

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

Appeal No. 6538 of 2025

Praful Vithalani : Appellant
Vs

CPIO, SEBI, Mumbai : Respondent

ORDER

1. The appellant had filed an application dated July 23, 2025 (received by the respondent through RTI MIS Portal) under the Right to Information Act, 2005 (“**RTI Act**”). The respondent, by a letter dated August 21, 2025, responded to the application filed by the appellant. The appellant filed an appeal (Reg. No. SEBIH/A/E/25/00228) dated August 26, 2025. 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. **Queries in the application** - The appellant, in his application dated July 23, 2025, sought the following information:

“ U.P. Hotels Limited, a listed entity regulated by the Securities and Exchange Board of India i.e. SEBI, made a public disclosure to BSE Ltd. on December 03, 2024. In reference to this, kindly provide complete information along with related file noting, correspondences, and documents relating to SEBI on the following aspects

- 1. A copy of the U.P. Hotels Limiteds Application dated December 08, 2023 submitted to SEBI*
- 2. The letter dated December 03, 2024 issued by SEBI to U.P. Hotels Limited*
- 3. Copies of all related correspondences exchanged between U.P. Hotels Limited and SEBI in this regard*
- 4. The directions issued by SEBI specifically pertaining to the proposed voluntary delisting of the Companys equity shares*
- 5. Inspection of all records, documents files etc. on subject-matter of above query-numbers (1) to (4)*
- 6. Any other related information and*

7. *File-noting on movement of this RTI petition.*

In case queries relate to some other public-authority, transfer this RTI petition to CPIO there under section 6(3) of RTI Act under intimation to me. I would like to reiterate that information which cannot be denied to the Parliament shall not be denied under the RTI Act. The disclosure dated December 03, 2024 is enclosed for reference.”

3. **Reply of the Respondent** –The respondent, in response to query nos. 1, 2, 3, and 4 in the application, informed that since the information sought is available with SEBI in fiduciary capacity and includes commercial confidential information, the disclosure of which could harm the competitive position of the entities, the same is exempt u/s 8(1)(d) & 8(1)(e) of the RTI Act.

The respondent, in response to query no. 5, informed that same is not applicable in view of reply to queries above.

The respondent, in response to query no. 6, informed that the query is not clear and specific. Accordingly, the same cannot be construed as "information", as defined u/s 2(f) of the RTI Act.

The respondent, in response to query no. 7, 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. Hence, the information sought is exempt u/s 8(1)(a) of the RTI Act.

4. **Ground of appeal** – The appellant has filed the appeal on the ground that he was refused access to information requested.
5. I have perused the application and the response provided thereto. With regard to query nos. 1, 2, 3, 4 and 5 in the application, I note that the appellant has sought information pertaining to the proposed voluntary delisting of the equity shares of U.P Hotels Limited. I also note that the respondent has informed the appellant that the information sought is available to SEBI in fiduciary capacity and includes commercial confidential information, the disclosure of which could harm the competitive position of the entities. Hence, the respondent had invoked the provisions of Sections 8(1)(d) and 8(1)(e) of the RTI Act to deny information to the appellant. The appellant, in his appeal, has contended that SEBI does not hold information in a fiduciary relationship. In this context, the appellant has placed reliance on the decision of Hon’ble Supreme Court in the case of *Reserve Bank of India vs. Jayantilal N. Mistry*. I note that the facts and circumstances of the said order were totally different. In this regard, reliance is placed on the matter of *Arun Damodar Sawant vs. SEBI* (Order dated September 26, 2018) wherein, the Hon’ble CIC had accepted

the submission of SEBI regarding existence of fiduciary relationship even after considering the appellant's submissions wherein he had relied upon the aforementioned judgement of Hon'ble Supreme Court in the matter of *RBI vs. Jayantilal N. Mistry*. I find that the information sought pertains to a third party. I also note that SEBI, being a public authority under the RTI Act as well as the regulatory authority for the securities market, gets various documents/ regulatory inputs from stock exchanges, market participants, etc. and the said information contained in those documents are received in 'fiduciary relationship'. Further, such documents as sought by the appellant, may contain information in the nature of commercial confidence, disclosure of which may adversely impact the competitive position of those third parties. In the context of non-disclosure of information under Section 8(1)(e) of the RTI Act, the decision of the Hon'ble Supreme Court of India in *Institute of Chartered Accountants of India Vs. Shaunak H. Satya and Ors.*, in Civil Appeal No. 7571 of 2011- dated 02/09/2011 is referred to, wherein it was held that: "... *In other words, anything given and taken in confidence expecting confidentiality to be maintained will be information available to a person in fiduciary relationship*". Further, the Hon'ble Central Information Commission (**CIC**), in the matter of *Mr. Ashok Kumar Rajak vs. CPIO, SEBI*, (order dated December 21, 2021), held that "*Further the details such as investigation report, file noting, directions and various communication involves with the third party information which is received from other agencies is being held by them in fiduciary capacity hence the same is barred from disclosure under section 8(1)(e) & (j) of the RTI Act, 2005.*" Accordingly, I do not find any deficiency in the response of the respondent.

6. The appellant, in his appeal, has, *inter alia*, contended that the disclosure of company's application and SEBI's response regarding the delisting process is in the larger public interest. With regard to the aforementioned contention, I note that as per Regulation 11 of SEBI (Delisting of Equity Shares) Regulations, 2021, a listed company is mandated to obtain the approval of shareholders through a special resolution, in case of delisting where exit opportunity is required. Further, a statutory obligation is imposed on a listed company to disclose all the material facts to shareholders in the explanatory statement sent to shareholders in this regard. In this context, I note that in the Notice of Postal Ballot dated July 27, 2025 and Explanatory Statement issued in respect of voluntary delisting of equity shares, available on the website of BSE, it has been mentioned that UP Hotels Limited would make available to its shareholders all the documents referred to in the aforementioned notice and explanatory statement for inspection. Further, the time period for availing inspection was mentioned as all working days during business hours until September 06, 2025. There is already provision in the statute for disclosure of material facts to the shareholders in the cases of delisting. In this context, I find it pertinent to note the observations of Hon'ble Madras High Court in *S. Robinson versus Tamil Nadu State Information Commissioner*, wherein Hon'ble Court held "*I am unable to persuade myself that RTI Act can be invoked for all purposes regardless of the fact that there is existence*

of alternative effective mechanism provided under the respective departments for seeking information. If such recourse is encouraged and entertained it will destroy the very frame work of the respective mechanism which provides for furnishing information under the respective department. I do not see any merits in the contentions of the learned counsel for the petitioner that in view of the overriding provisions provided under Section 22 of the RTI ACT any kind of information can be obtained. Such an interpretation would run contrary to the other provisions of the Acts of similar nature and would make such acts otiose and nugatory.” Accordingly, the contention of the appellant cannot be accepted in the facts and circumstances of the present case.

7. With regard to query nos. 6 and 7, I find that the queries are vague and not specific. It is an established law that the information sought for in order to be disclosable under the RTI Act, must be clear, specific and available in the records of the public authority. In this context, I note that in the matter of *Mr. T. V. Sundaresan vs. CPIO, Securities and Exchange Board of India* (Decision dated November 24, 2021), the Hon’ble CIC held: *“The framework of the RTI Act, 2005 expects that the information sought is specific and believed to be existing with the public authority in documented or material form as such; which can be shared with the appellant as per the provisions of the RTI Act. Answering to broad, multiple and general queries and presumptive documents that should have been generated as per the expectation of the appellant cannot be furnished under the provisions of the Act.”* Accordingly, I do not find any deficiency in the response of the respondent.
8. 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: September 24, 2025

RUCHI CHOJER

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