**BEFORE THE ADJUDICATING OFFICER**

**SECURITIES AND EXCHANGE BOARD OF INDIA**

**[ADJUDICATION ORDER NO.: Order/VV/NK/2021-22/11541]**

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

**In respect of:**

**Madhukar Navinchandra Vora**

**(PAN:AAAPV5284B)**

**In the matter of Sterling International Enterprises Ltd.**

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**Facts of the Case:**

1. The Securities and Exchange Board of India (hereinafter, referred to as **"SEBI"**) carried out Investigation in respect of irregular trading activities of certain entities in the scrip of Sterling International Enterprises Limited (**"SIEL/Scrip"**) during the period from May 01, 2008 to September 30, 2009 (hereinafter referred to as **"Investigation Period"**). Pursuant to the Investigation, SEBI initiated adjudication proceedings under Section 15HA of the Securities and Exchange Board of India Act, 1992 (hereinafter, referred to as **"SEBI Act"**) against Madhukar Navinchandra Vora (hereinafter, referred to as **"Noticee"**) for the alleged violation of the provisions of Section 12A(a), (b), (c) of SEBI Act, read with Regulations 3(a),(b),(c),(d) and Regulations 4(1), 4(2) (a) and (g) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred to as **"PFUTP Regulations"**).

## APPOINTMENT OF ADJUDICATING OFFICER

In this regard, initially, Shri Sahil Malik was appointed as the Adjudicating Officer **(AO)** by SEBI, under Section 19 of the SEBI Act read with Section 15-I (1) of the SEBI Act and Rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter, referred to as **"SEBI Adjudication Rules"**) to conduct adjudication proceedings *inter-alia* in respect of the Noticees, in the manner specified under Rule 4 of the SEBI Adjudication Rules read with Section 15-I (1) and (2) of the SEBI Act, and if satisfied that penalty is liable, to impose such penalty deemed fit in terms of Rule 5 of the SEBI Adjudication Rules and Section 15HA of the SEBI Act. Subsequently, upon transfer of Shri Sahil Malik, the undersigned has been appointed as AO by SEBI on August 13, 2019, to enquire into and adjudge the violations alleged to have been committed by the Noticee.

## SHOW CAUSE NOTICE And REPLY

2. Show Cause Notice No. EAD-9/ADJ/VKV/HKS/5679/7/2020 dated February 12, 2020 (hereinafter referred to as **"SCN"**) was issued to the Noticee in terms of Rule 4 of the Adjudication Rules read with Section 15-I of the SEBI Act, to show cause as to why an inquiry should not be initiated and penalty should not be imposed under Section 15HA of the SEBI Act, on the Noticee for the alleged violation of the provisions of Section 12A(a), (b), (c) of SEBI Act, read with Regulations 3(a),(b),(c),(d) and Regulations 4(1), 4(2) (a) and (g) of PFUTP Regulations for creating misleading appearance of trading in the scrip of SIEL by trading amongst themselves.

3. An email dated April 19, 2021 and April 21, 2021 is received from Mr. Vedchetan Patil, the authorised representative of Mr. Madhukar N Vora and Mr. gautam Vora respectively alongwith relevant documents evidencing that, Mr. Madhukar N Vora (the Noticee herein) has passed away on April 15, 2021.

4. From the perusal of the documents provided in the abovementioned emails in relation to the demise of Noticee, I note that as per the Medical Certification of cause of death & Death Report dated April 15, 2021and statement of death registry dated April 16, 201 issued by Municipal Corporation of Greater Mumbai, the Noticee has passed away on April 15, 2021.

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. I note that in the matter of Girijandini vs. Bijendra Narain (AIR 1967 SC 2110), the Hon'ble Supreme Court, *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.

7. Further,the Hon'ble Securities Appellate Tribunal has also held in Chandravadan J Dalal Vs. SEBI (Appeal No. 35/2004) that *"The appeal abates since the appellant during the pendency of the appeal died on 29th November, 2004. The appeal accordingly abates"*.

8. Relying, on the aforementioned Orders of Hon'ble Supreme Court and Hon'ble Securities Appellate Tribunal, I am of the view that the adjudication proceedings initiated against the deceased Noticee will not survive and is liable to be abated without going into the merits of the case. Consequently, no penalty is imposed on the Noticee, who is since deceased, and the Adjudication Proceedings against her stand abated.

**ORDER:**

9. Accordingly, the present Adjudication proceedings initiated against the Noticee viz. Late Mr. Madhukar N Vora, vide the SCN No. EAD-9/ADJ/VKV/HKS/5679/7/2020 dated February 12, 2020 is disposed of without going into the merits of the case.

10. In terms of Rule 6 of the SEBI Adjudication Rules, a copy of this order is being sent to Mr. Vedchetan Patil, the Authorised Representative of the Noticee and to Mr. Gautam Vora and also to the Securities and Exchange Board of India.

**Date : April 28,2021** **Vijayant Kumar Verma**

**Place : Mumbai** **Adjudicating Officer**