and misappropriation of funds, including DLF's purchase of a luxurious residential apartment, 'The Camellias' in Gurgaon.

Funds were sent to a firm linked to the promoter via a series of transactions through a car dealer, which was later used to pay for the luxurious property, according to the Sebi order.

6. **Gensol Engineering SEBI Order: Rs 50 Crore Flat, Startup Investment, And Others – How BluSmart Promoters' Misused Funds?**
Dated:16.04.2025 **Source: Republic World**

https://www.republicworld.com/business/gensol-engineering-sebi-order-rs-50-crore-flat-startup-investment-and-others-how-blusmart-promoters-misused-funds
The Securities and Exchange Board of India (SEBI) has issued a strict order against Gensol Engineering Limited (GEL) and its promoters, Anmol Singh Jaggi and Puneet Singh Jaggi, over serious allegations of misusing and diverting company funds. The capital markets regulator has barred Gensol Engineering and its promoters, from participating in the securities markets until further orders.

This order has raised concerns not only about Gensol Engineering but also about BluSmart, a startup co-founded by Anmol Jaggi, which focuses on electric cabs. SEBI's investigation shows that funds meant for Gensol's electric vehicle (EV) business were misused for personal expenses, directly impacting BluSmart.

7. **Gensol likely to face multi-agency probe as Sebi flags fund diversion, stock manipulation**
Dated:16.04.2025 **Source: Money Control**

https://www.moneycontrol.com/news/business/markets/gensol-likely-to-face-multi-agency-probe-as-sebi-flags-fund-diversion-stock-manipulation-12996011.html
Capital market regulator Sebi's findings of large-scale financial irregularities at Gensol Engineering has raised the likelihood of a multi-agency probe into the clean energy firm, as sources with the regulator have confirmed to Moneycontrol that the probe is set to intensify - possibly attracting investigation by other agencies – and may include examination of all connected entities, listed and unlisted, as well as connected persons.

According to Sebi, funds worth Rs 96.69 crore were siphoned off to promoter-linked entities, while Rs 37.5 crore worth of loan from a subsidiary landed in the account of promoter Anmol Singh Jaggi. An additional Rs 262 crore remains unaccounted for in the company's electric vehicle purchase unit. All this has resulted in Sebi barring the promoter brothers from holding board positions, and a forensic audit of Gensol and its affiliates has been ordered. Legal experts say the allegations, if finally proven, could trigger parallel investigations under corporate fraud, money laundering, and criminal breach of trust laws.

8. **SEBI Bans Gensol Engineering & Promoters Anmol & Puneet Singh Jaggi From Securities Markets In Fund Diversion Case**
Dated: 15.04.2025 **Source: The Free Press Journal**

https://www.freepressjournal.in/business/sebi-bans-gensol-engineering-promoters-anmol-puneet-singh-jaggi-from-securities-markets-in-fund-diversion-case

Capital markets regulator SEBI barred Gensol Engineering and promoters Anmol Singh Jaggi and Puneet Singh Jaggi from the securities markets till further orders in a fund diversion and governance lapses case. The regulator has also debarred Anmol and Puneet Singh Jaggi from holding the position of director or key managerial personnel in Gensol until further orders.

9. **Exclusive: SEBI investigation looms over Gensol Engineering**
Dated: 04.04.2025 **Source: Money Control**

https://www.moneycontrol.com/news/business/markets/exclusive-sebi-investigation-looms-over-gensol-engineering-12985383.html

SEBI is likely to investigate the affairs of solar EPC company Gensol Engineering Limited (GEL). SEBI is concerned about issues of corporate governance, especially the related-party transactions and submission of alleged falsified debt servicing documents to rating agency ICRA. SEBI may also investigate the company from a fund's diversion. According to a source, SEBI is also scrutinising disclosures made and is likely to look into the accounting practices of the company and associates. The steep rise in its balance sheet may also be examined. GEL has reported a compound annual growth of 52.1 percent in its profit over the last five years.

10. **Legal Reports:**

S. No.	Case Title	Court/Authority	Date	Description of Report/Order	Copy of Order
1.	Interim Order in the matter of Gensol Engineering Limited	SEBI	15.04.2025	Under Sections 11(1), 11(4) and 11B of SEBI Act, 1992 (*Power of SEBI to issue directions to protect investors and maintain the orderly development of the securities market.*)	SEBI Order_15.04.2025.pd

11. **Findings/Observation from other departments, if any:**

(a) SEBI Investigation: -

SEBI has investigated Gensol Engineering Limited and has issued an interim order against the company and its promoters. The investigation was triggered by a

complaint in June 2024, relating to manipulation of share price and diversion of company funds by the promoters.

SEBI has passed an interim order dated 15.04.2025 wherein it has listed out various irregularities and also passed some strictures against the company and its promoters-directors. Further, company has been directed to file its reply/objections within 21 days.

The prima-facie findings of SEBI are as under:

- **Falsified Documents Submissions:** A Credit Rating Agency i.e. ICRA, has stated that the documents shared by GEL on its debt servicing track records such as NOCs and conduct letters were apparently falsified.

  Concerning default by BluSmart Mobility Private Limited (BluSmart), a related party of Gensol, the CRAs initiated a review of the ratings assigned to GEL and downgraded it to 'D' due to delays in servicing debt obligations.

  In respect of these two lenders (PFC and IREDA), Gensol shared Conduct Letters purportedly issued by IREDA and PFC, which stated that Gensol was regular in its debt servicing. Total Loans from the 2 lenders amount to Rs. 977.75 cr.

- **Misappropriation of Funds to buy personal property:** SEBI alleged that loans taken by Gensol to procure EVs were partly used to buy a premium property at Gurgaon in the name of a firm in which Gensol's MD and his brother are designated partners.
  - Gensol Engineering took a loan of ₹71.41 crore from IREDA and transferred ₹26 crore from its own account. These funds worth ₹97 crore were later transferred to Go-Auto, a Tata Motor Dealership company, apparently related to Gensol. Go-Auto sent ₹50 crore to Capbridge Ventures, a firm controlled by promoters.
  - Company grossly mis-utilized funds and also diverted certain funds to promoters/promoters related entities.
  - Further, Bank statements of Capbridge Ventures LLP further showed that it received ₹70 crore in FY 2023 from Go-Auto: ₹50 crore on

October 03, 2022, which was partly utilized for acquiring the apartment in 'The Camellias,' DLF.

- **Diversion of funds:**
  Gensol procured term loans worth ₹977.75 crore from IREDA and PFC as term loans of which ₹663.89 crore were to be used to purchase 6,400 EVs and **subsequently lease them to BluSmart, a ride-hailing company related to Gensol.** However, the company acknowledged that it had bought only 4,704 electric vehicles (EVs) to date. It bought these EVs from Go-Auto for ₹567.73 crore. Additionally, Gensol was supposed to provide 20 per cent equity contribution, bringing the total funds to ₹829.86 crore to buy 6,400 EVs. On the basis of these numbers, a sum of ₹262.13 remains unaccounted.

  MD of Go-Auto has deposed before SEBI that an amount of Rs. 50 Crore was due from GEL and therefore, Go-Auto would not be delivering anymore EVs to GEL. SEBI has stated that this shortfall prima facie appears to be diversion of funds by GEL to the connected entities using Go-Auto as a conduit, which needs detailed investigation.

- Furthermore, the other related entity i.e. Wellray Solar Industries Private Limited was also used for diversion of funds from GEL, as well as trading in GEL's Shares from the funds received from GEL of around Rs. 101 Crore.

Other Observations:

- CFO, Ankit Jain, resigned in March 2025 citing personal reasons.

SEBI's Directions

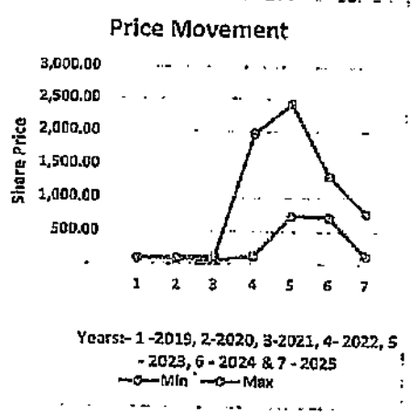
- The Individuals/entities identified were restrained from buying, selling, or dealing in securities directly or indirectly until further orders.
- Bank accounts of some of the alleged entities were directed to be frozen to the extent of unlawful gains.
- The company (GEL) was directed to cooperate with SEBI and ensure preservation of relevant documents and data.
- Stock Split halted.

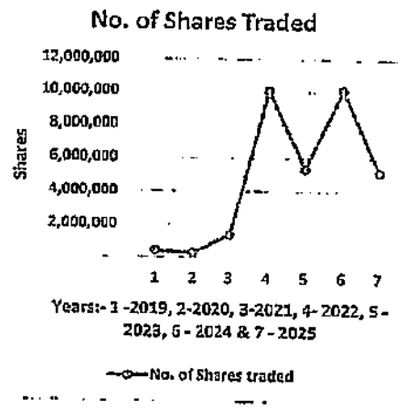
- Forensic Audit to be done.

12. Observations:

Observations from SEBI Interim Order, financial statements and various Media reports are as under:

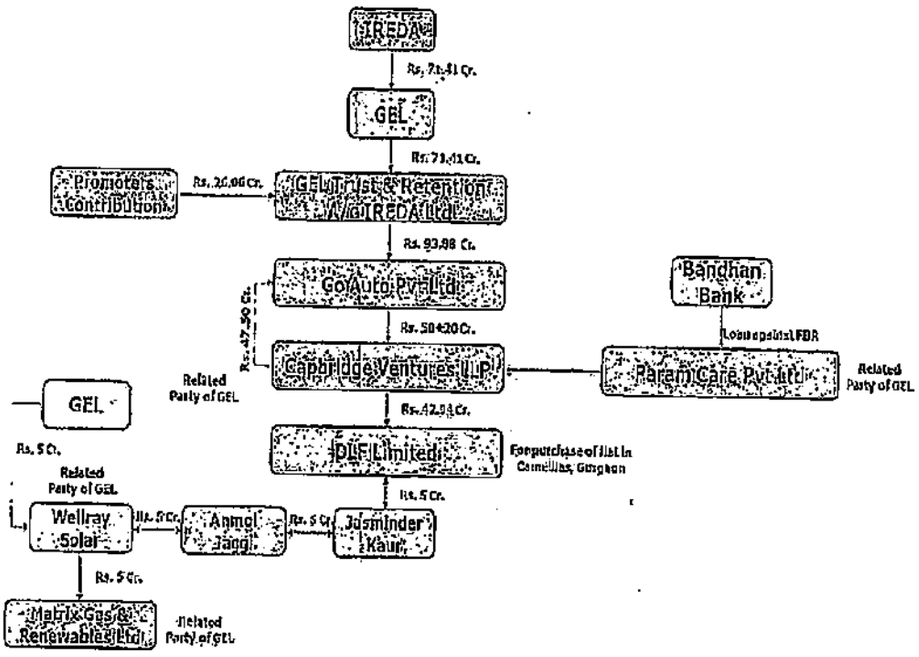
- GEL was first listed on BSE SME Platform on 15.10.2019 and got listed on main board of BSE & NSE on 03.07.2023.
- During the period from 15.10.2019 till 17.04.2025, share price movement and shares traded is depicted below:





- Shareholding of promoters was down from 70.72% in March 2020 to 35.13% as per latest shareholding patters made available to SEBI by the Registrar & Transfer Agent (RTA).
- Based on default by BluSmart Mobility Pvt Ltd, credit rating of GEL was downgraded by ICRA from ICRA BBB/A3 to ICRA D and by CARE from CARE BB+ Stable/ A4+ to CARE D vide its press release dated 04.03.2025 & 03.03.205 respectively.
- GEL requested credit rating agency for withdrawal of rating based on NOC issued by Indian Renewable Energy Development Agency Ltd. (IREDA) and Power Finance Corporation (PFC). However, on seeking confirmation from IREDA & PFC regarding issuance of conduct letters and NOCs, both of them denied having issued such letters or NOCs.
- GEL had availed term loan of Rs. 977.75 Crore from IREDA & PFC for purchase of 6,400 Electrical Vehicles (EV) from Go Auto Pvt Ltd (GAPL) for leasing to BluSmart, a related party. However, on confirmation from GAPL, it informed that only 4,704 EVs were purchased for consideration of Rs. 567.73 Crore

against total fund of Rs. 829.86 Crore (Loan fund Rs. 663.89 Crore plus margin contributed i.e. Rs. 262.13 Crore). Fund trail of one of such incidences is reproduced below:



The funds transferred between GEL and one of the related parties *viz.* Wellray Solar Industries Pvt Ltd did not correspond to the quantum of underlying commercial transactions between them.

13. **Conclusion:** Based on the above SEBI Order and further observations, *prima facie* it appears that promoters indulged in misutilization and diversion of public funds from GEL to related parties for their personal enrichments. **Accordingly, the Competent Authority may make an appropriate decision regarding the need for investigation by SFIO into the affairs of Gensol Engineering Limited under the Companies Act, 2013.**

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ANNEXURE- A-5

Status report of RoC in the matter of Investigation of Gensol Engineering Limited & Blu Smart Group of Companies (5 nos)

This office has received directions from the Directorate vide letter No. RD (NWR)/Invest./210/15/06 Comp./2025/ 570 dt. 07.05.2025 forwarding therewith order No. CL-II-03/120/2025-O/o DGCoA MCA dated 28.04.2025 of DGCoA, Ministry of Corporate Affairs wherein the DGCoA has issued direction to carry out investigation under section 210(1)(c) of the companies Act, 2013 into the affairs of Gensol Engineering Limited having CIN L74210GJ2012PLC129176 and 05 (Five) other companies viz. Blu-Smart Charge Private Limited (CIN U63090GJ2019PTC106065); Blu-Smart Fleet Private Limited (CIN U63090GJ2019PTC106075); Blu-Smart Mobility Limited (CIN U74999GJ2018PLC104895); Blu-Smart Mobility Tech Private Limited (CIN U63030GJ2019PTC105970) and Blu-Smart Premium Fleet Private Limited (CIN U49224GJ2024PTC153139).

Pursuant to this order authorizing investigation, this office has taken the following steps immediately:

1. This office has issued the Preliminary letter dated 08.05.2025 under Section 210 (1) (c) of the Companies Act, 2013 to company & Directors to present certain information/ document/ explanation.(Annexure A) Further, this office has issued Summons under section 217 (4) (a) of the Companies Act, 2013 dated 08.05.2025 to the Directors & KMPs of the GENSOL ENGINEERING LIMITED as well as summons issued to the directors of Blu Smart group (5 entities) registered under the jurisdiction RoC, Ahmedabad (Annexure B).

2. Further, this office has issued letters to regulatory authorities i.e. ED, CBI, SFIO, SEBI & IREDA with a request to share the present status of their proceedings/actions/investigation in the matter of GENSOL ENGINEERING LIMITED and Blu Smart group companies and action(s) taken thereof along with relevant documentary evidence if any. (Annexure C1,C2,C3,C4,C5)

3. This apart, a letter has been issued to Indian Banking Association (IBA) to furnish the details of bank accounts and transaction details of the GENSOL ENGINEERING LIMITED and Blu Smart group companies. (Annexure D)

   Reply from the above-mentioned companies & regulatory authorities and IBA are still awaited.

This office has examined the related party transactions between Gensol Engineering Limited and other related entities. Observations are as follows:

Related Party transactions with Blu Smart Group Companies & other companies:

The company has engaged in multiple contracts and agreements with affiliated parties as detailed in the accompanying table:

Name of Related Party & Nature of Relationship	Nature of Contract/ Arrangement / Transactions	Salient Terms of the Contract/ arrangement/ transactions including value if any	Remarks
For the F.Y. 2023-24			
Blu-Smart Fleet Private Limited & Group Company	Sale of goods and Interest and Rent Income	35,00,00,000 (Rupees Thirty-Five Crore Only)	Anmol Singh Jaggi has been Director since 14.01.2019
Blu-Smart Mobility Private Limited & Group Company	Sale/purchase of goods/services, Interest Income and Rent Income	90,00,00,000 (Rupees Ninety Crore Only)	Anmol Singh Jaggi has been Director since 14.01.2019 & Inderpreet Singh Wadhwa has been Director since 29.12.2020

Blu-Smart Mobility Tech Private Limited & Group Company	Purchase of goods/ Services	15,00,000 (Rupees Fifteen Lakh Only)	Both Anmol & Puneet Jaggi are Directors Since 09-01-2019
Blu-Smart Mobility Tech Private Limited and group Company	Rent income	1,00,000 (Rupees One Lakh Only)	Both Anmol & Puneet Jaggi are Directors Since 09-01-2019
Blu-Smart Charge Private Limited	Rent income	1,00,000 (Rupees One Lakh Only)	Both Anmol & Puneet Jaggi are Directors Since 14-01-2019
Gensol Electric Vehicle Private Limited & Group Company	Sale of goods and Interest Income	12,00,00,000 (Rupees Twelve Crore Only)	Anmol Singh Jaggi has been Director since 24.03.2023
Gensol EV Lease Pvt Ltd & Group Company	Sale of goods and Interest Income	25,00,000 (Rupees Twenty Five Lakh Only)	Both Anmol & Puneet Jaggi are Directors Since 24-05-2023
Matrix Gas and Renewables Private Limited & Group Company	Purchase/Sale of goods/services, Rent Income and Interest income	10,00,00,000 (Rupees Ten Crore Only)	Anmol Singh Jaggi has been Managing Director since 2019-09-30
Scorpius Trackers Pvt Ltd	Purchase/Sale of goods/services and Rent Income	12,00,00,000 (Rupees Twelve Crore Only)	Jabirmahendi Mohammedraza Aga has been Director since 2023-11-29
Param Renewable Energy Private Limited & Group Company	Purchase/Sale of goods/services, Rent Income and Interest income	6,00,00,000 (Rupees Six Crore Only)	Both Anmol & Puneet Jaggi are Directors Since 20-12-2019

Gensol Utilities Private Limited and group Company	Purchase/Sale of goods/services, Rent Income and Interest income	4,00,00,000 (Rupees Four Crore Only)	Both Anmol & Puneet Jaggi are Directors Since 12-03-2015
Gosolar Venture Private Limited and group Company	Purchase/Sale of goods/services, and Interest income	15,00,00,000 (Rupees Fifteen Crore Only)	Puneet Jaggi is Director Since 11-08-2022
For the F.Y. 2022-23			
Blu-Smart Fleet Private Limited & Group Company	Sale of goods and Interest and Rent Income	20,00,00,000 (Rupees twenty Crores)	Anmol Singh Jaggi has been Director since 14.01.2019
Blu-Smart Mobility Private Limited & Group Company	Sale/purchase of goods/services, and Rent Income	20,00,00,000 (Rupees twenty Crores)	Anmol Singh Jaggi has been Director since 14.01.2019 & Inderpreet Singh Wadhwa is Director since 29.12.2020
Gensol consultants private limited & Group company	Sale of good & rent Services	20,00,00,000 (Rupees twenty Crores)	Both Anmol & Puneet Jaggi are Directors Since 20.03.2007 & 29.12.2020
Gosolar venture private Limited & Group company	Sale of good & rent Services	75,00,00,000 (Rupees Seventy Five Crores)	Puneet Jaggi is Director Since 11-08-2022
Matrix gas and renewables Private Limited	Sale of good & rent Services	25,00,00,000 (Rupees Twenty Five Crores Only)	Anmol Singh Jaggi has been Managing Director since 30.09.2019
Param Renewable Energy Private Limited & Group Company	Sale of good & rent Services	35,00,000 (Rupees Thirty Five Lakh Only)	Both Anmol & Puneet Jaggi are Directors Since 20-12-2019

For the F.Y.2021-22			
Blu-Smart Fleet Private Limited & Group Company	Sale of goods / services	Rs. 10,07,00,000 (Rupees Ten Crore Seventy Lakhs Only)	Anmol Singh Jaggi has been Director since 14.01.2019
Blu-Smart Mobility Private Limited & Group Company	Sale of goods / services	Rs. 2,00,000 (Rupees Two Lakhs Only)	Anmol Singh Jaggi has been Director since 14.01.2019 & Inderpreet Singh Wadhwa has been Director since 29.12.2020
Blu-Smart Mobility Private Limited & Group Company	Rent Income	60,000 (Sixty Thousand Only)	Anmol Singh Jaggi has been Director since 14.01.2019 & Inderpreet Singh Wadhwa has been Director since 29.12.2020
Gosolar venture Private Limited & Group Company	Sale of goods / services	Rs. 10,07,00,000 (Rupees Ten Crore Seventy Lakhs Only)	Puneet Jaggi is Director Since 11-08-2022
Gensol Consultants Private Limited & Group Company	Sale of goods / services	Rs. 500,00,000.00 (Rupees Five Crore Only)	Both Anmol & Puneet Jaggi are Directors Since 20.03.2007 & 29.12.2020
Param Renewable Energy Private Limited & Group Company	Purchase of Property, Plant and Equipment	Rs. 73,00,000 (Rupees Seventy-Three Lakhs Only)	Both Anmol & Puneet Jaggi are Directors Since 20-12-2019

For the F.Y. 2020-21			
Blu-Smart Fleet Private Limited	Sale of Goods /Services	3,22,95,000	ANMOL SINGH JAGGI has been Director since 14.01.2019
Blu-Smart Mobility Private Limited	Rent Income	60,000	ANMOL SINGH JAGGI has been Director since 14.01.2019 & INDERPREET SINGH WADHWA is Director since 29.12.2020
Gensol Consultants Private Limited & Common Director of the Company	Sale of Goods / Services	2,70,50,000	Both Anmol & Puneet Jaggi are Directors Since 20.03.2007 & 29.12.2020
Gosolar Ventures Private Limited & Common Director of the Company	Sale of Goods /Services Purchase of Goods/Services	3,77,12,000 & 3,04,00,000	Puneet Jaggi is Director Since 11-08-2022
Param Renewables Energy Private Limited & Common Director of the Company	Purchase of Goods / Services	4,53,000	Both Anmol & Puneet Jaggi are Directors Since 20-12-2019
Gensol Consultants Private Limited & Common Director of the Company	Debtor	22,28,000	Both Anmol & Puneet Jaggi are Directors Since 20.03.2007 & 29.12.2020

Shareholding Pattern of Promoters Group

F.Y. 2020-21			
S.No	Particular	Percentage	
1.	Anmol Singh Jaggi	23.94	
2.	Puneet Singh Jaggi	21	
3.	Gensol venture Private Limited	25.78	
	Total	70.72	
F.Y. 2021-22			
S.No	Particular	Percentage	
1.	Anmol Singh Jaggi	23.94	
2.	Puneet Singh Jaggi	21	
3.	Gensol venture Private Limited	25.78	
	Total	70.72	
F.Y. 2022-23			
S.No	Particular	Percentage	
1.	Anmol Singh Jaggi	21.73	
2.	Puneet Singh Jaggi	19.07	
3.	Gensol venture Private Limited	23.87	
	Total	64.67	
F.Y. 2023-24			
S.No	Particular	Percentage	
1.	Anmol Singh Jaggi	21.03	

2.	Puneet Singh Jaggi	18.46	
3.	Gensol venture Private Limited	23.14	
	Total	62.63	
F.Y. 2024-25			
S.No	Particular	Percentage	Remark
1.	Anmol Singh Jaggi	12.32	Promoter Group offloaded almost 50% holding in the market for unlawful gain.
2.	Puneet Singh Jaggi	10.47	
3.	Gensol venture Private Limited	11.94	
	Total	34.73	

The Company had brought out an IPO of 21,60,000 equity shares of face value of Rs 10 each vide RHP dated 19.09.2019 filed in GNL-2 vide H91444026 dated 20.09.2019 with ROC, Chandigarh. Prospectus was filed by the company on 09.10.2019 in GNL-1 bearing SRN R01255538 with ROC, Chandigarh.

The Company has shown unusual growth over the past few years as per the information available. On a standalone basis, the Sales of the company have grown from Rs. 61 Crore in FY 2017 to Rs. 1,152 Crore in FY 2024. The trailing 12-month data shows that its Sales went up to Rs. 1,297 Crore. During the same period, operating profit went up from Rs. 2 Crore to Rs. 209 Crore and net profit from Rs. 2 Crore to Rs. 80 Crore. For the corresponding period (FY 2017 to FY 2025), the balance sheet of the Company recorded an equally stupendous growth.

The total liabilities/balance sheet size expanded from Rs. 10 Crore in FY 2017 to Rs. 2,202 Crore in the first half of FY 2025. During this period, Gensol's borrowings increased from Nil in FY 2017 to Rs. 1,045 Crore in the first half of FY 2025, after touching Rs. 1,260 Crore in FY 2024.

Misoperation of Funds:

Fund Diversion via Related Parties (Rs 205+ Cr)

The company diverted Rs. 205 crores out of Rs 978 crores borrowed ostensibly to procure electric vehicles (EVs). Funds were routed through Go Auto Pvt. Ltd., a related intermediary, which delivered only 567 crores worth of EVs. The balance was funneled into entities controlled by the promoters, such as Capbridge Ventures LLP, used to buy a Rs. 43 crores flat, and other non-business payments. However, no proper disclosures were made in related party notes or board approvals obtained. This constitutes a violation of Ind AS-24, read with Sections 185 and 188 of Companies Act 2013.

Misstatement of Revenue (Rs 963 Cr in FY24; Rs134 Cr from EV Leasing)

Gensol reported Rs. 963 Cr consolidated revenue in FY2023-24, including Rs.134 Cr from EV leasing to BluSmart, without disclosing that, nearly all of this segment's revenue came from a single customer. Non-binding MoUs (e.g., with Refex) were falsely presented as confirmed orders. This risks premature or fictitious revenue recognition under Ind AS 115. Failure to disclose major customer risk violates Ind AS 108 read with section 129 of Companies Act, 2013.

Improper Capitalization (Rs125 Cr EV Plant, Rs568 Cr EV Fleet)

Gensol capitalized interest and overheads on non-qualifying assets like ready-for-use EVs and idle EV plant under construction. Ind AS 23 prohibits capitalization when development is suspended. Rs. 125 Cr spent on EV plant by Feb 2024, which was largely inactive for a year. Finance costs were under-reported; depreciation expense was inflated to spread the misstatement. No impairment testing or expense reclassification was done.

Omission of Defaults and Misreporting of Liabilities (1,510 Cr borrowings by FY24)

Gensol failed to report defaults starting Dec 2024 and continued to show healthy loan repayment status despite downgrades by rating agencies. SEBI's probe revealed fake no-default letters were submitted. As of FY24, the company carried (1510 Cr in debt without proper stress disclosure. Such concealment violates Ind AS 1 read with section 129 of companies act, 2013.

Overstatement of Assets and Non-Impairment (Rs. 205 Cr advances not written off)

Rs. 205 Cr in advances (not delivered as EVs) remained on books despite clear evidence of non-recovery. No provision or impairment recorded under Ind As 109 and Ind AS 36. Fixed assets included potentially over-invoiced EVs bought via Go Auto, further inflating assets and enabling fraud. Assets were overstated and profits maintained artificially.

Contingent liabilities for EV lease defaults, loan covenants breaches, or personal guarantees (e-g, Wellray transactions) were not disclosed. Rs. 15 Cr DSRA lien-marked by lenders was not identified as restricted cash. No disclosure was made, thus violating Ind AS 37 and Ind AS 10.

Entities through Which Funds Were Diverted / Need Further Investigation:

Go Auto Pvt. Ltd. - Received Rs. 775 Cr, delivered only Rs. 567 Cr in EVs; intermediary for fund diversion. CIN: U34300DL2008PTC182562 - Delhi

Capbridge Ventures LLP - Used for purchasing Rs. 43 Cr flat in Gurgaon; owned by promoters. LLPIN: AAT-2035 - Ahmedabad

Gensol Ventures Pvt. Ltd. - Promoter-owned; received diverted funds. U74999GJ2017PTC096539

Matrix Gas and Renewables Ltd. - Received inflows from Capbridge; appears in fund trail. U74999GJ2018PLC101075

Wellray Solar Pvt. Ltd. (Now Renamed as ULTRAVERA INDUSTRIES PRIVATE LIMITED)- Used for propping Gensol's share price using Rs. 137 Cr in diverted funds. (CIN: U74110GJ2017PTC098221)

BluSmart Mobility - EV lease customer funded indirectly by Gensol; indirect exposure risk. BLUESMART MOBILITY PRIVATE LIMITED U74999GJ2018PTC104895 BLU-SMART MOBILITY TECH PRIVATE LIMITED U63030GJ2019PTC105970.

Investors Value Protection Risk: It is observed from the various media reports as well as filing reports that the company and Promoters have secured Equity deals at larger valuations and subsequent fund diversions thereby placing themselves (the few individual shareholders holding majority proposition) at a greater risk by removing the guardrails of credit risk assessment and management.

The company has a loan of around Rs. 2,335 crores, part of which was allocated for specific predetermined purposes, including approximately Rs. 623 crores borrowed from IREDA and PFC, which was utilized for personal expenditures.

Companies Act, 2013-Key Violations:

Sec-129- Financial Statement

Gensol's financial statements failed to present a true and fair view by not disclosing material fund diversion, overstated asset, and undisclosed liabilities of Rs. 205 crores of diverted funds were not impaired or written off.

Sec-134(5)- Financial Statement, Board's report, etc

The directors declared that proper accounting policies and internal control were followed, which was false. Internal control failed to prevent fund siphoning, and key events like defaults were omitted from reports.

Sec-166(5)- Duties of Directors

A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and such if director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.

Sec-185- Loans to Directors, etc

Diverted company funds were indirectly routed to LLPs (e.g. Capbridge Venture LLP) owned by directors for personal asset acquisition, violating restrictions on direct /indirect loans to directors or entities in which they are interested.

Sec.-188- Related Party Transactions read with sec. 177 (Audit Committee approval)

High value transactions with go Auto Pvt. Ltd and Capbridge Ventures were not disclosed or approved by the Board or shareholders, in breach of disclosure and governance requirement for related party transactions.

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Sec-67 – Restrictions on purchase by company or giving of loans by it for purchase of its shares.

Funds were routed via Wellray solar Pvt. Ltd (Former promoter- controlled entity) to manipulate Gensol's share price, effectively using company as a vehicle to buy its own shares, a clear contravention of section 67 of the companies act, 2013.

As per the financial statement for the FY 2023-24 of the company, the following body corporate shareholders hold 10% or more of the total shareholding of the company:

Sr. No.	Name of Shareholder	% of shares held (Direct/ Indirect)	Remark
1	GENSOL VENTURES PRIVATE LIMITED	23.14	BEN-2 has been filed for filing of declaration of SBOs in Ben-1 in respect of Mr. Anmol Singh Jaggi and Mr. Puneet Singh Jaggi on 20.12.2023. However, it is noticed that Significant Beneficial Interest was acquired by Mr. Anmol Singh Jiggi and Mr. Puneet Singh Jaggi on 22.07.2022 and 28.03.2017 respectively in the company Gensol Ventures Private Limited which has been filed late attracting violation of Section 90(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Significate of Beneficial Owners) Rules, 2018.

It is pertinent to mention that this office has Suo-moto issued a letter dated 21.04.2025 to the company and officers in default eliciting a response for violations under the domain of Companies Act, 2013 arising out of the interim order of SEBI dated 15.04.2025. Replies to the letter from this office from all concerned is still awaited.

Necessity of Look out Circular

Mr. Anmol Singh Jaggi, Mr. Puneet Singh Jaggi, Mr. Ankit Jain, Mr. Jabirmahendi Mohammedraza Aga, Mr. Inderpreet Singh Wadhwa and Mr. Umakant Panwar as Directors/Promotors of M/s Gensol Group companies and other group concerns had availed various credit facilities from different financial institutions including IREDA & PFC. As per the Index of charge available on MCA 21 portal, the company Gensol itself has credit facilities of Rs. 2385 Cr. Lookout Circulars may be opened against the Directors of Gensol and its group companies as the Directors are fraudsters who have availed loans and willfully defaulted and possibly laundered money. They present an imminent risk of escaping to foreign jurisdiction which will be detrimental to the economic interests of India.

Mr. Anmol Singh Jaggi, Mr. Puneet Singh Jaggi, Mr. Ankit Jain, Mr. Jabirmahendi Mohammedraza Aga, Mr. Inderpreet Singh Wadhwa and Mr. Umakant Panwar are directly involved and hold considerable equity stake in M/s. Gensol Engineering Limited. It involves a huge amount of approximately Rs. 2335 crores which requires serious explanation from the Directors coming on the back of allegations that the money utilized funds/ sources for their self-serving interests. The aforesaid transactions are an important part of the entire scheme of fraud perpetuated involving significant amounts. This apart, look-out circulars are necessary to be issued against the Directors on the grounds of mis-utilization of public sector credit facilities. The company was sanctioned credit facilities from 13 financial institutions including IREDA & PFC having exposure of Rs 2335 crore. The media reports have shown that between 2022-23 and 2023-24, the directors colluded and committed illegal activities encompassing diversion of funds, misappropriation, and criminal breach of trust. The funds were used for purposes other than the one for which it was released by the banks and financial institutions.

RECOMMENDATION

Public interest has been adversely affected, and stakeholders have incurred financial losses after investing their hard-earned money in the company whose market capitalization has shrunk from 4300 crores (at its peak) to 506 crores as on April 11th, 2025. In light of this, the Central Government is empowered to take measures under Section 241 of the Companies Act 2013 to protect the public interest. Therefore, the Central Government may also petition the Tribunal under this section if it deems that the company's operations are being conducted in a manner detrimental to public interest.

The funds acquired from the IPO by the company's promoters were not allocated for the intended purpose as specified by the company. On the contrary, they were utilized to satisfy personal desires and to indulge in luxury. In light of the situation, it is imperative to protect the interests of the lenders should any other entity commence the repossession of electric cabs. Therefore, to prevent unjust enrichment and to reclaim illegal and unlawful profits derived from wrongful actions, corrective measures under section 221 may also be pursued to halt any further alienation of the company's assets.

It would not be out of place to place on record that the key individuals in charge of the affairs of Gensol Engineering Limited and Blu Smart Group, Anmol Singh Jaggi and Punit Singh Jaggi, have tendered their resignations from their roles as Managing Director and Whole-time Director at Gensol Engineering Limited, effective May 12, 2025.

On perusal of records available on MCA portal, it is evident that the transactions between the related parties involve false disclosures, accommodation entries and diversion of funds by its promoter directors, Mr. Anmol Singh Jaggi, Mr. Puneet Singh Jaggi, Mr. Ankit Jain, Mr. Jabirmahendi Mohammedraza Aga, Mr. Inderpreet Singh Wadhwa and Mr. Umakant Panwar, (direct beneficiaries). Apart from the above, the matter may also be recommended for Investigation u/s 219 of the Companies Act, 2013 for the following entities:

S.No	Name of the Company
1	Blu-Smart Fleet Private Limited
2	Blu-Smart Mobility Private Limited
3	Blu-Smart Mobility Tech Private Limited
4	Blu-Smart Charge Private Limited
5	Gensol Electric Vehicle Private Limited
6	Gensol EV Lease Pvt Ltd
7	Go Auto Pvt. Ltd
8	Capbridge Ventures LLP
9	Wellray Solar Pvt. Ltd
10	Matrix Gas and Renewables Private Limited
11	Scorpius Trackers Pvt Ltd
12	Param Renewable Energy Private Limited
13	Gensol Utilities Private Limited
14	Gosolar Venture Private Limited
15	Gensol consultants private limited

13.05.25
(Keerthi Thej N.)
Registrar of Companies,
Gujarat, Dadra & Nagar Haveli

13.5.25
(Atma Sah)
Registrar of Companies-cum Official Liquidator, Rajasthan

13.05.25
(Sayali Gaikwad)
Asstt. Registrar of Companies
Gujarat, Dadra & Nagar Haveli

Reg-Investigation under Section 210 (1) (c) of the Companies Act, 2013 in the matter of Gensol engineering ltd and blu-smart group of companies (5 Nos) u/s 210 (1)(c)

From:	"ROC AHMEDABAD" <roc.ahmedabad@mca.gov.in>
To:	'"dgcoa"' <dgcoa@mca.gov.in>
Cc:	<rd.northwest@mca.gov.in>, '"Manoja Sahu"' <Manoja.Sahu@mca.gov.in>, '"Arjun C"' <Arjun.C...
Date:	May 13, 2025, 8:06:20 PM
Subject:	Reg-Investigation under Section 210 (1) (c) of the Companies Act, 2013 in the matter of Gensol engineering ltd and blu-smart group of companies (5 Nos) u/s 210 (1)(c)
Attachments:	Gensol-_final signed report-13.05.2025.pdf

Sir,

Please find the enclosed attachment containing the duly signed status report in the matter of Gensol engineering ltd and blu-smart group of companies (5 Nos) u/s 210 (1)(c) for your kind perusal and necessary instructions if any.

With Regards,
Registrar of Companies,

Ahmedabad (GUJARAT)