

**BEFORE THE ADJUDICATING OFFICER**  
**SECURITIES AND EXCHANGE BOARD OF INDIA**  
**SETTLEMENT ORDER NOS. SO/MC/HP/2021-22/6464 and**  
**SO/MC/HP/2021-22/6465**

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**On the Settlement Application Nos. 4186/2020 and 4187/2020**  
**Submitted by**

1. **Raghav Bahl (PAN: AALPB0480G)** having address at – F-3, Sector-40  
Tehsil-Dadri Distt. Gautam Budh Nagar, Noida 201301
2. **Ritu Kapur (PAN: AHQPK4186N)** having address at – F-3, Sector-40  
Tehsil-Dadri Distt. Gautam Budh Nagar, Noida 201301

*In the matter of PMC Fincorp Limited*

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1. Securities and Exchange Board of India (hereinafter be referred to as, '**SEBI**') initiated adjudication proceedings under Section 15HA of the SEBI Act, 1992 (hereinafter be referred to as, '**SEBI Act**'), against Mr. Raghav Bahl (**Noticee 1**) and Ms. Ritu Kapur (**Noticee 2**) for the alleged violations of Section 12A(a),(b),(c) of SEBI Act read with Regulation 3(a),(b),(c),(d) and Regulations 4(1), 4(2) (a) & (e) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred to as '**PFUTP Regulations**') pursuant to investigation in the scrip of PMC Fincorp Limited (**PMC/Company/Scrip**) for the period from March 29, 2012 to March 31, 2015 (**IP/investigation period**). The Noticee 1 to 2 are collectively referred to as '**Noticees/Applicants/You**'.
2. SEBI appointed the undersigned as Adjudicating Officer (hereinafter referred to as "AO") vide order dated June 26, 2020 to inquire into and adjudge under section 15HA of the SEBI Act, the aforesaid alleged

violations against the Noticees. The appointment of the AO was communicated vide order dated June 30, 2020.

3. Show Cause Notice No. EAD5/MC/DPS/11978/2020 dated July 21, 2020 (hereinafter be referred to as, the “**SCN**”) was served upon the Noticees under Rule 4(1) of the Adjudication Rules to show cause as to why an inquiry should not be held and penalty not be imposed against them under Section 15HA of SEBI Act for the aforesaid alleged violations of PFUTP Regulations.
4. The allegations levelled against the Noticees in the SCN are summarized as below:
5. As per email dated January 22, 2020 from Indus Portfolio Pvt. Ltd (Registrar of PMC), it was observed that on August 17, 2009, Noticee 1, and Noticee 2 had purchased 4.40 lacs shares each of PMC before the company was listed on BSE. Subsequently, Noticees sold the shares of PMC in the market during Investigation Period (IP) i.e. March 29, 2012 to March 31, 2015.
6. **Trading by the Noticees during IP:**

Sr. No.	Client Name	Sum of Buy Qty.	Sum of Sell Qty.	Net Trade	Gross Buy % to total buy volume	Gross Sell % to total sell volume
1	Raghav Bahl (Noticee 1)	0	3455444	-3455444	0	8.80
2	Nitu Kapur (Noticee 2)	0	61000	-61000	0	0.16

7. It was observed that Noticee 1 appears as a net seller of 34,55,444 shares and Noticee 2 appears as a net seller of 61,000 shares of PMC during the IP.
8. During Investigation Period, price of the scrip on BSE moved from Rs. 315 to Rs. 41.90 reaching a high of Rs. 2,715 (adjusted price for corporate actions).

9. During Patch-1 (29/03/2012 to 06/02/2013) of IP, when the price of the scrip opened at Rs.315, reached a high of Rs.585 and closed at Rs.499.65, Noticee 1 and 2 contributed to Rs. 12.10 and Rs. 2.40 respectively by selling shares to top LTP contributors to allegedly manipulate the price of the scrip. Noticee 1 also contributed to NHP to Rs. 0.65 by selling shares to positive LTP contributors to increase the price of the scrip by contributing to NHP.
10. During Patch-3 (20/03/2013 to 12/03/2014), when the price of the scrip opened at Rs.103, reached a high of Rs.848.90 and closed at Rs.807.75, Noticee 1 by contributing to Rs.40.45 aided the top positive LTP contributors, by selling shares to them to allegedly manipulate the price of the scrip.
11. During Patch-4 (13/03/2014 to 21/10/2014), when the price of the scrip opened at Rs.430, reached a high of Rs.880 and closed at Rs.838.90, Noticee 1 and 2 contributed to Rs. 250.15 and Rs. 2.00 respectively by selling shares to top LTP contributors to allegedly manipulate the price of the scrip.
12. Further, *vide* letter dated July 26, 2019, Office of the Dy. Director of Income Tax (INV.) quoted a statement made under oath during a search in the case of PMC Fincorp Group on 11.10.2018, that the scrip price of PMC was rigged to provide accommodation entry of Long Term Capital Gain to various beneficiaries including Noticee 1 and Noticee 2.
13. In view of the above, it was alleged that Noticee 1 and 2 by trading with other connected entities created misleading appearance of trading and manipulated the price of the scrip and thereby it was alleged that they have violated Section 12 A(a), (b), (c) of SEBI Act read with Regulation 3(a), (b), (c), (d) and Regulation 4(1), 4(2) (a) & (e) of PFUTP Regulations.

14. Subsequent to issuance of the SCN, application dated August 31, 2020 was received from the Noticee 1 and Noticee 2 for settlement under SEBI (Settlement Proceedings) Regulations, 2018.
15. The Applicants were called for a meeting with the Internal Committee of SEBI (hereinafter be referred to as, the "IC") on December 17, 2020. Pursuant to IC meeting, the Applicants, vide letter dated December 22, 2020 submitted revised settlement terms.
16. The matter was placed before the High Powered Advisory Committee (hereinafter be referred to as, the "HPAC") on May 28, 2021. The recommendation of the HPAC was approved by a Panel of the Whole Time Members of the SEBI on June 11, 2021 and the same was communicated to the Applicants on June 15, 2021.
17. Thereafter, Mr. Raghav Bahl (Noticee 1) made a payment of Rs.31,32,000/- (Rupees Thirty One Lakh Thirty Two Thousand only) and Ms. Ritu Kapur (Noticee 2) made a payment of Rs.29,67,000/- (Rupees Twenty Nine Lakh Sixty Seven Thousand only) towards settlement amount by way RTGS Fund transfer on June 17, 2021 as per the settlement terms approved by the Panel of Whole Time Members.
18. In view of the aforesaid, in exercise of powers conferred under Section 15JB of the SEBI Act read with Regulation 23(1) of the SEBI (Settlement Proceedings) Regulations, 2018, it is hereby ordered that pending adjudication proceedings initiated against the Mr. Raghav Bahl (Noticee 1) and Ms. Ritu Kapur (Noticee 2) under the aforesaid SCN dated July 21, 2020, are hereby disposed of.
19. This order is without prejudice to the rights of SEBI to take enforcement actions including restoring or initiating the proceedings in respect to which this settlement order was passed against the Applicants, if :

- i. any representations made by the Applicants in the present settlement proceedings are subsequently found to be untrue; or
  - ii. the Applicants breach any of the clauses/conditions of undertakings/waivers filed during the present settlement proceedings.
20. This settlement order passed on this 13<sup>th</sup> day of July 2021 shall come into force with immediate effect.
21. In terms of Regulation 25 of SEBI (Settlement Proceedings) Regulations, 2018, a copy of this order is being sent to the Applicants / Noticees and for publication on the website of SEBI.

**Date: July 13, 2021**

**Place: Mumbai**

**MANINDER CHEEMA  
ADJUDICATING OFFICER**