

National Stock Exchange of India

Circular

Department: Investigation	
Download Ref No: NSE/INVG/66643	Date: February 12, 2025
Circular Ref. No: 447/2025	

To All NSE Members,

Sub: SAT Order in the matter of Mishtann Foods Limited.

This has reference to NSE circular no. NSE/INVG/65437 dated December 5, 2024 in respect of SEBI Order no. WTM/AB/CFID/CFID-SEC3/31030/2024-25 dated December 05, 2024, wherein SEBI has debarred entities from accessing the securities market and are also prohibited from buying, selling and otherwise dealing in the securities market, directly or indirectly, in any manner whatsoever, for the period mentioned in SEBI order.

Sr. No.	Name	PAN
1.	Ravikumar Gaurishankar Patel	ASZPP4552H
2.	Jatinbhai Ramanbhai Patel	AWRPP3066G

SEBI has now communicated that SAT vide order dated January 31, 2025 has issued following directions on appeal made Appeal Nos. 37 & 38 of 2025:

“Both the appeals are allowed holding that direction at 153(b) and (c) are unsustainable and they are set aside qua the appellants.”.

The detailed order is available on SAT website (<https://satweb.sat.gov.in/orders>).

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

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

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

National Stock Exchange of India

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

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

**Sandesh Sawant
Senior Manager**

Annexure: SAT Order in the matter of Mishtann Foods Limited

IN THE SECURITIES APPELLATE TRIBUNAL AT
MUMBAI

DATED THIS THE 31ST DAY OF JANUARY, 2025

CORAM : Justice P. S. Dinesh Kumar, Presiding Officer
Ms. Meera Swarup, Technical Member
Dr. Dheeraj Bhatnagar, Technical Member

Appeal No. 37 of 2025

Between

Jatinbhai Ramanbhai Patel
Narsinhpura, PO – Kukadia,
Ta- Idar, Dist – Sabarkantha,
Gujarat – 383410.

.... Appellant

By Mr. Kunal Katariya, Advocate with Ms. Ashmita Goradia, Mr.
Anil Nagotkar, Advocates for the Appellant.

And

Securities & Exchange Board of India
SEBI Bhavan, Plot No. C-4A, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051.

.... Respondent

By Mr. Chetan Kapadia, Senior Advocate with Mr. Ravishekhar
Pandey, Mr. Ankit Singh, Advocates i/b Agama Law Associates for
the Respondent.

With
Appeal No. 38 of 2025

Between

Ravikumar Gaurishankar Patel
Narsinhapura, PO – Kukadia,
Ta- Idar, Dist – Sabarkantha,
Gujarat – 383410.

.... Appellant

By Mr. P. N. Modi, Senior Advocate with Ms. Kalpana Desai, Mr. Khush Padamsi, Advocates and Mr. Sidharth Jain, CS for the Appellant.

And

Securities & Exchange Board of India
SEBI Bhavan, Plot No. C-4A, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051.

.... Respondent

By Mr. Chetan Kapadia, Senior Advocate with Mr. Ravishekhar Pandey, Mr. Ankit Singh, Advocates i/b Agama Law Associates for the Respondent.

THESE APPEALS ARE FILED UNDER SECTION 15T OF SEBI ACT, 1992 TO SET ASIDE ORDER DATED DECEMBER 5, 2024 (EX-A) PASSED BY WTM, SEBI.

THESE APPEALS COMING ON FOR HEARING THIS 31ST DAY OF JANUARY 2025 THIS TRIBUNAL PASSED THE FOLLOWING:

O R D E R

Per : Justice P. S. Dinesh Kumar, Presiding Officer (Oral)

These appeals are presented by the noticee Nos. 4 and 5 challenging, *inter-alia*, the directions at paragraph No. 153(b) and (c) against the appellants in the order dated December 5, 2024 passed by the WTM¹ of SEBI².

2. We have heard Mr. P. N. Modi, learned Senior Advocate with Ms. Kalpana Desai, learned Advocate and Mr. Sidharth Jain, CS for the appellant in Appeal No. 38 of 2025 and Mr. Kunal Katariya, learned Advocate with Ms. Ashmita Goradia, Mr. Anil Nagotkar and Advocates in Appeal No. 37 of 2025 and Mr. Chetan Kapadia, learned Senior Advocate with Mr. Ravishekhar Pandey, Mr. Ankit Singh, learned advocates for the respondent SEBI.

3. It was contended by Shri. Modi that both appellants have resigned as directors in 2018 and as promoters in 2021. The period considered in these appeals by the SEBI while passing this order is FY 2022-2024. Therefore, directions against the appellants are unsustainable. He submitted that appellants were not involved in the affairs of the company after their resignation in 2018 and, therefore, the reasons recorded para No. 148 are untenable.

¹ WTM - Whole Time Member

² SEBI - Securities & Exchange Board of India

4. Shri Modi further submitted that the appellant (noticee No. 4) is a successful resolution applicant in respect of two companies namely KDJ Holidayscapes & Resorts Ltd. and Talwarkar Better Value Fitness Ltd. Section 29A(f) of the IBC³ renders persons prohibited by the SEBI from trading in the securities or accessing the securities market, ineligible to be a resolution applicant.

5. Shri Kunal Kataria, learned advocate submitted that Noticee No. 5 is also a successful resolution applicant in Alka India Ltd.

6. In reply, Shri Kapadia, learned senior advocate for the SEBI submitted that it is not in dispute that appellants were directors in 2018 and they have signed financial statements as directors in FY 2018. There was total sales of Rs.3173.74 crore and total purchases of Rs. 2921.11 crore out of which 90% of the sales and purchases were related party transactions in which appellants have substantial interest. Therefore, the impugned order does not suffer from any legal infirmity.

8. We have carefully considered the rival contentions and perused the records. Shri P. N. Modi and Shri Kunal Kataria are right in their submission that while recording reasons for issuing the interim directions in paragraph No. 149, SEBI has recognized only the

³ IBC - Insolvency & Bankruptcy Code, 2016

noticee No. 2 as the sole promoter. We have perused Section 29A(f) of the IBC 2016. It renders a person prohibited by SEBI from trading in securities or accessing the securities markets ineligible to be a resolution applicant.

9. Learned advocates have submitted that that the appellants do not hold any share in the company or play any role in the company. They undertake not to associate themselves with the notice no. 1 or its subsidiaries. Their submissions are placed on record.

10. Thus, admittedly, appellants have resigned as Directors in 2018 and as Promoters in 2021. Therefore, in our view, the interim directions, pending inquiry are harsh and unsustainable *qua* the appellants and the impugned order is liable to be set aside. Hence, the following :

ORDER

- i. Both the appeals are allowed holding that direction at 153(b) and (c) are unsustainable and they are set aside *qua* the appellants.
- ii. Appellants undertake to file reply within four weeks from today.
- iii. All the observations made hereinabove are made while considering this appeal. Final order shall be passed by the

WTM on merits, wholly uninfluenced by any observations
contained in this order.

No costs.

Justice P. S. Dinesh Kumar
Presiding Officer

Ms. Meera Swarup
Technical Member

Dr. Dheeraj Bhatnagar
Technical Member

31.01.2025
PTM