BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER NO. Order/AS/AK/2022-23/23811]

UNDER SECTION 15-I OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH RULE 5 OF SEBI (PROCEDURE FOR HOLDING INQUIIRY AND IMPOSING PENALTIES) RULES, 1995.

In respect of –

1. **M/s. Rishiraj and Co. (Prop. Navin Chandra Vipani)** (**PAN: ABQPV9633F**) having address at 24 Sarat Bose Road, 3rd Floor, Kolkata, West Bengal - 700020

In the matter of Illiquid Stock Options at BSE.

BACKGROUND

1. Securities and Exchange Board of India (hereinafter be referred to as, the "***SEBI***"), initiated adjudication proceedings under Section 15HA of SEBI Act, 1992 (hereinafter be referred to as, the "***SEBI Act***") against M/s. Rishiraj and Co. (Prop. Navin Chandra Vipani) (hereinafter referred to as '**Noticee** '') in the matter of illiquid stock options at Bombay Stock Exchange Ltd. (hereinafter referred hereinafter referred to as **'BSE')**. Adjudication proceedings were initiated against the Noticee for alleged violations of Regulations 3(a), (b), (c), (d) and 4(1), (2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 (hereinafter referred to as the "**PFUTP Regulations**") pursuant to investigation into the trading activity in illiquid Stock Options at BSE (hereinafter, referred to as, "Investigation") for the period between April 1, 2014 to September 30, 2015 (hereinafter referred to as, "**Investigation Period**").

APPOINTMENT OF ADJUDICATING OFFICER

2. SEBI appointed, Mr. Prasanta Mahapatra, CGM as Adjudicating Officer vide communique dated September 30, 2021 in the matter. Pursuant to the transfer of

erstwhile Adjudicating Officer Shri Prasanta Mahapatra, the instant matter *vide* communique dated July 27, 2022, was transferred to the undersigned as Adjudicating Officer (hereinafter referred to as “**AO**”) to inquire into and adjudge under Section 15HA of the SEBI Act, the aforesaid alleged violations against the Noticee.

SHOW CAUSE NOTICE, REPLY AND HEARING

3. Show Cause Notice No. EAD-8/AS/AK/58441/1/2022 dated October 08, 2022 (hereinafter be referred to as, the “**SCN**”) was served upon the Noticee under Rule 4 of the SEBI (Procedure for holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as **'Adjudication Rules'**) read with section 15I of the SEBI Act, to show cause as to why an inquiry should not be held and penalty be not imposed against him under Section 15HA of the SEBI Act for the alleged violations of Regulations 3(a), (b), (c), (d) and 4(1), (2)(a) of the PFUTP Regulations.

4. The undersigned was informed vide letter dated September 28, 2022 by CA Arun Kumar Dubey the authorized representative of Mr. Navin Chadra Vipani (Proprietor M/s. Rishiraj and Co.) that Mr. Navin Chadra Vipani (Noticee) had passed away on July 23, 2020. Copy of Death Certificate to this effect has been produced along with the said letter. The death certificate was verified from the website of Bidhannagar Municipal Corporation’s Website.

5. Before proceeding further in the matter on merit, it would be in the fitness of things to first decide as to whether on the death of the Noticee, the present adjudication proceedings against him would continue or abate.

6. In this context, it is worth mentioning that in **Girijanandini Vs Bijendra Narain** (AIR 1967 SC 2110), the Hon’ble Supreme Court held that in case of personal actions, i.e., the actions where the relief sought is personal to the deceased, the right to sue will not survive to or against the representatives and in such cases the maxim *actio personalis moritur cum persona* (personal action dies with the death of the person) would apply. It is also relevant to refer to the decision of Hon’ble

Securities Appellate Tribunal in **Chandravadan J. Dalal vs. SEBI** (Appeal No. 35/2004 decided on June 15, 2005) wherein it was held that: *"The appeal abates since the appellant during the pendency of the appeal died on 29th November 2004. The appeal accordingly abates. The penalty imposed on the original appellant being personal in nature also abates."*

7. In view of the foregoing, I am of the view that the instant adjudication proceedings against the Noticee are liable to be abated without going into the merits of the case qua him and the SCN dated October 08, 2022 issued against him is disposed of accordingly.

8. In terms of the provisions of Rule 6 of the Adjudication Rules, a copy of this order is being sent to SEBI and to the last known address of deceased Noticee as well as to CA Arun Kumar Dubey the authorized representative of Mr. Navin Chadra Vipani, the deceased Noticee.

ASHA SHETTY Digitally signed by ASHA SHETTY Date: 2023.02.17 16:04:26 +05'30'

DATE: February 17, 2023 **ASHA SHETTY**

PLACE: MUMBAI **ADJUDICATING OFFICER**