

## LEGAL UPDATES

### **SAT DENIES APPEAL AGAINST SEBI ORDER FILED BY NON-AGGRIEVED PARTY**

The Securities Appellate Tribunal (SAT) rejected the appeal against the SEBI judgment clearing the Respondents of any insider trading allegations in 63 Moons Technologies Ltd. and Multi Commodity Exchange (MCX) shares, concluding that the appellants cannot in any way be considered "aggrieved people."

While considering whether the appeal is maintainable, Hon'ble SAT pointed to Section 15T of the SEBI Act, which stated that anyone who is wrongly affected by an adjudicating authority's decision may initiate an appeal and then deliberate upon this question whether the current appellants can be characterised as wrongly affected with the impugned order.

In the instant issue, the Hon'ble Tribunal cited the *Jashbhai Motibhai Desai* decision of the Hon'ble Apex Court, in which the Hon'ble SC analysed the appellants' locus-standi and established the criteria for determining when a person is sufficiently offended to have an appealable grievance.

Additionally, noting that the question needed to be addressed in the proceedings before SEBI in both appeals was whether the relevant Respondent had engaged in insider trading and if they were eligible to be restricted, commented that *"The person can be said to be aggrieved by the order if the party is directly affected by the order. The appellant cannot be said to have been affected by the order passed by the learned WTM."*; Thus, it formulated its opinion that *"...since the appellants are not the aggrieved party, the appeals are not maintainable."*