

SEC seeks public comments on the proposed regulation for defining suspicious circumstances that the auditor must report to the Audit Committee

The Securities and Exchange Commission (SEC) is seeking public opinions on the proposed regulation for defining suspicious circumstances related to commission of offense and the procedure for obtaining facts related to such circumstances under Section 89/25 of the *Securities and Exchange Act B.E. 2535 (1992)* (SEA) to protect investors' interest more effectively.

Under Section 89/25 of SEA, the auditor has the duty to report suspicious circumstances that were found from the audit in accordance with the auditing standards. SEC therefore proposes the principle and the draft regulation which would require the auditor to report to the Audit Committee of securities company or the Audit Committee of listed company any suspicious circumstance that indicates that a director, manager or the person responsible for the operation of a juristic person may have committed an offense under Section 89/25 of the SEA, for example, taking the assets of the juristic person with dishonest intent, obtaining unlawful gains which damages the juristic person, or altering, shortening or falsifying documents.

In addition, SEC has prescribed a procedure for obtaining facts relating to such circumstances to be in accordance with the Code of Ethics for Professional Accountants and Provisions of the Law on Professional Accountants such as the Thai Standards on Auditing concerning the Auditor's Responsibility to Consider Fraud in an Audit of Financial Statements and Consideration of Laws and Regulations in an Audit of Financial Statements

For further details of the public hearing, please visit www.sec.or.th/hearing. Comments and suggestions can be submitted via the website or send an email to: cholatip@sec.or.th or supavade@sec.or.th. The public hearing ends on 12 April 2021.
