

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

ON THE APPLICATIONS SUBMITTED BY

Mr. VIPUL R. VORA AND Mr. URVISH VORA

IN THE MATTER OF

BLUE INFORMATION TECHNOLOGY LIMITED

(CONSENT APPLICATION No. 554/2007 AND 557/2008)

1. Securities and Exchange Board of India (SEBI) had conducted investigations into the alleged irregular trading in the shares of Blue Information Technology Limited for the period January, 1998 - January, 1999. The investigations, *prima facie*, revealed that Mr. Vipul R. Vora and Mr. Urvish Vora, (hereinafter referred to as 'applicants') facilitated the directors of Blue Information Technology Limited in off loading shares and thereby in manipulating the prices of these shares during the aforesaid period. It was, therefore, alleged that the applicants violated provisions of Regulations 3 and 6(a) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 1995 read with Regulation 13 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003.
2. Pursuant to the said investigations, SEBI initiated proceedings under Section 11 and 11B of the SEBI Act, 1992 read with Regulations 11 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 against the applicants and issued a show cause notice dated February 14, 2005 to them. They submitted a reply thereto vide their letter dated March 10, 2005. An opportunity of personal hearing was granted on August 23, 2007.
3. While further proceedings in the matter were in progress, the applicants, vide letter dated February 21, 2008, proposed settlement of the said proceedings through a consent order in terms of SEBI circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. The High Powered Advisory Committee constituted by

SEBI, considered the consent terms and recommended the case for settlement. As per the terms of settlement, Mr. Vipul R. Vora and Mr. Urvish Vora shall pay Rs 2,50,000/- (Rupees two lakh fifty thousand only) and Rs 7,50,000/- (Rupees seven lakh fifty thousand only) respectively towards settlement charges. SEBI accepted the said terms of settlement and communicated the same to the applicants vide letter dated October 22, 2008.

4. Accordingly, Mr. Vipul R. Vora, without admitting or denying the charges, has remitted a sum of Rs.2,50,000/- (Rupees two lakh fifty thousand only) vide demand draft No. 028417 dated November 4, 2008, drawn on HDFC Bank payable at Mumbai. Similarly, Mr. Urvish Vora has remitted a sum of Rs 7,50,000/- (Rupees seven lakh fifty thousand only) vide demand draft No. 028442 dated November 6, 2008, drawn on HDFC Bank payable at Mumbai.
5. In view of the above, it is hereby ordered that this consent order disposes of the said proceedings under Section 11 and 11B of the SEBI Act, 1992 pending before SEBI against the applicants in the matter of M/s. Blue Information Technology Limited.
6. This order is without prejudice to the right of SEBI to take enforcement actions, including commencing / reopening of the proceedings pending against the applicants, if:
 - a. any representation made by the applicants in this consent proceeding is subsequently discovered to be untrue.
 - b. the applicants breach any of the consent terms or undertakings filed in this consent proceeding.
7. This consent order is passed on this day, the 28th November, 2008 and shall come into force with immediate effect.

Dr. T. C. Nair
Whole Time Member

M. S. Sahoo
Whole Time Member