

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA

[SETTLEMENT ORDER NO. Order/AA/AR/2020-21/7586]

UNDER SECTION 15JB OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH REGULATION 23(1) OF THE SEBI (SETTLEMENT OF ADMINISTRATIVE AND CIVIL PROCEEDINGS) REGULATIONS, 2018.

In respect of

Mr. Ness Wadia
PAN: AAPW0814G

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') conducted an examination in respect of alleged failure of Mr. Ness Wadia (hereinafter referred to as '**the applicant**') in making timely disclosures to the listed companies wherein he was promoter /director / managing director, which he was required to make under the provisions of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as '**LODR Regulations**').
2. It is observed that the applicant was arrested in New Chitose Airport in Japan in the month of March, 2019. Subsequently, a Japanese Court had sentenced him for a two-year jail term. The execution of the aforesaid jail sentence was suspended for a period of five years. Based on the findings of the examination conducted by SEBI, it was alleged that the applicant, while being one of the promoters and non-executive director on the Board of three listed companies, viz. Britannia Industries Ltd, the Bombay Dyeing and Manufacturing Company Limited and the National Peroxide Limited & also being one of the promoters and managing director of another listed company viz. Bombay Burmah Trading Corporation Limited, allegedly failed to make timely disclosures to the aforesaid

listed companies regarding his arrest / detention and sentencing by the Japanese Court which were required to be made under the provisions of the Regulations 4(2)(f)(i)(2), 4(2)(f)(iii)(3), 4(2)(f)(iii)(6), 4(2)(f)(iii)(13) and 26(3) of LODR.

3. In view of the findings of the examination conducted by SEBI, Adjudication proceedings were initiated against the applicant vide show cause notice (hereinafter referred to as '**the SCN**') ref no: SEBI/EAD-1/AA/ASR/27088/2019 dated October 15, 2019, alleging that the applicant is liable for penalty under section 15HB of the SEBI Act, 1992 for his alleged violations of the provisions of LODR Regulations. Subsequently, the applicant filed a settlement application ref no: 4094/2019 in terms of the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 repealed and replaced with SEBI (Settlement Proceedings) Regulations, 2018 (w.e.f. January 01, 2019) (hereinafter referred to as '**Settlement Regulations**'), without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 SCN dated October 15, 2019.
4. The Internal Committee of SEBI in its meeting held on January 24, 2020, considered the settlement application of the applicant and deliberated upon the settlement terms. Thereafter, the applicant vide its letter dated January 29, 2020, proposed the revised settlement terms to settle the default mentioned above. The High Powered Advisory Committee (hereinafter referred to as '**HPAC**') in its meeting held on March 02, 2020, considered the settlement terms proposed and recommended the case for settlement upon payment of Rs. 23,41,750 (Rupees Twenty Three Lakh Forty One Thousand Seven Hundred and Fifty only) towards settlement charges.
5. The Panel of the Whole Time Members of SEBI accepted the said recommendation of the HPAC on March 19, 2020 and the same was

communicated to the applicant vide e-mail dated March 20, 2020. The applicant vide email dated March 23, 2020 informed SEBI that he has made the online payment of Rs. 23,41,750 (Rupees Twenty Three Lakh Forty One Thousand Seven Hundred and Fifty only), towards the settlement charges. The receipt of the aforesaid amount was confirmed by the concerned department of SEBI vide email dated March 30, 2020.

6. In view of the above, in terms of Regulation 23(1) of the Settlement Regulations, it is hereby ordered that the instant adjudication proceedings initiated against the applicant vide SCN ref no: SEBI/EAD-1/AA/ASR/27088/2019 dated October 15, 2019 are settled and disposed of in terms of above settlement terms.
7. Further, in terms of Regulation 28 of the Settlement Regulations, this order is without prejudice to the right of SEBI to take any enforcement action including restoring or initiating the proceedings in respect of which this settlement order is passed, if:
 - i. any representations made by the applicant in the settlement proceedings are subsequently found to be untrue; or
 - ii. 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, a copy of this order is sent to the applicant and shall also be published on the website of SEBI.

Date: April 29, 2020

Place: Mumbai

**Dr. ANITHA ANOOP
ADJUDICATING OFFICER**