**BEFORE THE ADJUDICATING OFFICER**

**SECURITIES AND EXCHANGE BOARD OF INDIA**

**[ADJUDICATION ORDER NO. EAD-4/SRP/MCS/2018-19/1402]**

**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 BY ADJUDICATING OFFICER) RULES, 1995, IN THE ADJUDICATION PROCEEDINGS INITIATED AGAINST SMT. RUKMINI DEVI BANGAD [PAN: ABEPB6078J] IN THE MATTER OF M/S. KAVERI SEED COMPANY LTD.**

## BACKGROUND

1. The Securities and Exchange Board of India (*hereinafter referred to as **"SEBI"***), initiated Adjudication Proceedings against Smt. Rukmini Devi Bangad *(hereinafter referred to as **"Noticee"**)* for the alleged violation of the provisions of Regulations 3(a), (b), (c), 4(1) and 4(2)(a) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 *(hereinafter referred to as **"PFUTP Regulations"**)* read with Section 15HA of the SEBI Act, 1992 in the matter of M/s. Kaveri Seed Company Ltd. *(hereinafter referred to as **"KSCL"**)*.

2. SEBI conducted investigations into the dealings of KSCL shares during the period from October 01, 2008 to June 30, 2009*(hereinafter referred to as **"Investigation Period"**)*. The investigations, *prima facie,* revealed that the Noticee had allegedly indulged in synchronized trades in the scrip of KSCL. Hence, it was alleged that the Noticee had violated the provisions of Regulations 3(a), (b), (c), 4(1) and 4(2)(a) of the PFUTP Regulations.

## APPOINTMENT OF ADJUDICATING OFFICER

3. Initially, Shri Biju. S. was appointed as the Adjudicating Officer in the said matter. Subsequently, the undersigned has been appointed as AO vide a communication of SEBI dated July 06, 2018, to inquire into and adjudge under Section 15HA of the SEBI Act, 1992 the aforesaid violation alleged to have been committed by the Noticee.

## SHOW CAUSE NOTICE, REPLY AND PERSONAL HEARING

4. A Show Cause Notice No. SEBI/EAD-4/ADJ/SRP/MCS/OW/21483/1/2018 dated August 03, 2018 *(hereinafter referred to as **"SCN"**)* was issued to the Noticee in terms of Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 *(hereinafter referred to as **"Adjudication Rules"**)* read with Section 15-I of the SEBI Act, 1992 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, 1992 on the Noticee for the alleged violation of the Regulations 3(a), (b), (c), 4(1) and 4(2)(a) of the PFUTP Regulations.

5. SCN was delivered at the last known address of the Noticee. However, one Mr. Jaiprakash Bangad, son of the Noticee informed vide letter dated September 10, 2018 that his mother Smt. Rukmini Devi Bangad (Noticee) had passed away on September 20, 2012. In this regard, a copy of Death Certificate of the Noticee was submitted by him.

6. In view of the Hon'ble Supreme Court's Order in the case of *Girija Nandini vs. Bijendra Narain Choudhury (AIR 1967 SC 2110),* wherein it has been stated 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, which

was subsequently followed by SEBI in the case of M/s. Sakthi Finance Limited, wherein Adjudication Proceedings against Late N. Mahalingam were abated. I note from the copy of the Death Certificate dated May 29, 2013, issued by the Greater Hyderabad Municipal Corporation that the Noticee had expired on September 20, 2012. I observe that the Noticee had expired even before the initiation of the present Adjudication Proceedings against her.

7. Therefore, by relying on the aforementioned Order of Hon'ble Supreme Court, I am of the view that the Adjudication Proceedings initiated against the 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 has since deceased and the Adjudication Proceedings shall stand abated.

8. Accordingly, the aforesaid Adjudication Proceedings initiated against the Noticee viz. Late Rukmini Devi Bangad vide SCN No. SEBI/EAD-4/ADJ/ SRP/MCS/OW/21483/1/2018 dated August 03, 2018 are disposed of without further going into the merits of the case.

9. In terms of the provisions of Rule 6 of the Adjudication Rules, a copy of this Order is being sent to Mr. Jaiprakash Bangad, son of Late Rukmini Devi Bangad and also to SEBI.

**Date : October 10, 2018**
**Place: Mumbai**

**Satya Ranjan Prasad**
**Adjudicating Officer**