

SECURITIES AND EXCHANGE BOARD OF INDIA**SETTLEMENT ORDER****IN RESPECT OF**

Sr. No.	S.A. No	Applicant	PAN
1.	7288/2023	BOMBAY BURMAH TRADING CORPORATION LIMITED	AAACT4309C
2.	7301/2023	NUSLI NEVILLE WADIA	AAAPW0990M
3.	7302/2023	NESS NUSLI WADIA	AAAPW0814G
4.	7303/2023	JEHANGIR NUSLI WADIA	AAAPW0989N
5.	7304/2023	MAUREEN NUSLI WADIA	AAAPW4163A
6.	7305/2023	NOWROSJEE WADIA & SONS LIMITED	AAACN1836A
7.	7306/2023	HEERA HOLDINGS & LEASINGS PVT. LTD.	AAACH7902B
8.	7307/2023	MACROFIL INVESTMENTS LIMITED	AAACM9372Q
9.	7308/2023	NAPEROL INVESTMENTS LIMITED	AAACN2636A
10.	7309/2023	NIDHIVAN INVESTMENT & TRADING COMPANY PRIVATE LIMITED	AAACN7442A
11.	7310/2023	NESSVILLE TRADING PRIVATE LIMITED	AAACN9207H
12.	7311/2023	VARNILAM INVESTMENTS AND TRADING COMPANY LIMITED	AAACV1963E
13.	7312/2023	NATIONAL PEROXIDE LIMITED	AABCN7072K
14.	7313/2023	GO INVESTMENTS & TRADING PRIVATE LIMITED	AACCS2156G
15.	7314/2023	SAHARA INVESTMENTS PRIVATE LIMITED	AAECS6355B
16.	7319/2023	N.N. WADIA ADMINISTRATOR OF ESTATE OF LT. E. F. DINSHAW	AAEPD8394A
17.	7322/2023	THE BOMBAY DYEING & MANUFACTURING COMPANY LIMITED	AAACT2328K
18.	7335/2023	WALLACE BROTHERS TRADING & INDUSTRIAL LTD.	AABCW4361N

IN THE MATTER OF BOMBAY BURMAH TRADING CORPORATION LIMITED

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1. Bombay Burmah Trading Corporation Limited, Nusli Neville Wadia, Ness Nusli Wadia, Jehangir Nusli Wadia, Maureen Nusli Wadia, Nowrosjee Wadia & Sons Limited, Heera Holdings & Leasings Pvt. Ltd., Macrofil Investments Limited, Naperol Investments Limited, Nidhivan Investment & Trading Company Private Limited, Nessville Trading Private Limited, Varnilam Investments and Trading Company Limited, National Peroxide Limited, Go Investments & Trading

Private Limited, Sahara Investments Private Limited, N.N. Wadia Administrator of Estate of Lt. E. F. Dinshaw, The Bombay Dyeing & Manufacturing Company Limited and Wallace Brothers Trading & Industrial Ltd. (collectively referred to as the “**Applicants**”) filed *suo motu* settlement applications in terms of the SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as “**Settlement Regulations**”) proposing to settle, by neither admitting nor denying the findings of fact and conclusions of law, the enforcement proceedings that may be initiated against them for the alleged violation of:

- i. Regulation 5(1) read with Regulation 3(2) of the SEBI (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as the “**SAST Regulations**”)
- ii. Regulation 29(2) of the SAST Regulations
- iii. Regulation 30 of the SAST Regulations
- iv. Regulation 7(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as “**PIT Regulations**”)
- v. Regulation 31(4) read with Regulation 4(1)(e) and 4(2)(e)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “**LODR Regulations**”)
- vi. Regulation 48 of the LODR Regulations.

2. Brief facts of the case are as follows:

2.1 The shareholding of Wallace Brothers Trading and Industrial Limited (hereinafter referred to as “**Wallace**”) was entirely owned by O.S.E. Holdings (HK) Ltd. (hereinafter referred to as “**OSE**”). The ultimate holding company of Wallace and OSE was Fabian Global Limited. Pursuant to the merger of Fabian Global Limited with Malvern Limited on December 02, 2012, Malvern Limited became the ultimate holding company of Wallace and OSE. The sole shareholder of Malvern Limited is First Island Trustee (Guernsey) Ltd. (hereinafter referred to as “**FITGL**”). As per the information provided by British Virgin Islands Financial Services Commission; FITGL was acting as the trustee of The Lighthouse 1993 settlement, the Trust formed for the benefit of the Wadia family. Thus from December 02, 2014, Malvern became the holding company of OSE and

consequently the owner of Wallace and its holding of Bombay Burmah Trading Corporation Limited (hereinafter referred to as “**BBTC**”).

- 2.2 Further, Wallace, shown as a public shareholder holding 56,60,700 equity shares representing 8.11% of the paid-up capital, was actually part of the promoters of BBTC.
- 2.3 In accordance with Regulation 31(4) of the LODR Regulations, all entities falling under the category of promoter and promoter group of a listed company are to be disclosed separately in the shareholding pattern appearing on the website of all stock exchanges. However, Wallace was not included under the head of promoter and promoter group in the shareholding filed by BBTC with the stock exchanges. The incorrect disclosure of promoter’s shareholding pattern is a violation of Regulation 31(4) read with Regulations 4(1)(e) and 4(2)(e)(i) of LODR Regulations. The Applicants have informed that they have revised the shareholding pattern.
- 2.4 Further, in accordance with the requirement of Ind AS 24 “Related Party Disclosures”, the name of the related parties and their relationship is also required to be disclosed in the financial statement. Despite the structure of its shareholding, Wallace was not shown as a related party of BBTC. Thus, the financial statement of BBTC was not in accordance with applicable accounting standards in violation of Regulation 48 of LODR Regulations which requires a listed entity to comply with applicable accounting standards. The Applicants informed that BBTC has made the disclosure under Regulation 48 of LODR Regulations in the accounts for financial year March 2024.
- 2.5 Since the promoters indirectly acquired 8.11% shares of BBTC through Wallace on December 02, 2014 in addition to their existing holding of 65.93% shares of BBTC, the indirect acquisition of shares of BBTC beyond the threshold of 5% albeit has triggered the requirement of making an open offer under Regulation 5(1) read with Regulation 3(2) of SAST

Regulations. However, considering the current market price, the open offer, if made now, will be disadvantageous to the shareholders hence the making of the open offer is infructuous.

2.6 The promoters of BBTC also failed to disclose to the Stock Exchanges within 2 working days i.e. by December 04, 2014, the change in the shareholding exceeding 2% of the total shareholding resulting in the violation of the Regulation 29(2) of the SAST Regulations. The necessary disclosure was made only on July 27, 2023 i.e. with a delay of 3157 days.

2.7 The promoters of the BBTC also did not comply with Regulation 30 of the SAST Regulations by failing to disclose the shareholding of Wallace. The said disclosure was made belatedly only on July 27, 2023. Details of delay in making of the disclosure is given below:

Regulation	Due date	Actual date	No. of days of delay
Regulation 30 of SAST Regulations	April 07, 2015	July 27, 2023	3033 days

2.8 Further, Wallace failed to make the disclosure necessary after becoming part of the promoter group, which is a violation of Regulation 7(1) of the PIT Regulations. The requisite disclosure was to be made by December 09, 2014 but was disclosed only on July 26, 2023.

2.9 Details of delay in making of the disclosures are given below:

Regulation	Due date	Actual date	No. of days of delay
Regulation 7(1) of PIT Regulations	December 09, 2014	July 26, 2023	3151 days

3. In view of the aforesaid facts, the Applicants filed the present applications for the purpose of settling the proceedings that may be initiated against them for the aforesaid violations.
4. Pursuant to the receipt of the applications, the Internal Committee of SEBI with the authorized representatives of the Applicants held meetings on February 28, 2024, March 20, 2024 and September 04, 2024, wherein the issues detailed above were deliberated along with the terms of the settlement. Thereafter, vide emails dated September 05, 2024 and September 12, 2024, the Applicants proposed revised settlement terms to settle any enforcement proceedings that may be initiated against them for the violations as stated above at paragraph 1.
5. The High Powered Advisory Committee (hereinafter referred to as “**HPAC**”) in its meeting held on September 30, 2024, considered the revised settlement terms proposed by the Applicants and recommended the case for settlement upon the following terms:

Applicants	Indicative Amount
1. Nusli Neville Wadia	₹1,46,79,935/- (Rs. One crore forty six lakhs seventy nine thousand nine hundred thirty five only) (To be paid jointly and severally)
2. Ness Nusli Wadia	
3. Jehangir Nusli Wadia	
4. Maureen Nusli Wadia	
5. Nowrosjee Wadia & Sons Limited	
6. Heera Holdings & Leasings Pvt. Ltd.	
7. Macrofil Investments Limited	
8. Naperol Investments Limited	
9. Nidhivan Investment & Trading Company Private Limited	
10. Nessville Trading Private Limited	
11. Varnilam Investments and Trading Company Limited	
12. National Peroxide Limited	
13. Go Investments & Trading Private Limited	
14. Sahara Investments Private Limited	

15. N.N. Wadia Administrator of Estate of Lt. E. F. Dinshaw 16. The Bombay Dyeing & Manufacturing Company Limited 17. Wallace Brothers Trading & Industrial Ltd.	
Wallace Brothers Trading & Industrial Ltd.	₹ 34,70,785/- (Rs. Thirty four lakhs seventy thousand seven hundred eighty five only)
Bombay Burmah Trading Corporation	₹ 31,00,800/- (Rs. Thirty one lakhs eight hundred only)

6. The recommendation of the HPAC was accepted by the Panel of Whole Time Members of SEBI on November 08, 2024. Subsequently, Notice of Demand for the said amounts were issued to the Applicants on November 14, 2024. The Applicants informed about the remittance of the aforesaid settlement amounts on November 21, 2024 and December 18, 2024 and SEBI has confirmed credit of the same.
7. On the basis of the facts stated above, in exercise of the powers conferred under Section 15JB read with Section 19 of the Securities and Exchange Board of India Act, 1992 and in terms of Regulation 23 of the Settlement Regulations, it is hereby ordered that any proceedings that may be initiated for the violations as mentioned at paragraph 1 above, are settled in respect of the Applicants on the following terms:
- i. SEBI shall not initiate any enforcement action against the Applicants for the said violations, and
 - ii. passing of this Order is without prejudice to the right of SEBI under Regulation 28 and Regulation 31 of the Settlement Regulations to initiate appropriate action against the Applicants, if SEBI finds that:
 - (a) any representation made by the Applicants in the present settlement proceedings is subsequently found to be untrue;

- (b) the Applicants have breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings; and
- (c) there was a discrepancy while arriving at the settlement terms.

8. This Settlement Order is passed on this 10th day of January, 2025 and shall come into force with immediate effect.

9. In terms of Regulation 25 of the Settlement Regulations, a copy of this Order shall be sent to the Applicant and shall also be published on the website of SEBI.

Sd/-

AMARJEET SINGH
WHOLE TIME MEMBER

Sd/-

KAMLESH C. VARSHNEY
WHOLE TIME MEMBER