

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

Appeal No. 6043 of 2024

	:	Appellant
Rajat Galav		
	Vs	
CPIO, SEBI, Mumbai	:	Respondent

ORDER

1. The appellant had filed an application dated June 01, 2024 (received by the respondent through RTI MIS Portal) under the Right to Information Act, 2005 (“**RTI Act**”). The respondent, by a letter dated June 14, 2024 responded to the application filed by the appellant. The appellant filed an appeal (Reg. No. SEBIH/A/E/24/00126) dated June 14, 2024. 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 he has been refused access to information requested. The appellant, in his appeal, has raised dissatisfaction only with respect to the reply to request nos. 2, 6, and 9 of his application.
3. **Request no. 2 of the application** - The appellant, vide request no. 2 of his application dated June 01, 2024, sought the following information:

“(ii) Kindly mention the dates from 1st January 2024 to 31st May 2024 on which Adani group Chairman or its representatives met SEBI Chairman or SEBI officials in Mumbai head office of SEBI. Also, mention the names of those representatives along with the reason of them meeting SEBI officials personally.”
4. **Reply of the Respondent** - The respondent, in response to request no. 2 above, informed that SEBI conducts examinations and investigations confidentially in a holistic manner. In view of the same, disclosure of details related to the matter may impede the process and is therefore exempt from disclosure in terms of Section 8(1)(h) of the RTI Act, 2005. Additionally, the respondent informed that post investigation, whenever violations are established, appropriate enforcement actions are taken under the provisions of the SEBI Act, 1992 and Regulations framed thereunder which culminate in the

issuance of Orders. Further, the respondent informed that these orders are available in public domain and can be accessed from the SEBI website.

5. I have perused the requests and the response provided thereto. On consideration, I agree with the response of the respondent that disclosure of the requested information at this stage may impede the process of examination. In this context, I note that the Hon'ble Central Information Commission, (hereinafter referred to as "**CIC**") in the matter of *Smt. Pushpa Devi Mohita vs. SEBI* (order dated February 08, 2022), held that " *The Commission observes that the information sought by the appellant is submitted to SEBI which is a quasi-judicial body for examination and the same has not yet reached a logical conclusion, therefore the respondent has denied the information under section 8(1)(b) and as per the said provisions of the RTI Act, such information cannot be provided to the appellant which would impede the process of investigation.....In view of the above ratio, the Commission is of the opinion that the CPIO has rightly denied the information sought under Section 8(1)(b) of the RTI Act as the forensic audit report is still pending and final decision is yet to be passed by the competent authority, therefore the said denial of information is being upheld by the Commission.*" I also note that the Hon'ble CIC, in the matter of *Deepti Maheshwari vs. CPIO, SEBI* (Order dated February 09, 2023), observed that "*The Commission also accepted the submissions advanced by the CPIO qua queries 8, 10 and 11 that since the proceedings were on-going, the disclosure of any information at that juncture may have impeded the process of investigation/ prosecution of offenders. Therefore, the denial u/s 8 (1) (b) of the RTI Act, 2005 was upheld.*" In view of these observations, I do not find any deficiency in the response. Notwithstanding the above, I note that the respondent has informed the appellant that appropriate enforcement actions, if taken, will be made available in public domain on SEBI website.

6. **Request no. 6 of the application** - The appellant, vide request no. 6 of his application dated June 01, 2024, sought the following information:

"(vi) SEBI officials along with their Chairperson Madhabi Puri Buch had appeared before the parliamentary standing committee on finance on 30th March 2022 and 5th April 2022 where they were questioned about NSE Co location scam. Kindly mention the questions which were asked to them along with the answers which SEBI officials gave regarding NSE Co location scam."

7. **Reply of the Respondent** - There is a typographical error in the numbering of said response of the respondent. In response to request no. 6 of the application, the respondent informed that the requested information is strategic in nature, disclosure of which may hamper the decision- making by SEBI in their supervisory and regulatory role. Further, the disclosure of such strategic and confidential information may also affect and compromise the interest of the securities market in specific and may impact the

economic interests of the country. In view of the same, the respondent informed that the requested information sought is exempt u/s 8(1)(a) of the RTI Act, 2005.

8. I have perused the aforesaid request and the response provided thereto. I note that the respondent, in his response, has invoked the provisions of Section 8(1)(a) of the RTI Act to deny information to the appellant. The respondent has informed the appellant that the information sought is strategic in nature, disclosure of which may hamper the decision-making by SEBI in their supervisory and regulatory role. I do not have reasons to disbelieve the said response of the respondent. Further, in this context, I note that in *ICAI v. Shaunak H. Satya*, [(2011) 8 SCC 781], the Hon'ble Supreme Court held that: - "*We however agree that it is necessary to make a distinction in regard to information intended to bring transparency, to improve accountability and to reduce corruption, falling under Sections 4(1)(b) and (c) and other information which may not have a bearing on accountability or reducing corruption. 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.*" In view of these observations, I concur with the response of the respondent that the requested information is exempt from disclosure under section 8(1)(a) of the RTI Act. Accordingly, I do not find any deficiency in the response of the respondent.
9. Further, I note that the appellant in his appeal has submitted that with respect to request no. 6 of the application, the respondent should transfer his application to Lok Sabha Secretariat. In this regard, I note that the respondent has clearly informed the appellant that the information sought is exempt from disclosure under Section 8(1)(a) of the RTI Act. Hence, I find that the respondent has adequately responded to the said request and the question of transferring the application of the appellant to other public authority does not arise. Accordingly, I find that the said submissions do not warrant consideration at this stage.
10. **Request no. 9 of the application** - The appellant, vide request no. 9 of his application dated June 01, 2024, sought the following information:

"(ix) SEBI had released a consultation paper in May 2023 via which SEBI aimed to strengthen FPI disclosure rules so that original owner of offshore entities can be found out. Kindly mention the rules which SEBI framed, notified and implemented on the basis of that consultation paper to strengthen FPI disclosure rules."

11. **Reply of the Respondent** - The respondent, in response to the aforesaid requests informed that the rules, regulations and circulars issued by SEBI are available on SEBI website. The respondent also provided the path to access the same.
12. I have perused the aforesaid requests and the response provided thereto. On consideration, I find that the request of the appellant is very specific and hence, the response provided by the respondent does not appear to be adequate. In my view, the respondent was obliged to ascertain availability of the requested information with SEBI and whether the same may be provided to the appellant in accordance with the provisions of the RTI Act. On consideration, I find that the aforesaid request has not been adequately addressed.
13. Considering the above observations, I remit the application to the respondent for *de novo* consideration of request no. 9 of the application and sending appropriate response to the appellant in terms of RTI Act, within 15 working days from the date of receipt of this order.
14. The Appeal is accordingly disposed of.

Place: Mumbai

Date: June 26, 2024

B RAJENDRAN

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