BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER No.: Order/VV/PS/2022-23/25495]

UNDER SECTION 15-I OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992.

In respect of:

Getrise Infotech Private Limited

PAN: AACCV9461H

---

1. Securities and Exchange Board of India (**SEBI**) has initiated Adjudication Proceedings against Getrise Infotech Private Limited (hereinafter referred to as "**Noticee**"), under SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as "**Adjudication Rules**") for allegedly violating Regulations 3(a),(b),(c),(d) and 4(1), 4(2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trading Practices relating to Securities Markets) Regulations, 2003 (hereinafter referred to as "**PFUTP Regulations**"), in the matter of trading in illiquid stock options at Bombay Stock Exchange Ltd. (hereinafter referred to as "**BSE**").

2. SEBI had conducted an investigation into large scale reversal of trades in Stock Options segment of the BSE during the period of April 01, 2014 to September 30, 2015. Pursuant to investigation, it was observed that during the investigation period, the Noticee had indulged in reversal trades, which allegedly created false and misleading appearance of trading thereby generated artificial volumes in the Stock Options Segment of BSE during the investigation period. The trades entered in the unique contracts were reversed on the same day with same counterparties, at a price difference which had no underlying basis and without an intention of performing it or there being a change of ownership/rights in the contracts. These factors indicate that these trades were allegedly artificial and non- genuine in nature. In the above facts and circumstances, it was alleged by SEBI that the Noticee by indulging in execution of non-genuine reversal trades in Stock Options, created false and misleading appearance of trading in securities market and thereby, violated provisions of Regulation 3(a), (b), (c), (d) and 4(1) and 4(2)(a) of the PFUTP Regulations.

3. In this connection, the undersigned was appointed as Adjudicating Officer under Section 15-I of the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") to inquire into and adjudge under Rule 5 of the Adjudication Rules, the alleged violations by the Noticee and determine whether penalty under Section 15HA of the SEBI Act is liable to be imposed upon the Noticee.

4. Accordingly, in terms of Rule 4(1) of the Adjudication Rules read with Section 15I of the SEBI Act, a notice to show cause dated 04/08/2022 (hereinafter referred to as '**SCN**') was issued to the Noticee calling upon the Noticee to show cause as to why an inquiry should not be held against it in terms of Rule 4 of the Adjudication Rules and penalty be not imposed under Section 15HA of the SEBI Act for the aforesaid alleged violations. The SCN sent to the Notice was duly served.

5. Thereafter, vide email dated 22/11/2022, received from email id getrise8@gmail.com it was informed to the Undersigned that the Noticee Company had been struck off from the Registrar of Companies in the year 2020. The status of the Noticee Company is also displayed as "Strike off" on the website of Ministry of Corporate Affairs.

6. From the above, it is clear that the name of the Noticee has been struck off from the ROC and the Noticee stands dissolved. I further note that, it is an established fact that when a company's name is struck-off from the ROC list and the company is dissolved, it is a non-existing company and the adjudication proceedings against the non- existing company is thus 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.

7. 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 (CIT) vs Vived Marketing Services (P) Ltd., ITA NO. 273/2009* dated September 17, 2009 in which 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."

8. After taking into consideration the aforesaid facts and circumstances, the Adjudication Proceedings initiated against Noticee vide SCN dated August 04, 2022, are disposed of without going into the merits of the case.

9. In terms of Rule 6 of the Adjudication Rules, copy of this order is sent to the Noticee's last known email id.

Date: March 31, 2023	**Vijayant Kumar Verma**
Place: Mumbai	**Adjudicating Officer**