



IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH AT NAGPUR

WRIT PETITION NO. 558 OF 2022

RADHESHYAM S/O RAJBANSHI TIWARI
VS

SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI THR. CHAIRMAN / DY. GENERAL MANAGER (INVESTIGATION
DEPARTMENT)

Office Notes, Office Memoranda of Coram, Appearances, Court's orders or directions and Registrar's orders	Court's or Judge's orders
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Shri S.V.Bhutada, Advocate for petitioner.

Shri A.S.Jaiswal, Senior Advocate a/b. Shri S.A.Dutonde, Advocate for respondent.

**CORAM: ANIL S. KILOR AND
RAJ D. WAKODE, JJ.**

DATED : 16th JULY, 2026.

In the present matter, the Show Cause Notice dated 22/10/2021 issued by the Deputy General Manager, (Investigation Department), Securities and Exchange Board of India (SEBI) is under challenged. The Show Cause Notice reads thus,

“In view of the above, for the alleged violation of Companies Act, 1956 and ICDR Regulations, all the Noticees (Notice no. 1 to 11) are called upon to show cause as to why directions under Section 11B(1) and 11(4) read with Section 11(1) of the SEBI Act, 1992 should not be issued and why penalty be not imposed under Section 11B(2) and 11(4A) read with Section 15HB of the SEBI Act, 1992 for the alleged violations in this SCN.”

2. It is the case of the petitioner that the investigation is initiated under Section 11-C of the Securities and Exchange Board of India Act, 1992 (for short, “SEBI Act, 1992”) by the very same person who has issued the Show Cause Notice, and it is contrary to the settled principle of law that, no person can be a judge in his own cause and therefore, he has every apprehension that

even if, any reply is submitted, the same would not be considered in a fair manner.

3. However, Shri Jaiswal, learned senior counsel appearing for the respondent submits that this Show Cause Notice is only for the purpose that, why an inquiry should not be held as provided under Section 11-B(2) of SEBI Act, 1992. He further submits that, whatever grounds sought to be urged by the petitioner in this petition can be raised while giving reply to the Show Cause Notice, which the concerned authority will take into consideration while taking a decision, whether an inquiry is required to be held/conducted.

4. We find substance in the submissions advanced by the learned senior counsel for the respondent. In the circumstances, we accept the statement of respondent that a Show Cause Notice in question is not for imposition of penalty or the action against the petitioner, but to grant an opportunity to show cause as to why an inquiry should not be conducted.

5. Thus, at this stage, we do not want to interfere with the impugned Show Cause Notice. Accordingly, we **dispose of** the petition with liberty to the petitioner to approach afresh, if such occasion arises.

6. We keep all the points open.

(RAJ D. WAKODE, J.)

(ANIL S. KILOR, J.)