

Securities Appellate Tribunal (SAT)

By IAS Toppers | 2024-02-14 15:50:00



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The absence of a full Bench at the Securities Appellate Tribunal (SAT) has crippled its functioning leading to delays and disruptions.



[ref- indiafilings]

About Securities Appellate Tribunal (SAT):

- The SAT was **established in 1992** under the provisions of Section 15K of the SEBI Act.
- It is an **autonomous statutory body** that hears and decides appeals against orders passed by the Securities and Exchange Board of India (SEBI).
- It also hears appeals against orders passed by the Insurance Regulatory Development Authority of India (**IRDAI**) and the Pension Fund Regulatory and Development Authority (**PFRDA**).
- It also hears appeals against **stock exchanges and depositories**.
- **Power:** It shall have the same powers as vested in a **civil court** under the **code of civil procedure** while trying a suit.

Composition of Securities Appellate Tribunal:

- One Presiding Officer and such number of **Judicial and Technical Members** as the Central Government may determine.
- The **Central Government** in consultation with the **Chief Justice of India** or its nominee shall appoint the Presiding Officer and Judicial Members.

Qualification & Tenure for appointment as Presiding Officer or Member:

Presiding Officer:

- The person so appointed as the **presiding Officer** should meet with the following requirements:
 - The retired or sitting judge of the supreme Court
 - **Chief Justice of the high court**

- **Judge of the high court**, who has completed **at least seven years of service** as a judge in a high court.

Members

- **Judicial Member:** Judge of High Court for atleast five years of service.
- **Technical Member:** Secretary or an Additional Secretary in the Ministry or Department of the Central Government or any equivalent post in the Central Government or a State Government; or
 - **Person of proven ability, integrity** and standing having special knowledge and professional experience, of not less than 15 years, in financial sector including securities market or pension funds or commodity derivatives or insurance.

Tenure:

- The tenure for Presiding Officer or the Judicial or Technical Member will be five years from the date of appointment and shall be **eligible for re-appointment** for another term of maximum five years.
- However, no presiding officer or the Judicial or Technical Member shall hold office after he has attained the age of 70 years.

Who can make an appeal?

- Any person **aggrieved by an order of SEBI made**, under this act , or by an order made by an **adjudicating officer under this act**, may prefer an appeal to a SAT having jurisdiction in the matter.

Appeal against the orders of the SAT:

- Any person aggrieved by any decision or order of the SAT can file an appeal to the **Supreme Court**.
 - The appeal can be filed only on a **question of law**.