

**BEFORE THE ADJUDICATING OFFICER**  
**SECURITIES AND EXCHANGE BOARD OF INDIA**

**SETTLEMENT ORDER**  
**(Application No. 3473/2018)**

**[SETTLEMENT ORDER NO.: EAD-2/SS/SK/2019-20/3237]**

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**In respect of:**

**Mr. Vishwarupe Narain**  
(PA No. AFLPN8804M)  
Anand Nilayam,  
6, Shree mA Anandmayee Marg [Daksha Road],  
Adjoining Shitla Mata Compound,  
Kankhal, Haridwar – 249408.

**In the matter of CRISIL Limited**

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1. Mr. Vishwarupe Narain ('applicant') filed a settlement application in terms of the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 repealed and replaced with SEBI (Settlement Proceedings) Regulations, 2018 (w.e.f. January 01, 2019) (hereinafter referred to as 'Settlement Regulations'), without admitting the findings of fact and conclusions of law, proposing to settle, through settlement order, the pending adjudication proceedings initiated vide show cause notice dated May 12, 2017.
2. The said show cause notice was with regard to an investigation conducted by Securities and Exchange Board of India ("SEBI") in the matter of CRISIL Limited. On June 03, 2013, a corporate announcement of voluntary open offer for acquisition of up to 1,56,70,372 equity shares (i.e. 22.23%) of CRISIL Limited at ₹ 1,210 from the public shareholders was made by one McGraw-Hill Asian Holdings (Singapore) along with its PACs namely McGraw Hill Financial Inc., S&P India LLC and Standard & Poor International LLC. The investigation observed that Ms. Amla Narain, mother of the applicant had purchased the shares of CRISIL Limited during the period when price sensitive information was not public (i.e. during May 01, 2013 to June 02, 2013) and sold the same immediately on the date of corporate announcement and that the applicant had provided ₹1 crore to Ms. Amla Narain which was used for fulfilling her pay-in obligations for purchase of shares of CRISIL Limited

during May 2013. The investigation also observed that while trading in the scrip of CRISIL Limited during the UPSI period, Ms. Amla Narain had made a profit of ₹ 30,14,217.

3. The said default were *prima facie* found to be in violation of Regulation 3(i) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 read with Regulation 12(1) and 12(2) of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The applicant in the settlement application has *inter alia* submitted that he had no access to any unpublished price sensitive information at any stage and he had never traded in the scrip of CRISIL Limited and he had only placed the orders with the broker in the account of Ms. Amla Narain during May 2013. It is wrongly alleged that he had traded in the scrip of CRISIL Limited. The applicant also submitted that his alleged act of placing orders with the broker on his father's request in the account of his mother had not caused any loss to any investor or affected the securities market in any manner.
4. The applicant had a meeting with the Internal Committee of SEBI on August 03, 2018, wherein the settlement terms were deliberated. Thereafter, the applicant vide letter dated November 09, 2018, proposed the revised settlement terms to settle the default mentioned above. The High Powered Advisory Committee ('HPAC') in its meeting held on December 19, 2018, considered the settlement terms proposed and recommended the case for settlement upon payment of ₹ 39,06,111 (Rupees Thirty Nine Lakh Six Thousand One Hundred and Eleven only) towards settlement charges.
5. The Panel of Whole Time Members of SEBI accepted the said recommendation of the HPAC and the same was communicated to the applicant vide e-mail dated February 08, 2019. The applicant vide e-mail dated February 16, 2019, requested for extension of time for complying with the settlement terms. Thereafter, the applicant vide letter dated May 08, 2019, has remitted to SEBI a sum of ₹ 39,64,703/- (Rupees Thirty Nine Lakh Sixty Four Thousand Seven Hundred and Three only) (i.e. amount along with simple interest at the rate of six percent per annum for the delay in remitting the funds) towards the settlement charges through Demand Draft No. 685906 dated May 08, 2019 drawn on Kotak Mahindra Bank.
6. In view of the above , in terms of Regulation 23(1) read with regulation 28 of the Settlement Regulations, it is hereby ordered that the instant adjudication proceedings initiated against the applicant vide SCN dated May 12, 2017 are settled and disposed of in terms of above settlement terms.

7. This order is without prejudice to the right of SEBI to take any enforcement action including restoring or initiating the proceedings in respect to which this settlement order is passed, if:
- (a) any representations made by the applicant in the settlement proceedings are subsequently found to be untrue; or
  - (b) the applicant breaches any of the clauses /conditions of undertakings/ waivers filed during the current settlement proceedings.
8. This settlement order shall come into force with immediate effect. In terms of Regulation 25 of the Settlement Regulations, copy of this order is sent to the applicant and shall also be published on the website of SEBI.

**Date: May 20, 2019**

**Place: Mumbai**

**Santosh Shukla**

**Adjudicating Officer**