

Before Amir Saleem - Additional Director/Head of Wing (Adjudication-I)

In the matter of Show Cause Notice issued to AKD Hospitality Limited

Date of Hearing:

June 17, 2022

Order - Redacted Version

Order dated June 22, 2022 was passed by Additional Director/Head of Wing (Adjudication-I) in the matter of AKD Hospitality Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show Cause Notice dated May 27, 2022
2. Name of Company	AKD Hospitality Limited
3. Name of Individual*	The proceedings were initiated against the Board of Directors including the CEO and CFO (Respondents) of the Company.
4. Nature of Offence	The Company is in contravention of Section 237 read with Section 479 of the Companies Act, 2017 (the Act) read with Circular No. 24 of 2017, vis-à-vis failing to electronically transmit its periodic financials for the periods ended September 30, 2021 and March 31, 2022 with the Commission within the statutory timeframes.
5. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have analyzed the facts of the case and the relevant provisions of the Act. The preparation and circulation of quarterly accounts rests with the Respondents including the CEO and CFO of the Company who are required to take appropriate action within the time stipulated under the law.</p> <p>In this context, I have reviewed Company records which reveal that the interim financial statements for the periods ended September 30, 2021 and March 31, 2022 have been electronically transmitted with a delay on May 31, 2022.</p> <p>In view of the preceding facts, I have concluded that the pertinent provisions of the statute have been violated, which renders the Respondents liable to penal action in terms of Section 237 of the Act as a result of failing to electronically transmit the Company's interim financial statements for the periods ended September 30, 2021 and March 31, 2022 with the Commission within the statutory timeframes.</p> <p>Therefore, in exercise of powers conferred under sub-section (4) of Section 237 of the Act, I hereby impose penalties of Rs. 5,000/- each on the CEO and CFO for the afore-mentioned default periods.</p>
6. Penalty Imposed	Penalty aggregating Rs. 10,000/- imposed on the CEO and CFO of the Company.
7. Current Status of Order	No Appeal has been filed by the Respondents.

Redacted version issued for placement on website of the Commission.