BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER NO. Order/JS/AR/2022-23/21883]

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

In respect of
Late Amarjeet Kaur Parmar
(PAN: AEYPP7292M)
In the matter of trading in Illiquid Stock Options on BSE

BACKGROUND OF THE CASE

1. Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") observed large scale reversal of trades in stock options segment of Bombay Stock Exchange (hereinafter referred to as "**BSE**"). SEBI observed that such large scale reversal of trades in stock options lead to creation of artificial volume at BSE. In view of the same, SEBI conducted an investigation into the trading activities of certain entities in illiquid stock options at BSE for the period April 1, 2014 to September 30, 2015 (hereinafter referred to as "**Investigation Period**").

2. Pursuant to investigation, it was observed that total 2,91,744 trades comprising substantial 81.40% of all the trades executed in stock options segment of BSE during the Investigation Period were non genuine trades. The aforesaid non-genuine trades resulted into creation of artificial volume in stock options segment of BSE during the Investigation Period. It was observed that Amarjeet Kaur Parmar (PAN – AEYPP7292M) (hereinafter referred to as the "**Noticee**") was one of the various entities who had indulged in execution of reversal trades in stock options segment of BSE during the Investigation Period. Such trades were observed to be non-genuine and created false or misleading appearance of trading in the stock option segment of BSE, and therefore were alleged to be manipulative and deceptive in nature. In view of the same, SEBI initiated adjudication proceedings against the Noticee for 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

3. SEBI initiated adjudication proceedings and appointed Shri Prasad Jagadale as Adjudicating Officer under section 15-I of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "**SEBI Act**") read with rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing

Penalties) Rules, 1995 (hereinafter referred to as "**Adjudication Rules**") vide Order dated July 02, 2021 and the Communique for appointment dated July 06, 2021, to inquire into and adjudge under section 15HA of the SEBI Act, the alleged violation of the aforesaid provisions of PFUTP Regulations by the Noticee. Subsequently, vide Order dated August 24, 2022 and the communique dated August 29, 2022, the undersigned was appointed as the Adjudicating Officer, in the said matter.

SHOW CAUSE NOTICE AND REPLY

4. A Show Cause Notice bearing reference no. OIAE/IAD/PJ/KM/39631/1/2021 dated December 28, 2021 (hereinafter referred to as "**SCN**") was issued to the Noticee under Rule 4(1) of the Adjudication Rules to show cause as to why an inquiry should not be initiated against her and why penalty should not be imposed upon her under Section 15HA of the SEBI Act for the violations alleged to have been committed by her. The Noticee was advised to file a reply to the SCN within 14 days from the date of the receipt of the notice, failing which it shall be presumed that the Noticee does not have any reply to submit and the matter would be further proceeded with on the basis of the evidence available on record.

5. Shri Rupinder Singh Parmar, the husband of the Noticee, through its advocate Shri Subash Agarwal, vide letter dated January 22, 2022 has inter-alia informed that the Noticee had expired on October 09, 2021. A Death Certificate dated November 08, 2021 issued by the Department of Health & Family Welfare, Government of West Bengal, was produced along with the said letter. The death certificate has been verified through the URL edistrict.wb.gov.in mentioned in the death certificate provided by the husband of the Noticee. It is observed that the Noticee expired during the pendency of adjudication proceedings and before the liability could be ascertained against her.

6. In this regard, it is relevant to note that the Hon'ble Supreme Court in the case of *Girijandini vs. Bijendra Narain (AIR 1967 SC 1124), inter alia*, observed that in case of personal action, 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. The Hon'ble Securities Appellate Tribunal has also held in the matter of Chandravadan J Dalal Vs. SEBI (Appeal No. 35/2004), decided on June 15, 2005, 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".*

ORDER

7. Relying on the aforementioned order, 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 her and the SCN dated December 28, 2021 issued against her is disposed of accordingly.

8. In terms of rule 6 of the Adjudication Rules, copy of this order is sent to the Noticee's last known address and also to SEBI.

Date: December 06, 2022	**JYOTI SHARMA**
Place: NEW DELHI	**ADJUDICATING OFFICER**