

BEFORE THE APPELLATE AUTHORITY
(Under the Right to Information Act, 2005)
SECURITIES AND EXCHANGE BOARD OF INDIA

Appeal No. 6176 of 2024

Mohit Bansal	:	Appellant
	Vs	
CPIO, SEBI, Mumbai	:	Respondent

ORDER

1. The appellant had filed an application dated September 09, 2024 (received by the respondent through RTI MIS Portal) under the Right to Information Act, 2005 (“**RTI Act**”). The respondent, by a letter dated September 20, 2024 responded to the application filed by the appellant. The appellant filed an appeal (Reg. No. SEBIH/A/E/24/00229) dated September 24, 2024. The appellant also vide his email dated October 07, 2024 submitted a revised appeal. I have carefully considered the application, the response and the appeal and find that the matter can be decided based on the material available on record.
2. **Request in the application** - The appellant, vide his request of the application dated September 09, 2024 sought the following information

“Under the provisions of the Right to Information Act, 2005, I would like to request the following information regarding the role of SEBI in monitoring and preventing stock market manipulation:

1. SEBI Policies and Procedures: Please provide details regarding current policies or guidelines followed by SEBI in place for identifying, investigating, and addressing stock market manipulation. This includes:

- Mechanisms for surveillance of unusual price movements.*
- Procedures for addressing complaints of stock price manipulation.*
- Tools and technologies used for market surveillance.*

2. Specific Guidelines for Conflict of Interest and Fund Manipulation: Please provide documentation on the procedures or frameworks in place to detect and address conflicts of interest, fund rotation, or other financial irregularities involving company stakeholders.

3. Internal Process for Handling Investor Complaints: Please provide a step-by-step outline of the process SEBI follows upon receiving a complaint or grievance related to stock manipulation, such as the investigation timeline and enforcement actions. If possible, I would prefer to receive this information in Digital format, sent in to my email at ... If any of the requested information is exempt under the RTI Act, please provide reasons for the exemption as well as the relevant sections of the Act.”

3. **Reply of the Respondent** - The respondent, in response to the application informed that the information sought pertains to the internal functioning of SEBI and relates to the systems and procedures followed at SEBI. Further, the said information is strategic in nature, disclosure of which, may result in revealing the mind of the regulator and may hamper the decision making by SEBI in its supervisory and regulatory role. In view of the same, the information sought by you is exempt u/s 8(1)(a) of the RTI Act, 2005.

Further, the respondent informed that investigation timelines and enforcement action, depend upon facts and/or circumstances of each case. Additionally, respondent informed that regulatory action, if any, taken by SEBI, is available in public domain, on SEBI website.

4. **Ground of appeal** – The appellant has filed the appeal on the ground that he is refused access to information requested.
5. I have perused the application and the response provided thereto. I note that the respondent has categorically informed the appellant that the information sought is strategic in nature and the information sought is exempt u/s 8(1)(a) of RTI Act, 2005. I agree with the response of the respondent that the requested information pertains to internal functioning of SEBI and relates to systems and procedure followed by SEBI, which is strategic in nature. I find that the disclosure of the requested information would affect and compromise the regulatory and supervisory role of SEBI. The same may also hamper decision making by SEBI. In this context, I note that in *ICAI v. Shaanak H. Satya*, [(2011) 8 SCC 781], the Hon'ble Supreme Court held that: - "*The competent authorities under the RTI Act will have to maintain a proper balance so that while achieving transparency, the demand for information does not reach unmanageable proportions affecting other public interests, which include efficient operation of public authorities and the Government, preservation of confidentiality of sensitive information and optimum use of limited fiscal resources.*" Accordingly, I do not find any deficiency in the response of the respondent. Further, I note that the appellant, in his appeal has cited few orders, *inter alia*, regarding transparency in the functioning of regulatory bodies and that the Public Authority must provide cogent reasons for denying information, etc. In this regard, I note that the respondent has clearly provided the reasons for invoking Section 8(1)(a) of RTI Act, 2005. The respondent, in his reply has informed the appellant that the information is strategic in nature, disclosure of which, may result in revealing the mind of the regulator and may hamper the decision making by SEBI in its supervisory and regulatory role. In view of the same, I find that the application has been adequately addressed and no further intervention is warranted at this stage.

6. In view of the above observations, I find that there is no need to interfere with the decision of the respondent. The Appeal is accordingly dismissed.

Place: Mumbai

Date: October 17, 2024

RUCHI CHOJER

**APPELLATE AUTHORITY UNDER THE RTI ACT
SECURITIES AND EXCHANGE BOARD OF INDIA**