

News

The Delhi High Court dismisses the appeal against SEBI's approval of the NSE IPO.

The order was issued in response to a plea asking for instructions to prevent SEBI from implementing the NSE's IPO approval.

A challenge contesting the regulatory license given to the National Stock Exchange's (NSE) long-awaited initial public offering (IPO) was recently denied by the Delhi High Court.

A writ suit against the Securities and Exchange Board of India (SEBI) and NSE was brought by a man named KC Aggarwal, however it was dismissed by Justice Jasmeet Singh in a ruling issued on February 16.

The Court ruled that as the NSE and SEBI are both located in Mumbai and the IPO's no-objection has been issued there, a petition against them cannot be filed in Delhi.

The Court further stated that Aggarwal may file a complaint with the Securities Appellate Tribunal (SAT) if he feels wronged by SEBI's inaction.

"Under Section 15T of the SEBI Act, 1992, and Section 23L of the Securities Contract (Regulation) Act, 1956, the Securities Appellate Tribunal is the effective remedy if the petitioner feels wronged by any inaction on the part of respondent No 1 [SEBI]." Therefore, anyone who feels wronged by respondent No. 1's NOC has the right to file a complaint with the Securities Appellate Tribunal. Furthermore, the petition in this court would not be false because the respondents Nos. 1 and 2 [SEBI and NSE] are both located in Mumbai and the NOC has been obtained there. As a result, the Court decided that it lacked the territorial authority to consider and try the case.

Aggarwal has petitioned the High Court for an investigation into the purported abuse of corporate action adjustment procedures as well as orders to prevent SEBI from implementing any IPO approval given to NSE.

According to Aggarwal, SEBI had not sufficiently investigated alleged illegal debits and transactions made on the NSE's platform, nor had it fulfilled its statutory obligations under Sections 11, 11A, and 11C of the SEBI Act, 1992. Additionally, he requested that the regulatory investigation conducted prior to issuing a No Objection Certificate (NOC) for the exchange's first public offering (IPO) be made public.

Advocates Abhishek Baid, Mohit Kumar Bafna, Praneet Das, and Ravinder Kumar joined Senior Advocate Pratap Venugopal in their appearance for SEBI.

Adv. Sonali Jaitle Bakhshi, Jaiyesh Bakhshi, Ravi Tyagi, Mayank Mishra, Gaurav Mishra, Manmilan Sidhu, Daman Popli, Sudhiksha Saini, Sahil Dhawan, Abhijay Basu, Ishan Agrawal, Gandharv Garg, Anshit Aggarwal, and Nimish Kumar represented NSE with Senior Advocate Neeraj Malhotra.