



RANA SUGARS LIMITED

REGD. OFFICE: S.C.0.49-50, SECTOR 8-C, MADHYA MARG CHANDIGARH- 160 009 (INDIA)
CIN: L15322CH1991PLC011537, Website: www.ranasugars.com, E-mail: info@ranagroup.com
TEL.: 0172-2540007, 2549217, 2541904, 2779565, 2773422, FAX: 0172-2546809

Ref.: RSL/24-25/CS

To,

March 11, 2025

Department of Corporate Services (DCS)
The BSE Limited,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400001.

National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (E), Mumbai- 400051.

Ref: Scrip Code: 507490,

Company Symbol: RANASUG

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015- Update

Dear Sir/Madam

In continuation of our earlier disclosures under Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) 2015 ("Listing Regulations") with respect to ongoing case before Securities Appellate Tribunal, this is to inform that the case was listed for 6th March, 2025 and though SAT passed the order, the duly signed copy was uploaded on their website today i.e. 10th March, 2025. Copy of the order passed by the Securities Appellate Tribunal, Mumbai as downloaded from the website of SAT is enclosed as **Annexure 1**.

Further, pursuant to Regulation 30 of Listing Regulations read over with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, Circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, para 8.2 of Circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 and SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024, the details of the development and information, to the extent applicable to the matter on the said appeal of the Company are provided as follows:

a. The details of any change in the status and/ or any development in relation to such proceedings:

Securities Appellate Tribunal ("SAT") passed the following order at Point No. 16, inter-alia mentioning the facts of the case :

"Law of limitation plays a pivotal role in matters concerning recovery of money. Any delay affects the recovery. Therefore, in our view, expeditious/out of turn disposal of these appeals is essential. The pleadings are not complete. Therefore, we direct SEBI to file its reply in an outer limit of four weeks and two weeks thereafter, to the appellants to file rejoinder, if any. Liberty is reserved to the respondent to move for expeditious hearing once the pleadings are complete. In the meanwhile, SEBI shall not initiate any coercive action against the appellants."

b. In the case of litigation against key management personnel or its promoter or ultimate person in control, regularly provide details of any change in the status and/ or any development in relation to such proceedings:

Same as above provided for point a.

- c. **In the event of settlement of the proceedings, details of such settlement including - terms of the settlement, compensation/penalty paid (if any) and impact of such settlement on the financial position of the listed entity:**

No such settlement has taken place in the matter.

You are requested to kindly take the above on your records.

Thanking you,
Yours sincerely,

For RANA SUGARS LIMITED

Company Secretary & Compliance Officer

IN THE SECURITIES APPELLATE TRIBUNAL
AT MUMBAI

DATED THIS THE 6TH DAY OF MARCH, 2025

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

**Appeal No.612 of 2024
[Along with Misc. Application No.
1348 of 2024]**

1. Rana Sugars Limited
SCO 49-50, Sector 8 C,
Madhya Marg, Chandigarh – 160009.
2. Inder Pratap Singh Rana
House No.16, Sector 4,
Chandigarh – 160001.
3. Ranjit Singh Rana
House No.16, Sector 4,
Chandigarh – 160001.
4. Veer Pratap Singh Rana
House No.16, Sector 4,
Chandigarh – 160001.
5. Gurjeet Singh Rana
House No.16, Sector 4,
Chandigarh – 160001.
6. Karan Pratap Singh Rana
House No.16, Sector 4,

Chandigarh – 160001.

7. Rajbans Kaur

House No.16, Sector 4,
Chandigarh – 160001.

8. Preet Inder Singh Rana

House No.16, Sector 4,
Chandigarh – 160001.

9. Sukhjinder Kaur

House No.16, Sector 4,
Chandigarh – 160001.

.....Appellants

(BY Mr. Janak Dwarkadas, Senior Advocate with Mr. Kunal Mehta, Mrs. Manik Joshi, Mr. Mantul Bajpai, Mr. Vrushabh Vig and Mr. Vikrant Nalavade, Advocates i/b. M/s. Crawford Bayley & Co. for the Appellants.)

Securities and 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. Bhushan Shah, Mr. Akash Jain, Ms. Veena Hari and Mr. Abhishek Nair, Advocates i/b. Mansukhlal Hiralal & Co. for the Respondent.)

With

Appeal No.613 of 2024

**[Along with Misc. Application
No.44 of 2025]**

Manoj Gupta

House No.222, Sector 6,

Panchkula (Haryana) – 134109.

.....Appellant

(BY Mr. Kunal Mehta, Advocate with Mrs. Manik Joshi, Mr. Mantul Bajpai, Mr. Vrushabh Vig and Mr. Vikrant Nalavade, Advocates i/b. M/s. Crawford Bayley & Co. for the Appellants.)

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

...Respondent

(BY Mr. Sumit Rai, Advocate with Mr. Bhushan Shah, Mr. Akash Jain, Ms. Veena Hari and Mr. Abhishek Nair, Advocates i/b. Mansukhlal Hiralal & Co. for the Respondent.)

With
Appeal No.614 of 2024
[Along with Misc. Application
No.1350 of 2024]

RGS Traders Private Limited
Chamber 110, 1st Floor, SCO-1A,
Sector 7C, Chandigarh-160019.

.....Appellant

(BY Mr. Pesi Modi, Advocate for the Appellant.)

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

...Respondent

(BY Mr. Sumit Rai, Advocate with Mr. Bhushan Shah, Mr. Akash Jain, Ms. Veena Hari and Mr. Abhishek Nair, Advocates i/b. Mansukhlal Hiralal & Co. for the Respondent.)

With
Appeal No.615 of 2024
[Along with Misc. Application
No.1349 & 1103 of 2024]

Century Agros Private Limited
 SCO 80-81, Third Floor,
 Sector 17C, Chandigarh-160017.Appellant

(BY Mr. Vikram Nankani, Senior Advocate i/b. Mr. Monish K. Vig, Advocate for the Appellant.)

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

(BY Mr. Sumit Rai, Advocate with Mr. Bhushan Shah, Mr. Akash Jain, Ms. Veena Hari and Mr. Abhishek Nair, Advocates i/b. Mansukhlal Hiralal & Co. for the Respondent.)

With
Appeal No.616 of 2024

Flawless Traders Private Limited
 SCO 51-52, Sector 8C,
 Chandigarh-160008.Appellant

(BY Mr. Kunal Katariya, Advocate i/b. Mr. Monish K. Vig, Advocate for the Appellant.)

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

...Respondent

(BY Mr. Sumit Rai, Advocate with Mr. Bhushan Shah, Mr. Akash Jain, Ms. Veena Hari and Mr. Abhishek Nair, Advocates i/b. Mansukhlal Hiralal & Co. for the Respondent.)

**With
Appeal No.617 of 2024**

RJ Texfab Private Limited
SCO 116-117, 2nd Floor,
Sector 8 C, Madhya Marg,
Chandigarh-160009.

.....Appellant

(BY Mr. Ravi Kant Purohit, Advocate for the Appellant.)

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

...Respondent

(BY Mr. Sumit Rai, Advocate with Mr. Bhushan Shah, Mr. Akash Jain, Ms. Veena Hari and Mr. Abhishek Nair, Advocates i/b. Mansukhlal Hiralal & Co. for the Respondent.)

**With
Appeal No.618 of 2024**

Jay Aar Builders Private Limited
Chamber 110, 1st Floor, SCO-1A,
Sector 7C, Chandigarh – 160019.

.....Appellant

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

...Respondent

(BY Mr. Sumit Rai, Advocate with Mr. Bhushan Shah,
Mr. Akash Jain, Ms. Veena Hari and Mr. Abhishek Nair,
Advocates i/b. Mansukhlal Hiralal & Co. for the
Respondent.)

THIS APPEAL IS FILED UNDER SECTION 15T
OF SEBI ACT, 1992 TO SET ASIDE ORDER DATED
AUGUST 27, 2024 (Ex-A) PASSED BY SEBI.

THIS APPEAL HAVING BEEN HEARD AND
RESERVED FOR INTERIM RELIEF ON JANUARY 30,
2025, COMING ON FOR PRONOUNCEMENT OF
ORDER THIS DAY, THE TRIBUNAL MADE THE
FOLLOWING:

ORDER

Per: Justice P.S. Dinesh Kumar, Presiding Officer

The Appeal No.612 of 2024 is presented with following
interim prayer *inter alia*:

“a. The effect, implementation and operation of Impugned Order dated 27.08.2024 be stayed;

b. That the Respondent be directed to withdraw the directions given to Banks and Depositories that no debits shall be made in both bank account and demat account respectively.

c. Ad-interim order in terms of prayer (a) and (b) above.

d. Such further and other reliefs as the nature and circumstances of the case may require.”

2. We have heard Shri Janak Dwarkadas, learned Senior Advocate for the appellants and Shri Chetan Kapadia, learned Senior Advocate for the SEBI in Appeal No.612 of 2024, Shri Kunal Mehta, learned Advocate for the appellants in Appeal No.613 of 2024, Shri Pesi Modi, learned Senior Advocate for the appellant in Appeal No.614 of 2024, Shri Vikram Nankani, learned Senior Advocate for the appellants in Appeal No.615 of 2024, Shri Kunal Katariya, learned Advocate in Appeal No.616 of 2024 and Shri Ravi Kant Purohit, learned Advocate in Appeal No.617 of 2024 and Shri Sumit Rai, learned Advocate for the Respondent in Appeal Nos.613 to 618 of 2024.

3. Briefly stated the facts of the case are, SEBI conducted an investigation into the affairs of Rana Sugars Limited (“the Company” for short) for the FY 2014-2015 to FY-2020-21. The investigation revealed that the promoters and directors had diverted or siphoned of the fund of the Company by using some private limited companies indirectly controlled by the managing director and his family members. A show cause noticed dated 10.08.2023 was issued alleging *inter alia* that the company has transferred funds to noticees No. 11 to 15, who had in turn transferred the funds to the appellants (noticees No.2 to 9 and their family members). The show cause notices were served. In response, all 15 noticees submitted their reply. Noticees were given an opportunity of hearing. The advocate appearing on behalf of appellants (noticees No.1 to 9) reiterated the submissions made in their reply dated 16.11.2023. After considering the appellants’ reply to the show cause notice and the submissions during the hearing the CGM, SEBI has passed the impugned order containing

directions at paragraph No.104 and imposed penalties mentioned in para 104(i).

4. Shri Janak Dwarkas, learned Senior Advocate for the appellants mainly submitted that among other directions, the SEBI had directed the noticee No.1 to take necessary steps to recover the amounts mentioned in Table Nos.25 and 26 from noticees No.11 to 15; to appoint an independent law firm, in consultation with the NSE to take effective steps for recovery of outstanding dues without appreciating the fact that no amount is due and payable by the noticees No.11 to 15. SEBI has also failed to appreciate that all transactions are genuine in nature.

5. The learned Senior Advocate further submitted that the directions issued by the SEBI in the impugned order are without jurisdiction.

6. Assailing the correctness of direction to appoint an independent law firm and to take steps for recovery of dues from noticees No.11 to 15, he submitted that it presupposes that SEBI has already determined the debt. He contended that the direction to recover dues means that the Company

will have to institute civil suits in appropriate Courts in Chandigarh. The Civil court will have to consider the defense of five private Companies and its Directors to decide various issues including whether the cause of action in Civil suits would be barred by limitation. He submitted that the inspection period is for FY-2014-2015 to FY-2020-2021. Therefore, the suits will be barred by limitation.

7. Learned Senior Advocate for the appellant further contended that in the event the suits are dismissed, the hardship caused by imposition of penalties would be irreversible as the appellants would have suffered the penalty.

8. Opposing the interim prayer, Shri Chetan Kapadia, learned Senior Advocate for the respondent submitted that the impugned order was passed by exercising the powers under Section 11(1),11(4), 11(4A), 11B(1) and 11B(2) of the SEBI Act, 1992. Section 11(1) enjoins the SEBI with a duty to protect the interest of investors by such means as deemed fit by taking appropriate measures. Section 11(B) is an enabling provision to regulate the securities market

and to protect the interest of the investors. Placing reliance on *SEBI vs. Ajay Agarwal 2010 3 SCC 765* and *SEBI vs. Kishore Ajmera (2016) 6 SCC 368* and other authorities, he contended that SEBI Act is preeminently a social welfare legislation to protect the interest of commonman, who are small investors.

9. Learned Senior Advocate further submitted that in *SEBI vs. Pan Asia Advisors Limited (2015) 14 SCC 71*, the Apex Court has held that ‘fraud’ would include any kind of activity which would work against the interest of investors in securities.

10. In substance, learned Senior Advocate for SEBI supporting the impugned order submitted that the appellants have siphoned of huge sums of money of the listed Company and that needs to be recovered to protect the interests of public shareholders. Therefore, directions have been rightly issued to appoint an independent law firm.

11. We have carefully considered the rival contentions and perused the records.

12. Admittedly, the first direction is to take all necessary steps for recovery of dues mentioned in table Nos.25 and 26, which amounts to Rs.2,68,18,76,638.45 and Rs.3,39,26,43,754, respectively.

13. Table No.25 is the summation of the loss of interest computed at 12% from 2014-15 till 2023-24 from noticees Nos.11, 12, 13, 14 and 15. Table No.26 contains the amount of principal dues to be received from the said noticees. According to the appellants, no money is outstanding and payable by any noticee as on date.

14. The second direction is to appoint an independent law firm and to take steps for recovery of outstanding dues. The noticees No.1 to 15 have also been imposed with various penalties.

15. The principal allegation is siphoning of funds belonging to the Company. The main argument is that no amount is due and payable by noticees No.11 to 15 as on date.

16. Law of limitation plays a pivotal role in matters concerning recovery of money. Any delay affects the

recovery. Therefore, in our view, expeditious/out of turn disposal of these appeals is essential. The pleadings are not complete. Therefore, we direct SEBI to file its reply in an outer limit of four weeks and two weeks thereafter, to the appellants to file rejoinder, if any. Liberty is reserved to the respondent to move for expeditious hearing once the pleadings are complete. In the meanwhile, SEBI shall not initiate any coercive action against the appellants.

Justice P.S. Dinesh Kumar
Presiding Officer

Ms. Meera Swarup
Technical Member

Dr. Dheeraj Bhatnagar
Technical Member

06.03.2025
RHN

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