

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

In the matter of Show Cause Notice issued to Telecard Limited

Dates of Hearing:

April 14, 2022 & May 13, 2022

Order - Redacted Version

Order dated May 31, 2022 was passed by Additional Director/Head of Wing (Adjudication-I) in the matter of Telecard Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show Cause Notice dated February 18, 2022
2. Name of Company	Telecard 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 December 31, 2019, March 31, 2020, September 30, 2020, December 31, 2020, March 31, 2021 and September 30, 2021 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 subject default periods have been electronically transmitted through the designated email address of the Commission with an inordinate delay on May 13, 2022.</p> <p>In view of the foregoing, I have come to the conclusion that the Company failed to electronically transmit its interim financial statements for the periods ended December 31, 2019, March 31, 2020, September 30, 2020, December 31, 2020, March 31, 2021 and September 30, 2021 within the time frames as stipulated under the law. Hence, the pertinent provisions of the law have been violated, which renders Respondents liable to penal action in terms of Section 237 of the Act.</p> <p>Therefore, in exercise of powers conferred under sub-section (4) of Section 237 of the Act, I hereby impose penalties of Rs. 30,000/- each on the CEO and CFO for the afore-mentioned default periods.</p>
6. Penalty Imposed	Penalty aggregating Rs. 60,000/- 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.