

SAT quashes SEBI order cancelling Brickwork Ratings' licence

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Synopsis

The Securities Appellate Tribunal (SAT), which hears appeals against orders passed by SEBI, said violations by Brickwork Ratings "were not deliberate or fraught with malafides or fraud and therefore cannot result in the cancellation of the license".



India's markets appeals tribunal (SAT) on Tuesday set aside a ruling by the markets regulator SEBI cancelling the licence of Brickwork Ratings India, according to an order published on the tribunal's website.

The Securities and Exchange Board of India (SEBI) had canceled the licence of the rating agency in October in a case of alleged violation of laws applicable for rating agencies.

The Securities Appellate Tribunal (SAT), which hears appeals against orders passed by SEBI, said violations by Brickwork Ratings "were not deliberate or fraught with malafides or fraud and therefore cannot result in the cancellation of the license".

The tribunal, however, partly affirmed the regulator's findings of alleged violations and referred the matter back to SEBI for imposing appropriate penalties.