

**Before Abid Hussain - Head of Department (Adjudication-I)**

**In the matter of Show Cause Notice issued to WorldCall Telecom Limited**

Date of Hearing:

September 22, 2022

**Order - Redacted Version**

Order dated October 18, 2022 was passed by Head of Department (Adjudication-I) in the matter of WorldCall Telecom Limited. Relevant details are given as hereunder:

<b>Nature</b>	<b>Details</b>
1. Date of Action	Show Cause Notice dated July 21, 2022
2. Name of Company	WorldCall Telecom Limited
3. Name of Individual*	The proceedings were initiated against the Company
4. Nature of Offence	The Company failed to convene its annual general meeting for the financial year ended December 31, 2021 ( <b>AGM</b> ) within a period of one hundred and twenty (120) days following the close of its financial year pursuant to sub-section (1) of Section 132 of the Companies Act, 2017 ( <b>the Act</b> ).
5. Action Taken	<p>Key findings were reported in the following manner:</p> <p>Holding of AGM is a vital statutory requirement as it provides opportunity to the members to participate in the discussion and vote on agenda items of the general meeting which includes consideration and approval of the company's financial statements. Non-holding of AGM deprives the members of their fundamental and statutory right, to know about the affairs of the company and participate in decision making. In order to ensure transparency and to protect the shareholders' rights, all companies must meticulously adhere to the law by following the procedure prescribed under the Act for holding of AGMs. The Company cannot absolve itself from its statutory duties pertaining to holding of AGMs, preparation and filing of annual and quarterly financial statements in a timely manner as specified under the law.</p> <p>The Company has held its AGM for FY2021 with an inordinate delay on September 30, 2022.</p> <p>In view of the preceding facts, I am of the considered view that by not holding its AGM for the year ended December 31, 2021 within the statutory timeframe, the Company has contravened the provisions of Section 132(1) of the Act which renders it liable to penal action under Section 132(5) thereof.</p> <p>Therefore, in the exercise of powers conferred under sub-section (5) of Section 132 of the Act, I hereby impose a fine of Rs. 50,000/- (Rupees fifty thousand only) on WorldCall Telecom Limited.</p>
6. Penalty Imposed	Penalty of Rs. 50,000/- imposed on the Company.
7. Current Status of Order	No Appeal has been filed by the Company.

**Redacted version issued for placement on website of the Commission.**