

**IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION**

CIVIL APPEAL NO. 9511 OF 2025

RELIANCE INDUSTRIES LIMITED & ORS.

APPELLANTS

VERSUS

SECURITIES AND EXCHANGE BOARD OF INDIA

RESPONDENT

O R D E R

1. This appeal is directed against the order dated 02.05.2025, passed by the Securities Appellate Tribunal (Tribunal) at Mumbai, in Appeal No. 603 of 2022, whereby the Tribunal has upheld the order of the Adjudicating Officer, Securities and Exchange Board of India (SEBI), imposing penalties on the appellant with respect to insider trading violations.

2. The factual background is that Reliance Industries Limited (RIL) and Facebook Incorporation (Facebook) were in discussions regarding investments by Facebook in Jio Platforms Limited (JPL), which is a subsidiary of the appellant. It seems that the parties have signed a confidentiality and a non-disclosure agreement on

30.09.2019, and subsequently, a non-binding term-sheet was executed on 04.03.2020. When the negotiations were on-going, on 24.03.2020, the Financial Times, London, published a news article indicating that 'Facebook was close to signing a preliminary deal to acquire 10% shares in Reliance Jio'. As a sequence thereto, other news articles were also published in various international and Indian media on the very same day or the early morning of the next day.

3. The deal was eventually finalized in April 2020. On 18.04.2020, the Board of Directors of the RIL and JPL approved the transaction, followed by the execution of the transaction documents on 21.04.2020.

4. The SEBI, in furtherance of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (for short 'the 2015 Regulations'), issued a Show Cause Notice dated 22.12.2021, to the appellant alleging violation of Section 30(10) and 30(11) of the SEBI (LODR) Regulations, 2015 read with Principle (1) and (4) of the 2015 Regulations. Principle (1) of the 2015 Regulations stipulates prompt public disclosure of unpublished price sensitive information that would impact price discovery as soon as credible and concrete information comes into being so as to make it generally

available, and principle (4) enjoins prompt dissemination of unpublished price sensitive information that has been selectively disclosed to make the same generally available. Eventually, the SEBI held the appellant guilty of violation of the principles of the 2015 Regulations and imposed a penalty of ₹30,00,000/- (Rupees Thirty Lacs). On appeal, the Tribunal *vide* the impugned order has upheld that penalty.

5. We have heard Mr. Ritin Rai, learned senior counsel on behalf of the appellant, at considerable length and also Mr. Tushar Mehta, learned Solicitor General on behalf of the SEBI, and have perused the relevant provisions of the Regulations, especially the expressions contained in Principles 1 and 4 of the 2015 Regulations. We have also gone through the contents of the Show Cause Notice. In our considered view, the conclusion drawn by SEBI with respect to the violation of the 2015 Regulations, whereby there is a statutory duty of disclosing unpublished/ selectively published price sensitive information so as to make it generally available and embargo against insider trading, we are satisfied that no case to interfere with the impugned order is made out, especially in light of the following factual scenario, which remains uncontroverted:

“It was seen that post publication of the aforesaid news articles on March 24, 2020 and

March 25, 2020, the price rise in the scrip of RIL was almost 15% (against the previous day closing price) on March 25, 2020. On the other hand, post corporate announcement on April 22, 2020 price rise in the scrip was around 10% against the previous day closing price, which was comparatively low."

6. That apart, the issues dealt with by the SEBI and the Tribunal are substantially a question of fact, giving rise to no substantial question of law that may warrant consideration by this Court at length.

7. The appeal is, accordingly, dismissed.

8. Pending application(s), if any, shall stand disposed of.

.....CJI.
(SURYA KANT)

.....J.
(JOYMALYA BAGCHI)

NEW DELHI
02nd DECEMBER, 2025

ITEM NO.3

COURT NO.1

SECTION XVII

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

CIVIL APPEAL NO. 9511/2025

RELIANCE INDUSTRIES LIMITED & ORS.

APPELLANT(S)

VERSUS

SECURITIES AND EXCHANGE BOARD OF INDIA

RESPONDENT(S)

FOR ADMISSION and I.R.

(IA No. 163759/2025 - EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT, IA No. 163760/2025 - PERMISSION TO FILE LENGTHY LIST OF DATES)

Date : 02-12-2025 This matter was called on for hearing today.

CORAM :

HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE JOYMALYA BAGCHI

For Appellant(s) :

Mr. Ritin Rai, Sr. Adv.
Mr. K. R. Sasiprabhu, AOR
Mr. Aditya Swarup, Adv.
Mr. Amey Nabar, Adv.
Ms. Swati N Jain, Adv.
Mr. Vishnu Sharma A S, Adv.
Mr. Yasharth Misra, Adv.
Mr. Madhav Aggarwal, Adv.

For Respondent(s) :

Mr. Tushar Mehta, Solicitor General
Mr. Amarjit Singh Bedi, Adv.
Ms. Surekha Raman, Adv.
Mr. Shreyash Kumar, Adv.
Mr. Yashwant Sanjenbam, Adv.
Mr. Sidharth Nair, Adv.
Mr. Harshit Singh, Adv.
For M/S. K J John And Co, AOR

UPON hearing the counsel, the Court made the following
O R D E R

The appeal is dismissed in terms of the signed order,
which is placed on the file.

(POOJA SHARMA)
AR-CUM-PS

(PREETHI T.C.)
ASSISTANT REGISTRAR