



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

(Adjudication Department-II, Adjudication Division)

4th Floor State Life Building No.2, Wallace Road, Karachi.

Website: www.secp.gov.pk

CASE No. 1881/2023

BEFORE THE ADJUDICATING OFFICER

ORDER UNDER SECTION 132 READ WITH SECTION 479 OF THE COMPANIES ACT, 2017

IN THE MATTER OF M/S. BALOCHISTAN MINERAL EXPLORATION LIMITED

Date of Final Hearing: 08-May-2023

Present: None present for hearing nor any written response received from the company or its management.

1. This Order shall dispose of the proceedings initiated under Section-132 of the Companies Act, 2017 ("The Act"), vide Show Cause Notice dated 31-03-2023 ["the Notice"].
2. The facts of the case are that the M/S. Balochistan MINERAL RESOURCES LIMITED ("the Company") was incorporated on 19.08.2020. It was required to hold its annual general meeting within sixteen months from the date of its incorporation and thereafter once in every calendar year within a period of one hundred and twenty days following the close of its financial year". However, the examination of the company record revealed that the company has failed to hold its Annual General Meeting for the year 2021.
3. The afore mentioned facts depict that the company failed to hold its AGM for the year 2021 within statutory period and prima facie, violated the provisions of section 132(1) of the Act, which provides that Every company, shall hold, an annual general meeting within sixteen months from the date of its incorporation and thereafter once in every calendar year within a period of one hundred and twenty days following the close of its financial year.
4. The aforesaid violation attracts the penal provisions of sub-section-5(b) of section-132 of the Act which provides that any violation of Section-132 shall be an offense liable to a penalty of Level-1 of the standard scale, i-e up-to Rs.25,000/- and upto Rs.500/- per day during which default continues, as provided u/s 479(2) of the Act. Accordingly, taking cognizance of the matter, a Show Cause Notice dated 31-03-2023 was served to the company calling upon them to Show Cause in my office on 12-04-2023 and subsequently adjourned to 24-04-2023 and 08-05-2023 (vide reminder notices dated 12-04-2023 and dated 26-04-2023 respectively), as to why the penalty laid down under the above mentioned section should not be imposed.

5. However, in response to the above-mentioned show cause notice, neither anyone appeared before the undersigned for hearing nor any written reply was received from the subject company. In order to provide further opportunity of being heard and to meet the end of justice, two reminders / re-scheduled notices were also served upon the company. Yet, no response in any manner received from or on behalf of the company or its management.
6. The attitude of the management of the subject company towards compliance with laws and regulations as required under the Companies Act 2017 is very disappointing. Due to failure to attend the hearing and/or to submit a written reply thereby explaining the reasons for delay in holding of AGM as confronted in above-mentioned show cause notice/reminders, the undersigned is left with no choice but to take an ex-parte decision on the basis of the record maintained by the company registration office as required under the "Act". Henceforth, I hereby imposed a penalty of **Rs.25,000/-** on the company.
7. The management of the company is advised to deposit the penalty amount within 30 days from the date of receipt of this order in any designated branches of MCB Bank Limited or UBL Bank and furnish original receipted challan to this office within the above said period positively. The management of company is also directed to hold its overdue AGM immediately but not later then 30 days from the date of this order.
8. A copy of this order be placed on the record of company maintained by the dealing Registrar of the Company Registration Office, for further necessary action.



(ZIA UL RASHEED ABBASI)
ADJUDICATING OFFICER /
ADDITIONAL REGISTRAR

Dated: ~~24 March~~ **12 MAY** 2023