



**BEFORE THE ADJUDICATING OFFICER  
SECURITIES AND EXCHANGE BOARD OF INDIA  
[ADJUDICATION ORDER NO. Order/JS/RJ/2025-26/32111]**

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

In respect of:

Ramgopal Agarwal

PAN: ABWPA7276P

In the matter of dealing in Illiquid Stocks Options at BSE

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**FACTS OF THE CASE IN BRIEF**

1. Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”), observed large scale reversal of trades in the Illiquid Stock Options (hereinafter also referred to as “**ISO**”) at BSE Ltd. (hereinafter referred to as “**BSE**”) leading to creation of artificial volume. In view of the same, SEBI conducted an investigation into the trading activities of certain entities in ISO at BSE for the period starting from April 1, 2014 to September 30, 2015 (hereinafter referred to as “**IP**”).
2. Investigation by SEBI revealed that during the IP, a total of 2,91,643 trades comprising 81.38% of all the trades executed in stock options segment of BSE were trades involving reversal of buy and sell positions by the clients and counterparties in a contract. In these trades, entities reversed their buy or sell position in a contract with subsequent sell or buy position with the same counter party. These reversal trades were alleged to be non-genuine as they lacked basic trading rationale and allegedly portrayed false or misleading appearance of trading leading to creation of artificial volume in those contracts. In view of the same, such reversal trades were alleged to be deceptive and manipulative in nature.
3. During the IP, 14,720 entities were found to have executed non-genuine trades in BSE’s stock options segment. It was observed that Ramgopal Agarwal (hereinafter referred to



as the “**Noticee**”) was one of the entities who indulged in execution of reversal trades in stock options segment of BSE during the IP. His trades were alleged to be non-genuine in nature which created false or misleading appearance of trading in terms of artificial volumes in stock options. Therefore, his trades were alleged to be manipulative and deceptive in nature. In view of the same, SEBI initiated adjudication proceedings against the Noticee for alleged violation of the provisions of regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 (hereinafter referred to as “**PFUTP Regulations**”).

#### **APPOINTMENT OF ADJUDICATING OFFICER**

4. Pursuant to transfer of the case from erstwhile Adjudicating Officer (hereinafter referred to as “**AO**”), the undersigned was appointed as AO in the matter vide order dated April 04, 2025, under section 15-I of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the “**SEBI Act**”) read with rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as “**Rules**”), to inquire into and adjudge under the provisions of section 15HA of the SEBI Act for the alleged violations by the Noticee.

#### **SHOW CAUSE NOTICE, REPLY AND HEARING**

5. A Show Cause Notice dated August 10, 2022 (hereinafter referred to as “**SCN**”) was served to the Noticee under rule 4(1) of Rules to show cause as to why an inquiry should not be held and penalty, if any, should not be imposed upon him for the alleged violations of the provisions of regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of the PFUTP Regulations.
6. Vide Part B of above referred SCN, Noticee was informed that SEBI had introduced a Settlement Scheme, i.e., SEBI Settlement Scheme, 2022 (hereinafter referred to as “**Settlement Scheme 2022**”) in terms of regulation 26 of the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as “**Settlement Regulations**”). It was informed that the Settlement Scheme 2022 provides a one-time opportunity to the entities against whom proceedings were initiated and



appeals against the said proceedings were pending. The scheme commenced from August 22, 2022 and remained open for a period of 3 months. Later, the applicable period of the Settlement Scheme 2022 was extended to January 21, 2023 by SEBI.

7. However, the Noticee did not avail the Settlement Scheme 2022.
8. Thereafter, opportunity of hearing was granted to the Noticee vide hearing notices dated March 02, 2023. However, the said hearing notice returned undelivered.
9. Subsequently, Post SCN Intimation (hereinafter referred to as “**PSI**”) dated March 06, 2024, was issued to the Noticee by erstwhile AO wherein it stated that SEBI had offered another Settlement Scheme, i.e., SEBI Settlement Scheme, 2024 (hereinafter referred to as “**Settlement Scheme 2024**”) in terms of regulation 26 of Settlement Regulations. The applicable period of the said scheme was March 11, 2024 to May 10, 2024. Later, the applicable period of the Settlement Scheme 2024 was extended to June 10, 2024 by SEBI. However, the said PSI returned undelivered.
10. Since the PSI could not be served to the Noticee through SPAD, pursuant to appointment of the undersigned as AO, in terms of rule 7(3) of the Rules, the hearing notice were served upon the Noticee by way of publication in newspapers where the Noticee was last known to have resided.
11. In response, Mr. Kamal Agarwal, on behalf of the Noticee, vide emails dated July 24, 2025 and February 14, 2026, *inter alia*, informed that Noticee had expired on September 17, 2020 and requested to drop the proceedings *qua* the Noticee. A copy of the death certificate of the Noticee bearing Registration No. MEG-DC/SMB/2020/840 dated October 14, 2020 along with the PAN card of the Noticee was enclosed with the said emails.
12. In this context, based on the material on record, I note that the Noticee expired on September 17, 2020. Before proceeding further in the matter on merit, it would be in the



fitness of things to decide as to whether on the death of the Noticee, the present adjudication proceedings against the Noticee would continue.

13. In this context, I note that in the matter of *Girijanandini Devi v. Bijendra Narain Choudhary* (AIR 1967 SC 1124), 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 v. 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.*"

14. In view of the foregoing, I am of the view that the instant adjudication proceedings against the Noticee, Ramgopal Agarwal are liable to be abated without going into the merits of the case *qua* him and the SCN dated August 10, 2022 issued against him is disposed of accordingly.

15. In terms of the provisions of rule 6 of the Rules, a copy of this order is being sent to SEBI and to Mr. Kamal Agarwal.

**Place: Mumbai**  
**Date: February 17, 2026**

**JAI SEBASTIAN**  
**ADJUDICATING OFFICER**