

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER No. Order/AS/RM/2022-23/25197]

UNDER SECTION 15-I 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 –

1. **Ms. Niranjana Vinodchandra Jhaveri (PAN:AAEPJ2591H)** having address at 6 Vallabh Nagar Society, 1 Nimish Apt J.V.P.D Scheme, N.S. Road No.5, Ville Parle West, Mumbai - 400056

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 Ms. Niranjana Vinodchandra Jhaveri (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. N. Sunil, DGM as Adjudicating Officer vide order dated April 30, 2021 in the matter. Subsequently, vide order dated March 17, 2023 the matter was transferred to the undersigned as Adjudicating Officer (hereinafter referred to

Adjudication Order in respect of Ms. Niranjana Vinodchandra Jhaveri in the matter of Illiquid Stock Options at BSE.

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. SEBI/HO/ISD/ISD_ISD/P/OW/2021/0000024192/1 dated November 18, 2021 (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 her 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 notes from records that, Mr. Vinod Harilal Jhaveri, husband of Ms. Niranjana Vinodchandra Jhaveri (Noticee) has informed erstwhile AO vide letter dated December 01, 2021 that Ms. Niranjana Vinodchandra Jhaveri (Noticee) had passed away on May 06, 2018. Copy of Death Certificate to this effect has been produced along with the said letter. The death certificate was verified by scanning the QR code given on the death certificate, leading to the digital copy of the aforesaid death certificate hosted at the website of Birth & Death Registration Website of Office of the Registrar General & Census Commissioner, India.
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 her 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 her and the SCN dated November 18, 2021 issued against her 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 Rahul Bhojgharia the authorized representative of Ms. Niranjana Vinodchandra Jhaveri the deceased Noticee.

DATE: March 31, 2023

PLACE: MUMBAI

ASHA SHETTY

ADJUDICATING OFFICER