GOVERNMENT OF INDIA MINISTRY OF FINANCE DEPARTMENT OF ECONOMIC AFFAIRS RAJYA SABHA

UNSTARRED QUESTION NO. 874

ANSWERED ON TUESDAY, DECEMBER 3, 2024 / 12 AGRAHAYANA, 1946 (SAKA)

CONFLICT OF INTEREST AND TRANSPARENCY IN SEBI'S LEADERSHIP

874: SHRI MALLIKARJUN KHARGE:

SMT. RANJEET RANJAN:

Will the Minister of *Finance* be pleased to state:

- (a) the steps Government is taking to ensure full transparency and accountability in the declarations of financial assets and potential conflicts of interest by Securities and Exchange Board of India (SEBI) Chairperson and senior officials;
- (b) the measures implemented to maintain proper records and ensure public trust given SEBI's response under the RTI Act citing lack of readily available information on cases of recusal;
- (c) the manner in which Government plans to address concerns regarding potential conflicts of interest involving SEBI's leadership; and
- (d) whether Government is considering to review SEBI's internal mechanisms to handle such disclosures?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PANKAJ CHAUDHARY)

(a) to (d): Securities and Exchange Board of India (SEBI) has adequate internal mechanisms for addressing issues relating to conflict of interest, which include a disclosure framework and provisions for recusal.

The Board of SEBI has adopted a Code on Conflict of Interests for Members of its Board, including the Chairperson, to ensure that the Board conducts itself in a manner that does not compromise its ability to accomplish its mandate or undermine the public confidence in the ability of Member(s) to discharge his responsibilities.

Other senior officials i.e., employees of SEBI are governed by the SEBI (Employees' Service) Regulations, 2001 that ensure transparency and accountability in declaration of financial assets and address potential conflicts of interest.