

CBI LOOKS FOR CLUES ON LOST NSE LAPTOPS

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Chitra Ramkrishna with Ravi Narain. File Photo | Photo Credit: PAUL NORONHA

The CBI investigation into the scams at the National Stock Exchange may lead to the identification of those responsible for the disposal of laptops assigned to its former Group Operating Officer Anand Subramanian and then Managing Director Chitra Ramkrishna.

As highlighted in the February 11 order of the Securities and Exchange Board of India (SEBI), during a forensic investigation conducted at the NSE's instance, only the desktops given to the two were imaged or checked. The laptops were disposed of as e-waste.

Also, the e-mails between the two and an unknown "Himalayan yogi" through private e-mail accounts could not be accessed, the order said.

Earlier this week, the CBI arrested Mr. Subramanian in connection with an alleged scam wherein certain stock brokers were given preferential access to the exchange's data feed from 2010 to 2014, through the co-location facility and then by allowing log-in to its backup servers. He is in the agency's custody.

The CBI is examining the sequence of events leading up to the scam. Ravi Narain — already examined once by the agency — was the Managing Director and Chief Executive Officer of the NSE from April 1994 to March 31, 2013. By a letter dated January 18, 2013, Mr. Subramanian was offered the post of Chief Strategic Adviser with effect from April 1, 2013. His wife was then working as the NSE regional head in Chennai.

After Mr. Narain took over as the NSE vice-chairman, Ms. Ramkrishna became the Managing Director and Chief Executive Officer. It is alleged that she had e-mail exchanges with the unknown person from 2013 to 2016, through her official ID and a personal account. The person at the other end used rigyajursama@outlook.com, an account created allegedly by Mr. Subramanian.

While the alleged co-location scam was reported to the SEBI by a "whistleblower" in January 2015, it is not yet clear when exactly the senior NSE functionaries had come to know about it.

The SEBI order points out that during its investigation into the co-location issue, the Board came across certain evidence showing that Ms. Ramkrishna had allegedly shared NSE's internal files with the unknown person. It sought a clarification in May-August 2018. In response, the exchange shared the forensic investigation report, concurring with its finding that the "unknown person" was Mr. Subramanian.

According to the order, which differed with that conclusion, it was following the SEBI letter on September 15, 2016, that the issue of Mr. Subramanian's appointment was discussed in the exchange's Nomination and Remuneration Committee (NRC) meeting and then he stepped down on October 21, 2016.

In November 2016, the email exchanges between Ms. Ramkrishna and the unknown person were brought to the notice of the chairman of the NSE Board and the NRC chairman by Deloitte and the same were shared with the Board by the chairman on November 29, 2016.

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