

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

Appeal No. 5680 of 2023

Vimal Prakash Jain	:	Appellant
	Vs	
CPIO, SEBI, Mumbai	:	Respondent

ORDER

1. The appellant had filed an application dated April 23, 2023 (received by the respondent through RTI MIS Portal) under the Right to Information Act, 2005 (“**RTI Act**”). The respondent, by a letter dated May 18, 2023 responded to the application filed by the appellant. The appellant filed an appeal (Reg. No. SEBIH/A/E/23/00099 dated May 19, 2023. 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 thereto in the following paragraphs.
3. **Queries in the application** –The appellant, vide his application dated April 23, 2023, *inter alia*, sought the following information:

“1. Has SEBI given simplified guidelines to Registrar and Transfer Agents (RTAs) regarding KYC updation in physical share certificates having difference in name i.e. PAN, Aadhaar card and name printed on the share certificate? Has the guideline been issued?

2. If issued, kindly provide details. Without providing the circular number, provide clear information to the shareholder, what action should be taken in such cases where instead of share certificate, the letter of confirmation can be issued in the name mentioned in the PAN, Aadhaar, Demat Account and the same can be dematerialized easily. Please also provide copy of proforma.

3. Is there any process prescribed by SEBI other than gazette notification for change in name?

4. If answer to point No. 3 is yes, please provide details.

3. *Whether the facilitation plan made by SEBI is being followed by the RTAs? Please confirm.*
4. *Whether transfer of shares in favour of buyer is possible on the basis of Physical Share Certificates, Old transfer Deed/ New Transfer Deed?*
5. *If the answer to point no. 4 is no, please state that in cases where the buyer has submitted/ re-submitted relevant documents including old transfer deed, prior to due date for transfer, whether SEBI has imposed any penalty on RTAs for returning shares without transfer on the basis of erroneous reasoning? Whether policy has been laid down? If yes, please provide details.*
6. *Please tell who is responsible for the loss caused to the investor in such a situation? Has any policy been framed by SEBI in this regard?*
7. *Please tell whether it is appropriate to ask stamped and notarized NOC from the buyer for KYC completion of original shareholder or share dematerialization?*
8. *Is it mandatory to submit separate SH13, ISR3 separately even though CLIENT Master is submitted by the shareholder for KYC completion in which nomination is mentioned?*
9. *For the purpose of Due diligence/ enhanced due diligence, what information can RTAs seek from shareholder for KYC completion and dematerialization?"*

4. The respondent, in response to the aforesaid queries, informed that the queries are in nature of seeking guidance/clarification/opinion and accordingly, the same cannot be construed as seeking "information" as defined under section 2(f) of the RTI Act. However, the respondent advised the appellant to refer to the Master Circular for Registrars to an Issue and share Transfer Agents issued by SEBI on May 17, 2023. The respondent also provided the link for accessing the said Circular. The respondent also provided information regarding lodging of grievance on the SCORES portal of SEBI and tracking the status of the same. Further, the respondent provided the toll free helpline numbers launched by SEBI to facilitate replies to various queries of the general public on matters related to securities market. Further, the appellant was advised to refer to the FAQs on "Investor Grievances- SCORES", available on the SEBI website. The respondent also provided the link for accessing the said FAQs.
5. The appellant, in his appeal, *inter alia*, submitted that he did not find any clarification in the Circular dated May 17, 2023 with respect to his query numbers 4, 5, 6 and 7. The appellant also submitted that the information sought him is not available in the FAQs and that the response provided during calls to the toll free number also varies. Further, the appellant alleged that the RTA has not complied with the SEBI instructions many times but the same has not been punished by SEBI.

6. I have perused the queries and the response provided thereto. On consideration, I find that the queries are in the nature of seeking clarification/guidance/opinion from the respondent regarding various issues pertaining to change in name in the share certificate and dematerialization of the shares. The queries also appear to be situational queries. In my opinion, the CPIO is not supposed to provide clarification/guidance; or to interpret information; or to compile information as per the desire of the appellant under the ambit of the RTI Act. In this context, reliance is placed on matter of *Azad Singh vs. CPIO, Oriental Insurance Company Limited* (order dated March 23, 2021) wherein the Hon'ble CIC observed that “7. *The Commission, after hearing the submissions of both the parties and after perusal of records, observed that some queries of the appellant are in the nature of seeking explanation/ opinion/ advice/ confirmation/ clarification from the CPIO and he has expected that the CPIO firstly should analyze the documents and then provide information to the appellant. But the CPIO is not supposed to create information; or to interpret information; or to compile information as per the desire of the appellant under the ambit of the RTI Act. As per Section 2(f) of the RTI Act, the reasons/opinions/advice can only be provided to the applicants if it is available on record of the public authority. The CPIO cannot create information in the manner as sought by the appellant. The CPIO is only a communicator of information based on the records held in the office and hence, he cannot be expected to do research work to deduce anything from the material therein and then supply it to him.*” In the context of seeking replies to situational queries, I note that the Hon'ble CIC, in the matter of *Mr. Mahendra Kumar Mehta vs. CPIO, SEBI* (Judgment dated April 12, 2021), held that: “9. *This Commission observes that the appellant herein attempts to seek legal opinion/ clarification from the CPIO to his situational queries with regard to 'the circular, rules, regulations, notification etc. regarding trading member for taking stock in pledge, collateral, or security for providing margin to do trade in reference to derivatives segment, charging of interest and GST, precaution to be taken by trading member for protection of constituents individual/HUF etc.'. Therefore, the CPIO is not supposed to interpret information; or to furnish replies to situational queries; or to furnish clarifications. Hence, such queries seeking legal opinion/ clarification from the CPIO are not covered within the definition of 'information' u/Section 2(f) of the RTI Act, 2005. Accordingly, this Commission upholds the contention put forth by the CPIO.*” In view of these observations, I find that the said queries cannot be construed as seeking ‘information’ as defined under section 2 (f) of the RTI Act. Notwithstanding the same, I note that the respondent has guided the appellant to refer to the Master Circular for Registrars to an Issue and share Transfer Agents issued by SEBI on May 17, 2023. Accordingly, I do not find any deficiency in the response.
7. Further, I note that the appellant, in his application, raised certain grievances regarding action taken by RTAs. In this regard, I note that the respondent has appropriately guided the appellant to refer to the SCORES website for lodging his grievance, if any, and also provided helpline service numbers launched

by SEBI, to facilitate replies to various queries of the general public on matters relating to securities market. It is understood that SCORES is an online platform designed to help investors to lodge their complaints, pertaining to securities market, online with SEBI against listed companies and SEBI registered intermediaries. In view of the same, I find that the application has been adequately addressed and no further intervention is warranted at this stage.

8. Further, I note that the appellant, in his appeal, alleged that the RTA has not complied with the SEBI instructions many times but the same has not been punished by SEBI. I note that the Hon'ble CIC, in the matter of *Mr. Surendra Vishwakarma vs. President Secretariat* (Order dated April 29, 2016) observed that *"In this context, we note that the RTI Act cannot be used to make the respondent to do certain things or take certain action for the reason that the Act is not the proper law for redressal of grievances/disputes and there are other appropriate forum(s) for resolving such matters."* In view of the said observations, I find that the submissions do not warrant consideration at this stage as the same does not come under the purview of the RTI Act.
9. 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: June 19, 2023

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