

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

**ON THE APPLICATION SUBMITTED BY
BHARTI INFOTEL PRIVATE LIMITED
AND BHARTI ENTERPRISES**

**IN THE MATTER OF
BHARTI HEALTHCARE LIMITED
(NOW KNOWN AS CAPSUGEL HEALTHCARE LIMITED)
(CONSENT APPLICATION NO. 605/2008)**

1. Securities and Exchange Board of India (SEBI) had conducted investigations into the alleged irregular transactions in the shares of Bharti Healthcare Limited for the period February 17, 2005 – July 14, 2005. The investigations, *prima facie*, revealed that the promoters, namely, Bharti Infotel Private Limited (formerly Bharti Enterprises Private Limited) and Bharti Enterprises (formerly Bharti Overseas Trading Company) (hereinafter referred to as the 'applicants') executed synchronized / structured trades and thereby made an unlawful gain of Rs. 34,43,254.
2. Pursuant to the investigations, SEBI initiated proceedings under Section 11B and also adjudication proceedings under Section 15HA of the SEBI Act, 1992 against the applicants. It issued Show Cause Notice dated November 2, 2007 under Section 11B for the alleged violation of the provisions of Regulations 3(a) to (d), 4 (1), and 4 (2) (a), (b), and (e) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003. It received the reply thereto on December 10, 2007. Adjudicating Officer appointed by SEBI also issued a show cause notice dated January 18, 2008. Reply thereto was received on February 13, 2008.
3. While further proceedings in the matter were in progress, the applicants, vide letter dated March 13, 2008, proposed settlement of the pending proceedings through a consent order in terms of SEBI circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. The consent terms proposed by the applicants were placed before the High Powered Advisory Committee which, after deliberations, recommended the case for settlement. As per the terms of settlement, the applicants shall pay Rs.54,43,254

(Rupees fifty four lakh forty three thousand two hundred and fifty four only) towards settlement charges. The said terms of settlement were accepted by SEBI and communicated to the applicants vide letter dated October 10, 2008.

4. Accordingly, the applicants have, without admitting or denying the charges, remitted a sum of Rs. 54,43,254 (Rupees fifty four lakh forty three thousand two hundred and fifty four only) towards settlement charges vide demand draft No. 203843 dated 24.10.2008 drawn on ABN-AMRO 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 11B and adjudication proceedings under Sections 15HA of the SEBI Act, 1992 pending against the applicants in the matter of Bharti Healthcare 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 breaches any of the consent terms or undertakings filed in this consent proceeding.
7. This consent order is passed on this day, the 22 of December, 2008 and shall come into force with immediate effect.

M. S. Sahoo
Whole Time Member

K. M. Abraham
Whole Time Member