

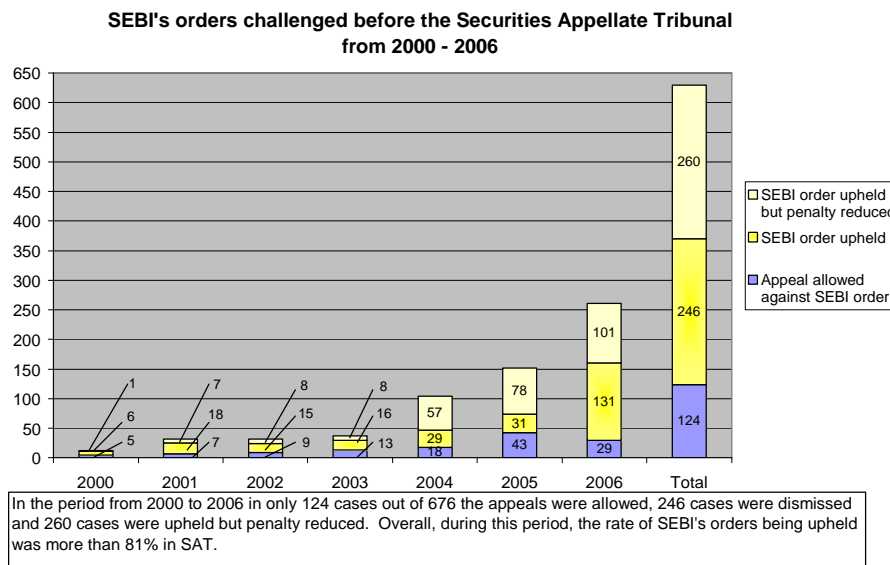
Appeals before the Securities Appellate Tribunal - A perspective

The Enforcement Department, in an internal research effort, has tabulated the result of appeals preferred before the Securities Appellate Tribunal (**SAT**) from the years 2000 to the year 2006. This research imparts a proper perspective with respect to SEBI orders which are challenged before SAT.

The appeals have been tabulated into three categories a) where SEBI's orders have been upheld fully b) where SEBI's orders have been upheld on merits but the Hon'ble Tribunal has reduced the penalty and c) where SEBI's orders were overturned.

As reduction of penalty is considered as upholding the rationale and merits of the case, the same are considered as upheld in favour of SEBI, though the quantum of penalty is reduced. It can be seen from the chart that over the past 7 years, cases where SEBI's orders are upheld is over 80%. In the year 2006 the rate is nearly 90%. These figures do not include cases where the aggrieved party chose not to file an appeal before the Hon'ble tribunal. As a large number of SEBI cases are not appealed, the rate presented in the chart would be under-stated since the party potentially aggrieved itself has not filed an appeal.

The chart is given below:



Besides above figures, 46 cases were remanded back to SEBI for fresh hearing. Those cases are not considered as they would be considered in subsequent years if challenged.

	2000	2001	2002	2003	2004	2005	2006	Total
Appeal allowed against SEBI order	5	7	9	13	18	43	29	124
SEBI order upheld	6	18	15	16	29	31	131	246
SEBI order upheld but penalty reduced	1	7	8	8	57	78	101	260
Total	12	32	32	37	104	152	261	
Remanded to SEBI	2	5	2	2	8	5	22	