



Securities Appellate Tribunal

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Why in News

Recently, the **Securities Appellate Tribunal (SAT)** stayed the order passed by **Securities and Exchange Board of India (SEBI)** that had put a one-year ban on a retail company Chairperson and some other promoters from the securities market.

Key Points

- **About:**

SAT is a **statutory body** established under the provisions of Section 15K of the **SEBI Act, 1992**.

- **Location:**

Mumbai.

- **Composition:**

SAT consists of a **Presiding Officer** and **Two other members**.

The Presiding officer of SAT shall be **appointed by the Central Government** in consultation with the **Chief Justice of India** or his nominee.

- **Powers:**

It has the **same powers as vested in a civil court**. Further, if any person feels aggrieved by SAT's decision or order can appeal to the **Supreme Court**.

- **Functions:**

- To **hear and dispose of appeals against orders passed by the SEBI** or by an adjudicating officer under the SEBI Act, 1992.
- To hear and dispose of appeals against orders passed by the **Pension Fund Regulatory and Development Authority (PFRDA)**.
- To hear and dispose of appeals against orders passed by the **Insurance Regulatory Development Authority of India (IRDAI)**.

Securities and Exchange Board of India

- **About:**
 - SEBI is a **statutory body** established in 1992 in accordance with the provisions of the **SEBI Act, 1992**.
 - Initially, SEBI was a non-statutory body. In April, **1988 the SEBI was constituted as the regulator of capital markets** in India under a resolution of the Government of India.
 - The term **capital market** refers to facilities and institutional arrangements through which long-term funds, both debt and equity are raised and invested.
- **Headquarters:**
 - The headquarters of SEBI is situated in **Mumbai**.
 - The regional offices of SEBI are located in **Ahmedabad, Kolkata, Chennai and Delhi**.
- **Composition:**
 - All decisions taken by SEBI are collectively taken by its Board that consists of a **Chairman and eight other members**.
 - SEBI also **appoints various committees**, whenever required to look into the pressing issues of that time.
- **Function:**
 - To protect the interests of investors in securities and to **promote and regulate the securities market**.
 - **Securities** are **tradable financial instruments used to raise capital** in public and private markets.
 - There are primarily **three types of securities: equity**—which provides ownership rights to holders; **debt**—essentially loans repaid with periodic payments; and **hybrids**—which combine aspects of debt and equity.
 - **Registering** and regulating the working of **stock brokers, merchant bankers, underwriters, portfolio managers, investment advisers** and such other intermediaries who may be associated with securities markets in any manner.
 - SEBI is a **quasi-legislative, quasi-judicial and quasi-executive body**. It can **draft regulations, conduct inquiries, pass rulings and impose penalties**.

Source:IE