

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

WTM/GA/MRD/DSA/8/8/05

1. SEBI passed an [order](#) under section 12A of Securities Contracts (Regulation) Act, 1956, Section 11(4) and 11B of SEBI Act, 1992 and Section 19 of Depositories Act, 1996 in the matter of transactions in the scrip of Bhorka Financial Services Limited (BFSL) on Magadh Stock Exchange Association (MSEA).
2. The above order no. WTM/GA/MRD/DSA/890/05 was passed on August 19, 2005 and the order contained various directions against MSEA, Officiating Executive Director of MSEA, Rajat Share & Stock Broker Pvt. Ltd, Broker of MSEA, Acquirer DLF Commercial Developers Ltd. (DLF), sellers in the scrip/promoters of BFSL viz. Shri Satyanarayan Agarwal, Shri Viveek Agrawal, Smt. Umah Agrawal, Shri Siddhartha Agrawal, Satyanarayanan Vivek Kumar HUF, Prabhu Securities Limited and Bhorka Engineering Ind. Ltd., etc. for the reason more elaborately stated therein.
3. It has now come to the notice of SEBI that in addition to the above mentioned 7 sellers (promoters of BFSL), M/s Pragya Enterprises, a partnership firm situated at 11/3, Nandi Durg Road, Bangalore 560 001 was also part of the promoter group of BFSL and the partners of M/s Pragya Enterprises namely, Smt. Umah Agrawal, Shri Viveek Agrawal and Shri Satyanarayan Agarwal have sold 1,11,500 shares of BFSL (amounting to 56% of the total 1,98,850 shares sold by the promoters of BFSL) to DLF in addition to the sales made by them in their individual capacities. These transactions were also executed at the uniform price of Rs 4,490/- per share. The shares were acquired by DLF. The partners of M/s Pragya Enterprises have been prima facie found to have gained unfairly.
4. Therefore, in the interest of orderly development of securities market, it is pertinent to pass an order against M/s Pragya Enterprises and its above named partners. Accordingly, I hereby direct M/s Pragya Enterprises and its partners viz. Smt. Umah Agrawal, Shri Viveek Agrawal and Shri Satyanarayan Agarwal under Section 11B read with 11(4) of SEBI Act, 1992 to deposit the proceeds of these transactions in the scrip of BFSL in an escrow account with a nationalized bank opened exclusively for this purpose and they are further directed to take prior approval of SEBI for dealing in this account.
5. The directions in this order will come into force with immediate effect.
6. Any person aggrieved by this interim ex-parte order may approach SEBI within 30 days of this order showing cause for reconsideration of the directions.

Date : 24th August, 2005

Place : Mumbai

G. ANANTHARAMAN

WHOLE TIME MEMBER