

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

Appeal No. 4846 of 2022

Rakesh Tirath	:	Appellant
	Vs	
CPIO, SEBI, Mumbai	:	Respondent

ORDER

1. The appellant had filed an application dated March 01, 2022 (received by the respondent through RTI MIS Portal) under the Right to Information Act, 2005 (“**RTI Act**”). The respondent, by a letter dated March 10, 2022, responded to the application filed by the appellant. The appellant filed an appeal dated March 27, 2022. 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. **Ground of appeal-** The appellant has filed the appeal on the ground that access to the requested information was refused. In view of the submissions made by the appellant in his appeal, I am dealing with the queries and the response provided by the respondent, in the following paragraphs.
3. **Query number 1-** The appellant, vide query number 1, sought the following information pertaining to the calendar year 2015 to 2020:
 1. *Applicable SEBI policy for inspecting stock brokers for the subject mentioned period.*
4. The respondent, in response to the aforesaid query, informed that the requested information is exempt from disclosure under Section 8(1)(a) of the RTI Act as the same is strategic in nature, disclosure of which may hamper the decision-making by SEBI in their supervisory and regulatory role. The appellant, in his appeal, *inter alia*, submitted that SEBI ought to share the Policy in vogue to inspect Stock Brokers. The appellant also submitted that the information is not strategic and that the denial citing Section 8(1)(a) of the RTI Act is baseless and unlawful.
5. I have perused the query and the response provided by the respondent. On consideration, I find that the information sought is strategic in nature and highly confidential and also includes information, the disclosure of which may reveal the mind of the regulator and hamper the decision making by SEBI in

its supervisory and regulatory role. The disclosure of the requested information may also affect and compromise the interest of securities market and may impact the economic interests of the country. It is understood that inspection is one of the tools available with SEBI to prevent or take action against Stock Brokers for violation of various Rules/ Regulations etc. The requested information, if revealed, may even forewarn the violators and enable them to look for ways and means to protect themselves against SEBI's efforts to prevent such violations. In view of these observations, I do not find any deficiency in the response.

6. **Query number 2-** The appellant, vide query number 2, sought the following information-

2. Names of stock brokers inspected and list of violations and non-compliances observed by SEBI during the inspection.

7. The respondent, in response to the aforesaid query, informed that the information sought by the appellant is exempt from disclosure under sections 8(1)(d), 8(1)(e) and 8(1)(h) of the RTI Act as the same is received by SEBI in fiduciary capacity and includes commercial confidential information, the disclosure of which could harm the competitive position of the entities. The respondent also stated that disclosure of the information would impede the process of investigation or apprehension or prosecution of offenders. The appellant, in his appeal, referred to information published earlier by SEBI with respect to Stock brokers. Further, the appellant submitted that the denial of information under Section 8(1)(e) is unfair and unjust. Further, the appellant submitted that the requested information has been denied by misquoting Section 8(1)(h) of the RTI Act.
8. I have perused the query and the response provided thereto. I note that the information sought by the appellant was denied by the respondent under Sections 8(1)(d), 8(1)(e) and 8(1)(h) of the RTI Act. In view of the nature of information sought by the appellant, I note that the reply provided by the respondent is not clear. Further, it is not explained as to how the respondent has arrived at the inference so as to rely on the exemptions provided under Sections 8(1)(d), 8(1)(e) and 8(1)(h) of the RTI Act.
9. Considering the above observations, I remit the application dated March 01, 2022 to the respondent for *de novo* consideration of query number 2, and to send appropriate response to the appellant in terms of RTI Act, within 15 working days from the date of receipt of this order.

10. The Appeal is accordingly disposed of.

Place: Mumbai

Date: April 25, 2022

**S V MURALI DHAR RAO
APPELLATE AUTHORITY UNDER THE RTI ACT
SECURITIES AND EXCHANGE BOARD OF INDIA**