
No. 97/2017

SEC warns GL to rectify its financial statements immediately

Bangkok, 19 October 2017, The SEC has notified Group Lease Public Company Limited (GL) that failure to correct its financial statements promptly may be deemed a misconduct in violation of the Securities and Exchange Act.

On 16 October 2017, the SEC filed a criminal complaint against the GL management with the Department of Special Investigation (DSI) on account of concealed transactions, embezzlement and permission to prepare inaccurate accounts, which caused the GL financial statements to show an excessive amount of US\$4 million dollars in the loan transactions and thus the exaggerated interest income from business operation due to the high interest rate of 14-15 percent per year according to the loan contract.

Such facts caused the GL financial statements to be in contravention of Section 56 of the Act. If GL fails to rectify the financial statements, Form 56-1 and Form 56-2 promptly, it may be liable to violation of Section 56 of the Act.

In addition, if the GL management fails to administer such rectification by allowing the financial statements to remain false, incorrect or inconsistent with the facts, they may be liable to commission of offenses under Section 312 of the Act.

In any case, if the auditor finds additional facts, GL may have to rectify the amount of money in the financial statements further in addition to the rectification ordered above.
