BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER NO. Order/JS/VC/2025-26/31846]

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:

Primesoft Dealer Pvt. Ltd.

(as per MCA Data, name of the Company was changed to Aleit Advisory Pvt. Ltd.)

(PAN: AAFCP4566Q)

In the matter of dealings in Illiquid Stocks Options on BSE

BACKGORUND OF THE CASE

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**") on 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 on 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 2,91,744 trades comprising 81.41% 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 counterparty. 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 Primesoft Dealer Pvt. Ltd. (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. Noticee's 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, its 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 03, 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 July 29, 2021 (hereinafter referred to as "**SCN**") was issued 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 it for the alleged violations of the provisions of regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of the PFUTP Regulations. The SCN issued to the Noticee returned undelivered to SEBI with remark that *'No such company/person in the address'.*

6. Thereafter, during the course of the proceedings, the status of the Noticee was ascertained from the website of Ministry of Corporate Affairs (MCA). As per MCA

Data, it is observed that the name of the Company was changed to Aleit Advisory Pvt. Ltd. Further, as per MCA Company Master Data, it is observed that the name of the Noticee, CIN No. U51101WB2010PTC146452 has been struck-off from the list of companies by the Registrar of Companies, Kolkata and the last date of balance sheet is March 31, 2020.

7. Therefore, clarification/comments were sought from the concerned department of SEBI. In response, the concerned department of SEBI, *inter alia*, responded that '*the Company is no more in existence since 2020. Therefore, adjudication proceedings against a non-existing company are thus a nullity'.*

8. In view of the above, it is clear that the name of the Noticee has been struck off from the ROC list and the Noticee stands dissolved. I note that it is an established fact that when a company's name is struck-off from the ROC list and the company is also dissolved, it is a non-existing company and the adjudication proceedings against the non-existing company is thus a nullity. 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. Should the Noticee stand revived or restored at any stage, a decision to initiate proceedings may be taken afresh at that stage.

9. In this context, I would also like to draw reference to a judgment of the Hon'ble Delhi High Court in the case of *Commissioner of Income Tax v. Vived Marketing Services (P) Ltd., ITA No. 273/2009* dated September 17, 2009, wherein it was held that:
"When the Assessing Officer passed the order of assessment against the respondent company, it had already been dissolved and struck off the register of the Registrar of companies under Section 560 of the Companies Act. In these circumstances, the Tribunal rightly held that there could not have been any assessment order passed against the company which was not in existence as on that date in the eyes of law it had already been dissolved. We are of the opinion that the view taken by the Tribunal is perfectly valid and in accordance with law."

10. After taking into consideration the aforesaid facts and circumstances, the adjudication proceedings initiated against Noticee vide SCN dated July 29, 2021 are disposed of without going into the merits of the case.

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

JAI SEBASTIAN
Digitally signed by JAI SEBASTIAN
Date: 2025.12.18 16:28:11 +05'30'

Place: Mumbai **JAI SEBASTIAN**
Date: December 18, 2025 **ADJUDICATING OFFICER**